

2024

# Nykredit Realkredit Group Annual Report



**Nykredit**

Nykredit Realkredit Group

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# Management Commentary





# Foreword

"For the fourth consecutive year, Nykredit delivers its best full-year performance to date. Naturally, this is highly satisfactory. Our robust financial results show that Nykredit is stronger than ever. Thanks to our mutual ownership and attractive value propositions, we continue to welcome customers and record growth across the board. I would like to thank both our customers for trusting Nykredit with their financial needs and our partners in Totalkredit."

Michael Rasmussen  
Group Chief Executive

Today, we present a profit after tax of DKK 11,733 million, and for the fourth consecutive year, we deliver our best full-year performance to date. Naturally, this is highly satisfactory. This January, we raised our full-year guidance, and today's robust financial results confirm that Nykredit is stronger than ever.

We recorded business growth and expanded our market position across our core business in 2024. In Totalkredit and Nykredit Bank we continue to welcome new customers, including in savings and wealth management products. We would like to thank our customers for trusting Nykredit with their financial needs and our colleagues all across the Group for their strong dedication and loyalty, underlying our strong performance.

We are guiding for a profit after tax for 2025 of DKK 9.00-9.75 billion and do not expect our financial results to be on a level with 2024 results. This is primarily due to our expectation of falling interest rates, which will lower the return on the Group's equity. Furthermore, our full-year results for 2025 will depend on the global economic outlook, which is still marked by uncertainty caused by the generally tense geopolitical situation. And not least, the impact of a new President of the United States on the global economy is unclear. All this generates uncertainty about the economic development in Denmark, and we have to consider the potential impact on our operating conditions.

Against this backdrop, our performance for 2024 is highly satisfactory; a strong Nykredit has the capacity and resilience to continue to offer guidance and loans all over Denmark – even during difficult and uncertain times.

Despite global uncertainty, the Danish economy remains robust. Inflation is low, employment is high, and Danish households are resilient. In the near term, we therefore expect decent growth in the Danish economy and continued high activity in large parts of the housing market, while long-term trends will depend on the global economy.

## Joining forces with Spar Nord Bank

At the beginning of 2025, we made an offer to buy Spar Nord Bank, backed by Spar Nord Bank's board of directors and executive board as well as its largest shareholder, Spar Nord Fonden. By combining our two banks, we aim to build a strong, customer-owned alternative to the largest listed banks in Denmark. Together, we will focus on strong customer relationships and be prepared for mutual growth.

We look forward to demonstrating to even more customers all the advantages associated with being a customer of a mutual financial provider. Pending approval from the authorities, Nykredit and Spar Nord Bank will continue to operate as two competing companies. We expect to close the acquisition in H1/2025, after which we can proceed with the integration.

As part of the acquisition financing plan relating to Spar Nord Bank and based on Nykredit's aim to maintain a strong capital position, we have decided to depart from Nykredit's dividend policy and not pay any dividend for 2024.



## Totalkredit cheapest in most loan scenarios

Totalkredit offers attractive home financing in all parts of Denmark, also in peripheral areas. In 2024, we recorded customer growth and an increase in mortgage lending activity. Totalkredit's success relies on our strong collaboration with our trusted local partner banks throughout Denmark, which possess deep market and customer knowledge and provide sound, local advisory services.

We look forward to continuing the Totalkredit collaboration; a vital part of the Nykredit Group's strategy, Winning the Double 2.0. We will do our utmost to continue investing in Totalkredit and our other important partnerships, so that together we stand as strong as possible when it comes to in serving our customers and in the competition in the financial market.

In autumn, we entered into an agreement with the Danish Competition and Consumer Authority on the Totalkredit partnership. We are pleased with the clarity we have achieved about the conditions for the Totalkredit partnership. Together with our partner banks, we will look at ways to modernise our partnership. Our dialogue will continue so as to secure the future of Totalkredit and our joint competitive power. We are, and will remain, highly committed to offering Danish homeowners the best and most attractive home loans in most scenarios.

## Mutual ownership provides value to customers

The Nykredit Group is, quite uniquely, owned by an association of Nykredit and Totalkredit customers. This is where we differ from other banks and mortgage providers. Our ownership structure is an essential part of our identity and provides value to customers in the form of a number of benefits.

In 2024, Nykredit's majority shareholder, Forenet Kredit, decided to give back a total of DKK 1.725 billion to Nykredit and Totalkredit; money that has benefitted customers in the form of, for example, KundeKroner, a discount on administration margin payments. In early 2025, we decided to raise the KundeKroner discount to 0.25% from 0.20%. This means that it will once again be cheaper for more than 900,000 homeowners to have a Totalkredit loan. With KundeKroner discounts, Totalkredit is able to offer the lowest prices on home loans in the market in most scenarios. Moreover, Totalkredit homeowners are guaranteed KundeKroner discounts up to and including 2028.

Nykredit's KundeKroner discounts and other customer benefits are concrete examples of how our mutual ownership generates real value for our customers. This provides a significant competitive edge – both for Totalkredit and Nykredit Bank. We take pride in sharing our success with our customers when Nykredit and Totalkredit are doing well.

## A customer-owned bank with strong value propositions

Backed by contributions from Forenet Kredit, we can offer a host of benefits including climate-related initiatives, interest discounts on selected home loans and banking fee refunds.

In Nykredit Bank, we recently reduced the interest rates on a number of loan products by 1.00 percentage point, making it even more attractive for personal and business customers alike to bank with Nykredit. Our customers currently get attractive deposit rates, and with BoligRabat, we offer competitive prices to, among others, first-time homebuyers.

We have also launched a range of savings and loan options to make it easier for our customers to climate-proof their homes. Homeowners can now obtain cheap financing for energy renovation as well as for climate adaptation, making it easy and attractive for our customers to make energy improvements and to climate-proof their homes against the increasingly wet and extreme weather conditions.



## A reliable partner in uncertain times

We also want the benefits of our customer ownership to be reflected in our advisory services. Being a bank, we are thoroughly committed to proactively serving our customers, offering them relevant solutions and products tailored to their needs based on prudent and effective advice.

During uncertain times in particular, it is important that we stand ready to offer sound advice and support responsible growth, not least in relation to our business customers. We strive to serve our business customers as a proficient and relevant partner who engages in strategic discussions about their opportunities and risks, based on solid business knowledge and insight into their circumstances. It is equally important that we contribute professional expertise and guidance on current topics such as ESG and climate-related issues.

We know from surveys that Nykredit Bank is recognised as the bank that most homeowners associate with green-transition financing. We take such recognition seriously, and we will make every effort to live up to it. And, as a responsible financial provider for people and businesses all over Denmark, we will continue to enhance our value propositions focused on climate-related initiatives.

In this Annual Report for 2024, we are reporting under the Corporate Sustainability Reporting Directive (CSRD) for the first time. A larger data framework will help provide greater visibility as to how we help our customers move in a more sustainable direction. At the same time, we get an even better opportunity to strengthen our initiatives to promote equality and diversity. We look forward to continuing our efforts to create a more diverse Nykredit that reflects the society we serve.

## Growth in wealth management

Assets under management by Nykredit Wealth Management increased in 2024, and thanks to our attractive value propositions, we continue to welcome new clients. As a wealth manager, we have thus seen significant growth in recent years.

In the period up to 2026, we will complete a full upgrade of our asset management platform, aimed at future-readying our operations and integrating our entire value chain on one single platform based on the latest technologies. This will enhance the experience for customers of both Nykredit and our Sparinvest partner banks.

Our investments in digitisation go hand in hand with our continued strong presence all across Denmark. Because we are owned by our customers, we have a special obligation to provide them with premium advisory services – physically as well as digitally.



Merete Eldrup  
Chair  
Board of Directors

## Winning the Double 2.0 sets the course for Nykredit

The financial results for 2024 once again serve to confirm that our Group strategy, Winning the Double 2.0, is setting the right course with an ambition to consolidate Totalkredit's position as market leader in home financing and expand Nykredit's position in banking. This enables us to offer each and every customer expert advice and strong value propositions whilst also supporting development and growth all over Denmark.

We look forward to continuing to demonstrate what a customer-owned Nykredit and Totalkredit can do for customers and for Denmark.



Michael Rasmussen  
Group Chief Executive



# Financial highlights

## Income

**DKK 21,432 million**

(2023: DKK 20,401 million)

## Costs

**DKK 6,958 million**

(2023: DKK 6,554 million)

## Profit for the year

**DKK 11,744 million**

(2023: DKK 10,892 million)

## Nykredit Realkredit Group

DKK million	2024	2023	2022	2021	2020
<b>Business profit and profit for the year</b>					
Net interest income	12,018	12,305	10,871	9,978	9,780
Net fee income	2,744	2,789	3,119	2,406	2,438
Wealth management income	2,678	2,368	2,279	2,324	1,950
Net interest from capitalisation	2,483	1,719	(740)	(484)	(421)
Net income relating to customer benefits programmes <sup>1</sup>	(580)	(404)	(443)	(414)	(203)
Trading, investment portfolio and other income	2,089	1,625	1,736	2,718	1,026
<b>Income</b>	<b>21,432</b>	<b>20,401</b>	<b>16,822</b>	<b>16,529</b>	<b>14,569</b>
Costs	6,958	6,554	6,320	6,343	5,762
<b>Business profit before impairment charges</b>	<b>14,475</b>	<b>13,847</b>	<b>10,503</b>	<b>10,186</b>	<b>8,807</b>
Impairment charges for loans and advances	(248)	(177)	(80)	(115)	2,272
<b>Business profit</b>	<b>14,723</b>	<b>14,024</b>	<b>10,583</b>	<b>10,302</b>	<b>6,535</b>
Legacy derivatives	98	59	931	432	258
<b>Profit before tax for the year</b>	<b>14,821</b>	<b>14,083</b>	<b>11,514</b>	<b>10,733</b>	<b>6,791</b>
Tax	3,088	3,191	2,060	1,863	1,118
<b>Profit for the year</b>	<b>11,733</b>	<b>10,892</b>	<b>9,454</b>	<b>8,870</b>	<b>5,673</b>
Other comprehensive income, remaining items	12	5	(71)	(21)	(26)
<b>Comprehensive income for the year</b>	<b>11,744</b>	<b>10,898</b>	<b>9,383</b>	<b>8,849</b>	<b>5,646</b>
Interest on Additional Tier 1 capital charged against equity	154	154	153	153	223
Minority interests	111	65	61	45	21

<sup>1</sup> "Net income relating to customer benefits programmes" is described in detail in "Alternative performance measures" on page 160.



# Balance sheet and financial ratios

Profit for the year as % of average equity (RoE)

**11.7%**

(2023: 11.4%)

Cost/income ratio

**32.5%**

(2023: 32.2%)

People (FTE)

**3,900**

(2023: 3,973)

## Nykredit Realkredit Group

DKK million

31.12.2024 31.12.2023 31.12.2022 31.12.2021 31.12.2020

### Summary balance sheet

#### Assets

Receivables from credit institutions and central banks	69,451	68,061	61,242	45,294	59,361
Mortgage loans at fair value	1,424,450	1,354,987	1,292,119	1,382,551	1,350,630
Bank loans excluding reverse repurchase lending	103,279	94,375	86,735	74,513	71,146
Bonds and equities	97,899	103,631	100,117	92,955	113,776
Remaining assets	77,959	60,550	59,917	78,160	70,854
<b>Total assets</b>	<b>1,773,038</b>	<b>1,681,605</b>	<b>1,600,129</b>	<b>1,673,473</b>	<b>1,665,767</b>

#### Liabilities and equity

Payables to credit institutions and central banks	13,994	12,591	27,851	14,917	14,611
Deposits excluding repo deposits	121,483	114,208	107,392	92,696	88,113
Bonds in issue at fair value	1,398,913	1,334,909	1,254,959	1,362,926	1,366,709
Subordinated debt	10,472	10,394	10,136	10,737	10,893
Remaining liabilities	123,192	108,497	102,962	98,606	95,666
Equity	104,984	101,006	96,829	93,591	89,774
<b>Total liabilities and equity</b>	<b>1,773,038</b>	<b>1,681,605</b>	<b>1,600,129</b>	<b>1,673,473</b>	<b>1,665,767</b>

#### Financial ratios

Profit for the year as % pa of average equity <sup>1</sup>	11.7	11.4	10.2	9.9	6.6
Cost/income ratio (C/I), %	32.5	32.2	37.6	38.4	39.5
Total provisions for loan impairment and guarantees	8,614	9,027	9,391	9,601	9,906
Impairment charges for the year, %	(0.00)	(0.01)	(0.01)	(0.01)	0.15
Total capital ratio, %	23.4	23.7	23.3	24.7	24.3
CET1 capital ratio, %	20.5	20.4	19.5	20.6	20.2
Internal capital adequacy requirement, %	10.4	10.6	11.6	11.2	11.0
Average number of staff, full-time equivalent	3,900	3,973	4,076	3,907	3,799

<sup>1</sup> "Profit for the year as % of average equity" shows profit for the year relative to equity. Profit corresponds to net profit or loss less interest expenses for Additional Tier 1 capital as well as minority interests.

# Nykredit's strategy

## "Together we are more"

Nykredit differs from competitors in one key area; we are owned primarily by an association of customers, Forenet Kredit (78.9%), and secondarily by a consortium consisting of five of Denmark's leading pension companies (16.9%) as well as a group of other shareholders (4.2%). This makes for a stable and enduring ownership structure, and we are able to incorporate our unique mutual ownership and corporate responsibility into specific activities, ultimately to the benefit of our customers.

Being owned by an association, we are in a unique position to share our success by offering a host of special customer benefits.

Leveraging its ownership of the Nykredit Group, Forenet Kredit can make a difference by balancing considerations for customers, the Group and society. Forenet Kredit pursues three strategic drivers:

- An association with a legitimate purpose
- Mortgage lending and banking in a sustainable future
- Responsible wealth manager

## Mutual ownership

Nykredit's majority shareholder, Forenet Kredit, wants the dividend from the Nykredit Group to benefit the Group, and with that our customers, through our customer benefits programme.

Since 2017 the programme has offered KundeKroner discounts to all personal customers with a Totalkredit mortgage loan, and it has later been expanded to include ErhvervsKroner discounts to business customers with a Nykredit or Totalkredit mortgage loan. In addition, we offer fee savings to full-service customers of Nykredit Bank as well as green cash benefits to customers of Nykredit as well as Totalkredit. Read more about our customer benefits at [nykredit.com](https://nykredit.com)

In January 2025, the Nykredit Group raised the KundeKroner discount for homeowners from 0.20% to 0.25% annually until and including 2028. With this increase, we now offer our customers the most attractive home loans throughout Denmark.

Nykredit distributed about DKK 2.3 billion through our customer benefits programme in 2024.

Nykredit's primary owner, Forenet Kredit, allocates capital for future contributions to Nykredit, sponsoring the Group's various customer benefits programmes, such as the KundeKroner discounts.

## Customer benefits

- KundeKroner: mortgage loan cash benefits
- BoligRabat: bank home loan discounts
- KundeRabat: fee savings
- OpsparingsRabat: discount on investment fees
- ErhvervsKroner: business mortgage loan discounts
- GrønneFordele: discounts and cash grants for green solutions





## Winning the Double 2.0

Security and stability have been the distinguishing marks of Nykredit and our core product, mortgage lending, since 1851, and it is only natural for us to have a vision that reaches many decades ahead.

"We want to be homeowners' first choice and a pillar of strength in the Danish economy."

The aim of our Winning the Double 2.0 strategy is to ensure a more customer-centric, profitable and efficient Nykredit.

We want to make a difference to both personal customers and business customers and to strengthen our collaboration with the banks in the Totalkredit partnership.

We want to have a presence all over Denmark and support growth – in urban and rural districts alike. Through the good times and the bad.

We will make every effort to create a greener Denmark. We believe that going green should be easier than being indifferent.

## Strategic development in 2024

Building on Winning the Double 2.0 and a robust business model, Nykredit has established a solid and strategically strong foundation. In 2024, efforts were dedicated to further developing the Group, which aims to be a strong and stable financial partner and supplier for our customers and our business partners.

International war, geopolitical tensions, uncertainty and unpredictability in the markets characterised 2024; conditions that will also prevail in the coming years. Despite growing uncertainty, the underlying business development is positive and satisfactory. The Nykredit Group has strengthened its relative position, which is reflected in increasing market shares, business progress and customer growth.

Nykredit's mutual ownership structure provides an opportunity for customers to share in the Nykredit Group's success.

Because of recent years' business and financial success, in January 2024 we decided to increase KundeKroner discounts to homeowners from 0.15% to 0.20% annually until 2027. In January 2025, KundeKroner and BoligRabat discounts for personal customers were raised further to 0.25% until and including 2028. This way, our customers will achieve additional cost savings on their home loans, emphasising what a customer-owned financial provider can do for them.

Our customers, colleagues and the world around us continue to recognise Nykredit's position, which is evidenced by a continued high customer satisfaction score and our strong image in the banking sector. Nykredit Wealth Management won both national and international awards again in 2024. Also, for the eighth consecutive year, Danes named Nykredit the best private banking provider in a survey conducted by Prospera, a market research company. Nykredit is also recognised as the bank that makes the biggest contribution to the green transition.

Nykredit has made a tender offer for Spar Nord Bank with the aim of delisting the company and integrating Spar Nord Bank into the Nykredit Group. The tender offer is subject to approval by the authorities. Nykredit must obtain 90% of the shares to initiate a delisting of Spar Nord Bank.

By joining forces with Spar Nord Bank, Nykredit is further consolidating its banking position and together Spar Nord Bank and Nykredit will have the largest branch network in Denmark.

The combination will strengthen the Group's overall strategic position, and the ambition is to become Denmark's customer-owned relationship bank. Nykredit's Group strategy – Winning the Double 2.0 – will continue unchanged, and the Nykredit Group will thus continue to work to strengthen collaboration with the partner banks in Totalkredit and Sparinvest.



## Satisfied and loyal full-service customers

Nykredit's strategy, Winning the Double 2.0, builds on the ambition of consolidating Nykredit's banking position by growing the number of full-service relationships with homeowners as well as with private banking, business and agricultural customers.

Nykredit strengthened its banking position following both customer growth and increasing business volumes from personal as well as business customers in 2024. Thanks to Nykredit's mutual ownership structure, we can offer our customers a number of benefits that are an important part of our propositions, enhance customer trust and build long-term customer relationships.

Nykredit is committed to providing our customers with financial security. This is supported by ongoing and proactive dialogue with our customers to understand their situation and needs to build long-term customer relationships characterised by predictability and reliability. To this end, in 2024 we continued our business development, launching a new concept targeted at young customers and new initiatives aimed at customers wanting to climate-proof their homes and also adjusting our business banking concept to strengthen our market presence.

We also want to create long-term value for customers using our investment solutions. 2024 was characterised by overall satisfactory growth and an increase in total assets under management. A number of initiatives were taken to consolidate Nykredit's position in wealth and investment, including targeted digital investment solutions. Moreover, a new 3-year platform programme was launched to ensure a robust and scalable platform capable of managing future growth in the wealth management and investment areas.

As part of the green transition, we also offer customers the opportunity to use digital learning platforms that strengthen their ESG efforts, providing specific guidance and information. In addition, we are continuously working to integrate sustainability into our advisory services, products and concepts.

## Strong Totalkredit partnership

The Winning the Double 2.0 strategy also includes an ambition of securing and expanding Totalkredit's position as market leader in home financing. Results for 2024 show that the distribution power of the Totalkredit partnership remains significant, ensuring broad accessibility for homeowners throughout Denmark.

The increase in the KundeKroner discounts has consolidated Totalkredit's position, demonstrating the strength of our mutual ownership structure. The KundeKroner discounts build more loyalty to Totalkredit and contribute to ensuring competitive products for the benefit of homeowners.

Totalkredit is focused on developing solutions where up-to-date processes are aligned with the needs of customers and partner banks. One example is the new mortgage lending platform (NRP), which drives process efficiencies and secures successful customer experiences through sophisticated digital solutions. The NRP is used, among other things, by partner banks for loan remortgaging and other loan cases. Totalkredit has also expanded its home energy and climate check-ups to help homeowners climate-proof their homes and create specific solutions to promote sustainability.

After four years of dialogue with the Danish Competition and Consumer Authority about the Totalkredit partnership agreement, a supplementary agreement was concluded in 2024, which provides renewed clarity about the framework of the future Totalkredit partnership.

## Totalkredit – a unique partnership

For more than 30 years, Totalkredit has helped fulfil the housing dreams of Danes through a unique collaboration with partner banks across Denmark.

We believe that our customers are best served by local advisers who know them, their financial situation and the local area well. We share this belief with the 41 local and regional banks that make up the unique Totalkredit partnership. The combination of a strong collaboration with our partner banks and competitive loans has made Totalkredit Denmark's largest lender to homeowners.



# Financial review

Change in income

5.0%

Change in business profit

4.9%

Change in profit after tax

7.7%

## Nykredit Realkredit Group

			Q4/	Q3/	Q2/	Q1/	Q4/
DKK million	2024	2023	2024	2024	2024	2024	2023
<b>Business profit and profit for the year</b>							
Net interest income	12,018	12,305	3,026	2,983	2,998	3,011	3,199
Net fee income	2,744	2,789	733	652	630	728	839
Wealth management income	2,678	2,368	674	662	673	668	583
Net interest from capitalisation	2,483	1,719	635	642	609	597	407
Net income relating to customer benefits programmes <sup>1</sup>	(580)	(404)	(152)	(151)	(142)	(135)	(113)
Trading, investment portfolio and other income	2,089	1,625	287	177	483	1,143	202
<b>Income</b>	<b>21,432</b>	<b>20,401</b>	<b>5,203</b>	<b>4,967</b>	<b>5,251</b>	<b>6,012</b>	<b>5,116</b>
Costs	6,958	6,554	1,922	1,714	1,676	1,645	1,753
<b>Business profit before impairment charges</b>	<b>14,475</b>	<b>13,847</b>	<b>3,281</b>	<b>3,253</b>	<b>3,574</b>	<b>4,367</b>	<b>3,363</b>
Impairment charges for loans and advances	(248)	(177)	(107)	(57)	(31)	(53)	(36)
<b>Business profit</b>	<b>14,723</b>	<b>14,024</b>	<b>3,388</b>	<b>3,310</b>	<b>3,605</b>	<b>4,420</b>	<b>3,400</b>
Legacy derivatives	98	59	(4)	(25)	76	52	(84)
<b>Profit before tax for the year</b>	<b>14,821</b>	<b>14,083</b>	<b>3,384</b>	<b>3,285</b>	<b>3,680</b>	<b>4,472</b>	<b>3,316</b>
Tax	3,088	3,191	613	820	728	927	755
<b>Profit for the year</b>	<b>11,733</b>	<b>10,892</b>	<b>2,771</b>	<b>2,465</b>	<b>2,953</b>	<b>3,544</b>	<b>2,561</b>
Other comprehensive income, remaining items	12	5	5	(8)	(1)	15	(2)
<b>Comprehensive income for the year</b>	<b>11,744</b>	<b>10,898</b>	<b>2,778</b>	<b>2,457</b>	<b>2,953</b>	<b>3,559</b>	<b>2,559</b>
Interest on Additional Tier 1 capital charged against equity	154	154	39	39	38	38	39
Minority interests	111	65	51	22	18	19	20

<sup>1</sup> "Net income relating to customer benefits programmes" is described in detail in "Alternative performance measures" on page 160.

## 2024 performance highlights

For the fourth consecutive year, Nykredit delivered its best full-year performance to date. The profit of DKK 11,733 million (2023: DKK 10,899 million) is considered highly satisfactory. Our business profit amounted to DKK 14,821 million (2023: DKK 14,083 million).

The improved performance was positively impacted by higher income from net interest from capitalisation, increased investment portfolio income as well as slightly higher asset management income. Net income was adversely impacted by both declining interest rates during the year and increasing costs incurred in connection with the relocation to Nykredit's new headquarters in Nordhavn. Impairment charges for loans and advances for the year were a net reversal, which contributed to strengthening our good results.

Bank lending after impairment rose to DKK 103.3 billion (end-2023: DKK 94.4 billion), marking an increase of 9.4%. Mortgage lending increased by DKK 43.5 billion, up 3.0%, to nominally DKK 1,483.8 billion (end-2023: DKK 1,440.3 billion). Deposits amounted to DKK 121.5 billion (end-2023: DKK 114.2 billion), which was an increase of DKK 7.3 billion, or 6.4%.

### Income

Income totalled DKK 21,432 million in 2024 (2023: DKK 20,401 million), including a 5.0% increase in income from core business compared with 2023.

Net interest income amounted to DKK 12,018 million (2023: DKK 12,305 million), which was positively impacted by increasing bank and mortgage lending but also adversely impacted by decreasing deposit margins.

Net fee income was DKK 2,744 million (2023: DKK 2,789 million). The decrease was chiefly due to lower funding income compared with the very high level recorded in 2023. Mortgage lending activity was on a level with 2023.

Wealth management income grew to DKK 2,678 million (2023: DKK 2,368 million), mainly driven by income from Asset Management.

Net interest from capitalisation, which includes return on equity and interest on subordinated capital, was a gain of DKK 2,483 million (2023: gain of DKK 1,719 million). This trend was primarily a result of a change in interest rates.

Net income relating to the customer benefits programmes, including KundeKroner and ErhvervsKroner etc, was a charge of DKK 580 million (2023: charge of DKK 404 million). The amount includes contributions of DKK 1,724 million from Forenet Kredit. Our benefits programmes amounted to DKK 2,305 million at end-2024. The rise in costs resulted mainly from an increase in the KundeKroner discount from 0.15% to 0.20% from and including 2024.

Trading, investment portfolio and other income, including value adjustment of the portfolio of bank equities and swaps, came to DKK 2,089 million (2023: DKK 1,625 million). Income in 2024 was mainly driven by capital gains on equities held for business purposes as well as government, mortgage and credit bonds.

### Costs

Total costs amounted to DKK 6,958 million (2023: DKK 6,554 million). Pay rises and bonuses as well as general inflation-driven price rises led to increased costs across the Group. Furthermore, the period saw costs of relocating to new headquarters, costs related to the acquisition of Spar Nord Bank as well as increased investments in digitisation and IT. The latter implies, among other things, large strategic investments in Nykredit's IT infrastructure and wealth management platform. The higher costs for pay rises etc were partially mitigated through streamlining and financial discipline as well as lower contributions to the Danish Resolution Fund scheme.

The average number of full-time equivalent staff totalled 3,900 (2023: 3,973). The change in headcount was, among other things, due to a lower activity level and efficiency initiatives across the Group.

Profit after tax

# DKK 11,733 million

(2023: DKK 10,892 million)



## Impairment charges for loans and advances

Impairment charges for loans and advances were a net reversal of DKK 248 million (2023: net reversal of DKK 177 million).

The impairment level reflects an overall solid credit quality and financial robustness of our customers. However, various uncertainties could still lead to future impairment charges. Given that the geopolitical and macroeconomic landscape remains uncertain, Nykredit will continue to apply significant post-model adjustments and sector-specific stresses in our impairment calculations.

Our portfolio of personal customers is in really good shape and saw a reversal of loan impairments for 2024. Credit quality was driven by a combination of positive expectations for macroeconomic developments and a derived reduction in post-model adjustments. The underlying credit quality remained good.

The underlying credit quality of business customers remained solid, and model-based impairments resulted in reversals. Only a few of Nykredit's business customers have experienced difficulties, and these were not due to cyclicity but rather customer-specific circumstances. With respect to these customers, we saw an increased impairment need.

The Group's provisions taken to manage derived risk elements of macroeconomic and geopolitical tensions were DKK 941 million. In 2024, these provisions were reduced by DKK 1.1 billion. The risks previously provided for were increasingly reflected in the financial statements of our business customers. Furthermore, we are currently very observant of the trading conditions of customers with global exports. The Danish economy remains in good shape, driven by a robust labour market and positive GDP growth.

Provisions related to ESG increased by DKK 617 million in 2024. ESG entails both transition and physical risks, which results in an

increased risk of loss. Transition risks include risks related to regulation in the form of carbon taxes and the Energy Performance of Buildings Directive, which impact the credit quality of business customers. Physical risks include risks related to the increasing frequency of extreme weather events. These occurrences particularly affect personal customers with properties in areas exposed to storm surges, as the value of their properties may decrease for a number of years after the storm surge. Plant growers are also more sensitive to weather changes, and their credit quality consequently decreases due to the more frequent and extreme weather changes. Total provisions of about DKK 1.3 billion have been taken to counter such risk.

For further information about the impacts of geopolitical tensions, including the war in Ukraine, Nykredit's loan impairments and our portfolio distribution, please refer to our Fact Book Q4 2024, which is available at [nykredit.com](https://nykredit.com)

## Income from other items

Legacy derivatives, which are not included in business profit, were DKK 98 million (2023: DKK 59 million). Legacy derivatives are derivatives Nykredit no longer offers to customers.

## Tax

Tax calculated on profit for the year was DKK 3,088 million (2023: DKK 3,191 million). In 2024, the tax rate was 26%.

## Nykredit Realkredit Group

DKK million	2024	2023
<b>Impairment charges for loans and advances</b>		
Individual impairment provisions (stage 3)	220	143
Model-based impairment provisions (stages 1, 2 and 3)	(468)	(320)
<b>Impairment charges for loans and advances</b>	<b>(248)</b>	<b>(177)</b>

## Results for Q4/2024

Profit after tax for Q4/2024 was DKK 2,771 million (Q3/2024: DKK 2,465 million).

Income amounted to DKK 5,203 million (Q3/2024: DKK 4,967 million).

Costs amounted to DKK 1,922 million in Q4/2024 (Q3/2024: DKK 1,714 million).

Impairment charges for loans and advances were a net reversal of DKK 107 million (Q3/2024: net reversal of DKK 57 million).

Legacy derivatives resulted in a negative value adjustment of DKK 4 million (Q3/2024: negative value adjustment of DKK 25 million).

## Balance sheet

Nominal mortgage lending stood at DKK 1,483.8 billion (end-2023: DKK 1,440.3 billion). The increase in mortgage lending was primarily attributable to Totalkredit Partners.

Totalkredit's nominal mortgage lending increased in 2024 to DKK 907.5 billion (end-2023: DKK 878.5 billion), mainly as a result of rising housing market activity in H2 attributable to falling interest rates, high employment and generally strong household finances.

Nykredit Bank's lending after impairments went up by DKK 8.9 billion to DKK 103.3 billion (end-2023: DKK 94.4 billion). The increase in bank lending was driven by large corporate clients within Corporates & Institutions, Retail Business Banking and Retail Personal Banking. Bank lending (including secured homeowner loans transferred to Totalkredit) rose to DKK 115.4 billion (end-2023: DKK 105.0 billion). Secured homeowner loans transferred to Totalkredit amounted to DKK 12.2 billion (end-2023: DKK 10.7 billion).

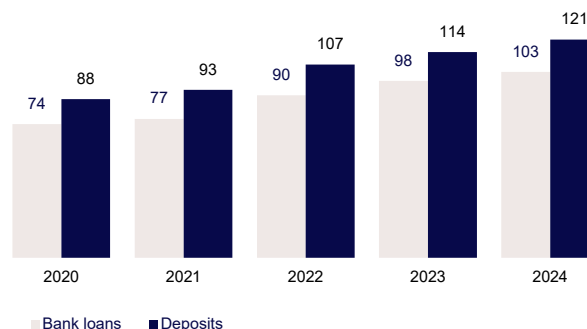
## Equity

The Nykredit Realkredit Group's equity stood at DKK 105.0 billion (end-2023: DKK 101.0 billion).

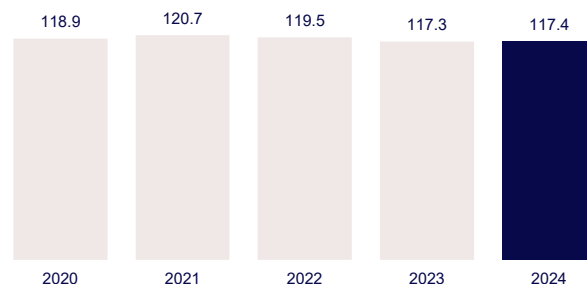
## Mortgage lending

Nominal mortgage lending stood at DKK 1,483.8 billion (end-2023: DKK 1,440.3 billion). The increase in mortgage lending was primarily attributable to Totalkredit Partners.

### Bank lending excluding reverse repurchase lending and deposits excluding repo deposits, DKK billion



### Deposits relative to loans and advances, %



## Results relative to guidance

Our guidance for business profit and profit after tax for 2024 presented in the Annual Report for 2023 was between DKK 9.5-10.5 billion.

Guidance for profit after tax for 2024 was adjusted twice during the year, last on 7 November 2024, when guidance for profit after tax was narrowed to about DKK 11.00-11.75 billion.

Nykredit ended the year with a profit after tax for 2024 of DKK 11.733 billion in line with our latest guidance. Moreover, the strong results are the best Nykredit has ever recorded.

Profit after tax for 2024 exceeded our initial guidance, chiefly driven by higher investment portfolio income and net reversal of impairments.



# Return and cost targets

Profit after tax in 2025

## DKK 9.00-9.75 billion

(2024: DKK 11.73 billion)

Long-term RoE

## >8%

(2024: 11.7%)

Cost/income ratio

## <40%

(2024: 32.5%)

## Outlook and guidance for 2025

Nykredit is guiding for a profit after tax for 2025 of DKK 9.00-9.75 billion. Our full-year guidance for profit after tax is based on the following assumptions:

- Nykredit expects falling income, primarily driven by a decline in net interest from capitalisation resulting from lower interest rates as well as more normalised investment portfolio income relative to the high level in 2024.
- We expect costs to decrease compared with 2024, which was extraordinarily impacted by relocation costs related to our new headquarters.
- Impairments are expected to be higher than the exceptionally low levels of the past few years.

The main uncertainties applying to our 2025 guidance are related to investment portfolio income due to Nykredit's portfolio of bank equities, legacy derivatives as well as impairment charges for loans and advances.

Guidance for 2025 is based on Nykredit's current business volume and has not been influenced by Nykredit's recently announced public tender offer for Spar Nord Bank. When this matter has been finally clarified, Nykredit will release its revised guidance for 2025.



## Special accounting matters

No special accounting matters occurred in 2024.

## Other

### Changes to the Executive Board

The most recent change was on 1 February 2024 when Pernille Sindby, former Managing Director of Totalkredit, joined the Group Executive Board.

The Group Executive Board includes Michael Rasmussen, Tonny Thierry Andersen, David Hellemann, Anders Jensen and Pernille Sindby.

### Changes to the Board of Directors

Following the Annual General Meeting held on 21 March 2024, the Board of Directors includes Merete Eldrup as Chair and Preben Sunke as Deputy Chair as well as John Christiansen, Michael Demsitz, Per W. Hallgren, Jørgen Høholt, Torsten Hagen Jørgensen, Vibeke Krag and Mie Krog. In addition, the Board of Directors includes the staff-elected members Olav Bredgaard Brusen, Rasmus Fossing, Kathrin Helene Hattens and Inge Sand.

## Uncertainty as to recognition and measurement

Measurement of certain assets and liabilities is based on accounting estimates made by Group Management.

The areas in which assumptions and estimates significant to the Financial Statements have been made include provisions for loan and receivable impairment as well as valuation of unlisted financial instruments, including swaps, see note 3, significant accounting estimates, to which reference is made.

## Material risks

The Group's business activities involve certain risks that are usual in the financial sector, including credit, market, liquidity and compliance risks etc. As a consequence of the Group's main activity, mortgage lending, Nykredit's primary risk is credit risk, while the Group incurs generally limited interest rate risk, foreign exchange risk and liquidity risk on its mortgage lending and the underlying funding as a result of, for instance, the balance principle and the Danish act regulating refinancing risk. Credit, market and operational risks are mitigated by holding adequate capital. Liquidity risk is mitigated by having a sufficient stock of liquid assets. The Group's material risks are unchanged compared with the risks described in note 56, to which reference is made.

## Key intangible resources

Nykredit has a number of key intangible resources that are essential to our strategy of delivering competitive products to customers throughout Denmark. These resources are interconnected and essential to Nykredit's success. They represent the unique benefits we bring to market, which we will continue to further develop.

Our ownership structure provides us with a stable platform that promotes long-term thinking and strategic decision-making. It enables us to provide our customers with a number of mutual ownership benefits in the form of discounts and other advantages and ensures that our customers' interests are always in focus.

Our ownership structure also helps secure the financial foundation we need to offer customers services and products that will make it easier and cheaper for them to go green.

The Totalkredit partnership is an essential part of our business model and, combined with our joint IT infrastructure, it enables Nykredit and our partner banks to offer competitive home financing solutions, which strengthens our relationships with customers all over Denmark.

Employees are our most valuable asset. Their expertise and commitment are crucial to delivering the service and advice that characterise companies in the Nykredit Group.

## Events since the balance sheet date

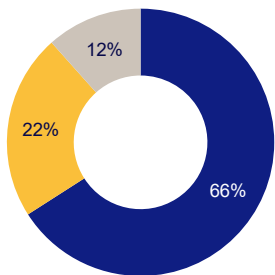
No events have occurred in the period up to the presentation of the Annual Report for 2024 which materially affect the Group's financial position.

# Business areas

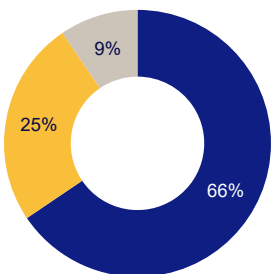
Nykredit's governance and organisational structure is based on these business areas (excluding Group Items):

- Banking
- Totalkredit Partners
- Wealth Management

## Income



## Business profit



## Banking

Comprises Retail and Corporates & Institutions. Retail offers mortgage lending and banking services to Nykredit's personal customers and SMEs, including agricultural customers and residential rental customers. Retail also includes estate agency and leasing activities.

Corporates & Institutions comprises Nykredit's corporate and institutional clients, the public housing segment, large housing cooperatives and mortgage lending to business customers for properties abroad. The division is also responsible for Nykredit's activities within securities trading and financial instruments.

## Totalkredit Partners

Comprises Totalkredit-branded mortgage loans to personal and business customers arranged by 41 Danish local and regional banks (excluding Nykredit Bank). Mortgage loans arranged by Nykredit are included in the business area Banking.

The unit supports Totalkredit's partner banks, ensuring that they are well-placed to help customers through digital tools, products, training etc.

## Wealth Management

Comprises the Group's asset management propositions and activities as well as portfolio administration services to institutional clients, foundations, municipalities, businesses and high-net-worth clients.

Sparinvest collaborates with a long list of banks all over Denmark, offering customers the very best wealth and investment products and advisory services.



# Banking

The overarching ambition of the Banking area is to provide our personal and business customers with financial security.

To realise our ambition, Banking must deliver on a five-track strategy:

- Customers first
- Sustainable solutions
- Digitisation and simplicity
- Quality and integrity
- People who can, will and do make a difference.

## 2024 in summary

Nykredit holds a strong position in the Danish banking market and continued to enjoy positive momentum in 2024. Thanks to Nykredit's mutual ownership structure, we can offer our customers attractive terms, whilst also ensuring robust earnings.

Nykredit's overall ambition is to provide financial security for our customers. We are committed to acting predictably and keeping our promises to customers. This is demonstrated through our continuous proactive efforts, where we contact customers when new market opportunities arise that could potentially benefit them. This strengthens our relationships with customers and provides them with greater stability and security.

Danmarks Nationalbank implemented its fourth interest rate cut in December 2024 and shortly thereafter Nykredit decided to lower most of its deposit and loan rates accordingly. This is also part of acting predictably.

Following the interest rate reduction, customers who have their everyday banking and home financing with Nykredit get the most attractive current account rates. For customers without home financing, Nykredit also offers the highest current account rates in the market. If a higher rate is desired, customers can make fixed-term deposits and thereby get a risk-free savings option, for instance for energy improvements.

Customers looking to finance an electric car can take out a green car loan with Nykredit, which was ranked Best in Test by the Danish Consumer Council for the third year in a row.

Agriculture is one of the segments that face an unpredictable future because of possible tax models to reduce carbon emissions from farming. As an important partner to Danish agriculture in the green transition, Nykredit aims to provide as much financial visibility as possible. We have therefore decided to keep administration margins steady for agricultural customers in 2024-2025. This exemplifies how Nykredit can make a difference to the individual customer in an unpredictable world.

Our business and personal customers have acknowledged our efforts with high customer satisfaction ratings. In the latest EPSI survey (comparing Danish banks), Nykredit took first place in business banking and third place in personal banking.

In 2024, Nykredit continued to welcome many new homeowner and business customers, who, together with our existing customers, can enjoy the benefits of our customer-ownership structure. In Q4, we launched a new concept for young customers as well as a new team dedicated to ensuring that more young people become part of Nykredit and thereby benefit from all the current and future advantages of banking with Nykredit.

Nykredit continuously adapts to ensure the highest degree of accessibility, relevant services and speed to give our customers the best experience. With our new business banking service set-up launched in early 2024, we have strengthened both our market presence and our ability to serve business customers all around the country.

Profit before tax for 2024

# DKK 8,934 million

(2023: DKK 8,734 million)

Moreover, following organisational adjustments in our Private Banking division, we have raised the number of private bankers to ensure that even more customers can benefit from Denmark's best private banking propositions.

Business volumes with major corporate clients grew in 2024. Lending to Denmark's largest businesses and property investors increased. Clients in the energy and infrastructure sectors are seeking long-term, stable and transparent financing, which is exactly what Nykredit can offer. We have therefore seen demand from the energy and infrastructure sectors for our flexible mortgage solutions and bank financing.

Nykredit provides financing for the green transition and continues to serve as a proficient financial partner to business customers wishing to go green, and this includes helping SMEs produce carbon footprint calculations and sustainability reporting.

At the same time, customers can gain knowledge and access useful tools for their ESG efforts via Incept Sustainability, which is a digital training and learning platform.

In addition, we have launched energy check-ups for housing co-operatives and for businesses looking to optimise their energy use and increase the use of green transport leasing, which will make it cheaper to introduce commercial vehicles fully powered by electricity or hydrogen. With respect to renewable energy and infrastructure assets, we offer flexible financing solutions and green mortgage, bank and bond financing. In June, Nykredit launched new propositions for personal customers wishing to climate-proof their homes against the increasingly wet and extreme weather conditions. This means that green home loans and green savings can now also be used for the installation of drainage systems. This is yet another element of Nykredit's ambition to give customers financial security.



## Performance highlights in 2024

Banking delivered a business profit of DKK 8,837 million (2023: DKK 8,675 million).

Total income rose to DKK 13,146 million (2023: DKK 12,865 million), mainly related to net interest from capitalisation.

Net interest income amounted to DKK 8,471 million (2023: DKK 8,707 million) The decrease was primarily due to lower interest income from deposits. Particularly personal customers were offered a higher deposit rate in 2024 than in 2023.

Net fee income amounted to DKK 1,915 million (2023: DKK 1,929 million).

Net interest from capitalisation was a gain of DKK 1,438 million (2023: charge of DKK 932 million), primarily as a result of a change in interest rates.

Costs amounted to DKK 4,678 million (2023: DKK 4,480 million), which was mainly attributable to pay increases and general price increases due to inflation.

Impairment charges for loans and advances were a net reversal of DKK 369 million (2023: net reversal of DKK 290 million) related to the continued good credit quality of our Banking customers.

Legacy derivatives resulted in a value adjustment of DKK 98 million (2023: value adjustment of DKK 59 million).

## Results for Q4/2024

Income in Q4/2024 was DKK 3,252 million (Q3/2024: DKK 3,326 million).

Costs amounted to DKK 1,199 million in Q4/2024 (Q3/2024: DKK 1,143 million).

Impairment charges for loans and advances were a net reversal of DKK 159 million (Q3/2024: net reversal of DKK 59 million).

Legacy derivatives were a loss of DKK 4 million in Q4 (Q3/2024: a loss of DKK 25 million).

## Results

DKK million	2024	2023	Q4/ 2024	Q3/ 2024	Q2/ 2024	Q1/ 2024	Q4/ 2023
<b>Banking</b>							
Net interest income	8,471	8,707	2,114	2,109	2,117	2,131	2,293
Net fee income	1,915	1,929	474	496	422	524	536
Wealth management income	881	740	230	225	224	202	190
Net interest from capitalisation	1,438	932	374	370	357	337	219
Trading, investment portfolio and other income	441	556	61	127	92	161	70
<b>Income</b>	<b>13,146</b>	<b>12,865</b>	<b>3,252</b>	<b>3,326</b>	<b>3,212</b>	<b>3,355</b>	<b>3,308</b>
Costs	4,678	4,480	1,199	1,143	1,171	1,165	1,134
<b>Business profit before impairment charges</b>	<b>8,468</b>	<b>8,385</b>	<b>2,053</b>	<b>2,183</b>	<b>2,042</b>	<b>2,190</b>	<b>2,173</b>
Impairment charges for mortgage lending	(209)	(338)	(52)	(100)	(15)	(42)	(80)
Impairment charges for bank lending	(159)	48	(107)	41	(52)	(41)	7
<b>Business profit</b>	<b>8,837</b>	<b>8,675</b>	<b>2,212</b>	<b>2,242</b>	<b>2,109</b>	<b>2,274</b>	<b>2,246</b>
Legacy derivatives	98	59	(4)	(25)	76	52	(84)
<b>Profit before tax</b>	<b>8,934</b>	<b>8,734</b>	<b>2,084</b>	<b>2,217</b>	<b>2,184</b>	<b>2,325</b>	<b>2,162</b>

Profit before tax for Q4

# DKK 2,084 million

(Q3/2024: DKK 2,217 million)

## Activities

Loan volumes totalled DKK 810.5 billion (end-2023: DKK 782.0 billion), of which nominal mortgage lending was DKK 702.1 billion (end-2023: DKK 684.4 billion). The increase in mortgage lending particularly stems from the largest corporate clients of the Corporates & Institutions division.

In Retail Personal Banking, bank lending came to DKK 11.5 billion (end-2023: DKK 11.2 billion) and bank deposits amounted to DKK 53.1 billion (end-2023: DKK 48.2 billion). In Retail Business Banking, bank lending came to DKK 35.0 billion (end-2023: DKK 31.5 billion), relating primarily to small and medium-sized enterprises. Bank lending by Corporates & Institutions rose to DKK 47.1 billion (end-2023: DKK 42.6 billion), mainly driven by a few large clients.

## Arrears

At the September due date, 75-day mortgage loan arrears as a percentage of total mortgage payments due were 0.19% against 0.23% at the same time in 2023.

75-day mortgage loan arrears improved on 2023 (year-on-year), which is a positive testament to our customers' high ability to pay and overall financial robustness in 2024.

Total lending

# DKK 810.5 billion

(end-2023: DKK 782.0 billion)

## Selected balance sheet items

DKK million	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2023
<b>Banking</b>					
<b>Retail Personal Banking</b>					
Lending	180,313	179,320	178,308	178,023	178,366
- of which mortgage lending, nominal value	154,079	154,018	153,655	154,271	154,802
- of which secured homeowner loans	14,739	13,653	12,880	12,439	12,376
- of which bank lending	11,491	11,649	11,773	11,313	11,188
Deposits	53,160	50,372	50,028	47,873	48,160
<b>Retail Business Banking</b>					
Lending	262,510	259,250	257,312	253,587	253,676
- of which mortgage lending, nominal value	227,501	225,630	225,184	222,279	222,210
- of which bank lending	35,008	33,620	32,128	31,308	31,465
Deposits	29,491	28,417	30,128	27,258	27,947
<b>Corporates &amp; Institutions</b>					
Lending	367,708	360,301	356,911	352,105	349,978
- of which mortgage lending, nominal value	320,569	314,815	311,648	308,529	307,387
- of which bank lending	47,138	45,486	45,263	43,576	42,591
Deposits	16,736	16,661	14,956	11,993	17,810



# Totalkredit Partners

Totalkredit's strategic ambition is to secure its future position as market leader in property financing by continuing to

- strengthen collaboration between Totalkredit and its partner banks
- focus on joint development across the partnership.

A basic premise is to prioritise joint solutions.

The ambition of the Totalkredit partnership is to offer customers attractive mortgage loans at competitive rates. We believe that our customers are best served by local advisers who know them, their financial situation and the local area well, one reason why we consider it our special responsibility to have a nationwide presence.

## 2024 in summary

The housing market was characterised by low activity in the first quarter of the year due to the new housing taxes, which reduced mortgage lending activity. In H2, the housing market picked up again and the number of housing transactions increased, which led to rising mortgage lending. The year was also marked by low remortgaging activity in that the interest rate development did not result in large refinancing surges. We expect this trend to continue in 2025.

Nominal mortgage lending was DKK 753.5 billion at year-end. More than 785,000 homeowners have loans via Totalkredit's partner banks (excluding loans arranged by Nykredit).

Totalkredit Partners is committed to offering customers the best loan propositions in the market as well as strengthening collaboration with its partner banks.

The Totalkredit community is continually working to develop a future-proofed joint IT platform to optimise the advisory tools and home financing options available to all members of the partnership and their customers. Most Totalkredit loans are produced in the new home finance universes made available to partner banks via their IT providers. The new universes offer better advisory tools and more efficient case management for the benefit of customers. Customers also get improved digital solutions through their mobile banking services as well as "Mit Hjem", a digital platform where they can find information about their property and Totalkredit's loans and also monitor local housing markets, including home listings.

We have seen growth in Totalkredit business mortgages offered to the segments office and retail, residential rental as well as industry and trades. A large number of our partner banks actively use our business mortgage propositions.

Totalkredit offers a home energy check-up by an energy consultant to customers interested in having their home energy-labelled. The home energy check-up is one of the joint solutions developed in concert with our Totalkredit partner banks.

Totalkredit now also offers climate check-ups, giving customers an overview of initiatives and repair methods when water is flooding in from every direction, to help customers better secure their homes. Climate check-ups are a supplement to the existing energy check-ups. Energy and climate check-ups are carried out by NRGi Consulting, Totalkredit's collaboration partner. Customers with Totalkredit loans are offered energy and climate check-ups at a discount.

Since 2017, the Nykredit Group has awarded KundeKroner discounts to mortgage customers, sponsored by Forenet Kredit. These discounts are subject to annual review by Nykredit.

In Q3, Nykredit entered into an agreement with the Danish Competition and Consumer Authority on the Totalkredit partnership agreement. We are pleased that there is now clarity about the conditions for the Totalkredit partnership. Together with the partner banks, we will look at ways to modernise our partnership so that we remain able to offer the best and most attractive home loans in the market to Danish homeowners all over the country.

In January 2025, Nykredit decided to raise the KundeKroner discounts by another 0.05 percentage points, from 0.20% to 0.25%, and to extend the discounts until and including 2028.

## Performance highlights in 2024

Totalkredit Partners recorded a business profit of DKK 3,463 million (2023: DKK 3,374 million).

Income rose to DKK 4,480 million (2023: DKK 4,313 million), driven by net interest from capitalisation.

Net interest income came to DKK 3,113 million (2023: DKK 3,114 million). Net fee income was DKK 807 million (2023: DKK 828 million), down DKK 21 million mainly driven by lower mortgage activity in both the personal and the business segment compared with 2023.

Costs were DKK 868 million (2023: DKK 853 million), mainly due to inflation-driven pay increases and general price rises as well as increased costs of digitisation and IT.

Impairment charges for loans and advances were DKK 149 million (2023: DKK 86 million) and remained at a very low level.

### Results for Q4/2024

Totalkredit Partners delivered a profit before tax of DKK 894 million (Q3/2024: DKK 864 million).

Income amounted to DKK 1,213 million (Q3/2024: DKK 1,061 million).

Impairment charges for loans and advances were DKK 49 million (Q3/2024: DKK 1 million).

Business profit for Q4

# DKK 894 million

(Q3/2024: DKK 864 million)

## Results

			Q4/	Q3/	Q2/	Q1/	Q4/
DKK million	2024	2023	2024	2024	2024	2024	2023
<b>Totalkredit Partners</b>							
Net interest income	3,113	3,114	813	775	769	757	800
Net fee income	807	828	255	146	207	199	302
Net interest from capitalisation	572	379	154	139	143	136	87
Trading, investment portfolio and other income	(12)	(8)	(10)	1	(4)	1	(4)
<b>Income</b>	<b>4,480</b>	<b>4,313</b>	<b>1,213</b>	<b>1,061</b>	<b>1,115</b>	<b>1,092</b>	<b>1,186</b>
Costs	868	853	269	195	242	162	228
<b>Business profit before impairment charges</b>	<b>3,612</b>	<b>3,460</b>	<b>943</b>	<b>865</b>	<b>872</b>	<b>930</b>	<b>958</b>
Impairment charges for mortgage lending	149	86	49	1	58	40	31
<b>Business profit</b>	<b>3,463</b>	<b>3,374</b>	<b>894</b>	<b>864</b>	<b>814</b>	<b>890</b>	<b>926</b>

## Activities

Nominal lending totalled DKK 753.5 billion compared with DKK 730.2 billion at end-2023, corresponding to an increase of DKK 23.3 billion, which was primarily driven by private residential mortgage lending.

Total nominal lending to personal customers was DKK 739.3 billion (end-2023: DKK 717.3 billion). The increase in mortgage lending was mainly due to a decline in interest rates and strong household finances driven by high employment and real wage rises. The majority of our customers opted for repayment loans in 2024.

The business loan portfolio increased by DKK 1.3 billion to nominally DKK 14.2 billion (end-2023: DKK 12.9 billion).

## Arrears

At the September due date, 75-day mortgage loan arrears of Totalkredit Partners as a percentage of total mortgage payments due were 0.12% against 0.13% at the same time in 2023.

Due to customers' financial strength, 75-day arrears remained low and were at the same level as in 2023 (year-on-year).

Total lending

# DKK 753.5 billion

(Q3/2024: DKK 743.9 billion)

## Selected balance sheet items

DKK million	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2023
<b>Totalkredit Partners</b>					
<b>Personal customers</b>					
Lending	739,279	730,077	722,219	717,243	717,196
- of which mortgage lending, nominal value	733,331	723,718	715,567	710,289	709,957
- of which secured homeowner loans	5,948	6,360	6,651	6,954	7,238
<b>Business customers</b>					
Lending	14,202	13,839	13,803	13,374	12,981
- of which mortgage lending, nominal value	14,202	13,839	13,803	13,374	12,981

# Wealth Management

Wealth Management pursues the ambition of being Denmark's responsible wealth manager. Against this background, we aim to build long-term value for our clients and business partners and be useful to society.

## 2024 in summary

The market development in 2024 was characterised by overall satisfactory growth and contributed to a decent increase in total assets under management.

Wealth Management continuously strives to maintain close relationships with customers and partners, and this has been the driving force behind Wealth Management's strong customer growth and positive net sales.

Our clients have shown a particular interest in balanced investment solutions and indexed equity mandates.

Wealth Management strives to improve the customer experience through, for example:

- better mobile and online investment solutions for personal customers, with improved market monitoring
- sustainability in advisory services, products and concepts, which provides our customers with even more and better opportunities to invest sustainably
- customer benefits in the form of a savings discount
- higher awareness of alternative investments.

In 2024, Wealth Management launched a number of initiatives consolidating the Group's solid position in wealth and investment. The purpose is to build simpler, more scalable and focused Wealth Management operations supporting continued growth. We have, among other things, launched a new 3-year platform programme to ensure a robust and scalable platform to accommodate future growth in the wealth management and investment areas.

Wealth Management holds a strong market position and received international recognition in 2024 in the form of Lipper Fund Awards as well as WealthBriefing European Awards in the three categories "Best Domestic Clients Team", "Best Private Bank for Client Service" and "Best Private Bank for Talent Management".



## Performance highlights in 2024

Wealth Management delivered a business profit of DKK 1,221 million (2023: DKK 1,185 million). Income amounted to DKK 2,312 million and was up on the preceding year (2023: DKK 2,215 million), primarily driven by increasing wealth management income related to rising assets under management.

Costs amounted to DKK 1,106 million (2023: DKK 1,018 million), which was mainly attributable to pay increases and general price increases due to inflation. Furthermore, in the year under review, investments in digitisation and IT increased across the Group, and costs were incurred in connection with the relocation to Nykredit's new headquarters in Nordhavn, Copenhagen.

Impairment charges for loans and advances were a net reversal of DKK 15 million (2023: charge of DKK 13 million).

### Results for Q4/2024

Wealth Management delivered a business profit of DKK 278 million in Q4/2024 (Q3/2024: DKK 308 million).

Income amounted to DKK 565 million (Q3/2024: DKK 569 million).

Costs amounted to DKK 282 million (Q3/2024: DKK 261 million). The increase was chiefly due to a time lag on large staff costs.

Impairment charges for mortgage loans were a reversal of DKK 4 million (Q3/2024: charge of DKK 4 million). Impairment charges for bank lending were DKK 9 million (Q3/2024: reversal of DKK 5 million).

## Results

			Q4/	Q3/	Q2/	Q1/	Q4/
DKK million	2024	2023	2024	2024	2024	2024	2023
<b>Wealth Management</b>							
Net interest income	408	498	95	100	100	113	118
Net fee income	44	44	14	10	11	10	14
Wealth management income	1,766	1,595	434	433	437	462	381
Net interest from capitalisation	49	39	11	17	9	12	9
Trading, investment portfolio and other income	45	40	11	8	11	15	8
<b>Income</b>	<b>2,312</b>	<b>2,215</b>	<b>565</b>	<b>569</b>	<b>568</b>	<b>610</b>	<b>529</b>
Costs	1,106	1,018	282	261	292	271	272
<b>Business profit before impairment charges</b>	<b>1,206</b>	<b>1,197</b>	<b>283</b>	<b>307</b>	<b>276</b>	<b>339</b>	<b>257</b>
Impairment charges for mortgage lending	(2)	1	(4)	4	(1)	(3)	(0)
Impairment charges for bank lending	(13)	12	9	(5)	(15)	(2)	5
<b>Business profit</b>	<b>1,221</b>	<b>1,185</b>	<b>278</b>	<b>308</b>	<b>290</b>	<b>345</b>	<b>252</b>

Business profit for Q4

# DKK 278 million

(Q3/2024: DKK 308 million)

## Activities

Assets under management increased by DKK 43 billion compared with end-2023 to a total of DKK 499 billion (end-2023: DKK 456 billion). This was due to negative net sales of DKK 4 billion driven by net inflows from clients of the Sparinvest partnership banks as well as Retail and Private Banking Elite clients. Conversely, Wealth Management saw net outflows from institutional and international clients. To this should be added a positive return of DKK 47 billion.

Assets under administration rose by DKK 47 billion on end-2023 to DKK 1,128 billion (end-2023: DKK 1,081 billion). This development is composed of net sales of DKK 102 billion and a positive return of DKK 150 billion. The negative net sales were in part due to the implementation of a simpler and more scalable business model for Nykredit Portefølje Administration.

Assets under management

# DKK 499 billion

(end-2023: DKK 456 billion)

## Selected balance sheet items

DKK million	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2023
<b>Wealth Management</b>					
<b>Assets under management</b>	498,947	513,616	496,038	486,166	455,755
<b>Assets under administration</b>	1,127,909	1,091,778	1,059,344	1,093,753	1,080,553
<b>Lending/deposits</b>					
Lending	22,957	22,491	22,044	21,792	21,926
- of which mortgage lending, nominal value	15,931	15,599	15,258	15,278	15,033
- of which secured homeowner loans	2,061	1,973	1,943	1,467	1,788
- of which bank lending	4,965	4,918	4,844	5,047	5,105
Deposits	17,236	18,294	17,012	16,576	17,655

# Group Items

Group Items includes Nykredit's total return on the securities portfolio, including equities held for business purposes.

A few income statement and balance sheet items are not allocated to the business areas but are included in Group Items.

## Performance highlights in 2024

The profit of Group Items increased by DKK 412 million relative to last year to DKK 1,202 million (2023: DKK 785 million).

This was primarily related to net interest from capitalisation and trading, investment portfolio and other income. The latter was mainly positively affected by value adjustments of our strategic equity portfolios.

## Results

			Q4/	Q3/	Q2/	Q1/	Q4/
DKK million	2024	2023	2024	2024	2024	2024	2023
<b>Group Items</b>							
Net interest income	26	(14)	4	(0)	12	10	(12)
Net fee income	(23)	(11)	(12)	3	(10)	(4)	(13)
Wealth management income	32	33	11	4	12	5	12
Net interest from capitalisation	424	369	95	116	100	113	92
Net income relating to customer benefits programmes	(580)	(404)	(152)	(151)	(142)	(135)	(113)
Trading, investment portfolio and other income	1,615	1,036	226	38	384	967	127
<b>Income</b>	<b>1,493</b>	<b>1,009</b>	<b>172</b>	<b>11</b>	<b>355</b>	<b>955</b>	<b>93</b>
Costs	305	204	178	114	(29)	48	118
<b>Business profit (loss) before impairment charges</b>	<b>1,189</b>	<b>805</b>	<b>(5)</b>	<b>(104)</b>	<b>384</b>	<b>907</b>	<b>(25)</b>
Impairment charges for mortgage lending	(11)	12	(1)	0	(8)	(2)	-
Impairment charges for bank lending	(2)	2	(0)	(1)	1	(2)	1
<b>Profit (loss)</b>	<b>1,202</b>	<b>790</b>	<b>(3)</b>	<b>(105)</b>	<b>392</b>	<b>911</b>	<b>(25)</b>

# Sustainability at Nykredit

Nykredit is the largest lender in Denmark, 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 are owned by an association of customers. As such, we have a special responsibility for creating value for our customers and for society.

Nykredit's ESG commitment is centred around the themes: "A greener and prepared Denmark" (E), "A customer-owned Nykredit" (S) and "Responsible business practices" (G).

The Nykredit Group's statutory sustainability reporting is covered on pages 30-128.

## E

### A greener and prepared Denmark

Under the theme "A greener and prepared Denmark", material impacts, risks and opportunities related to climate change mitigation and adaptation are addressed.

The taxonomy reporting is presented on pages 87-110.

#### Topics

- Climate change mitigation
- Climate change adaptation
- Carbon emissions and energy consumption

#### CSRD references

ESRS E1 Climate change

## S

### A customer-owned Nykredit

Under the theme "A customer-owned Nykredit", material impacts, risks and opportunities related to non-discrimination of customers and employees, privacy and the right to adequate housing are addressed.

#### Topics

- Home loans all across Denmark
- Right to privacy
- Equal treatment and opportunities for all

#### CSRD references

ESRS S1 Own workforce  
ESRS S4 Consumers and end-users

## G

### Responsible business practices

Under the theme "Responsible business practices", material impacts, risks and opportunities related to Nykredit's efforts to promote a healthy corporate culture, combat financial crime and ensure due diligence in the value chain are addressed.

#### Topics

- Healthy corporate culture
- Combating financial crime
- Due diligence in the value chain

#### CSRD references

ESRS G1 Business conduct



This is the Nykredit Group's first Sustainability Statement under the EU's Corporate Sustainability Reporting Directive (CSRD) and the underlying standards. The Sustainability Statement replaces the Nykredit Group's Corporate Responsibility Report, which constituted the Group's ESG reporting in previous years.

The Sustainability Statement is a relatively new form of reporting, and consequently, not all relevant data is readily available. Additionally, the registration, processing and assessment of data are still to some extent in the development phase. Consequently, management judgements, estimates and third-party data have been used in the Sustainability Statement. The limited maturity of and access to data in this area consequently result in uncertainty in the reporting, which may be particularly pronounced in relation to the value chain. Measurement uncertainties and estimates appear from the accounting policies applicable to the individual data points on page 111-119.

## Basis for preparation

Nykredit's Sustainability Statement has been prepared in accordance with the new European Sustainability Reporting Standards (ESRS), as required under the new EU Corporate Sustainability Reporting Directive (CSRD) as well as other applicable legislation and guidelines.

### Incorporation by reference

Nykredit's Annual Report consists of several parts, among these the Management Commentary, which includes the Sustainability Statement. In addition, Nykredit has chosen to incorporate some ESRS disclosure requirements related to strategy, organisational and management disclosures in the Management Commentary section of the Annual Report.

## ESRS 2 disclosure requirements outside the scope of the Sustainability Statement

Disclosure requirements	Data points	Sections in the Management Commentary	Page
ESRS 2 GOV-1	21a, b, c, d, e	Directorships and executive positions	282
ESRS 2 GOV-1	21b, 22a	Company details	158
ESRS 2 GOV-1	22a, b, c, ci, cii, ciii, 23	Organisation and management	150
ESRS 2 GOV-3	29	Remuneration	155

## Consolidated reporting

Data in the Sustainability Statement has been consolidated in accordance with the same principles as those following from the financial accounting policies. This means that the total amount of quantitative ESG data encompasses not only the parent company Nykredit A/S, but also all subsidiaries directly controlled by Nykredit.

Any consolidation of quantitative ESG data adheres to these principles, except where special circumstances require an approach that deviates from the standard accounting policies. Exemptions will be clearly stated in the accounting method described on page 111-119.

## Accounting policy judgements and estimates

To ensure precision and reliability in judgements, accounting frameworks must be developed and maintained. Nykredit aims to ensure that both we and our customers have access to data that can guide decision-making processes and support risk management. Nykredit therefore always strives to improve data availability and quality. This involves strengthening of the accounting data framework through internal coordination, improvement of IT solutions for data collection and processing, and participation in industry-wide initiatives aimed at standardising and improving the quality of ESG data in the financial sector.

In addition, Nykredit has established strategic partnerships with expertise to enhance the quality of our ESG data and analysis. These partnerships serve to strengthen the basis for our accounting judgements and estimates, ensure compliance with applicable reporting standards and increase transparency in our reporting to stakeholders.

In order to ensure transparency and maintain stakeholder confidence, Nykredit's accounting practices for quantitative data have been documented. The documentation includes definitions of the calculation principles and methods used, as well as the applied assumptions. Such information will be stated in the accounting policies on page 111-119.

## Business model and value chain

Nykredit is a Danish financial services group serving personal customers, business customers and institutional customers in Denmark. The Group's business activities are predominantly in Denmark and comprise banking, mortgage lending, estate agency services, administration and management of investment funds, leasing and insurance mediation. See the chart below for a more detailed view of the Group's business activities and customers in the downstream value chain.

With the introduction of the CSRD, it is also relevant to describe the Group's upstream and downstream activities. Upstream activities include procurement, logistics and supply chain management. Downstream activities refer to activities that take place after products or services have been delivered to the customer.

A central part of our business model and value chain is our partnerships through Totalkredit and Sparinvest. Together with the business partners in the Totalkredit partnership, Nykredit arranges mortgage loans across the country.

In Sparinvest, Nykredit collaborates with a large number of banks across Denmark on the distribution of wealth and investment products to personal and business customers.

The Group's upstream value chain includes a number of suppliers of goods and services for the daily operation of Nykredit's offices, such as IT systems. The Nykredit Group strives to have a strong capital structure and wants to be able to maintain its business activities throughout Denmark regardless of fluctuations in economic trends. Nykredit's 3,900 employees<sup>1</sup> are tasked with the development and sale of financial products as well as customer advisory services.

Being customer-owned, Nykredit differs significantly from other Danish SIFIs as the Group pays dividend to its owners, including our main owner, Forenet Kredit.

Forenet Kredit can then make contributions to the Nykredit Group, which Nykredit and Totalkredit can give back to their customers. It is our customer-ownership structure that sets the Nykredit Group apart from other comparable financial institutions by highlighting our unique business model and approach to value creation.

The Nykredit Group's value creation lies in ensuring that homeowners and businesses across Denmark have access to competitive and reliable financing – through the good times and the bad. Through its advisory services, the Nykredit Group helps customers stay on top of their finances and provides financial security. At the same time, the Nykredit Group, as Denmark's largest lender, contributes to economic growth and development in society.

## Primary business activities (downstream value chain)

### Nykredit provides home financing and other personal banking services

- Mortgage lending: DKK 921.6 billion
- Bank lending: DKK 21.1 billion

### Nykredit finances real estate, operations and growth in the agricultural sector

- Mortgage lending: DKK 83.2 billion

### We finance real estate, operations and growth in small and large businesses

- Mortgage lending: DKK 358.7 billion
- Bank lending: DKK 82.2 billion

### We finance public and cooperative housing

- Mortgage lending to public housing: DKK 84.7 billion
- Mortgage lending to housing cooperatives: DKK 35.6 billion

### Nykredit provides wealth management services to personal and business customers

- Assets under management: DKK 498.9 billion

### We provide investment portfolio administration for institutional clients, such as pension and investment funds

- Assets under administration: DKK 1,127.9 billion

### The estate agencies Nybolig, Estate and &LIVING arrange the sale and purchase of residential and commercial properties

### Nykredit arranges non-life insurance through Privatsikring

<sup>1</sup> Average number of employees in 2024.

## Sustainability strategy

It is a natural part of Nykredit's responsibility as a mutual financial provider, the largest lender and one of the largest investors in Denmark to contribute to 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 the 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."**

This objective has been translated into three main themes: "A greener and prepared Denmark", "A customer-owned Nykredit" and "Responsible business practices".

### A greener and prepared Denmark

As the largest lender in Denmark, Nykredit plays a role in building a greener Denmark. Our largest carbon footprint as a financial provider, or more than 99%, comes from the activities we finance and invest in.

By joining forces with our customers, we can take the greatest leap forward in the green transition. Nykredit was the first Danish financial provider to set emissions targets for real estate and owner-occupied dwellings. These targets are included in our ambition of delivering a net zero Nykredit by 2050.

### A customer-owned Nykredit

Being Denmark's largest lender, Nykredit has a special role to play. We will be active in all of Denmark and support growth – in urban and rural districts alike. This is a pledge that places demands on the Nykredit Group's business model, profitability, capital structure and lending practices in the areas of banking and mortgage lending. By virtue of their strong local presence and insight into local conditions, the Totalcredit partner banks can support growth and progress in Danish local communities through their lending activities and local engagement. The partnership also underpins Nykredit's presence in rural areas.

Nykredit has a responsibility for ensuring that advice, products and services are responsible relative to the individual customer and in a societal context. The Group is aware of our own direct impact through product terms and the processing of customers' personal data. As a financial provider, Nykredit also holds an advanced responsibility for ensuring that financial infrastructure and products support and promote a more sustainable transition of society. At the same time, Nykredit has an obligation to act responsibly towards the Group's employees, including with regard to diversity and inclusion.

### 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 to Nykredit that our advice, products and services are responsible, both in a societal context and relative to the individual customer. We must be well organised across the Group to act responsibly and appropriately, complying with not only the letter, but also the spirit of the law. This calls for a strong management and corporate culture alongside rigorous due diligence processes and a robust defence against financial crime.

### E – A greener and prepared Denmark


 Owner-occupied dwellings

 Investments


 Real estate

 Nykredit

 Agriculture

 Businesses and energy

### S – A customer-owned Nykredit


 Development and growth throughout Denmark at all times


 Responsible products, advisory services and processes


 People


 Diversity and inclusion

### G – Responsible business practices


 Responsible business conduct

 Due diligence – lending

 Initiatives to combat financial crime

 Due diligence – investments

 IT security

 Due diligence – suppliers

# Stakeholder involvement

Key stakeholders	Organisation of stakeholder involvement	Purpose of stakeholder involvement
Politicians, civil servants and authorities	<ul style="list-style-type: none"> <li>Formal and informal written enquiries, meetings etc</li> <li>Preparation of consultation responses</li> <li>Collaboration with authorities and politicians on new initiatives, studies and reports when they request views and knowledge etc from Nykredit</li> </ul>	Through interest representation, Nykredit will contribute constructively to the drafting of new regulation (such as acts, technical standards, executive orders, guidelines and supervisory decisions or market standards). For this purpose, Nykredit is in close, ongoing dialogue with policymakers and authorities, ensuring that Nykredit is aware of their expectations and requests for Nykredit's business. Nykredit also ensures that it has the necessary expertise to comply with current regulation.
Trade organisations	<ul style="list-style-type: none"> <li>Coordination of shared viewpoints and advocacy via Nykredit's representation on boards, committees, working groups etc of trade organisations</li> <li>Cooperation on joint initiatives and proposals</li> <li>Sectoral collaboration on joint solutions</li> </ul>	<p>Nykredit participates in representing shared interests on behalf of the Danish financial sector in areas where, as part of the sector, Nykredit can make a positive contribution to society.</p> <p>Interest representation of a unified financial sector is particularly relevant in areas where Nykredit's viewpoints do not significantly differ from those of the broader sector but are still aligned with Nykredit's business model.</p>
Other interest groups and other NGOs	<ul style="list-style-type: none"> <li>Sponsorships and partnerships</li> <li>Collaboration on selected initiatives and proposals</li> <li>Ongoing dialogue and collaboration on selected topics</li> </ul>	Nykredit supports and contributes to various sustainability initiatives through associations, organisations and civil society in general.
Press relations	<ul style="list-style-type: none"> <li>Ongoing contact and dialogue with relevant media via Nykredit Press Relations</li> </ul>	Nykredit Press Relations is tasked with proactively bringing Nykredit's expertise into play, when and where relevant, and with managing and responding to all press enquiries for the purpose of contributing constructively to the public debate

## Coordination across Nykredit

Ongoing coordination takes place across Nykredit's organisation and management in order to provide information on the views and interests of the relevant stakeholders.

Nykredit has clear internal procedures for managing upcoming or new regulation with the aim of ensuring a well-defined division of tasks and responsibilities across the organisation and providing timely, appropriate involvement of Nykredit's various management levels. This is done through established formal coordination forums within the organisation and ongoing collaboration across relevant departments.

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.



## Double materiality assessment

Nykredit's double materiality assessment shows that there are material impacts, risks and opportunities associated with Nykredit's core business. Specifically, material impacts, risks and opportunities have been identified within four topical standards as well as a Nykredit-specific impact (ES1) in relation to the right to adequate housing, which is addressed as part of S4 – Consumers and end-users.

The methodology used to perform the double materiality analysis follows the principles and requirements set out in the ESRS as well as available guidance. The analysis takes into account all aspects of Nykredit's business and underlying activities, including own operations and the upstream and downstream value chain. In the value chain, impacts, risks and opportunities are identified and assessed if these relate to a Nykredit-strategic priority, and significant impacts, risks and opportunities are included in the reporting. For impact materiality, Nykredit has taken into account both positive and negative impacts as well as potential and actual impacts. The double materiality assessment covers the complete breath of sustainability topics specified in the ESRS 1, including human rights. For financial materiality, Nykredit only considers risks and opportunities in relation to sustainability impacts that may trigger a financial effect on the business.

As part of the double materiality assessment, a number of standards were found to be non-material in terms of reporting. For the assessment of impacts, risks and opportunities, Nykredit made use of external advisory as well as broad stakeholder involvement from relevant professional profiles across the organisation.

The external advisory and internal specialists were particularly crucial in understanding and identifying impacts, risks and opportunities and in scoring the topics of pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy.

Identification of impacts, risks and opportunities related to these topics has followed the method for the double materiality assessment method but has, among other things, been affected by the fact that these are topics where data in the value chain lacks and a common methodology. For Nykredit's own headquarters, the topics have not been considered material, as Nykredit's own operations are not located in biodiversity-sensitive areas.

### Materiality distribution of ESRS standards

#### Impact material

S1

#### Double material

E1 S4 ES1 G1

#### Non-material

E2 E3 E4 E5  
S2 S3

#### Financially material

#### Environment

- E1 – Climate change
- E2 – Pollution
- E3 – Water and marine resources
- E4 – Biodiversity and ecosystems
- E5 – Circular economy

#### Social

- S1 – Own workforce
- S2 – Workers in the value chain
- S3 – Affected communities
- S4 – Consumers and end-users
- ES1 – The right to adequate housing (entity-specific for Nykredit)

#### Governance

- G1 – Business conduct

## Assessment of impacts, risks and opportunities

For impact materiality, each identified impact is assessed qualitatively based on "scale", "scope" and "irremediable character":

1. Scale – How severe or how beneficial the impact is.
2. Scope – How widespread the impact is.
3. Irremediable character – To what extent the negative impacts could be remediated.

Based on these criteria, an overall assessment of *severity* is conducted to determine whether an impact is material or non-material. Impacts are not assessed in terms of probability, as all material impacts must be addressed. Positive impacts are not assessed in terms of irremediable character.

For financial materiality, thresholds for assessing the "magnitude of financial effects" and "likelihood of occurrence" are required. Likely risks and opportunities related to sustainability impacts are evaluated on the basis of the magnitude of the financial effect and likelihood of occurrence, both of which follow Nykredit's existing qualitative thresholds for non-financial risks.

## Stakeholder involvement in the double materiality assessment

At Nykredit, the double materiality assessment has been prepared together with internal stakeholders representing all parts of Nykredit's business model. Involvement of these stakeholders ensures a broad, contextual understanding of Nykredit's activities, business relationships and sustainability. The process ensures the identification of the right impacts and documentation of the management thereof. The results of the double materiality assessment have also been validated by selected external stakeholders.

## Process for impact and financial materiality

The process for conducting the double materiality assessment covering both impact and financial materiality is divided into four phases:

- Preparation and delimitation
- Identification of impacts, risks and opportunities
- Assessment of materiality
- Validation of results.

### Preparation and delimitation

The first part of the process involves creating an overview of CSRD requirements as well as identifying and collecting existing data and documentation, including policies and reports relevant to the CSRD reporting. In connection with the preparation of the double materiality assessment, draft analyses have been conducted with expected impacts in the context of impact materiality, as well as expected risks and opportunities in the context of financial materiality. The drafts have been prepared on the basis of Nykredit's existing material. In this phase, the stakeholders to participate in the double materiality assessment are identified.

### Identification of impacts, risks and opportunities

Nykredit has conducted workshops to identify material impacts, risks and opportunities. At these workshops, all the subtopics and sub-subtopics described in the ESRS were assigned to groups and subject matter experts to identify potential impacts as well as risks and opportunities. The workshops were based on the analysis drafts, where workshop participants could adjust the provisionally identified impacts, risks and opportunities. The workshop results (impact analyses on social, environmental and financial sustainability as well as risks and opportunities related to social, environmental and financial sustainability) form the basis for the results of the double materiality assessment.

Representatives from across the value chain qualified that the impacts, risks and opportunities identified by Nykredit are consistent with the stakeholders' external perception of Nykredit. The stakeholders' input was collected and used in the assessment.

## Assessment of impacts, risks and opportunities

The materiality assessment of the identified impacts, risks and opportunities is based on evidence from the previous phases and follows the predefined assessment dimensions. Sources for the assessment include the workshop results and input from interviews with external stakeholders.

### Validation of results

Workshop participants validated the preliminary results for material impacts, risks and opportunities. Further calibration was carried out at management level prior to the final approval of the result.

The following pages describe Nykredit's material impacts, risks and opportunities related to E, S and G.

Nykredit's Fossil Fuels Policy is a key element in managing risks and opportunities in the context of climate mitigation. Upon adopting the policy, Nykredit divested several investee companies in 2023. On the lending side, Nykredit made provisions for climate-related risks in 2024. See note 3 of the financial statements and the section on credit risk in the Management Commentary. No relevant investment and divestment plans exist for the remaining material risks. Nykredit's Climate Transition Plan describes the actions that address adverse impacts, mitigate risks and pursue opportunities for the business within climate mitigation. Resources have been allocated in the relevant areas to execute the Climate Transition Plan.

## Material impacts, risks and opportunities

### E1 Climate change

E1 Climate change		Value chain position		Time horizon for lending			Time horizon for investments		
	Description	Own operations	In the value chain	Short (1 year)	Medium (1-5 years)	Long (+5 years)	Short (1 year)	Medium (1-5 years)	Long (+5 years)
Climate change mitigation									
Actual positive impact	Nykredit can contribute positively to climate change mitigation through the Group's targeted products and services, both in the lending and the investment business, as well as through the investment policy and active ownership in the investment business.		✓	✓	✓	✓	✓	✓	✓
Actual negative impact	Nykredit can contribute negatively to climate change mitigation through carbon emissions from the activities the Group finances and invests in.		✓	✓	✓	✓	✓	✓	✓
Risk	Nykredit is exposed to credit risk due to the transition risks posed by the green transition to our customers in our lending operations. Credit risk is mitigated and managed as part of Nykredit's ongoing risk management and through targeted products and services that entice customer action. The size of the risk depends on current and future climate taxes.		✓		✓	✓			
Opportunity	Nykredit can contribute to financing the necessary green transition in the lending and investment business. This may result in a financial gain for Nykredit.		✓		✓	✓		✓	✓
Climate change adaptation									
Risk	Nykredit is exposed to credit risks as a result of the physical risks that climate change entails for the properties mortgaged by the Group. This may increase Nykredit's credit risk and potentially result in a financial loss for the Group. Nykredit actively mitigates these physical risks in several different ways, for instance through products and financing of solutions to climate-proof real estate.		✓		✓	✓		✓	✓

## S1 Own workforce

Description		Value chain position		Time horizon		
		Own operations	In the value chain	Short (1 year)	Medium (1-5 years)	Long (+5 years)
<b>The right to equal pay for equal work</b>						
Actual negative impact	Nykredit operates in a sector traditionally characterised by an unequal gender distribution. This heightens the risk of negatively impacting the right to equal pay for equal work. This impact is addressed through Nykredit's Remuneration Policy, which sets out that the Group's remuneration systems and practices must be gender-neutral and support equal pay for equal work.	✓		✓		
<b>The right to equal access and opportunities in recruitment and promotion</b>						
Potential negative impact	Despite Nykredit's efforts to maintain a high degree of transparency in recruitment and promotion processes, we may risk overlooking potential due to an unintentional favouring of specific preferences or attributes of the individual candidate. This may result in Nykredit failing to achieve sufficient diversity and breadth within the Group.	✓		✓		

## S4 – Consumers and end-users

Description	Value chain position		Time horizon		
	Own operations	In the value chain	Short (1 year)	Medium (1-5 years)	Long (+5 years)
<b>The right to adequate housing (entity-specific for Nykredit)</b>					
Actual positive impact		✓	✓		
Potential negative impact		✓			✓
<b>The right to non-discrimination against customers</b>					
Potential negative impact	✓		✓		
<b>Right to privacy</b>					
Potential negative impact	✓		✓		
Risk	✓			✓	



## G1 Business conduct

Description		Value chain position		Time horizon		
		Own operations	In the value chain	Short (1 year)	Medium (1-5 years)	Long (+5 years)
<b>Money laundering (corruption and bribery)</b>						
Potential negative impact	Like the sector in general, Nykredit has a potential negative impact on society if customers seek to misuse the Group's products and services for financial crime, including money laundering.		✓	✓		
Risk	Nykredit is exposed to financial risk in relation to money laundering due to the size of the fine, potential extra costs and regulatory response if the Group is exploited for money laundering activities.		✓	✓		

## Organisation

During 2024, the organisation of Nykredit's ESG work changed from a transitory programme to being a permanent part of Nykredit's basic organisation. In this connection, a central, coordinating ESG unit has been established under the Group's strategy unit. This unit is responsible for preparing the Group's overarching strategy, including coordination of initiatives across the Group. The unit also supports Management and the rest of the organisation with sustainability expertise across E, S and G. Responsibility for executing ESG initiatives is decentralised across relevant business divisions, fostering decentralised knowledge and resource development in the area. Among other things, specific sustainability expertise with a focus on ESG-related risks exists in the risk management function, and specific sustainability expertise with a focus on ESG-related opportunities exists in each of the Group's business divisions. The relevant business divisions and specialist functions are represented in a coordinating forum. Policies in the area of sustainability are discussed at Executive Board level and approved by the Board of Directors in accordance with the Group's climate targets and Climate Transition Plan. The Group Executive Board has the overall responsibility for following up on the Group's climate targets, including initiatives aimed at ensuring that the targets are achieved. The climate targets are reviewed annually in connection with the Annual Report and approved by the Group Executive Board.

On the lending side, climate-related risks are monitored in connection with industry- and segment-specific portfolio reports, in sector and thematic analyses and in connection with the ongoing reporting to the Boards of Directors. This enables the Boards of Directors to evaluate the Credit Policy and make the required adjustments in relation to lending at single-name level (credit policy guidelines) and portfolio level (portfolio limits and size requirements).

On the investment side, climate risks are monitored as part of the ongoing measurement of transition risks and other sustainability risks included in the ongoing statutory reporting under the EU's Sustainable Finance Disclosure Regulation (SFDR). In addition, the investment universe undergoes continuous screening for companies that do not comply with Nykredit's Sustainable Investment Policy, which includes requirements for climate-related risks. The Boards of Directors receive regular information about specific sustainability themes, as well as a general account in connection with the presentation of the annual report.

## Governance of Group policies

All policies are updated at least once a year and approved by the Board of Directors. The Group Executive Board, along with pertinent committees and/or the management of relevant business divisions, approves and implements the policies, receives reports and continuously assesses compliance. The policies have been prepared in accordance with applicable conventions and legislation in the area. Nykredit is also a signatory to the UN Global Compact, the associated principles on corporate responsibility and human rights, the UN Principles for Responsible Banking and the UN Principles for Responsible Investment. Nykredit supports and adheres to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Our overall commitment is integrated into Nykredit's Corporate Responsibility Policy, while sub-elements of our obligations are integrated into, for example, the Credit Policy and the Sustainable Investment Policy, where relevant. Nykredit's employees can access business-sensitive policies on the Group's intranet. Other policies are publicly available unless otherwise stated in the respective sections.

## Board involvement

The Board of Directors works continuously with sustainability, including impacts, risks and opportunities. In 2024, the Board of Directors included sustainability in a number of agenda items, including:

- Climate Transition Plan
  - The Board of Directors approved the Group's Climate Transition Plan, which addresses Nykredit's adverse impacts, risks and opportunities in relation to climate change mitigation.
- 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.
- Internal Climate, Energy and Environmental Policy
  - The Board of Directors has approved the annual update of the policy. This item relates to Nykredit's adverse impact in connection with climate change mitigation.
- 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.
- Sustainability risks and opportunities

## Sustainability risks and opportunities

In a financial undertaking, climate change in particular, but also other developments in the area of sustainability, requires increased focus on risk management these years. Nykredit has thus increased focus on continuously integrating sustainability-related risks into strategy, governance and risk management to quickly identify, assess and manage new risks and respond to new opportunities for Nykredit and for our customers.

Risks relating to climate change are integrated into the management of traditional risk types, and such risk management as well as the assessment of the materiality of the individual risk therefore follows existing governance and practices, including guidelines for controls.

Nykredit considers climate-related risks to be underlying parameters that affect traditional risk types, such as credit risk, market risk and compliance risk, and are particularly relevant in the area of credit risk as well as operational and compliance risks.

In order to be able to assess and manage sustainability risks on an ongoing basis, a number of policies also include sustainability matters, including, in particular, the Group's Credit Policy, Fossil Fuels Policy and Sustainable Investment Policy. The policies are approved by the Board of Directors and define the risk appetite in each area, a number of criteria for assessing it, and a fixed governance structure for the process of reporting to the Executive Board and the Board of Directors. The management of climate-related risks is continuously developed and matured in line with improved data availability and design of guidelines in the sector.

Based on Nykredit's corporate strategy, Winning the Double 2.0, business strategies have been prepared for Nykredit's three major business divisions: Banking, Totalkredit and Wealth Management. When preparing and regularly updating these strategies, Nykredit considers the commercial opportunities relating to sustainability.

In addition, the individual business divisions continuously consider opportunities particularly relevant to them and can execute on these opportunities, provided that they support customers' needs and are in line with Nykredit's strategic, commercial and corporate responsibility ambitions.

### The most material sustainability risks

Nykredit has assessed the extent to which Nykredit's climate-related risks impact the traditional risk types. However, the identified risks are not categorised into short-, medium- and long-term. This assessment forms the basis of the management of individual risks. The assessment indicates that climate-related risks particularly impact Nykredit's credit risk and, to some extent, non-financial risks. The impact on market risk and liquidity risk is assessed to be less material, but it is monitored continuously. The risk outlook is reflected in Nykredit's risk management, where the primary focus is on credit risk mitigation.

### Risk management

Non-financial sustainability risks are mitigated both at a strategic level and in the ongoing day-to-day risk management activities across the organisation. Thus, strategic efforts are being made to continue the sustainable transformation of the Nykredit Group, in terms of own operations, customer relations and product offering. An increasing number of tools are being implemented in the day-to-day risk activities to support robust risk management in the area of sustainability.

### Internal control environment

Sustainability reporting is a relatively new discipline, and therefore, the identification of risks and related controls are still maturing. Responsibility for controlling data in the sustainability reporting is thus decentralised. As part of the current reporting, the Group's central ESG unit has conducted quality assurance of the most significant data points in the sustainability reporting. Furthermore, the first steps have been taken to place the reporting's data elements under governance. Both the control system and data governance are undergoing continuous maturation and development.

### Examples of climate-related risks by risk type

	Physical risks (More frequent storm surges, cloudbursts, coastal erosion, groundwater rises, rising sea levels.)	Transition risks (Changed consumer behaviour, technological development, new legislation in connection with the green transition etc.)
Credit risk	Decreasing value of physical assets due to, for example, flooding.	Declining cash flows and earnings in certain sectors as a result of the green transition, including carbon taxes.
Non-financial risk	Physical damage to, for example, own locations and data centres that interfere with operations.	Accusations of greenwashing, inability to keep pace with the implementation of new ESG regulation.
Market risk	Changes in the value of assets and investor expectations due to extreme events.	Uncertainty about effects can lead to sudden shifts in the value of assets.
Liquidity risk	Large increase in realised losses on property loans due to climate change.	Negative impact on reputation may make Nykredit's bonds less appealing to investors.

# E

## A greener and prepared Denmark

These years, climate change poses a significant and growing challenge, and as the country's largest lender and a major asset manager, Nykredit can be part of the solution, especially in areas where the Group has a unique ability to drive impact.

Therefore, climate change mitigation is directly incorporated into Nykredit's core values as part of our pledge to society: "We will do our best to create a greener Denmark".

Nykredit has identified climate change mitigation as a strategic priority and a key element of our Winning the Double 2.0 strategy and the underlying business strategies.

In the area of climate change mitigation, Nykredit's double materiality assessment points to the following matters as material:

- Positive impact through targeted products and services in both our lending and investment operations, whereby Nykredit can contribute to climate change mitigation.
- Negative impact through carbon emissions from activities that Nykredit funds and invests in on our own behalf and on behalf of our customers.
- Credit risk encountered by Nykredit due to the transition risks posed by the green transition to our customers in the lending operations.
- Opportunities arising for Nykredit by contributing to the financing of the necessary green transition.

Nykredit's climate change mitigation has been a strategic priority for a number of years and is now extensive in scope. This work is described in "Climate change mitigation", which also includes Nykredit's Climate Transition Plan in outline.

As the consequences of climate change become apparent, so does society's and customers' need for adaptation to climate change and the associated costs. Similarly, climate change adaptation is a growing priority for Nykredit.

In the area of climate change adaptation, Nykredit's double materiality assessment points to this matter as material:

- Credit risk encountered by Nykredit due to the physical risks that climate change entails for real estate mortgaged by the Group.

## Identification and assessment of impacts, risks and opportunities

Nykredit continuously identifies and assesses material impacts, risks and opportunities arising from climate change as an integral part of relevant business procedures and processes in the organisation, including strategy planning, setting of objectives, risk management and the development of value propositions for customers.

### Impacts

Nykredit's primary negative impact on the climate arises from carbon emissions to which the Group is indirectly linked through loans and investments (financed emissions). On the lending side, emissions mainly come from the financing of real estate and agriculture in Denmark, and on the investment side, investments in companies spread across all sectors globally. On the other hand, Nykredit's specific products that help customers make green choices represent a potential positive impact. For several years, Nykredit has calculated and published our impact in the form of the Group's carbon footprint. Our GHG inventory includes both direct emissions from Nykredit's operations and indirect emissions associated with Nykredit's loans and investments. The GHG inventory is based on recognised methodologies, and Nykredit continually strives to improve the data basis. Nykredit's GHG inventory forms the basis of Nykredit's Climate Transition Plan and setting of climate targets and is an important element in our management of climate-related risks. The GHG inventory can be found in "Carbon emissions and energy consumption".

### Risks

Nykredit considers climate-related risks to be underlying parameters that impact traditional risk types, such as credit risk, market risk etc.

In the identification, assessment and management of climate-related risks, Nykredit distinguishes between physical risks and transition risks. In our assessment, the Group's credit risk is particularly impacted by physical and transition risks.

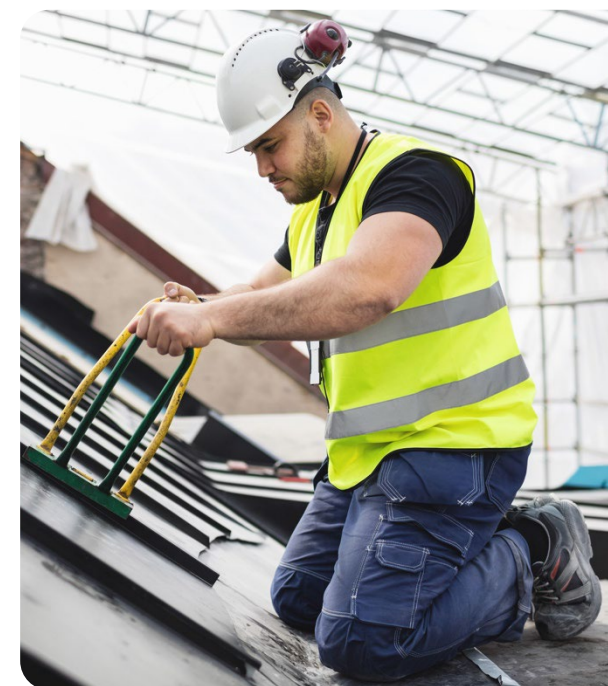
The physical risks include, in particular, the risk that the value of real estate mortgaged through Nykredit will decrease as a result of increased risk of, for example, storm surges or cloudbursts, or as a result of specific climate events that have taken place. Transition risks include the risk that the green transition – for example in the form of a new carbon tax – may impact earnings, cash flows or the business model itself for Nykredit's corporate customers. This is particularly true in high-emission sectors such as real estate, agriculture and transport, where Nykredit is exposed. Thus, in the context of Nykredit's credit risk, these risks are considered material only on the lending side, see the results of Nykredit's double materiality assessment.

### Opportunities

Based on Nykredit's corporate strategy, Winning the Double 2.0, business strategies have been prepared for Nykredit's three major business divisions: Banking, Totalkredit and Wealth Management. When preparing and regularly updating these business strategies, Nykredit considers the commercial opportunities arising from the green transition for the Group and the individual business divisions.

Particularly interesting opportunities are analysed in greater detail and pursued if they support the customers' needs and are in line with Nykredit's strategic, commercial and corporate responsibility ambitions. The opportunities assessed to be material include both personal and business customers.

The individual units and business divisions are responsible for putting the content of the business strategies into practice. Nykredit's value propositions, services etc are described in more detail in "Climate change mitigation" and "Climate change adaptation".





## Policies

The management of impacts, risks and opportunities in the climate area is ingrained in several of Nykredit's policies.

- The Corporate Responsibility Policy sets the overarching framework for Nykredit's commitment to minimising the adverse impacts of the Group's activities and contributing positively to society. This also applies in relation to climate change, where the policy commits the Group to ambitions of contributing to a greener Denmark and to making it easier and more affordable for customers to make green choices.
- The Credit Policy sets the framework for managing ESG matters, including climate change, in Nykredit's credit approval process and outlines specific matters considered in assessing individual customers. The assessment includes, in particular, physical risks and transition risks, but the other elements of a customer's individual ESG matters will be considered where relevant. The aim is to identify relevant risks and opportunities, which will then form part of the overall credit assessment and customer advisory services.
- The Fossil Fuels Policy sets the framework for Nykredit's investment in and financing of companies involved in the exploration, extraction or production of fossil fuels and companies that produce energy from fossil fuels. The policy sets the direction of and is integrated into the policies applicable to the individual companies, including the Credit Policy and the Sustainable Investment Policy.
- The Valuation Policy establishes the framework for incorporating ESG matters into property valuations to the extent that their impact on the property value can be documented. When valuating properties in exposed geographical areas, we give special attention to whether the property is protected against future climate change impacts and to the property's marketability, considering its climatic location.

- The Policy on Non-Financial Risks sets the framework for Nykredit's ESG activities relating to non-financial risks, including accusations of greenwashing and the inability to keep pace with the implementation of new ESG regulation. It includes principles, standards and relevant definitions as well as requirements for reporting non-financial risks. The policy aims to ensure effective management of Nykredit's non-financial risks according to the objectives of the Boards of Directors and the risk appetite defined.
- The Sustainable Investment Policy outlines the framework for the Group's activities relating to sustainable investment and ESG matters, including climate change. The policy describes Nykredit's approach to ESG integration, active ownership, voting policy, exclusions and governance in the investment area. The policy applies to all Nykredit's investments on behalf of the Group's customers (AuM) and Nykredit's own portfolios, although customers with discretionary mandates may apply their own investment policies.
- The Internal Climate, Energy and Environmental Policy sets the framework for Nykredit's efforts to reduce the climate footprint of our operations and ensures adherence to high standards that meet applicable legislation and expectations of our business partners. The internal Travel Policy ensures that all travel activities comply with Nykredit's Internal Climate, Energy and Environmental Policy.

## Risk management

Climate-related risks impact Nykredit's customers and counterparties as well as invested assets and security backing Nykredit's lending. Therefore, we continuously identify, assess and manage climate-related risks as an integral part of the management of traditional types of risk. The management of climate-related risks is continuously developed and matured in line with improved data availability and design of guidelines in the sector.

Nykredit has assessed the extent to which Nykredit's climate-related risks impact the traditional risk types that form the basis of our management of individual risks. The assessment indicates that climate-related risks particularly impact Nykredit's credit risk and, to some extent, non-financial risks. The impact on market risk and liquidity risk is assessed to be less material. The risk outlook is reflected in Nykredit's risk management, where the primary focus is on credit risk mitigation. Risks are continuously monitored.

## Managing climate risks at customer level

Climate changes entail increased credit risk for many of our business and agricultural customers. This risk must be addressed in connection with credit assessments and the ongoing monitoring of customers, see "ESG due diligence".

It follows from Nykredit's Fossil Fuels Policy that Nykredit does not provide financing to companies involved in the exploration, extraction or production of fossil fuels – unless it is for separate green activities. This helps to mitigate climate-related risks associated with the fossil fuel sector.

Nykredit also incorporates physical climate risks into property valuations when their impact on the property value due to climate-related physical conditions can be documented. When valuating properties in exposed geographical areas, we give special attention to whether the property has been protected against future climate change impacts and to the property's marketability in view of its exposed location.

Finally, Nykredit focuses on offering the right incentives to customers and actively supports investments necessary for a successful green transition, thereby further mitigating risks.

## Managing climate risks at portfolio level

Nykredit continuously addresses risks at portfolio level, through stress tests and analyses of selected parts of the portfolio etc.

In 2023, Nykredit conducted climate stress tests following guidance from the Danish Financial Supervisory Authority, stressing customers by way of the introduction of a carbon tax and physical climate events, which impact the credit risk of the loan portfolio. The impacts of physical climate events are based on a 100-year storm surge event, resulting in Nykredit's collateral security losing value.

The impacts of the introduction of a carbon tax are assessed using the Divergent Net Zero scenario. The carbon tax is set at DKK 1,960 per tonne of CO<sub>2</sub>e. Scenario analyses have also been conducted of the agricultural portfolio's impairment level, based on the assumptions of the "Svarer Committee", a Danish Expert Group for a Green Tax Reform.

The results of the various scenario analyses indicated increased impairment losses in the portfolios, but these remain within levels Nykredit can absorb through already booked impairments and normal operations. However, the analyses are subject to uncertainty, especially due to immature data and guidelines.

Identification and assessment of the most material physical climate risks for the loan portfolio are based on climate events related to groundwater rise, coastal erosion and flooding due to seawater rise, storm surges and precipitation. The assessment is based on extensive climate data for the whole of Denmark provided by the Danish meteorological institute DMI, the Danish Environmental Protection Agency and the Danish Coastal Authority and others, taking into account a range of possible events under specific circumstances. The assessment focuses on risk factors related to buildings. The analysis is based on the business-as-usual scenario of the UN's Intergovernmental Panel on Climate Change (RCP 8.5), which represents a scenario with intensive greenhouse gas emissions and significant climate change.

## Managing climate risks in investments

Nykredit regularly analyses companies in our investment portfolio (own portfolio and AuM) that hold or insure assets with risks associated with rising temperatures or sea level rises, as well as companies facing transition risks, namely exposure to the regulatory and economic consequences of the transition to net zero emissions by 2050.

Against this background, Nykredit is working to mitigate climate risks in its investment portfolio. These risks are not assessed as being material to Nykredit, but may be material to customers whose funds Nykredit manages. Focus is particularly on mitigating transition risks, for example by reducing exposure to companies that have not demonstrated a willingness to transition. To actively mitigate climate risks, 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, coal-based energy production, unconventional oil and gas and drilling in the Arctic.

Nykredit also engages with companies that the Group invests in, both on our own behalf and on behalf of our customers, and which are assessed to have a heightened climate risk, particularly in the area of transition risks. Engagements focus on factors such as transition plans, climate targets, transparency and resource consumption.

For actively managed portfolios, the Group evaluates the companies' climate risks as an integral part of the overall assessment of the companies, in addition to the factors above.

Finally, Nykredit also offers several investment products with a reduced climate risk level compared with the general investment universe. These include, for example, investment products that adopt a more restrictive approach to climate-related exclusions as well as those that track a Paris-aligned benchmark (PAB), which entails efforts to reduce carbon emissions in line with the Paris Agreement.

## Climate change mitigation

Nykredit's ambition is to achieve net zero GHG emissions from our lending, investments and operations by 2050 and to put emissions on a Paris-aligned pathway. 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).

Emissions from Nykredit's own operations account for less than 1% of the Group's total carbon footprint. The rest, more than 99%, derives from Nykredit's lending and investment activities. For more than 10 years, Nykredit has been dedicated to reducing emissions from the Group's own operations. This effort will continue, but data clearly shows that we can make the biggest difference if we join forces with our customers. Therefore, the key element of Nykredit's Climate Transition Plan is to assist customers with real sustainable change.

### Climate Transition Plan

In 2024, Nykredit published an updated Climate Transition Plan, demonstrating our commitment to achieving our ambition of addressing adverse climate impacts while mitigating risks and pursuing opportunities for Nykredit.

The Climate Transition Plan outlines Nykredit's carbon reduction targets and other material targets, detailing the actions planned to achieve them and the external dependencies that could impact their success. The plan covers the entire Nykredit Group and extends until 2030. The Climate Transition Plan, along with the climate targets, has been approved by Nykredit's Board of Directors. The plan is a key element in fulfilling the Nykredit Group's strategy of Winning the Double 2.0 as well as aligning with the principles of the Group's core values of contributing to a greener Denmark.

The targets and actions set out in the Climate Transition Plan are grouped into a series of initiatives: owner-occupied dwellings, real estate, agriculture, businesses and energy, investments and Nykredit (own operations). These initiatives address Nykredit's impacts, opportunities and risks related to climate change mitigation. The initiatives cover the most important areas of our operations.

The implementation of the Climate Transition Plan is embedded in the relevant business units. The work is coordinated across these units through Nykredit's ESG unit, which ensures central, cross-Group coordination and prioritisation of Nykredit's sustainability efforts. Resources have been allocated in these areas to execute the plan, and the resource need is revisited regularly.

The targets are monitored by the relevant units, including the need to revise them, for example as a result of significant changes in accounting methods or the data basis. The climate targets are reviewed annually in connection with the Annual Report and approved by the Group Executive Board.



The Group's climate targets are set out below in an overall framework that groups the targets within the six initiatives, which together comprise the core areas of Nykredit's business.

The targets are set in accordance with relevant methodologies provided in SBTi, NZBA and NZAM. In June 2024, SBTi-validated the climate targets set within the framework of the initiative. All of Nykredit's SBTi-validated reduction targets are based on recognised decarbonisation pathways that align with the target of the Paris Agreement of limiting global warming to 1.5°C.

Nykredit has initiated a series of concrete actions aimed to contribute to the achievement of the targets. The sum of these actions will enable us to fill our role in achieving Nykredit's own and society's ambitious targets. The achievement of the vast majority of Nykredit's climate targets is dependent on customers funded and invested in by Nykredit reducing their carbon emissions.

Nykredit is in continuous dialogue with these customers and companies and their industry organisations and has applied knowledge from these companies in setting the targets.

The following pages provide a status of the six initiatives and focus on our approach in the area, developments in key targets and progress in 2024 of initiatives directly linked to Nykredit's targets.

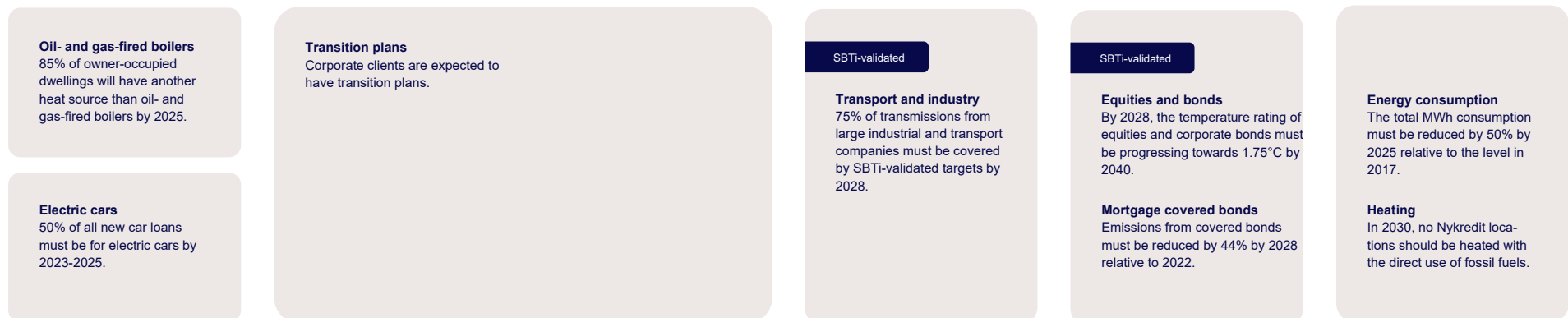
A summary of the climate targets and actions across the six initiatives is provided later in this section.

## Net zero by 2050

### 2030 reduction target



### Other key targets



## Owner-occupied dwellings

The Nykredit Group is the largest provider of loans for owner-occupied dwellings. The green transition of owner-occupied dwellings financed by Nykredit is therefore a key priority for the Group. The transition will mitigate climate change and potentially safeguard or increase the value of owner-occupied dwellings financed by the Nykredit Group.

### Approach and key actions

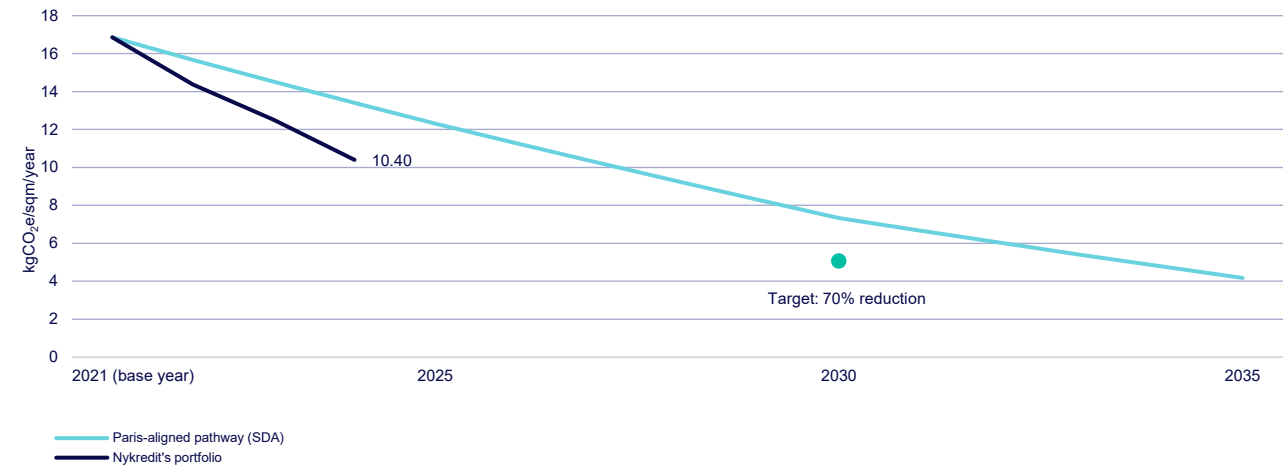
Key elements in the transition of the Danish housing and building stock include replacement of fossil heat sources, energy efficiency improvements and greener electricity and district heating supply. In addition, there is a need for new builds to be as climate-friendly as possible.

In the area of owner-occupied dwellings, Nykredit has particular focus on the first two elements, namely replacement of fossil heat sources and energy efficiency improvements. Here, Nykredit has the opportunity to make a significant difference and 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 To-talkredit 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. 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 personal customers when relevant.

## Owner-occupied dwellings

### Emission intensity





## Development in key targets

The emission intensity from owner-occupied dwellings financed by Nykredit has decreased at a rate that still suggests that the target can be met. The decrease in 2024 is primarily due to a reduction in emissions from the production of electricity and district heating. Furthermore, a number of Nykredit's customers have replaced their oil- or gas-fired boilers with greener heat sources, and the owner-occupied dwellings in the Group's portfolio have become more energy-efficient overall.

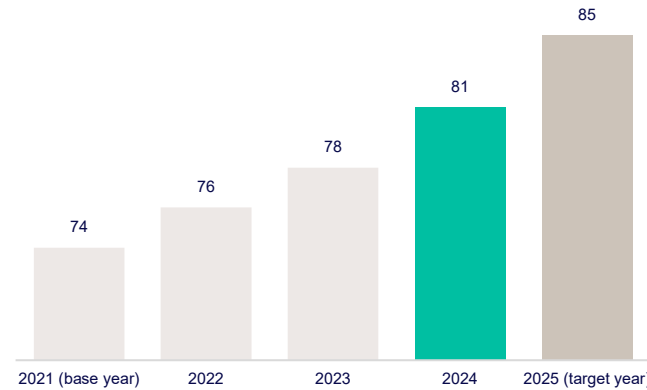
The share of owner-occupied dwellings with another heat source than oil- and gas-fired boilers in Nykredit's portfolio rose from 78% to 81% in 2024. If the development continues at the same rate in 2025, Nykredit will thus come close to meeting the target. In 2024, the share of new car loans for electric cars was 84%. This is significantly above the target of 50% in the period 2023-2025 and higher than the overall market average of 52% in 2024.

## Progress in 2024

- Since 2020, more than 3,500 customers have opted to finance their home energy renovations with a special home loan (around 500 customers in 2024).
- Since 2023, 3,400 customers have set up a special savings account for green purposes – more than half of which in 2024 alone.
- Energy renovation learning modules for banking advisers at Totalkredit partner banks have been launched.
- Around 420 personal advisers have completed the training programme "Sustainable customer dialogue – personal customers".
- Since 2020, 6,900 Totalkredit customers have received cash vouchers of DKK 10,000 for replacement of oil- and gas-fired boilers.

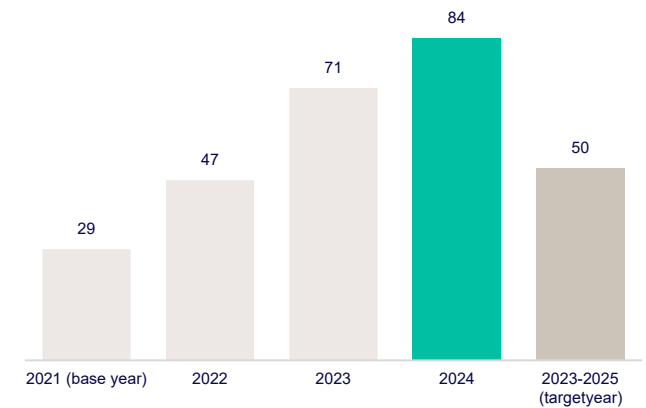
## Oil- and gas-fired boilers

Owner-occupied dwellings with another heat source than oil- or gas-fired boilers (%)



## Cars

Share of new car loans for electric cars (%)



## Real estate

Nykredit is one of Denmark's largest providers of real estate finance. The green transition of real estate financed by Nykredit is therefore an important priority for the Group. The transition will mitigate climate change and potentially safeguard or increase the value of real estate financed by the Nykredit Group.

### Approach and key actions

Key elements in the transition of the Danish housing and building stock include replacement of fossil heat sources, energy efficiency improvements and greener electricity and district heating supply. In addition, there is a need for new builds to be as climate-friendly as possible.

In the area of real estate, Nykredit has particular focus on the first two elements, namely replacement of fossil heat sources and energy efficiency improvements, as well as on climate-friendly new builds.

Specifically, Nykredit has launched a series of initiatives aimed at motivating our customers to get involved in the green transition. Among other things, we will to an increasing extent offer prices and terms differentiated according to a building's energy label. In addition, we offer favourable loan terms for buildings where documentation of energy efficiency improvements is available, just as we offer favourable green financing based on the issuance of green bonds.

Nykredit has moreover sharpened its focus on ensuring that individual real estate customers are aware of their own ESG profiles and have concrete plans to reduce GHG emissions from the buildings in the portfolio. 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 both in the dialogue with customers and as an element of credit assessment.



## Development in key targets

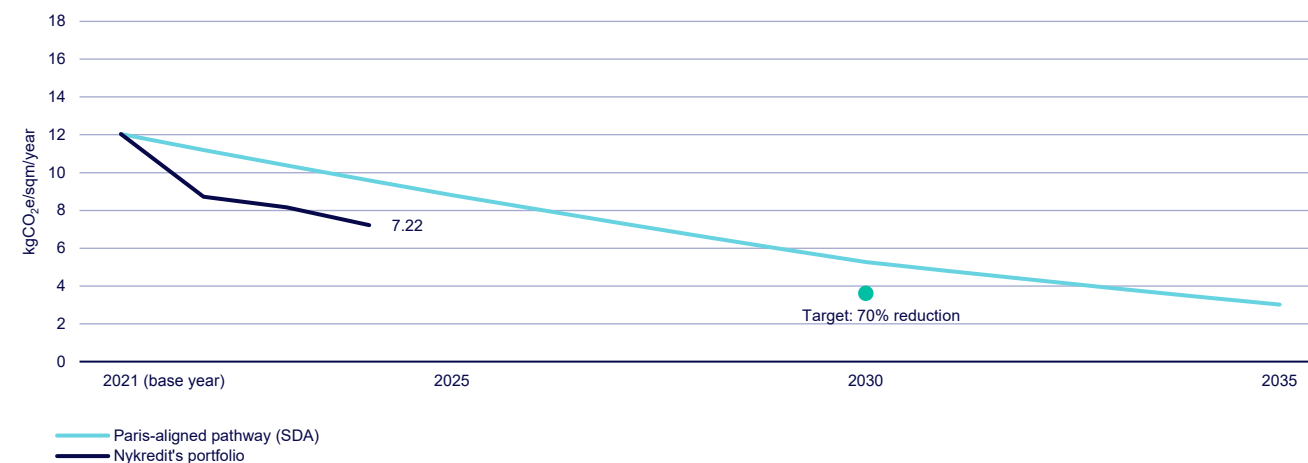
The emission intensity from residential buildings and from office and retail buildings has fallen at a rate that indicates that the target can be met. The decreases in 2024 are primarily due to a reduction in emissions from the production of electricity and district heating. Furthermore, a number of Nykredit's customers have replaced their oil- or gas-fired boilers with greener heat sources, and the real estate in the Group's portfolio has become more energy-efficient overall.

## Progress in 2024

- Customer events on transition throughout Denmark in collaboration with the Danish Property Federation
- Integration of several ESG matters, including climate transition plans, into Nykredit's credit assessment
- Interest rate discount on construction loans for energy renovation and new building of public housing backed by a contribution from Forenet Kredit
- Dialogue with major real estate customers about expectations for transition plans
- Support for the Danish Property Federation's learning platform "Sustainable transition in the real estate industry"
- Launch of advisory packages from Ramboll in areas such as climate transition plans, climate risk assessment and energy labels.

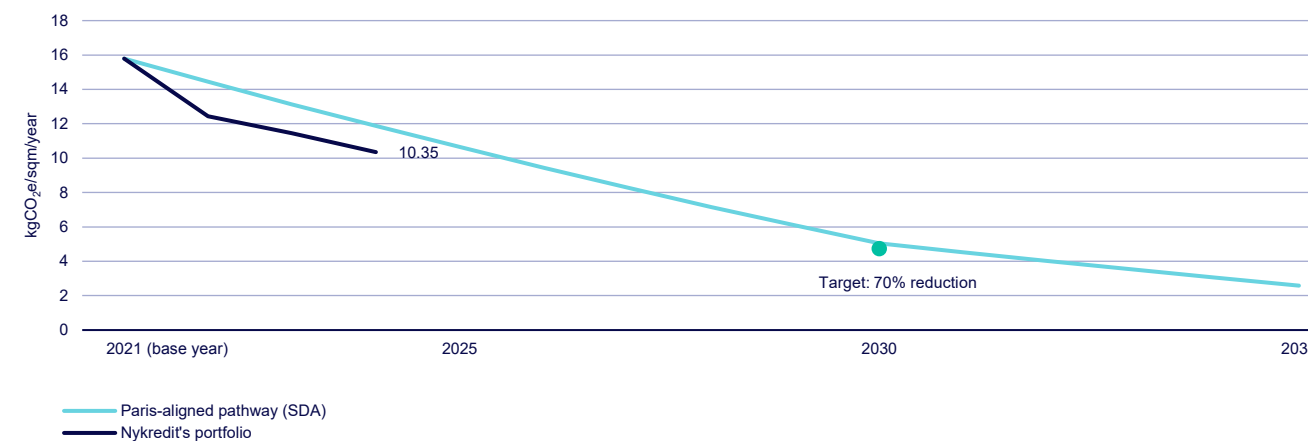
## Residential real estate

### Emission intensity



## Office and retail buildings

### Emission intensity



## Agriculture

Nykredit is one of Denmark's largest lenders to Danish agriculture. The green transition of agriculture is therefore an important priority at Nykredit. The transition will mitigate climate change and potentially future-proof customers' operations.

### Approach and key actions

The agricultural sector has set its own target of carbon neutrality by 2050, and a broad political agreement has been concluded for specific reduction targets for GHG and nitrogen emissions to be reached by 2030. Nykredit supports these ambitious targets. Nykredit wants to help guide more farmers into making choices that support a greener Denmark and will be working with the agricultural sector to reach the political goals and the ambitious 2050 target.

More specifically, we make it easier and more affordable for more farmers to contribute to a greener Denmark and integrate sustainability into our advisory services and credit assessment process. We are part of a partnership aiming to prepare farmers for the green transition through increased use of data. Our advisory services and financing are designed to promote the sustainable development of individual farms.

We find it important and expect that individual farmers are aware of the climate impact as well as other sustainability matters, just as they must have clear plans for further development of their business. We offer all agricultural customers free access to the climate tool ESGreenTool if they prepare a climate action plan. In 2024, we raised our expectations in relation to the largest agricultural customers' ability to present climate action plans. At the same time, the individual farming business's approach to sustainability matters forms an integral part of our overall credit assessment.

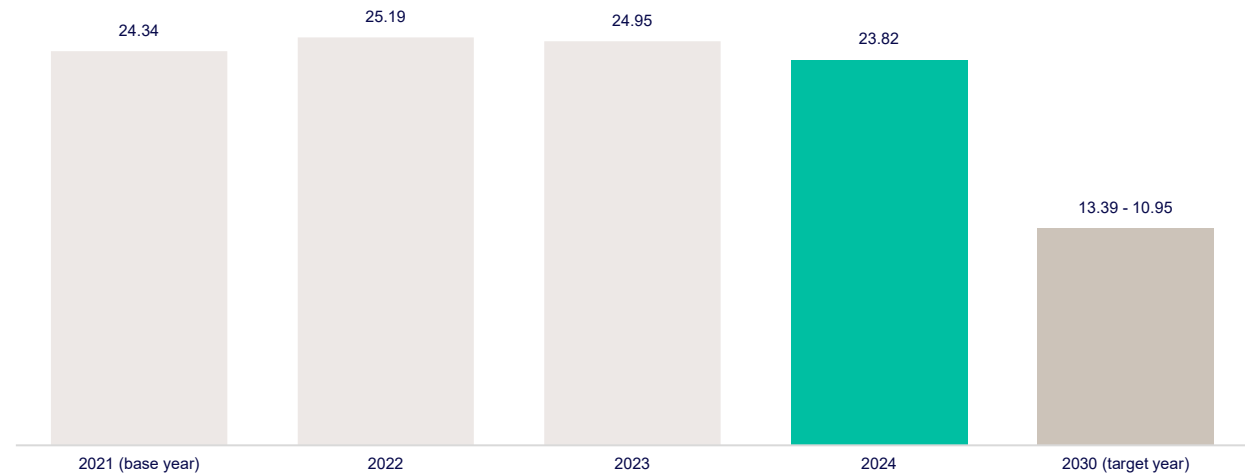
### Development in key targets

Nykredit's target for emissions from farms financed by the Group is based on the national reduction targets. Emissions from agriculture at societal level have declined in 2024, though not to an extent that points towards achieving the national target. This is also reflected in Nykredit's emission intensity that has been derived directly from the national sector average. Carbon emissions have thus decreased from 24.95 tCO<sub>2</sub>e/DKKm in 2023 to 23.82 tCO<sub>2</sub>e/DKKm in 2024.

Nykredit is planning to develop a more precise and accurate reduction target for agriculture when methods and data have matured sufficiently.

### Agriculture

Emission intensity (tCO<sub>2</sub>e/DKKm)



### Progress in 2024

- Dialogue with major agricultural customers on climate action plan and offer of free access to ESGreen Tool for agricultural customers
- Extension of offer for machinery financing backed by a contribution from Forenet Kredit
- Customer events on climate measures throughout Denmark in collaboration with SEGES and Forenet Kredit
- Upskilling of all agricultural advisers in the area of sustainability through webinars.



## Businesses and energy

The green transition requires massive investments in renewable energy and infrastructure, the development of green solutions and corporate initiatives that can reduce greenhouse gas emissions.

### Approach and key actions

Nykredit's key contribution is to provide green transition financing for large and small businesses. Therefore, Nykredit is constantly developing the Group's mortgage products as well as other products and advisory services to best support the customers in their transition.

In 2024, Nykredit launched various initiatives to identify how the Group can contribute to the expansion of renewable energy technologies in both the short and long term. As described in the sections on owner-occupied dwellings and real estate, the shift towards more green electricity and heat production is essential in the transition of the Danish housing and property stock.

Nykredit is developing value propositions designed to assist small and medium-sized enterprises in creating transition plans, financing their transition and reporting on their progress. In 2024, Nykredit launched Incept Sustainability, a learning platform tailored to SMEs.

At the same time, our credit assessment of business customers provides the basis for our dialogue with the individual customer. This allows us to understand how the business is addressing the challenges and opportunities arising from climate change and other sustainability-related matters.

Nykredit expects our largest customers in transport and manufacturing, which constitute the most carbon-intensive sectors in the Group's portfolio, to measure their carbon footprint, set reduction targets and implement reduction initiatives. These expectations are included both in the dialogue with customers and as an element of credit assessment.

### Development in key targets

Nykredit has set a target that 75% of the financed emissions relating to large companies in transport and manufacturing must be covered by SBTi-validated targets by 2028. In 2024, this figure was 70%, and the development thus indicates that the target can be met.

The main reason for the increase from 2023 is that several companies in Nykredit's portfolio have had their climate targets validated.

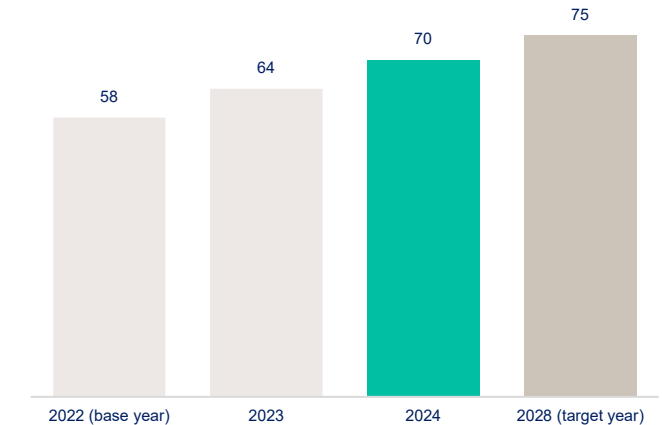
Emissions from major electricity- and heat-producing companies remained at 0.4 kgCO<sub>2</sub>e/MWh in 2024, which is significantly below the target of keeping these emissions below 10 kgCO<sub>2</sub>e/MWh by 2030.

### Progress in 2024

- Assisted a number of corporate customers in strengthening their ESG profile and rating
- Dialogue with companies about the ESG reporting tool developed in collaboration with Validated
- Integration of several ESG matters into Nykredit's credit assessment of business customers
- Dialogue with companies about Incept Sustainability developed in collaboration with Ramboll.

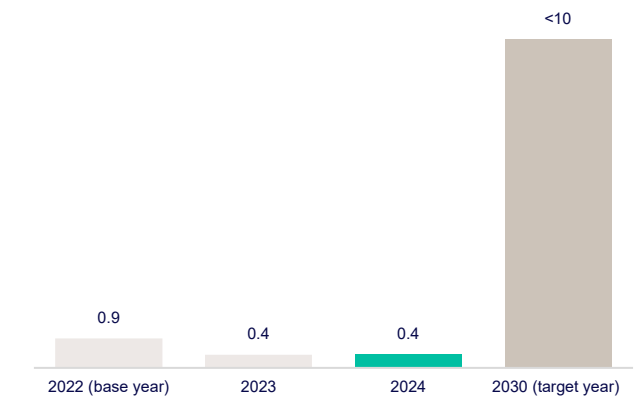
## Transport and industry

Share of financed emissions covered by SBTi-validated targets (%)



## Electricity and heat production

Emissions (kgCO<sub>2</sub>e) per MWh of energy produced





## Investments

Nykredit pursues the ambition of being Denmark's responsible asset manager. Through the investments Nykredit makes on behalf of its customers and with Nykredit's equity, the Group has a material impact on the climate. At the same time, this provides Nykredit with an opportunity to create value for society and returns for customers by excluding companies that do not adapt, thereby mitigating climate risks, and investing in the companies that are ready for the green transition.

### Approach and key actions

Nykredit has referred to the Paris Agreement in its Sustainable Investment Policy since 2018. In 2021, Nykredit set a long-term objective of achieving net zero emissions from its overall investment portfolio by 2050 and a target of reducing the emission intensity of the total investment portfolio by 60% from 2020 to 2030. At the same time, Nykredit joined the Net Zero Asset Managers initiative and set a target of managing its total assets under management in accordance with the principles of the Net Zero Investment Framework by 2030. This means, among other things, that companies that together account for 70% of the financed emissions must have a Paris-aligned transition plan – alternatively, Nykredit must engage in a critical dialogue with the companies about this.

Nykredit has also set validated targets for the investments as part of Nykredit's SBTi commitment. These targets cover listed equities, corporate bonds and mortgage covered bonds and have all been set for five years. The target for mortgage covered bonds is the first of its kind globally.

The targets support Nykredit's aim to contribute to emission reductions in the real economy, not just by divesting high-emitting companies. Nykredit actively participates in Climate Action 100+ and engages with major emitters such as A.P. Moller – Maersk, Heidelberg Materials and Shell.

They may be high-emission companies today, but they can be instrumental in the green transition by developing new technologies for transport, climate-neutral building materials and energy sources of the future.

When Nykredit votes at the companies' general meetings, we must first and foremost have a voting policy that endorses Nykredit's climate targets. This means that Nykredit supports Paris-aligned climate plans and strategies, just as Nykredit supports increased transparency – regardless of whether initiatives originate from the Executive Board or from shareholders. In recent years, Nykredit has also implemented a number of strategic exclusions of, among others, companies in sectors that are not considered Paris-aligned. This includes companies that derive more than 5% of their revenue from unconventional oil and gas as well as Arctic drillings, which Nykredit excluded in 2022. In 2023, in line with the Fossil Fuels Policy, Nykredit went one step further and excluded companies involved in new production of oil and gas acting in conflict with the IEA's Net Zero Emissions 2050 scenario. However, Nykredit decided to continue investing in 16 companies that had made significant progress in transitioning their business towards the goals of the Paris Agreement. Today, more than 780 companies are excluded from Nykredit's investment universe due to a lack of climate transition.

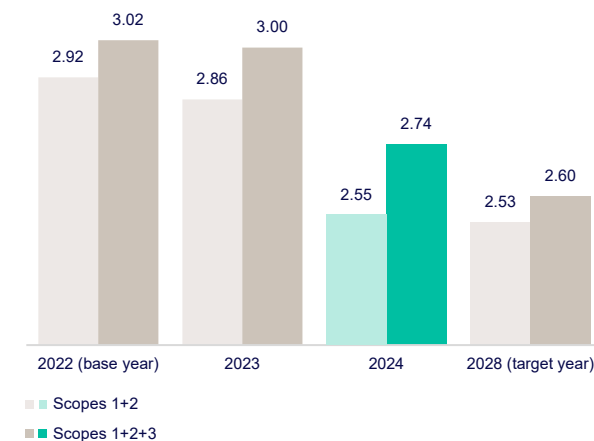
### Development in key targets

#### SBTi targets

The temperature rating for credit bonds and listed equities fell significantly in 2024. The 2024 target set for Scopes 1+2 equities was below the target set for 2028. However, this development is largely attributed to an improved methodology for establishing the calculation basis and may not necessarily reflect an actual reduction in emissions.

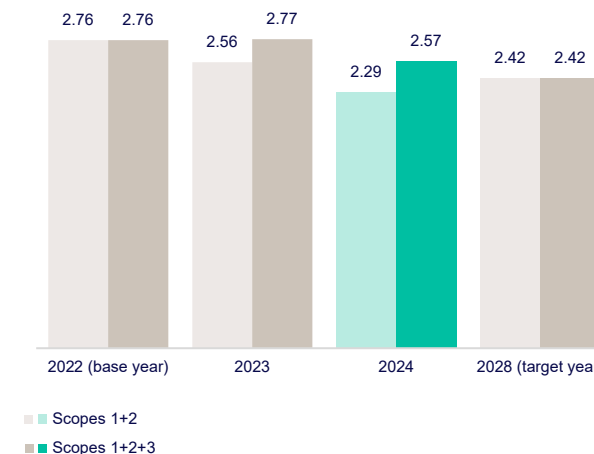
### Corporate bonds

#### Temperature rating



### Equities

#### Temperature rating



The emission intensity of mortgage covered bonds rose in 2024. The increase is partly attributable to a change in the underlying data used as the basis for the calculation. The actual levels for 2022 and 2023 are therefore potentially lower than previously calculated.

### Net Zero Asset Managers targets (total investment portfolio)

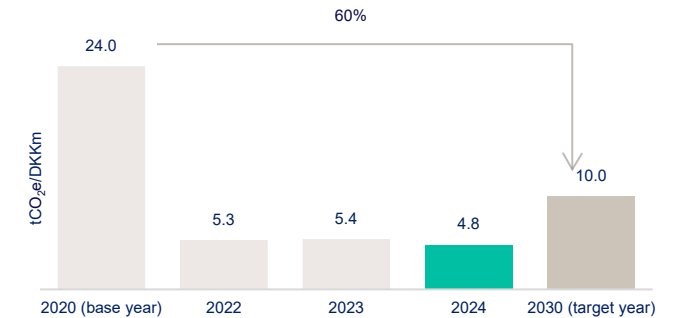
The emission intensity decreased slightly in 2024. It should be noted that since the base year in 2020, changes have been made to the underlying data basis, which means that the target has already been met.

### Progress in 2024

- Reassessment of exempted fossil fuel companies
- First assessment of alignment with the Net Zero Investment Framework
- Ongoing engagement with the largest emitters
- Votes cast at 4,898 general meetings.

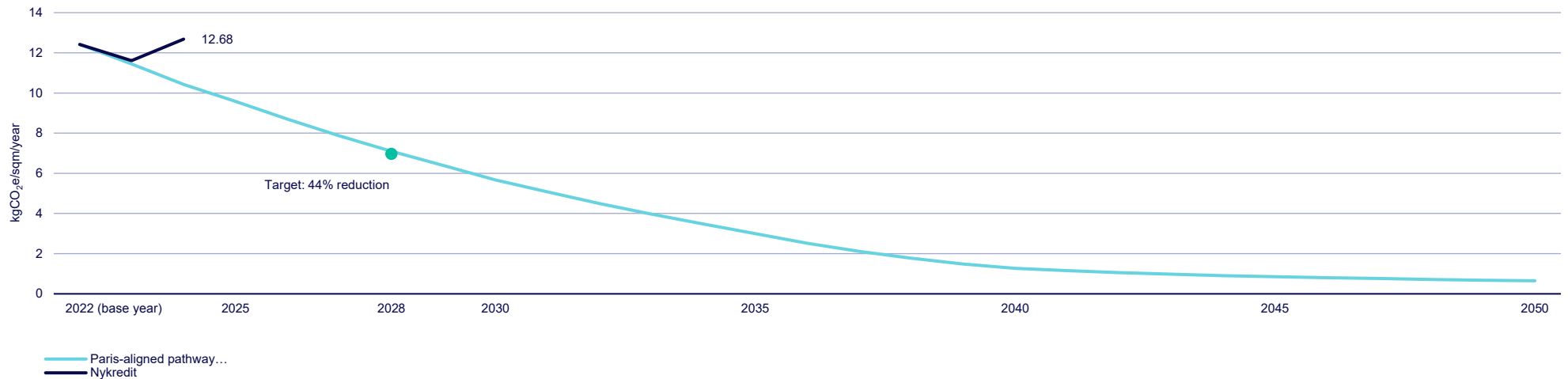
### Total investment portfolio

Emission intensity



### Mortgage covered bonds

Emission intensity



## Own operations

With more than 4,000 people and 41 locations, the Nykredit Group leaves a substantial climate footprint. According to the double materiality assessment, our footprint is not material, but Nykredit is nevertheless working to reduce it in order to take responsibility for our own actions.

### Approach and key actions

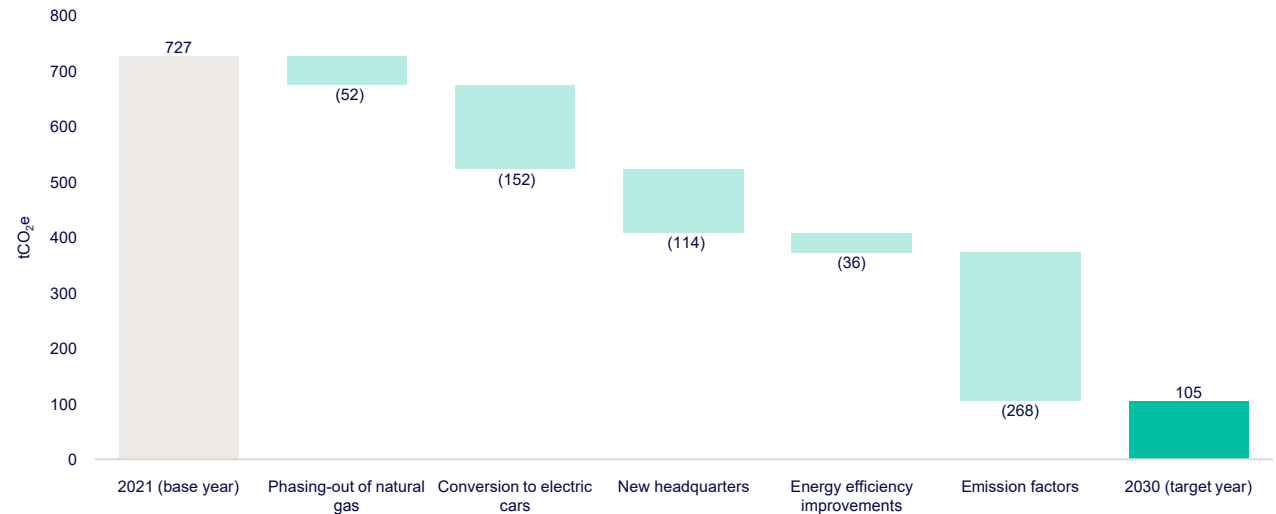
Emissions from Nykredit's operations are divided into power consumption, district heating, natural gas for heating and fuel for cars. Nykredit aims to reduce greenhouse gas emissions from operations by 85% from 2021 to 2030. Reduction targets are to be achieved through a series of initiatives. These initiatives include phasing out natural gas heating at physical locations, replacing own cars with electric cars, relocation to new headquarters (which implies energy optimisation and less office space). In addition, Nykredit expects a decrease in emissions from district heating production (the emission factor).

### Development in key targets

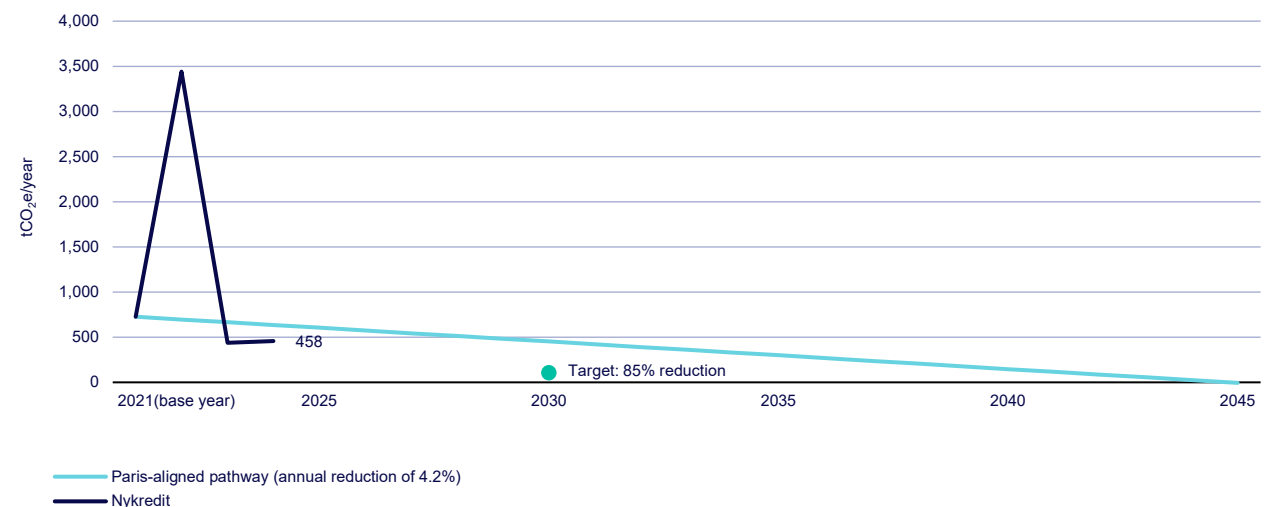
In 2022, carbon emissions surged as Nykredit switched to solar-based power via a PPA collaboration and for some time ceased buying renewable energy certificates (RECs), previously the means to ensure green power in Nykredit.

In 2024, Nykredit's operations were again on course to reach the 85% reduction target, because the PPA has now been fully phased in. Another essential part of the reduction of greenhouse gas emissions concerns office space reduction, where relocation to new headquarters will make a significant contribution from 2025.

### Initiatives aimed at achieving climate targets for own operations



### Own operations – Scopes 1 and 2

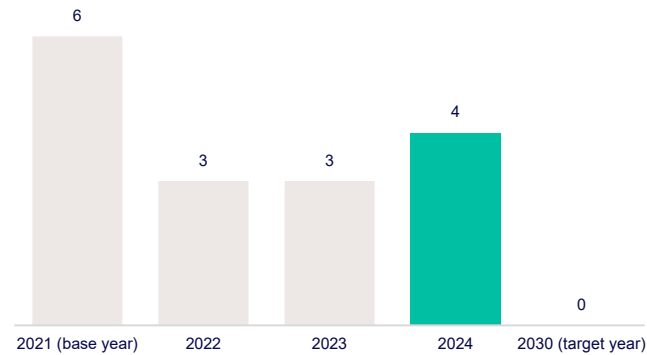


As a result of the relocation of our headquarters, Nykredit has had double energy consumption for a period, leading to an overall increase in MWh consumption from 2023 to 2024. Nykredit is expected to meet its reduction target of 50% in energy consumption by 2025.

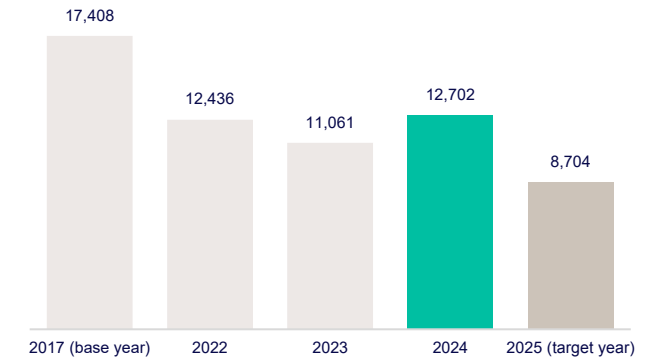
### Progress in 2024

- Relocation to new headquarters, which has contributed to fewer square metres and improved energy efficiency, and which will reduce Nykredit's energy consumption over the next many years.
- Nykredit has introduced a policy that company cars must be electric cars. This initiative has meant that emissions related to company cars have almost halved since 2023.

### Locations heated with direct use of fossil fuel sources



### Total MWh consumption



## Cross-organisational initiatives

In addition to the six initiatives described on the previous pages, Nykredit also has cross-organisational initiatives that support our climate change mitigation efforts.

These initiatives are related to:

### Risk management

Nykredit continuously works to identify and manage the risks that arise as part of the transition towards a low-emission society.

### Training

The area of sustainability is constantly evolving with new technology and legislation. Therefore, Nykredit is committed to providing ongoing training in sustainability and climate to our employees to ensure they have the best foundation to tackle new challenges and tasks pertinent to their job function.

In 2022, the Group introduced basic sustainability e-learning to all employees and managers at Nykredit. In 2023, this was expanded to include Nykredit's basic training 2.0, particularly focusing on greener owner-occupied dwellings and real estate. All new employees completed basic training in 2024.

At the same time, learning programmes aimed at employees in specific job functions in Nykredit have been developed, including 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 in 2023 and 2024. Employees in Nykredit's credits and valuation units have similarly completed a targeted sustainability learning programme in relation to credits and valuation.

Employees in Nykredit's CRO area have been offered a number of learning modules with a particular focus on ESG risk management and relevant legislation.

### Data

Nykredit's efforts in the areas of climate and the green transition build on a solid and reliable foundation of knowledge and data. Good and reliable data is an important prerequisite for ensuring that Nykredit and the Group's customers can progress in the desired direction and that we can analyse and manage climate-related risks and assist and make demands on our customers.

Strengthening data availability and data quality is therefore a focus area for Nykredit. We aim to strengthen our data basis through intensive coordination across Nykredit, initiating IT support for relevant solutions and engaging in collaborative efforts for sector-wide solutions, especially e-nettet. Furthermore, we engage in collaboration with relevant partners who can support both Nykredit's and our customers' data-related efforts. Examples are SEGES' ESGreenTool for farmers and Nykredit's partnership with Valified for agricultural and SME customers, respectively.

### Impacts

Nykredit's climate targets are a cornerstone of the work on climate change mitigation. The Group continuously works to improve the data basis for the targets and to develop these targets within the framework of recognised international initiatives.

In 2024, the Group set several new targets. On the lending side, targets have been set for electricity and heat production and for transport and manufacturing. In the investment area, reduction targets have been set for mortgage covered bonds and "temperature rating" targets for equities and corporate bonds. Nykredit has also had a number of new and previous targets validated by SBTi.





## Summary of climate targets

Nykredit's climate targets are summarised below for the areas lending, investment and operations, and key information has been stated for each target. The section on accounting policies specifies how the targets are set, including assumptions, limitations, data sources, scenarios etc.

### Lending – overview of climate targets

Area	Asset classes covered by target	Scope (financed carbon emissions)	Unit of measurement	Base year	Baseline	Status 2024	Target year	Target (change compared with baseline, %)	Estimated emissions in target year, ktCO <sub>2</sub> e	Financed emissions, ktCO <sub>2</sub> e (% of total emissions from lending)	Lending covered, DKKbn (% of total portfolio with calculation)	External frameworks	Method	Scenario
Owner-occupied dwellings	Owner-occupied dwellings	1 and 2	kgCO <sub>2</sub> e/sqm/year	2021	16.86	10.40	2030	5.06 (70%)	247	509 (16%)	862 (63%)	SBTi-validated NZBA	SDA	SBTi 1.5°C scenario (residential buildings)
	Owner-occupied dwellings (heat source)		% (housing with another heat source than oil- or gas-fired boilers)	2021	74	81	2025	85%						The Danish Energy Agency's climate outlook
	Cars		% (new car loans for electric cars)	2021	29	84	2023-2025 (avg over the period)	50%						The Danish Energy Agency's climate outlook
Real estate	Office and retail	1 and 2	kgCO <sub>2</sub> e/sqm/year	2021	15.79	10.35	2030	4.74 (70%)	45	98 (3%)	106 (8%)	SBTi-validated NZBA	SDA	SBTi 1.5°C scenario (service buildings)
	Residential	1 and 2	kgCO <sub>2</sub> e/sqm/year	2021	12.04	7.22	2030	3.61 (70%)	45	90 (3%)	215 (16%)	SBTi-validated NZBA	SDA	SBTi 1.5°C scenario (residential buildings)
Agriculture	Agriculture	1 and 2	tCO <sub>2</sub> e/DKKm	2021	24.34	23.82	2030	13.39-10.95 (45-55%)	863-706	1,535 (50%)	64 (5%)		Policy-based	
Businesses and energy	Electricity and heat production (large companies)	1 and 2	kgCO <sub>2</sub> e/ MWh	2022	0.89	0.37	2030	<10	1	0.9 (0%)	5.3 (0.4%)	NZBA	Retention target	SBTi 1.5°C scenario
	Transport and manufacturing (large companies)	1 and 2	% (financed CO <sub>2</sub> e with approved SBTi targets)	2022	58	70	2028	75%		738 (24%)	37 (3%)	SBTi-validated NZBA	SBTi Portfolio Coverage	

## Investment – overview of climate targets

Asset classes covered by target	Scope (financed carbon emissions)	Unit of measurement	Base year	Baseline	Status 2024	Target year	Target (change compared with baseline, %)	Estimated emissions in target year, ktCO <sub>2</sub> e	Carbon emissions, ktCO <sub>2</sub> e	Investments covered (DKKbn)	External frameworks	Method	Scenario
Total investment portfolio	1 and 2	tCO <sub>2</sub> e/DKKm	2020	24.00	4.83	2030	10.00 (60%)	5,208	2,515	521	NZAM	Task Force on Climate-Related Financial Disclosures (TCFD) recommendation for calculation of carbon footprint	
Mortgage covered bonds	1 and 2	kgCO <sub>2</sub> e/sqm/year	2022	12.42	12.68	2028	6.95 (44%)		991	250	SBTi-validated	SDA	CRREM 1.5° (Denmark)
Equities	1 and 2	°C	2022	2.76°	2.29°	2028	2.42°		1,314	228	SBTi-validated	Temperature rating	IPCC WB2DS
Equities	1, 2 and 3	°C	2022	2.76°	2.57°	2028	2.42°		9,357	228	SBTi-validated	Temperature rating	IPCC WB2DS
Corporate bonds	1 and 2	°C	2022	2.92°	2.55°	2028	2.53°		210	43	SBTi-validated	Temperature rating	IPCC WB2DS
Corporate bonds	1, 2 and 3	°C	2022	3.02°	2.74°	2028	2.60°		1,310	42	SBTi-validated	Temperature rating	IPCC WB2DS

## Operations – overview of climate targets

	Scope (Carbon emissions)	Unit of measurement	Base year	Baseline	Status 2024	Target year	Target (change compared with baseline, %)	External frameworks	Method	Scenario
Total operations (CO <sub>2</sub> e)	1 and 2	tCO <sub>2</sub> e	2021	727	458	2030	105 <sup>2</sup> (85%)	SBTi validated	Absolute emissions reduction	SBTi 1.5°C scenario
Heat sources	1	Number (Scope, heat source)	2021	6	4	2030	0 (100%)		Policy-based	IEA Net Zero Emissions by 2050 scenario
Total operations (energy consumption)	2	% (MWh)	2017	17,408	12,702	2025	8,704 (50%)			

<sup>2</sup> Remaining emissions are expected to be Scope 2 emissions in the target year.

## Summary of actions

The key actions in Nykredit's transition plan towards 2030 are shown in the overview table below. Nykredit's actions are constantly under development. The sum of these actions will enable us to fill our role in achieving our own and society's ambitious targets.

Where it makes sense, the actions in the table are divided into these four types of actions:

### Value propositions

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.



## Actions under the transition plan – an overview

	 Owner-occupied dwellings	 Real estate	 Agriculture	 Businesses and energy	 Investments
<b>Value propositions</b>	<ul style="list-style-type: none"> <li>Green savings account</li> <li>Green home loans</li> <li>Green car loans</li> <li>"Replace your boiler" loans</li> <li>Cash vouchers for replacement of oil- and gas-fired boilers (Totalkredit)</li> <li>Partnership with NRGi on heat pumps</li> <li>Energy check-up (TK)</li> <li>Energy calculator (TK)</li> </ul>	<ul style="list-style-type: none"> <li>Green construction loans</li> <li>Green mortgage loans</li> <li>Interest discount on construction loans to public housing sector</li> <li>ESG Advisory</li> <li>Validated tool</li> </ul>	<ul style="list-style-type: none"> <li>Machinery leasing</li> <li>Fee-free withdrawal of land from agricultural use</li> <li>ESGreenTool (SEGES' climate tool)</li> </ul>	<ul style="list-style-type: none"> <li>Green construction loans</li> <li>Green mortgage loans</li> <li>Mortgage financing of solar panels, wind turbines and infrastructure</li> <li>ESG Advisory</li> <li>Validated tool</li> <li>Incept Sustainability (learning platform for SMEs)</li> </ul>	<ul style="list-style-type: none"> <li>Selected sustainable funds exempt from trading commission</li> </ul>
<b>Policies and terms</b>	<ul style="list-style-type: none"> <li>No plans of imposing requirements on homeowners</li> </ul>	<ul style="list-style-type: none"> <li>Transition plans expected of large customers</li> <li>Climate score in credit assessments</li> <li>Price differentiation based on energy labels</li> </ul>	<ul style="list-style-type: none"> <li>Transition plans expected of large customers</li> <li>Climate score in credit assessments</li> </ul>	<ul style="list-style-type: none"> <li>Transition plans expected of large customers</li> <li>Climate score in credit assessments</li> <li>Fossil Fuels Policy</li> </ul>	<ul style="list-style-type: none"> <li>Fossil Fuels Policy</li> <li>Sustainable Investment Policy</li> <li>Integration of sustainability into risk assessments and pre-contractual documents</li> </ul>
<b>Involvement</b>	<ul style="list-style-type: none"> <li>Banking advisers include green transition at meetings with customers where relevant</li> <li>Internal survey of how we put green transition on meeting agendas</li> </ul>	<ul style="list-style-type: none"> <li>Banking advisers include green transition at meetings with customers where relevant</li> <li>Internal survey of how we put green transition on meeting agendas</li> </ul>	<ul style="list-style-type: none"> <li>Banking advisers include green transition at meetings with customers where relevant</li> <li>Internal survey of how we put green transition on meeting agendas</li> </ul>	<ul style="list-style-type: none"> <li>Banking advisers include green transition at meetings with customers where relevant</li> <li>Internal survey of how we put green transition on meeting agendas</li> </ul>	<ul style="list-style-type: none"> <li>Active ownership strategy – focus on largest carbon emitters</li> <li>Target of Paris alignment among investee companies</li> </ul>
<b>Stakeholders and partnerships</b>	<ul style="list-style-type: none"> <li>Collaboration with the financial sector and the Danish government on a phasing-out of oil- and gas-fired boilers</li> <li>Partnership with the Danish Energy Agency on energy calculations etc</li> </ul>	<ul style="list-style-type: none"> <li>Partnership with the Council for Sustainable Construction</li> <li>Ramboll</li> <li>PropTech</li> <li>AlmenKompas</li> <li>The Danish Property Federation</li> </ul>	<ul style="list-style-type: none"> <li>SEGES: ESGreenTool and climate learning programme</li> <li>Partnerships with industry associations on transition plans (under development)</li> </ul>	<ul style="list-style-type: none"> <li>Ramboll</li> </ul>	<ul style="list-style-type: none"> <li>Net Zero Asset Managers initiative, Science Based Targets initiative, GFANZ, Climate Action 100+ and Net Zero Engagement Initiative</li> <li>Sector collaboration on climate targets for equity funds</li> <li>Investor Alliance for Human Rights</li> </ul>
	 A greener Nykredit			 Group-wide	
<b>Operations</b>	<ul style="list-style-type: none"> <li>Reducing office space and improving energy efficiency of buildings</li> <li>Green power through a PPA on solar energy with Better Energy</li> <li>Extended waste sorting</li> <li>Phasing out gas-heated offices</li> <li>Replacing fossil cars with electric cars</li> </ul>			<b>Learning programmes</b>	<ul style="list-style-type: none"> <li>Targeted learning programmes for banking advisers</li> <li>Sustainability learning programmes for all employees</li> </ul>
<b>Responsible procurement</b>	<ul style="list-style-type: none"> <li>Developing baseline for Scope 3, category 1</li> <li>Developing and implementing due diligence processes</li> </ul>			<b>Data</b>	<ul style="list-style-type: none"> <li>Strengthened quality of the CO<sub>2</sub>e calculator</li> <li>Sector collaboration on data</li> </ul>
				<b>Targets</b>	<ul style="list-style-type: none"> <li>Strengthened follow-up on existing targets</li> <li>New climate targets</li> </ul>



## Climate change adaptation

Danish real estate is significantly exposed to the consequences of climate change. This implies a derived risk to Nykredit, as the real estate mortgaged by Nykredit may lose value. Therefore, climate change adaptation is material to Nykredit from a financial perspective.

### Approach and key initiatives

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.

Nykredit mitigates these physical risks in several different ways. The most important initiatives are:

- Nykredit's customers are encouraged to prepare and climate-proof their properties against events that are significant for the individual property. Thanks to contributions from the Group's majority shareholder, Forenet Kredit, Nykredit Bank and Totalkredit have launched a range of products and solutions for personal customers that make it easier and cheaper for homeowners to start climate-proofing their homes – thereby reducing the risk of loss for them and for Nykredit. In the coming years, Nykredit will develop value propositions and advisory services that encourage climate-proofing of buildings for other customer segments.
- Nykredit has a strong focus on climate-related physical risks in general risk management, both at customer level and at portfolio level, see the section on risk management.

### Value propositions

In 2024, Nykredit launched the following climate-proofing actions for Nykredit's personal customers:

- Climate check-up – an independent energy consultant performs inspection of a customer's home to identify climate-proofing needs
- Climate loan – advantageous loan terms for climate-proofing the home (installation of subsurface drainage systems, groundwater pumps etc)
- Climate savings – savings account for climate adaptation with attractive bonus interest rates on savings.





## Carbon emissions and energy consumption

The following pages provide an overview of the Nykredit Group's carbon emissions and energy consumption. Carbon emissions are reported collectively and then broken down by lending and investments. Energy consumption is reported for operations only.

### Total carbon emissions

The right-hand table shows the Nykredit Group's total carbon emissions by the relevant categories in Scopes 1, 2 and 3. More than 99.8% of emissions are in Scope 3 Category 15, which includes financed emissions arising from lending and investments.

Nykredit's total emissions have decreased from 6,069 million tonnes CO<sub>2</sub>e in 2023 to 5,608 million tonnes CO<sub>2</sub>e in 2024, a decrease of just under 8%, which mainly results from a decrease in the financed emissions from Nykredit's loan portfolio.

It is noted that Nykredit's financed emissions related to investments and lending do not include value chain emissions (specifically, Scope 3 emissions from the companies Nykredit provides funding to and invests in), as the data covering companies' value chain emissions is not yet of satisfactory quality to provide a true and fair view of the actual underlying emissions. Nykredit is constantly improving the quality of the data used its the calculation of emissions and is in dialogue with providers of data for use in calculating carbon emissions associated with Nykredit's investment portfolio. As the data quality depends on external factors, it is not possible to indicate a time horizon for when Nykredit will be able to include accurate Scope 3 data of a satisfactory quality at this point.

### Overview of GHG emissions

	Base year (2022)	Comparative (2023)	N (2024)	% N/N-1
<b>Scope 1 GHG emissions</b>				
- Company cars	78	96	53	(45)%
- Heat consumption – gas	53	55	61	11%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	-
<b>Gross Scope 1 GHG emissions (tCO<sub>2</sub>e)</b>	<b>131</b>	<b>151</b>	<b>114</b>	<b>(25)%</b>
<b>Scope 2 GHG emissions</b>				
- Electricity consumption	871	467	337	(28)%
- Heat consumption	344	287	344	20%
<b>Gross location-based Scope 2 GHG emissions (tCO<sub>2</sub>e)</b>	<b>1,205</b>	<b>754</b>	<b>681</b>	<b>(10)%</b>
- Electricity consumption	2,975	-	-	-
- District heating consumption	334	287	344 <sup>3</sup>	20%
<b>Gross market-based Scope 2 GHG emissions (tCO<sub>2</sub>e)</b>	<b>3,309</b>	<b>287</b>	<b>344<sup>4</sup></b>	<b>20%</b>
<b>Significant Scope 3 GHG emissions</b>				
1 Purchased goods and services	4,225	5,678 <sup>5</sup>	6,425	13%
2 Capital goods		1,292	1,166	(10)%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	115	107	100	(7)%
5 Waste		27	46	70%
6 Business travel	1,349	1,304	1,310	0%
13 Downstream leased assets	1,210	1,108	1,137	3%
15 Investments	5,869,630	6,059,270	5,597,615	(8)%
<b>Total gross indirect (Scope 3) GHG emissions (tCO<sub>2</sub>e)</b>	<b>5,876,529</b>	<b>6,068,786</b>	<b>5,607,798</b>	<b>(8)%</b>
<b>Total GHG emissions</b>				
<b>Total greenhouse gas emissions (location-based (tCO<sub>2</sub>e))</b>	<b>5,877,865</b>	<b>6,069,691</b>	<b>5,608,593</b>	<b>(8)%</b>
<b>Total GHG emissions (market-based (tCO<sub>2</sub>e))</b>	<b>5,879,969</b>	<b>6,069,224</b>	<b>5,608,256</b>	<b>(8)%</b>

<sup>3</sup> Greenhouse gas emissions from the combustion of biomass for district heating not included in Scope 2 are estimated at total carbon emissions of 1,546 tonnes CO<sub>2</sub>e in 2024.

<sup>4</sup> 100% of Nykredit's energy consumption from 1 January 2024 to 31 December 2024 comes from a physical PPA from a newly built solar park in Ådum, Denmark.

<sup>5</sup> Includes data from the canteen, furniture and office supplies from 2023.

## Carbon emissions from lending

The financed carbon emissions from the loan portfolio have decreased from 3,521 ktCO<sub>2</sub>e in 2023 to 3,083 ktCO<sub>2</sub>e in 2024, corresponding to a decrease of 12.4%.

The primary reason for the decrease is a reduction in financed emissions linked to lending for owner-occupied dwellings and agriculture. The decline in the agricultural portfolio is largely due to improvements in the data basis.

## Carbon emissions as a share of income

Carbon emissions (tCO <sub>2</sub> e)/net interest and fee income (DKKm)	2022	2023	2024
Scope 1 emissions as a share of income	0.00	0.00	0.00
Scope 2 emissions (location-based) as a share of income	0.03	0.01	0.01
Scope 2 emissions (market-based) as a share of income	0.09	0.02	0.01
Scope 3 emissions as a share of income	153.83	97.44	90.06
<b>Scope 2 emissions (location-based) as a share of income</b>	<b>153.87</b>	<b>97.45</b>	<b>90.07</b>
<b>Total emissions (market-based) as a share of income</b>	<b>153.93</b>	<b>97.46</b>	<b>90.07</b>

## Carbon emissions from lending

Loan category	Total lending (DKKbn)	Lending covered (DKKbn)	Coverage ratio (%)	Data quality score	Financed emissions (ktCO <sub>2</sub> e)		
Year	2024	2024			2022	2023	2024
Owner-occupied dwellings	879.5	861.6	98%	3.4	621	566	509
Real estate – residential	276.9	215.5	78%	3.3	85	76	90
Real estate – office and retail	154.1	106.3	69%	3.4	97	81	98
Agriculture	64.5	64.5	100%	5.0	2,041	2,052	1,535
Electricity and heat production	5.9	5.3	91%	-	0.79	0.34	0.95
Transport and manufacturing (large companies)	36.7	36.7	100%	2.9	584	612	738
Other loans (with calculation of CO <sub>2</sub> e)	86.9	68.8	79%	4.4	146	125	112
Other loans (without calculation of CO <sub>2</sub> e)	35.7	-	-	-	-	-	-
<b>Total loan portfolio</b>	<b>1,540.2</b>	<b>1,358.7</b>	<b>88%</b>	<b>3.5</b>	<b>3,575</b>	<b>3,521</b>	<b>3,083</b>

## Carbon emissions from investments

Financed carbon emissions from investments have decreased slightly, down from 2,538 ktCO<sub>2</sub>e in 2023 to 2,515 ktCO<sub>2</sub>e, corresponding to 0.9%.

## Carbon credits

Nykredit is actively working to reduce carbon emissions from operations, but our policy is to buy credits equivalent to the emissions the company has not yet reduced. This applies to Scopes 1 and 2 as well as Scope 3, category 6 (business travel). Nykredit has purchased Gold Standard carbon credits from a reduction project in India that contributed to the financing of solar energy.

## Carbon emissions from investments

Investment category	Total investments (DKKbn)	Investments covered (DKKbn)	Coverage ratio (%)	Scope	Data quality score	Financed emissions (ktCO <sub>2</sub> e)		
Year	2024	2024	2024	2024	2024	2022	2023	2024
Mortgage covered bonds	269.5	250.3	93%	1 + 2 + 3	3.2	955	1,023	991
Equities	229.4	227.9	99%	1 + 2	2.2	1,190	1,369	1,314
Corporate bonds	48.4	42.5	88%	1 + 2	2.3	149	146	210
Government bonds	42.5	-	0%	-	-	-	-	-
Cash etc	3.8	-	0%	-	-	-	-	-
Other investments	(5.0)	-	0%	-	-	-	-	-
<b>Total investment portfolio</b>	<b>588.6</b>	<b>520.8</b>	<b>88%</b>	<b>-</b>	<b>-</b>	<b>2,295</b>	<b>2,538</b>	<b>2,515</b>

## Carbon credits cancelled in the reporting year

	2022	2023	2024
Share from removal projects (%)	0	0	0
Share from reduction projects (%)	100	100	100
Recognised quality standard 1 (%)	100	100	100
...			
Share from projects within the EU (%)	0	0	0
Share of carbon credits that qualify as corresponding adjustments (%)	0	0	0
<b>Total (tCO<sub>2</sub>e)</b>	<b>2,780</b>	<b>2,250</b>	<b>1,800</b>

## Energy consumption

Nykredit's energy consumption from own operations covers the operation of office properties and transport in the Group's company cars. By far the largest share of Nykredit's energy consumption comes from renewable energy sources in the form of solar panels through Nykredit's PPA agreement and renewable energy sources in district heating. Energy from fossil energy sources comes from natural gas-fired properties and fossil-fuelled cars. Nykredit has an action plan for phasing out both of these. Nykredit also generates a significant amount of renewable energy from solar panels on several office properties.

From 2023 to 2024, Nykredit increased its share of renewable energy from 85.9% to 86.2%, which is due to the fact that Nykredit's total power consumption is covered by a PPA agreement.

At the same time, the total energy consumption increased from 11,887 MWh to 12,876 MWh as a result of double energy consumption in connection with the relocation of the headquarters.

## Energy consumption and mix

	2023	2024
1) Fuel consumption from coal and coal products (MWh)	0	0
2) Fuel consumption from crude oil and petroleum products (MWh)	300	173
3) Fuel consumption from natural gas (MWh)	272	299
4) Fuel consumption from other fossil sources (MWh)	0	0
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	1,105	1,313
<b>6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)</b>	<b>1,677</b>	<b>1,785</b>
Share of fossil sources in total energy consumption (%)	14.1	13.8
7) Consumption from nuclear sources (MWh)	0	0
Share of consumption from nuclear sources in total energy consumption (%)	0	0
8) Fuel consumption for renewable energy sources, including biomass (MWh)	0	0
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	9,662	10,698
10) Consumption of self-generated non-fuel renewable energy (MWh)	548	393
<b>11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)</b>	<b>10,210</b>	<b>11,091</b>
<b>Share of renewable sources in total energy consumption (%)</b>	<b>85.9</b>	<b>86.2</b>
<b>Total energy consumption (MWh) (calculated as the sum of lines 6 and 11)</b>	<b>11,887</b>	<b>12,876</b>

# S

## A customer-owned Nykredit

We differ from our competitors in one important respect: We are 78.9% owned by Forenet Kredit – an association of customers – and 16.9% owned by a consortium consisting of five of Denmark's leading pension companies, and 4.2% owned by other shareholders. This makes for a stable and enduring ownership structure and enables us to incorporate our unique mutual ownership and corporate responsibility into specific activities, ultimately to the benefit of our customers.

Nykredit's double materiality assessment shows that Nykredit has material impacts and risks associated with the Group's customers (ESRS S4 consumers and end-users):

- Positive impact on the right to adequate housing, through criteria for home loans throughout Denmark
- Potential negative impact on the right to adequate housing, through criteria for home loans throughout Denmark
- Potential negative impact on the right to non-discrimination against customers, including access to accounts and services
- Potential negative impact on the right to privacy, including handling of customers' personal data
- Financial risk in the event of major data breaches, including fines and lost earnings as a result of declining reputation in connection with the right to privacy, including handling of customers' personal data.

Nykredit's double materiality analysis shows that Nykredit has material impacts in two areas vis-à-vis the Group's employees (ESRS S1 own workforce):

- Negative impact on the right to equal pay for equal work
- Potential negative impact on the right to equal opportunities in recruitment and promotion.

Nykredit's efforts relating to the S for the Group's customers (S4) and the Group's employees (S1) are described in the following.

## The Group's customers

Nykredit is Denmark's leading credit provider, the largest lender to homeowners and one of the largest lenders to small and medium-sized businesses, the agricultural sector and the housing sector. As such, Nykredit has a material impact on customers and the broader society. The section "Group customers" focuses exclusively on the personal customer segment, where the Group has a more direct impact on their type of housing.

Nykredit's association ownership means that we can provide home loans to Danes in urban and rural districts alike, through good times and bad, thereby ensuring equal access to mortgage loans and equitable pricing for our personal customers.

## Customer protection policies

To promote customer protection and ensure the provision of responsible advisory services, Nykredit has established policies on credit management.

Our Credit Policy serves as the foundation for Nykredit's risk management and lending opportunities, ensuring consistent customer service while fostering financially stable homeownership.

Nykredit's Personal Data Policy provides the framework for processing of personal data, ensuring a high level of protection for data subjects. Furthermore, Nykredit's Data Ethics Policy outlines key principles to promote ethically responsible use of data.



### Credit policy

As a financial provider, the Group recognises that its customers represent a significant potential risk, particularly in the form of credit risk. Credit risk arises from the possibility of loss due to consumers or counterparties failing to meet their financial obligations. Nykredit is committed to a policy of providing responsible, sustainable and transparent financial solutions tailored to align with customers' financial circumstances and risk tolerance. This approach serves to contain Nykredit's overall credit risk.

Nykredit's lending is guided by our Credit Policy and implemented through underlying business and working procedures, along with loan approval instructions. Together, these elements form the foundation of the Group's credit assessment processes. These processes incorporate various consumer protection measures, such as good practice rules and guidelines on prudent credit assessment. Their primary aim is to support our banking advisers in making the most accurate and well-informed assessment of each individual customer.

All banking advisers authorised to approve loans must be certified in Nykredit's Credit Policy. This certification, which is completed on a regular basis, ensures that our banking advisers maintain a thorough understanding of Nykredit's Credit Policy. Also, the credit approval process for individual cases undergoes internal controlling, meaning that an independent review of Nykredit's procedures is conducted to ensure that our banking advisers adhere to the Credit Policy when approving loans.

### Privacy protection policies

Customers' confidence in companies' ability to protect their data is essential to an efficient market as well as to growth and progress.

This is especially true in the financial sector, where large data breaches may harm society, and where loss of customers' personal data may have serious consequences.

Nykredit respects the UNGPs on Business and Human Rights and has also drawn up two policies aimed at supporting Nykredit's use of data, including personal data.

#### Personal Data Policy

The purpose of the Personal Data Policy is to lay down the overall framework for Nykredit's processing of personal data of customers, employees, business partners and others so as to support the process of ensuring an adequate level of protection for the data subject.

The Personal Data Policy also reduces the risk of regulatory responses, including fines, reputational loss due to data breach etc. All of the Group's employees must follow the Personal Data Policy.

### Data Ethics Policy

New opportunities created by technological developments imply stricter requirements for businesses' use of data – this also applies to Nykredit.

As a financial institution, Nykredit processes a large amount of customer data, both in our own and in purchased systems. We do this to comply with regulatory requirements and to serve and provide relevant advice and products to Nykredit's customers. Processing of data takes place both internally and in collaboration with a number of external suppliers and partners who, like Nykredit, take their social responsibility seriously, including responsibility for the ethical and responsible use and handling of data.

Nykredit's Data Ethics Policy describes our approach and principles for how Nykredit wants to process data in an ethically responsible manner. The policy sets out four data ethical principles: transparency, responsibility, equality and security,

Nykredit's Data Ethics Policy aims to provide all employees with a clear framework for ethically responsible use of data as well as to build trust with our customers, employees, partners and other stakeholders.

Nykredit's Data Ethics Policy is available on the Group's website.

## Nykredit protects customer data

As data controller, Nykredit processes personal data with great care and solely for the legitimate purposes for which the personal data was collected, and in compliance with applicable data protection rules. When Nykredit processes personal data on vulnerable persons, for example, children, Nykredit is guided by the Data Ethics Policy.

Our customers receive Nykredit's Privacy Policy on processing of personal data at the start of the customer relationship. Both during and after a customer relationship has ended, personal data is handled in accordance with the Privacy Policy.

It is important to Nykredit that data subjects have control over their personal data and are offered an easy and simple way to exercise their rights in this respect.

Data subjects can request access to or erasure of the personal data we process about them through our website. All enquiries are treated confidentially in accordance with internal procedures and only by relevant persons.

Nykredit has established processes and a control framework to monitor our compliance with data protection legislation and Nykredit's internal procedures in the area.

Using these controls, we regularly test the degree to which the processes of the individual business units comply with Nykredit's personal data and IT security policies and guidelines, for example with respect to erasure of personal data. We train our staff in processing personal data prudently and responsibly. The Group's compliance function includes a Data Protection Officer (DPO) tasked with assessing, monitoring and reporting on the effectiveness of Nykredit's methods and procedures.

## Data breach

Nykredit has procedures for the handling of personal data breaches. A personal data breach means any incident leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data, such as situations where unauthorised individuals gain access to personal information. All Nykredit's employees have access to relevant procedures via the Group's intranet.

Like many other companies, Nykredit reported breaches of personal data security to the Danish Data Protection Agency in 2024. The majority related to procedural errors, such as e-mails sent to the wrong recipient or with the wrong documents attached. We are continually working to reduce the risk of data breach by taking into account experiences from materialised breaches.

## Nykredit has a nationwide presence

Nykredit's business model, which builds partly on a unique partnership between Totalkredit and 41 Danish independent banks, is the Group's foundation for offering attractive and secure loans all over Denmark, thereby keeping our pledge to society of supporting growth and development in all of Denmark.

In 2024, the Totalkredit partner banks combined had 586 branches, or more than 73% of all bank branches in Denmark. Totalkredit accounted for 70% of all new home loans in areas outside the large cities in 2024.

## Equal access to home loans and services

A customer portfolio of Nykredit's scale carries an inherent risk of discrimination. To promote fair treatment of all customers, Nykredit has established policies, systems and guidelines to support objective, accurate and fair credit assessments.

Our banking advisers are equipped with policies, procedures and IT tools designed to ensure every customer receives equal and fair access to home loans, accounts and other services offered by Nykredit. All personal customers are entitled to a basic payment account, available with or without direct debit services.

Detailed information about Nykredit's products and services, including terms and conditions, is available on Nykredit's website. Nykredit has not received any reports of serious human rights incidents in 2024 with regard to accounts and services, including in relation to credit granting. Additionally, Nykredit is actively enhancing digital accessibility across its platforms to ensure that people with disabilities can fully utilise Nykredit's online services.

To help young people under the age of 18 who have become orphaned, Nykredit has set up an administrative unit to safeguard the children's interests in relation to investment and management of their funds until they come of age. The administrative unit follows and complies with the current regulatory requirements in the area and also cooperates with instances such as the Family Court.



### Transparency of price and risk

Uniform and transparent prices are a common feature of Nykredit's pricing structure for personal customers. All personal customers of Totalkredit pay the same price for the same type of loan. This means that the price varies with the loan-to-value ratio and loan type, but not with the customer's income, age or where in the country the customer lives. Nykredit BoligBank offers three customer value propositions, and within each proposition, the price of bank or home financing is the same for all customers. Last, but not least, loans as well as investment products are risk-labelled, allowing customers to assess the risk of existing or future loans and investments.

### Screening and systematic control of new customers

To counteract discrimination, Nykredit systematically reviews the loans offered to customers in both Totalkredit and Nykredit. This is to ensure that Nykredit's risk appetite is respected and that customers take out loans that fit their financial situation and life situation. If the review indicates that too many customers are receiving inappropriate loans, or that advisers struggle to evaluate and understand the financial documentation, appropriate measures will be taken.

Besides the Credit Policy, the advisers have standard processes and guidelines to guarantee that customers obtain the accounts and services they need, including guidelines for screening and establishing new customer relationships. The guidelines and processes should ensure that customers receive consistent customer services across all channels.

Nykredit wants to be as transparent as possible with our customers. Customers are categorised based on their business activities with Nykredit to ensure comparability with similar types of customers in terms of accounts, services and prices. This categorisation is carried out through objective and automatic scoring.

Nykredit's systems and processes are regularly optimised to ensure the best foundation possible for meeting the needs of the individual customers in different stages of life.

### Responsible lending and advice

It is crucial for Nykredit that credit is granted based on objective and non-discriminatory criteria, grounded in the customer's financial ratios.

In practice, this is achieved by the banking adviser reviewing the customer's personal finances and evaluating the customer's ability and willingness to honour agreements entered into with Nykredit, thereby assessing the customer's creditworthiness. This is to ensure that individual customers do not borrow more money than their budgets allow and to avoid granting loans that carry too much risk.

To ensure that Nykredit does not enter into transactions with customers who engage in activities in violation of existing legislation, human rights, labour standards, principles of environmental responsibility and rules of anti-corruption, including bribery and financial exploitation, the Ten Principles of the UN Global Compact have been integrated into Nykredit's Credit Policy.

Nykredit's advisers are trained and diligent in advising customers about the potential risks associated with the various products. Moreover, Nykredit's advisory services must consider the interests of our customers, be fair, relevant and adequate and provide customers with a solid basis for decisions.

### The good customer dialogue

To ensure objective and holistic advice, all Nykredit's advisers receive ongoing training that supports responsible advice, customer protection and a good customer dialogue. All advisors also have access to comprehensive guidelines and learning material.

Managers are responsible for ensuring that the advisers keep updated, upskilled, measure up to the desired conduct and have the necessary professional level. Customers wishing to take out a loan undergo a credit assessment where their willingness and ability to meet their obligations to Nykredit are assessed. Financially trained employees carry out a holistic assessment of the customer's finances and other relevant risk elements. The purpose is to ensure an objective assessment of each individual customer and thus reduce the risk of discrimination. The Credit Policy is regularly adjusted in accordance with legal requirements, societal developments and other relevant factors.

Customers are involved in the development of products and digital solutions, for example via Nykredit's customer panel, where approx 2,200 customers have actively signed up via the Group's website. The customer panel focuses on products and solutions for the personal customer segment. The Group activates the panel both to gain insight into customers' experiences of existing solutions and into the development of new products. The involvement takes place through questionnaire surveys, user tests, interviews and workshops, usually online. Responsibility for the customer panel is vested in the banking organisation. Personal data will not be disclosed or used for any other purpose.

Nykredit's customers are among the most satisfied in the industry. Nykredit is committed to delivering strong customer experiences both now and in the future. To this end, Nykredit asks customers about their experiences on a daily basis to ensure that customers' wishes and needs are continuously met. Responsibility for the customer satisfaction survey is vested in the banking organisation.

Customers receive questions by email, and the answers are registered on the customer. Customers are randomly selected to achieve representativeness across customer groups, regions/centres/Nykredit Direkte.

The customer satisfaction surveys contain a number of specific questions and themes, including:

- Likelihood of recommending Nykredit to friends and acquaintances (NPS)
- Operation
- Good experiences
- Suggestions for improvement
- Dissatisfaction and handling.

The Nykredit Group's Customer Experience Board (CX Board) covers Nykredit's entire value chain and assesses the development in customer satisfaction on a monthly basis and makes ongoing decisions based on this. The CX Board decides on the actions triggered by the results. The Group works with an extensive amount of data, which is continuously quality assured in collaboration with independent analysis houses to ensure maximum validity and credibility.

### Complaints and handling of incidents

The contact details of Nykredit's complaints unit are available via Nykredit's website and in relevant contract documents. This unit is an important part of Nykredit's work to ensure transparent and responsible complaints handling. The complaints unit draws up an annual report for the Executive Board of Nykredit Bank, the Board of Directors of Nykredit Bank and the Group Executive Board that meets the requirements of the Executive Order and is based on specific categories that are also stipulated in the legislation.

Customers who wish to complain can do so via Customer Service, Nykredit's website or through an advisor.

All complaints are treated confidentially and in accordance with GDPR regulations, and complaints submitted via nykredit.com are encrypted. If a customer's dissatisfaction is voiced through customer satisfaction surveys, this will be followed up and the advisor will contact the customer to remedy the situation. This process is described in detail in Nykredit's business procedures, and complaint handling is organised with a clear division of responsibilities and roles.

Complaints are included in other relevant feedback from our customers in Nykredit's annual evaluation of products and services.



### Fair complaints handling

Nykredit is committed to ensuring that customers are heard and that a customer's complaint is dealt with fairly. This work is governed by Nykredit's business procedures on treatment of dissatisfied customers and complaints services, the purpose of which is to come to a solution that the customer will find reasonable. The business procedures specify, among other things, response times, escalation levels etc for complaints. In 2024, Nykredit received 302 complaints. 21% of the customers who complained succeeded in full or in part in their complaints.

## The Group's employees

Nykredit's employees are essential for future-proofing the organisation and realising the Group's strategy and business plan. Nykredit is focused on building a desirable and diverse workplace, attracting and retaining skilled people and strong talents in a culture focused on equality, community and development.

The majority of Nykredit's full-time employees are covered by the collective agreement and the Salaried Employees Act. Nykredit's full-time employees who are not covered by the collective agreement are employed under contract and mainly have the same social benefits as full-time employees covered by the collective agreement.

## Diversity and inclusion

At Nykredit, we regard diversity and inclusion as important prerequisites for operating a sound business with customer centrality, team spirit and drive, to the benefit of our customers, colleagues and society. Nykredit wants a diverse workforce that reflects our customers and society.

Nykredit does not tolerate any kind of discrimination, including bullying, sexual harassment, differential treatment due to gender, age, ethnicity, cultural background, religion, sexual orientation, gender identity, gender expression, gender characteristics, political affiliation, disabilities etc. This is also reflected in Nykredit's Code of Conduct, which also specifies that Nykredit does not tolerate human trafficking, child labour or any form of forced labour.

### Diversity and Non-Discrimination Policy

The work on diversity and inclusion is anchored in Nykredit's Diversity and Non-Discrimination Policy. This policy forms the foundation for how Nykredit handles principal adverse impacts on the Group's employees in terms of diversity and inclusion. It supports equal opportunities across HR processes, including recruitment and promotions as well as payroll.

The policy applies to all employees and applicants who are part of recruitment processes. The policy describes Nykredit's approach to working with diversity at three levels of action, with a focus on ensuring equal opportunities for all employees:

- **Structural level:** Nykredit's HR processes have a targeted focus on equal opportunities, including in connection with recruitment, onboarding, promotion, maternity/paternity leave, talent development, and salary and bonuses.
- **Management/Group level:** Managers play a key role in ensuring that Nykredit fulfils the ambition of being an inclusive workplace and of realising Nykredit's diversity goals (including increased gender balance).
- **Individual level:** Managers and employees representing the desired diversity (such as gender, age, skills and experiences) must be identified and their development must be accelerated.

Our policy states that the composition of the Board of Directors, in addition to professional and personal competences, must take into account diversity and gender balance. Nykredit's Board of Directors has appointed a Board Nomination Committee which, among other things, monitors compliance with the Diversity and Non-Discrimination Policy and related targets.

The overall responsibility for equal treatment and equal opportunities at Nykredit lies with the Board of Directors and the Executive Board. Nykredit's general governance for policies is described in "Governance of Group policies".





### Focus on gender equality

Nykredit works with diversity and inclusion in a number of initiatives targeted at both current and future employees, including in the recruitment process and particularly by ensuring gender equality. These efforts help prevent and mitigate Nykredit's principal adverse impacts on the Group's employees.

The initiatives are intended to support Nykredit's long-term ambition of gender balance. To support this ambition, Nykredit has set a 2030 target of 55% male and 45% female managers in the Nykredit Group.

Basically, Nykredit's approach is to not choose gender over competence. Correspondingly, Nykredit neither creates more management positions to improve gender balance nor dismisses managers to make room for the underrepresented gender. To support these efforts, the following guiding principles have been laid down:

- We motivate both women and men for management positions.
- We support the individual managers in their transition from employee to manager or progress to a higher-level management position.
- We have representatives of both genders when we recruit new managers. If we do not have relevant candidates of both genders, we will suspend the recruitment process and continue our search. A principle of reversed burden of proof applies if a manager is to be recruited without candidates of both genders being part of the process.

### Gender distribution of Nykredit Group managers (%)

	2019	2020	2021	2022	2023	2024
Female	29%	30%	32%	33%	37%	35%
Male	71%	70%	68%	67%	63%	65%

The chart shows the total proportion of female and male managers in the Nykredit Group. A manager in the Nykredit Group is defined as an employee with a managerial title, see "Nykredit Group managers". The members of the Group Executive Board are also included in the calculation of men and women, respectively in management.

## Annual review

Diversity and inclusion are one of several elements in the annual organisational review, which also includes an assessment of equal pay and gender balance in management positions in the units. Nykredit's organisational review is carried out annually by all managers of their own unit. The purpose is to ensure that Nykredit's management at all levels takes into account equal opportunities for all employees in Nykredit and that the existing initiatives are sufficiently effective to prevent and mitigate Nykredit's principal adverse impacts on the Group's employees.

In leadership development, diversity and inclusion are also a fixed theme, where the focus is on inclusive leadership behaviour and avoiding bias. The purpose is to ensure that Nykredit's managers have sufficient skills to ensure equal opportunities for all employees.

### Part of the recruitment processes

Nykredit has a number of guiding principles for the recruitment of managers as part of supporting Nykredit's long-term ambition of gender balance. In accordance with these principles, Nykredit motivates women and men alike to take on management positions, we support the individual managers in their transition from employee to manager or progress to a higher-level management position, and both genders are represented in the application field on recruitment of new managers. This means that recruitment of managers can be put on hold and the search can be extended if relevant candidates from both genders have not been found. Additionally, an AI tool is used in drafting job postings to promote the greatest possible diversity in the candidate pool.

The Group's HR function participates regularly in the recruitment and promotion processes and focuses on reducing any management biases that can be a barrier to equal opportunities for all Nykredit employees.

### 26 weeks of maternity/paternity leave regardless of gender

At Nykredit, mothers, fathers and co-parents have a right to 26 weeks of paid parental leave. During the parental leave period, managers at Nykredit can use a dialogue tool that structures the dialogue between manager and employee before, during and after parental leave in order to ensure a good return and open up for any new roles and career opportunities.

The initiatives described above and in the following sections are an integral part of Nykredit's HR processes, and therefore no time horizon has been defined for their implementation. Nykredit managers and HR have been allocated the resources necessary in order to implement the initiatives.



## Equal pay for equal work

Nykredit's pay systems and practices must be gender-neutral and support equal pay for equal work. Nykredit – as the financial sector in general – has an important task in equalising any unjustified pay differences that may be registered.

### Nykredit's Remuneration Policy

The remuneration policy sets out the framework for Nykredit's overall remuneration principles and remuneration elements and ensures that Nykredit's principal adverse impact on equal pay for equal work is addressed. The policy helps to ensure that remuneration of the employees is independent of gender, religion, sexual orientation, political persuasion and ethnic background, and supports equal pay for equal work. Nykredit's Remuneration Policy describes the framework for the remuneration of all employees in the Nykredit Group, including subsidiaries. According to the Remuneration Policy,

- Nykredit's pay systems and practices must be gender-neutral and support equal pay for equal work.
- Nykredit uses a recognised job evaluation system to classify jobs to support equal pay and objective remuneration setting.

Nykredit's Board of Directors have set up a Board Remuneration Committee, which monitors compliance with the Remuneration Policy based on whether the results of HR's annual review shows compliance with the Remuneration Policy and associated remuneration rules.

## Nykredit's employees in numbers

Number of employees by type of contract and gender as well as age (number of employees as at 31 December 2024)

Type of contract	Female	Male	Total
Number of non-guaranteed hours employees (head count/FTE)	8	3	11
Temporary employees	211	281	492
Permanent employees	1,584	2,168	3,752
<b>Total number of employees across types of contract</b>	<b>1,803</b>	<b>2,452</b>	<b>4,255</b>

Breakdown by age	Number of employees (head count)	%
Employees (< 30 years)	986	23%
Employees (30-50 years)	2,044	48%
Employees (> 50 years)	1,225	29%

Resignations <sup>6</sup>	Number of employees resigned	%
Employees across types of contract	586	14%

Average number of employees	Total
Average number of employees for the financial year, FTE	3,900

<sup>6</sup> The figure includes both voluntary and involuntary resignations.

### New pay structure

On 1 July 2024, a new pay structure came into force at Nykredit. The primary purpose is to ensure greater transparency and objectivity in salaries across the Group by clarifying the connection between pay, job content, skills and performance for employees. Nykredit's applied job evaluation system takes into account the role's impact on results, communication, complexity and qualifications.

The pay level is determined based on three Ps: position (role), person (skills and potential) and performance. The system supports objectivity in the determination of pay.

### Ongoing monitoring of pay differences

Pay differences between the genders are measured and monitored on an ongoing basis, determined according to position impact ranking. The figures are used in the individual manager's basis for decision in connection with annual pay adjustment processes and employment. Equal pay is also a theme in the annual organisational review.

Like the rest of the Danish financial sector and the broader Danish labour market, data shows a pay gap between male and female employees in the Nykredit Group. The percentage of unadjusted pay gap is 19.5% (M)<sup>7</sup> in 2024. The remuneration ratio for the highest paid employees in Nykredit is 29.7 times higher than the median for all other employees. The pay gap among Nykredit's permanent employees<sup>8</sup>, expressed as a weighted average, amounts to 4.2% (M). The weighted average takes into account equal work or work of equal value, determined based on classification of roles using an objective job evaluation system.



<sup>7</sup> The figure shows the average pay gap between women and men in 2024 expressed as a percentage of the pay level for male employees. "(M)" denotes that the pay gap is in favour of men.

<sup>8</sup> Permanent employees excluding top management.

## Colleague involvement

Being a customer-owned financial provider, Nykredit's core value statement also integrates the employee's perspectives, including in the work to ensure equal pay for equal work and equal opportunities in recruitment and promotions. Nykredit's approach is generally based on human rights. A number of initiatives will structure and support this.

### Colleague engagement survey

The annual colleague engagement survey collects responses from colleagues about a wide range of topics related to work conditions, well-being and job satisfaction. For example, the survey measures employees' experience of diversity and inclusion, including the questions of whether they identify as belonging to a minority group and, if so, which group. The responses are anonymous. This new theme was added to gain a deeper understanding of the correlations between an individual's wellbeing and the experience of belonging to a minority group. The questions in the survey are updated regularly to ensure its relevance.

### Employee representatives

Employee representatives of the Nykredit section of Finansforbundet (Financial Services Union Denmark) are locally based at Nykredit. The Financial Services Union is also represented on the Board of Directors, the Group Works Council and the Group Health and Safety Committee.

The chair of the Nykredit section of the Financial Services Union and the management of HR Operations engage in bilateral discussions about diversity and inclusion to ensure that employees' perspectives are included in the formulation of Nykredit's initiatives and objectives.

HR and the Head of Corporate Communications ensure employee involvement and help build the foundation for Nykredit's initiatives related to managing material impacts on the workforce.

### Speak-up channels

Nykredit's employees can report concerns about harassment through formal and informal channels.

Employees are encouraged to use the informal channels to seek out their manager to share concerns about negative experiences, for example about equal treatment. Managers are obligated to handle such inquiries in accordance with Nykredit's management values and are equipped for this task through their participation in the mandatory annual management training. Additionally, management has access to ongoing guidance from HR Business Partners as required.

Employees have a number of formal channels. All employees may reach out to a health and safety representative if they have concerns about general as well as individual mental and physical problems.

Members of the Financial Services Union can contact their employee representative. In the event of harassment, all employees may contact HR Legal in confidence.

Nykredit also conducts an annual mental and physical workplace assessment (APV), where employees, as part of the psychological APV assessment, have the option to indicate that they wish to be contacted by HR outside the management system.

Finally, Nykredit also has a whistleblower scheme, which is available to all employees. This is described in "Responsible business practices".

The formal channels are described on relevant pages on Nykredit's intranet. These are set up with guides and the opportunity to contact various players in Nykredit. This contributes to making the channels visible to employees while also making it possible to contact someone whom the individual employee trusts. HR continuously monitors the use of the individual channels as part of ensuring the efficiency of the channels.

In 2024, the Group has not received any reports of serious human rights incidents.

### Sanctions

If an employee acts in breach of the guidelines of employment, sanctions under Danish employment law such as warnings, termination, or, at worst, summary dismissal of the employee in question, may be imposed.



# G

## 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 imperative that advisory services, other services and products are responsible, both in a societal context and relative to the individual customer. This requires competent management and a sound corporate culture.

Nykredit's double materiality assessment shows that Nykredit has material impacts and incurs material risk in the area of responsible business practices:

- Adverse impact in the event that Nykredit is exploited for financial crime.
- Financial risk if the Group is used for money laundering due to level of fine, potential additional costs and regulatory reactions.

Like the sector in general, Nykredit has a potential negative impact on society if customers seek to misuse the Group's products and services for financial crime, including money laundering. Likewise, it has a financial impact on Nykredit if the group is used for money laundering. Nykredit is continuously working to strengthen processes, monitoring and checks to prevent this. It is vital for Nykredit's legitimacy and our customers' trust that Nykredit works actively to prevent money laundering.

In the double materiality assessment, Nykredit has only considered impacts to which the Group is associated in the value chain if these relate to a strategic priority for the Group. This applies to the work on climate change mitigation, which is described in more detail in "A greener and more prepared Denmark", where there are clear expectations for customers' transition plans.

The companies which Nykredit provides lending for or invests in on behalf of the Group's customers impact society in many different areas other than climate change mitigation. Nykredit is linked to these impacts by virtue of its lending or investments and therefore has a shared responsibility for ensuring that they are addressed. Nykredit does this through the due diligence processes for lending and investment.

The following describes Nykredit's work to support a sound corporate culture, combat financial crime, and describe the Group's due diligence across E, S and G.

## Sound corporate culture and competent management

Nykredit's management, including in relation to good business conduct is organised around the Board of Directors, the Executive Board and the three lines of defence. In connection with board composition, it is ensured that the Board of Directors at any time encompass the skills necessary to act in accordance with good business conduct. Nykredit is also subject to the Fit & Proper rules that apply to financial undertakings. The rules are intended to ensure that the Board of Directors and the Executive Board have the skills that the Danish Financial Supervisory Authority deems necessary to be able to function as the Board of Directors and the Executive Board in a satisfactory manner, and include a number of requirements that can also be attributed to good business conduct. The Fit & Proper rules apply to positions on the Board of Directors and Executive Board and to a number of key persons across the organisation.

A sound corporate culture is the foundation of a healthy business, and for Nykredit it is essential that all parts of the organisation are equipped to act responsibly and properly. This requires a corporate culture in which business dilemmas are discussed openly and acted upon, so that Nykredit as a company has responsible business practices that can be explained and defended to customers, society and Nykredit itself.

### Corporate Culture Policy

A healthy company culture is essential to ensure responsible business practices, including an open environment where employees speak up if they encounter something they deem irresponsible. A healthy corporate culture is thus an element in preventing and responding in situations where Nykredit is exposed to attempts at exploitation for financial crime purposes.

To underpin the safe and open culture, Nykredit has a Corporate Culture Policy. The Corporate Culture Policy outlines two overarching principles in relation to promoting a healthy corporate culture: responsible business practices and a safe and open culture. These two principles are supported by four behavioural competencies that will serve as benchmarks for the behaviour Nykredit wants to be known for: customer centricity, team spirit, empowerment and responsibility.

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 conducted.

### Corporate responsibility skills

To Nykredit, responsibility implies that we must be able to explain and justify our choices and actions, both at the business strategic level and in our day-to-day work performance. This further implies that managers must ensure that their teams understand the specific meaning of Nykredit behaviour and provide feedback and discuss behaviour as part of the regular performance conversations.



## Whistleblower scheme

In Nykredit we have a whistleblower policy and an online whistleblower scheme where 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 line 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.

## Whistleblower scheme

The type of report	2021	2022	2023	2024
HR-related matters	1	1	-	2
Business integrity	-	-	-	1
Fraud/scams	-	-	-	1
IT security	-	-	-	-
Measures taken following reports	2021	2022	2023	2024
Dismissal	-	-	-	1
Learning/feedback	1	1	-	-
Written/verbal warning	-	-	-	-
Other disciplinary actions	-	-	-	1
No action necessary	-	-	-	2
Note: In relation to all reports received under the whistleblower scheme, the need to review existing policies, procedures and controls will be assessed.				
	2021	2022	2023	2024
Number of reports	1	1	-	4

## Combatting financial crime

The Nykredit Group has processes and procedures which address the risk that Nykredit is misused for financial crime. This includes an overall risk assessment of the Nykredit Group based on risk assessments of Nykredit's group companies. The risk assessment forms the basis for the underlying policies, guidelines, business and working procedures. The above thus forms the basis for the processes and checks that exist in the area.

### Organisation of efforts against financial crime

The anti-money laundering area is organised in accordance with Nykredit's risk management and the Group's three lines of defence. Banking Risk & AML, including Money Laundering Reporting Office (MLRO) is in the 1st line of defence. The 2nd line of defence consists of Compliance and Risk & Conduct, which are responsible for independent monitoring, control and reporting. The 3rd line of defence is Internal Audit, which provides independent assurance over the overall management of risks and internal controls in the Nykredit Group and reports on its work to the respective boards.

Quarterly management reporting takes place to Nykredit's Group Executive Board and to the Executive Boards of relevant Nykredit companies. Nykredit's Board of Directors receives information when relevant, and the status of the area is presented at least once a year. Annual risk assessments are also carried out at company and group level for the respective Executive Boards and Board of Directors. In addition, Nykredit has a Financial Crime Committee with a number of members from the Executive Board, among others. This committee handles cases relating to matters with special risk of financial crime.

### Effective control through relevant learning

Nykredit employees are required by law to complete annual and relevant learning programmes in anti-money laundering. Nykredit's learning programmes are developed in collaboration with the Financial Sector Training Centre (FU). The learning programmes are based on a case setup and offered to relevant employees based on their job profiles, including the Executive Board and the Board of Directors. In 2024, 10 cases were part of the training, including those on politically exposed persons, onboarding of personal customers and suspicious incidents. The completion rate for all employees was 96% in 2024. The completion rate is lower than 100% due to terminations, resignations, illness, leave etc.

### Incident management

Nykredit investigates unusual incidents in accordance with the Danish Anti-Money Laundering Act. Any behaviour or transaction that cannot be explained and appears to be unusual must be forwarded to the Group's Money Laundering Reporting Office (MLRO). The MLRO then conducts an investigation into the unusual behaviour or transaction and assesses whether it is necessary to report it to the National Special Crime Unit (NSK). Nykredit will receive no information about the police investigation and any indictments, verdicts or other rulings.



## ESG due diligence

This section discusses Nykredit's overall work to manage negative impacts that the Group is associated with through lending and investments across E, S and G. The section describes the Group's ESG due diligence processes on the lending and investment sides, respectively, both at the start of the customer relationship and on an ongoing basis.

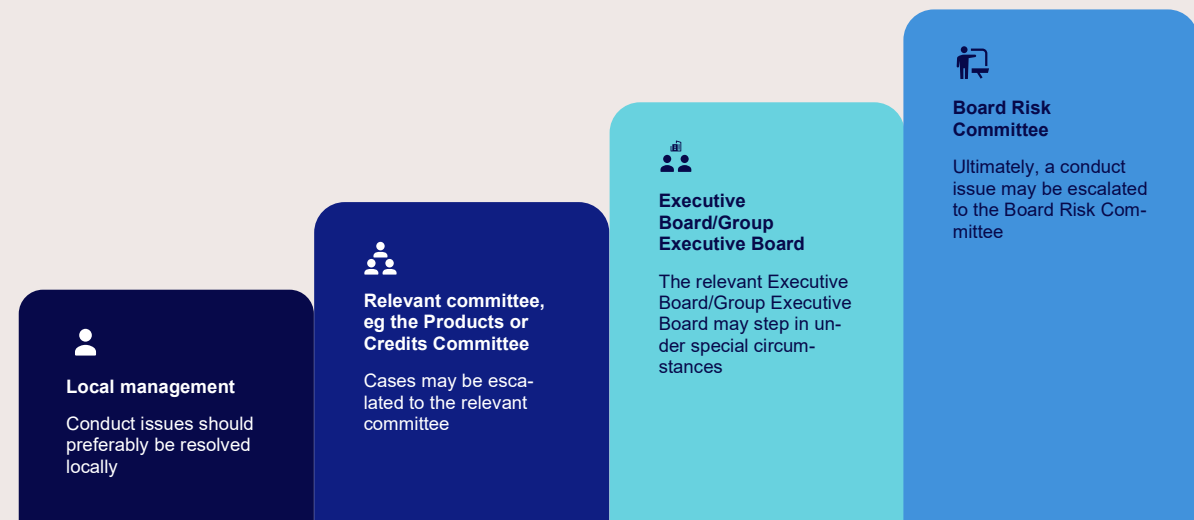
Nykredit's approach to due diligence reflects a basic expectation that customers take responsibility for their impacts on E, S and G. In addition, Nykredit's approach is to impact investments and customer relationships where Nykredit may best contribute to sustainable transition as a financial provider.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

## Governance and escalation

Customers who do not have an appropriate ESG profile may pose a conduct risk for Nykredit. The framework for management of conduct risks is set out in the Group's Non-Financial Risk Policy, which is intended to support and develop an organisation where the management of non-financial risks is an integral part of day-to-day business activities as well as long-term planning. Thus, it is Nykredit's policy to promote a culture where openness and awareness about non-financial risks, including ESG-related conduct risks, are natural among employees. The Policy for Non-Financial Risks supports the Corporate Culture Policy by creating the framework for a healthy risk culture in which there is a practice and behaviour in all parts of the Group that can be explained and defended.

Conduct risks related to customers' ESG matters are thus a fixed part of the established, ongoing risk work. Risk meetings are held regularly with the managers of the individual business units, at which conduct risks are identified, discussed and managed. If sudden events occur, a fixed escalation model is followed.

### Escalation of ESG matters with customers



Nykredit's escalation structure clarifies and illustrates the process and criteria for escalation of conduct issues. The fundamental principle is that issues related to conduct or business practices should generally be resolved as close to local management as possible. If that is not possible, conduct issues should be escalated within relevant committees etc.



## Investment due diligence – own funds

For Nykredit, good knowledge and due diligence are central both in the selection of companies and in the ongoing monitoring and evaluation of investments.

In the first part of the investment process, some investments are excluded from all strategies. For example, Nykredit excludes companies that are producers of controversial weapons and companies that continuously fail to comply with international conventions. Based on a number of criteria, Nykredit also excludes companies that are involved in fossil fuels and which do not have the right level of transition plans.

Through recurring screenings, it is assessed on an ongoing basis whether companies should be excluded, for example, if the company has made acquisitions that mean that the company no longer meets Nykredit's ESG requirements, or if the company no longer complies with international conventions or applicable sanctions.

If a company is in breach of international norms, the exclusion is made via Nykredit's Sustainable Investment Forum. Nykredit is systematically in dialogue with companies in the investment portfolio to create change. The systematic dialogue is based on data from MSCI and Sustainalytics.

### Active ownership

As a responsible asset manager, Nykredit attaches importance to active ownership in order to be able to steer the 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 2024, Nykredit cast its votes at 4,898 general meetings, corresponding to 99% of all possible general meetings.

Nykredit regularly engages with investee companies about improved environmental initiatives, better conditions for employees etc. In addition, Nykredit participates together with other institutional investors in so-called collaborative engagements, for example through Climate Action 100+.

## Investment due diligence – external managers

Nykredit cooperates with a number of specialised managers in, for example, infrastructure, Private Equity and equities. Prior to any collaboration, it is assessed whether the individual manager matches Nykredit's strategy and values, not least in relation to sustainability, applicable sanctions and climate footprint.

The investment fund manager's future development plans are also part of the decision to invest in the investment fund manager's respective fund or fund-of-funds. Nykredit encourages all investment fund managers to adhere to the UN Principles for Responsible Investment (UN PRI). At the same time, investment fund managers are expected to integrate ESG into the investment process and governance. Information about the investment fund managers under the Disclosure Regulation is also monitored, and investment fund managers are expected to support Nykredit's data requirements in connection with the disclosure requirements to which Nykredit is subject.

It is also assessed whether ESG is part of all investment phases, and how relevant ESG parameters are analysed by the investment fund manager. In addition, great emphasis is placed on whether the individual manager has a dedicated ESG committee and a dedicated ESG team, and whether ESG matters are adequately handled by the external portfolio managers. All grants given to external investment fund managers via alternative investments in Nykredit Asset Management must be approved by an internal investment committee where the manager of ESG may veto if the investment fund manager in question fails to meet the expected standards.

Nykredit continuously monitors the development of sustainability risks, including negative impacts and climate footprints, of the managers with whom it cooperates. The ongoing follow-up includes monitoring whether the investment fund manager conducts annual ESG monitoring, and at the same time, Nykredit's exclusion list applies to these funds.



## Credit due diligence – business customers

All business customers are subject to credit assessment, which among other things, comprises an assessment of the customer's ESG matters, including a screening of whether the customer meets Nykredit's Fossil Fuels Policy. The credit assessment of the customer's ESG matters 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. All new business customers were subject to credit assessment in 2024, and the same applies in the event of renegotiations and extension/changes to agreements with existing business customers.

The credit assessment of ESG matters is based on recognised standards, such as the EBA's Report on ESG risk management and supervision and the EU taxonomy. The credit rating is developed as new data becomes available and new concepts are introduced.

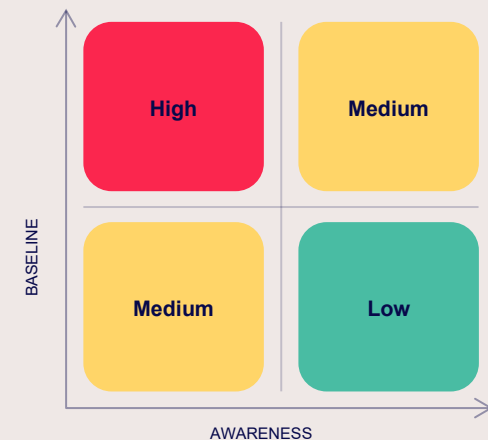
In 2024, the credit assessment was extended relative to the parameter that assesses the customers' environmental impact (E). Thus, a more thorough assessment is now being made of a number of factors in the individual business customer's climate transition plan. As at November 2024, the credit assessment thus includes several new points of measurement, in addition to concrete focus points on the customer's carbon emissions, planned reduction measures and climate targets, including any validation of the Science Based Targets initiative or other recognised methods.

The extended credit rating is intended to support a more accurate and transparent assessment of the large business customers. In 2024, approximately 9,600 ESG assessments were made, of which 230 were made with the new, expanded approach. It should also help to ensure that sustainability remains part of the ongoing dialogue with customers, at the start of the customer relationship as well as in the ongoing follow-up. Large business customers account for one third of the Group's total lending portfolio in 2024, which makes up half of the Group's financed emissions from the loan portfolio.

Nykredit's expectations for customers' sustainability profile and transition plans are differentiated, so that the largest companies and industries with the greatest impact on the climate must meet the most expectations.

### Environmental impact in credit process

Environmental impact is assessed based on industry, climate footprint and transition plan, including the company's ambitions, targets and measures in order to address relevant climate risks.



## 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 has 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 for climate change adaptation and mitigation.

### Nykredit's 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 in the right-hand table. This compilation does not form part of the statutory reporting. At the end of 2024, Nykredit had a total GAR of 8.12% measured by revenue, which is an increase from 5.74% last year. The increase is primarily due to improvements in the data basis and methodology. The total GAR is largely on a par with the previous year when using the same updated methodology and data basis.

### Summary of key taxonomy metrics – turnover (DKKbn)

		Total gross carrying amount	Total assets covered by the taxonomy (taxonomy eligibility)	Total environmentally sustainable assets (taxonomy alignment)	Green asset ratio (taxonomy alignment) [%]
Main KPI	Exposure to financial undertakings	119,308	5,659	401	
	Exposure to non-financial undertakings (NFRD)	34,511	21,413	5,754	
	Exposure to households (climate mitigation)	970,059	935,335	128,980	
	<i>of which lending secured by mortgages on real estate</i>	<i>898,469</i>	<i>898,469</i>	<i>128,980</i>	
	<i>of which motor vehicles</i>	<i>2,861</i>	<i>2,521</i>	<i>-</i>	
	Assets covered (included in both the numerator and denominator in GAR calculation)	1,660,000	962,407	135,134	
	Other assets (included only in the denominator in GAR calculation)	532,388			
	<b>GAR</b>				<b>8.12</b>
Additional KPIs	GAR (flow)				<b>13.49</b>
	Financial guarantees				<b>0.26</b>
	Assets under management				<b>4.09</b>

## About the Taxonomy Regulation

Nykredit's taxonomy reporting has been presented in accordance with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (the Taxonomy Regulation) and the related Delegated Regulation ((EU) 2021/2178) on disclosure.

The EU taxonomy provides a framework for determining which financial activities qualify as environmentally sustainable.

### The EU taxonomy identifies six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems.

### Sustainable economic activities must:

- contribute substantially to one or more of the six environmental objectives (the substantial contribution criteria) without causing significant harm to any of the other environmental objectives (the "do no significant harm" (DNSH) criteria) and, at the same time,
- respect international minimum guarantees for human and labour rights (minimum safeguards).

The precise criteria (Technical Screening Criteria (TSC)) for the two climate objectives are set out in Delegated Regulation (EU) 2021/2139 (the "Climate Delegated Act") and for the other four environmental objectives in Delegated Regulation (EU) 2023/2486 (the "Environmental Delegated Act") and the Commission Delegated Regulation (EU) 2022/1214 (the "Complementary Climate Delegated Act").

## Qualitative information (ANNEX XI)

The following sections review the qualitative information required by law under the Delegated Regulation to Article 8 of the Taxonomy Regulation (Annex). This is followed by the relevant templates in accordance with Annex VI and Annex XII to the Delegated Regulation.

## Business strategy, processes and dialogue

The EU taxonomy guides Nykredit's ambition to promote green investment and lending by providing a framework for what qualifies as environmentally sustainable.

The specific efforts to counteract Nykredit's climate-related impacts, including encouraging customers to replace fossil heat sources and promoting energy renovations as well as ensuring a greener electricity and heat supply directly, affect the scope of Nykredit's financed sustainable activities.

Nykredit's Green Bond Framework lays down the criteria for loans that qualify for funding using green bonds, so that they are widely aligned with the technical screening criteria in the taxonomy<sup>9</sup>. Our taxonomy approach is also integrated into Nykredit's internal processes, for example when we develop new green products, and is thus an integral part of Nykredit's range of green products.

In the investment area, Nykredit is actively aligning its investment products with the taxonomy across Nykredit and Sparinvest while continuously collecting necessary data.

<sup>9</sup>A third-party assessment of the framework has been carried out by Sustainalytics, which shows that the vast majority of activity areas are aligned with the taxonomy's criteria. However, the assessment does not include the criterion of not causing harm to the other environmental objectives (DNSH criterion).

Nykredit is systematically working to improve and mature our ESG data, which strengthens the insight into and the opportunity to actively increase the proportion of sustainable activities in Nykredit's lending and investments. At the same time, better ESG data will ensure a stronger foundation for taxonomy reporting.

### Basis for calculated sustainable activities

A number of factors are important for determining Nykredit's Green Asset Ratio. These include the factors mentioned below.

#### General requirements

The documentation requirements for taxonomy alignment are generally high. At the same time, both Nykredit and its customers are in the process of building data frameworks, which makes it more difficult to document the often very detailed screening criteria of the taxonomy. There is a general tendency for the companies' determination of GAR to be conservative, and this is reflected in Nykredit's GAR.

#### Businesses covered

For lending to businesses (non-financial businesses), the assessment must be based on information from the businesses' own taxonomy reporting. This means that, for example, lending to smaller businesses not subject to reporting constitutes a proportion of the total assets (the denominator), but cannot be included in the sustainable activities under the taxonomy (the numerator). This results in a lower GAR.

A number of activities and sectors are not yet covered by the taxonomy, including agriculture. This means that lending to these areas is only included in total lending (the denominator). This results in a lower GAR.

#### Residential buildings (households)

The assessment of mortgage lending to households is largely based on the energy labels of buildings. However, only about 40% of Danish owner-occupied dwellings have a valid energy label. For other properties, it is not possible to document taxonomy alignment. This results in a lower GAR.

#### Cars (households)

Personal car loans are taxonomy-eligible, but it is not possible for Nykredit to document compliance with the taxonomy's DNSH criteria. Therefore, the GAR is determined at 0, even though a large proportion of Nykredit's lending is for electric cars.

#### Assets under management (AuM)

Data is largely based on reported data from our data provider (MSCI ESG Research). This data is still incomplete, and improvements are expected in the coming years.

### Development in calculated sustainable activities

The increase in GAR from 2023 to 2024 from 5.74% to 8.12% in terms of revenue is primarily due to better real estate data. From 2023 to 2024, the number of businesses covered has increased, as financial undertakings published data on taxonomy alignment for the first time in 2023, which Nykredit has included in its reporting for 2024. This has led to a marginal increase in GAR.

After the 2024 annual reporting, the proportion of businesses covered will increase further, which is expected to lead to a rise in Nykredit's GAR next year.

From 2023 to 2024, data on lending to households secured by mortgages on real estate has also been expanded and improved, as Nykredit has changed its data source. Exposure to households secured by mortgages on real estate with a valid energy label and in the top 15% of the national building stock are included in 2024 as being taxonomy-aligned. This change in methodological and data-related elements has made it possible to document taxonomy alignment for more buildings. This has had a positive effect on GAR.





## Contextual information

The reporting is based on carrying amounts and in accordance with the accounting policies applied in the Nykredit Realkredit Group's Annual Report.

The following companies are included in the taxonomy reporting at a consolidated level:

- Nykredit Realkredit A/S
- Totalkredit A/S
- The Nykredit Bank Group, including Nykredit Bank A/S, Nykredit Leasing A/S, Sparinvest A/S, Nykredit Porteføljeadministration A/S.

Total GAR assets are the total loans and advances, debt securities, equities, repossessed collaterals and all other balance sheet assets included, excluding exposures to sovereigns, central banks and assets included in the trading book.

The GAR is determined as follows:

$$\text{Green Asset Ratio (GAR)} = \frac{\text{Assets that are aligned}}{\text{Total GAR assets}}$$

The numerator in the fraction includes exposures to financial and non-financial undertakings that are themselves covered by the NFRD, households and collateral obtained through the acquisition of real estate. Financing to local authorities does not constitute a significant business area in Nykredit and is therefore not included in the assessment.

The reporting is based on Nykredit's internal data as well as the customers' own reported data for customers who have reported under the Taxonomy Regulation (NFRD customers).

To this should be added building, consumption, emissions and climate data from public sources via e-nettet's sector solutions. NFRD clients' exposures are weighted with their own determination of assets that are "eligible" and "aligned" based on their turnover and CapEx KPI, respectively.

The assessment of loans to households secured by mortgages on real estate is based on the climate data solution made available in e-nettet to the financial sector on Danish buildings. Nykredit's assessment is based on building and consumption data, including energy labels, and in the case of buildings constructed before 2021, whether the building is assessed to be in the top 15% of the national building stock in terms of energy efficiency. Nykredit has also carried out an assessment of physical climate risks. Exposures that are assessed as carrying a material risk are considered not to qualify as eligible under the Taxonomy Regulation ("non-eligible").

The reporting is prepared for both stock and flow. The stock of assets is calculated for the entire end-of-year stock, while the flow of assets only takes into account developments in the past year by including new exposures that have arisen during the year. The flow is determined at the value of the exposure at the time of disbursement, relative to the total eligible assets.

### The substantial contribution criteria

For financial and non-financial undertakings, the assessment of the substantial contribution criteria is based on the undertakings' own published taxonomy reporting.

The criteria apply to loans to households, in respect of loans secured by mortgages on real estate and motor vehicle loans, assessed against the relevant screening criteria (TSC 7.1, 7.2 and 7.7 and 6.5) of the Climate Delegated Act

### "Do no significant harm" criteria

For financial and non-financial undertakings, the assessment of the "do no significant harm" (DNSH) criteria is based on the undertakings' own published taxonomy reporting.

For loans secured by mortgages on real estate to households, the criteria have been assessed on the basis of Annex 1 to the Climate Delegated Act, including in particular Appendix A with respect to climate change adaptation.

In the analysis of physical risks for the taxonomy reporting, Nykredit focuses on five primary risk factors for buildings, in accordance with the principle of "do no significant harm" (the DNSH criteria for climate change adaptation). These risk factors include storm surge, groundwater rises, coastal erosion, flooding from rainfall, and chronic flooding from rising sea levels. The analysis is based on climate scenario RCP8.5 of the UN's Intergovernmental Panel on Climate Change (IPCC), which represents a scenario with intensive greenhouse gas emissions and significant climate change. The calculations represent possible future scenarios and are therefore associated with some uncertainty.

### Minimum standards criteria

For financial and non-financial undertakings, the assessment of the minimum standards criteria is based on the undertakings' own published taxonomy reporting.

The criteria do not include households according to Article 18 of the Taxonomy Regulation.

### Methodological and data-related elements

Circumstances relevant to the taxonomy reporting are described below.

Taxonomy alignment		Data sources and limitations
<b>Lending to financial undertakings</b>	The assessment is based on the total gross carrying amount of the exposure multiplied by the financial undertakings' published KPIs.	<p>The assessment is based on the taxonomy reporting from the financial undertakings to which Nykredit has granted loans. At the time of reporting for 2024, financial undertakings have not published their data for 2024, which is why alignment is based on published data for the financial year 2023.</p> <p>Specialised lending cannot be identified in the data.</p>
<b>Lending to non-financial undertakings subject to the NFRD</b>	The assessment is based on the total gross carrying amount of the exposure multiplied by the non-financial undertakings' published revenue and CapEx KPIs.	<p>The assessment is based on the taxonomy reporting from the non-financial undertakings to which Nykredit has granted loans. At the time of reporting for 2024, non-financial undertakings have not published their data for 2024, which is why alignment is based on published data for the financial year 2023.</p> <p>Specialised lending cannot be identified in the data.</p>
<b>Lending for residential real estate</b>	<p>Loans secured by mortgages on residential real estate:</p> <p>For buildings constructed before 31 December 2020, the assessment is based on the gross carrying amount of exposures secured by mortgages on buildings with energy label A or buildings with a valid energy label that belong in the top 15% of the building stock, and with no significant registration of physical risk events. For buildings constructed after 31 December 2020, the assessment is based on the gross book value of exposures secured by mortgages on buildings with a valid energy label A2020 and no significant registration of physical risk events.</p>	<p>The assessment is based on data from e-nettet. When an exposure is secured by mortgages on several buildings with different energy labels, the poorest energy label is taken into account, as Nykredit is not able to distribute the debt outstanding at building level.</p> <p>No estimated energy labels are used in Nykredit's assessment.</p>
<b>Loans for renovation of buildings</b>	Loans for renovation of buildings are eligible, but are not assessed in terms of taxonomy alignment, due to data limitations.	Due to incomplete registrations, and the resulting lack of documentation of the impact of renovations on the energy need of buildings, no loans for renovation of buildings can be found to be in alignment with the taxonomy criteria for sustainable activities.
<b>Loans for motor vehicles</b>	<p>Loans for the purpose of financing motor vehicles are considered taxonomy-eligible if disbursed after 1 January 2022.</p> <p>Loans for motor vehicles are not recognised as aligned, because Nykredit cannot document compliance with the DNSH criteria.</p>	Due to incomplete data, and the resulting lack of documentation (for example of noise pollution from tires), no motor vehicle loans can be found to be in alignment with the taxonomy criteria for sustainable activities.
<b>Financing to local authorities</b>	Nykredit does not have a business model that is extensively based on the financing of publicly owned rental housing developments. Therefore, a KPI is not published.	
<b>Flow of assets</b>	The flow of assets only takes into account developments in the past year by including new exposures that have arisen during the year. The flow is determined at the value of the exposure at the time of disbursement.	When calculating the coverage ratio in relation to total assets, the proportion of the assets that is not loans and advances is calculated according to a simplified method, due to lack of data.
<b>Assets under management (AuM)</b>	The calculation of assets under management is based on the assets of all positions, so both financial and non-financial counterparties are included.	<p>Data is largely based on reported data from our data provider. This data will undergo continuous improvement in the coming years.</p> <p>Due to a lack of data, any delegated mandates from other financial undertakings have not been taken into account.</p>

## Weighted KPI for the Nykredit Realkredit Group

Nykredit has calculated a KPI for each relevant business division, including asset management and banking. These are weighted together, based on GAR assets for banking and AuM for asset management, respectively, to calculate an average KPI for the Group. This amounts to 7.59 based on revenue and 7.60 based on CapEx.

### Weighted KPI for the Nykredit Realkredit Group (%)

		KPI by business segment				
	Income (DKKm)	Proportion of total Group income (A)	Revenue-based KPI (B)	CapEx-based KPI (C)	Revenue-based weighted KPI (A*B)	CapEx-based weighted KPI (A*C)
Asset management	254,240	13.25	4.09	4.76	0.54	0.63
Banking	1,664,196	86.75	8.12	8.03	7.04	6.97
Total	1,918,436	100.00				
Average KPI					7.59	7.60

Note: "Income" is defined as assets under management (AuM) in the context of asset management and as total GAR assets in terms of banking.

## Quantitative information (Annex VI)

### Template 0. Summary of KPIs to be disclosed by credit institutions under Article 8 of the Taxonomy Regulation

		Total environmentally sustainable assets (DKK million)	KPI*	KPI**	% coverage (over total assets) ***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green Asset Ratio (GAR) stock	135,134	8.12%	8.03%	93.21%	30.03%	6.79%
		Total environmentally sustainable activities (DKK million)	KPI	KPI	% coverage ratio (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	29,378	13.49%	13.72%	85.48%	-	-
	Trading book****						
	Financial guarantees	675	0.83%	1.23%			
	Assets under management	10,522	12.88%	14.75%			
	Fees and commissions income ****						

In the charts, the notation "-" indicates numbers that are exactly zero. "0" is an expression of a positive number that, after rounding, is zero.

\* Based on the turnover KPI of the counterparty

\*\* Based on the CapEx-based KPI of the counterparty, except for lending activities where the general lending turnover KPI is used

\*\*\* % of assets covered by the KPI over total assets

\*\*\*\* KPIs for fees and commissions will only apply from 2026

## 1.Assets for the calculation of GAR (Turnover)

Million EUR		Disclosure reference date T																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
		Total (gross) carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
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## 1.Assets for the calculation of GAR (Turnover) – continued

Million EUR	Total (gross) carrying amount	Disclosure reference date T-1																TOTAL (CCM + CCA + WTR + CE + PPC + BIO)							
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)					
			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling				
- <b>GAR - Covered assets in both numerator and denominator</b>																									
1 Loans and advances, debt securities and equity instruments not HTI eligible for GAR calculation	1,043,219	914,555	134,663	43	296	90	20	0	-	-	11	-	-	56	-	-	-	-	-	-	914,641	134,663	43	296	90
2 <b>Financial undertakings</b>	90,773	4,717	290	43	57	7	6	0	-	-	-	-	-	-	-	-	-	-	-	4,723	290	43	57	7	
3 Credit institutions	21,430	4,717	290	43	57	7	6	0	-	-	-	-	-	-	-	-	-	-	-	4,723	290	43	57	7	
4 Loans and advances	4,934	783	43	-	5	1	-	-	-	-	-	-	-	-	-	-	-	-	-	783	43	-	5	1	
5 Debt securities, including UoP	10,925	3,492	238	43	52	5	6	0	-	-	-	-	-	-	-	-	-	-	-	3,499	238	43	52	5	
6 Equity instruments	5,571	442	9	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	442	9	-	-	0	
7 Other financial corporations	69,343	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8 of which investment firms	4,045	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9 Loans and advances	3,801	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11 Equity instruments	445	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12 of which management companies	18,973	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13 Loans and advances	18,973	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16 of which insurance undertakings	12,138	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17 Loans and advances	12,138	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20 <b>Non-financial undertakings</b>	26,211	18,888	5,113	-	239	84	13	-	-	11	-	-	56	-	-	-	-	-	-	18,979	5,113	-	239	84	
21 Loans and advances	26,211	18,888	5,113	-	239	84	13	-	-	11	-	-	56	-	-	-	-	-	-	18,979	5,113	-	239	84	
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24 <b>Households</b>	926,210	890,939	129,261	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	890,939	129,261	-	-	-	
25 of which loans collateralised by residential immovable property	856,382	856,382	129,261	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	856,382	129,261	-	-	-	
26 of which building renovation loans	32,771	32,771	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,771	-	-	-	-	
27 of which motor vehicle loans	2,380	1,786	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,786	-	-	-	-	
28 <b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31 <b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32 <b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	516,266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
33 <b>Financial and Non-financial undertakings</b>	486,370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
34 SMEs and NFIs (other than SMEs) not subject to NFRD disclosure obligations	481,930	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
35 Loans and advances	464,977	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
36 of which loans collateralised by commercial immovable property	409,938	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
37 of which building renovation loans	26,755	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
38 Debt securities	6,630	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
39 Equity instruments	10,322	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
40 Non-EU country counterparties not subject to NFRD disclosure obligations	4,440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
41 Loans and advances	4,437	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
42 Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
43 Equity instruments	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
44 Derivatives	6,663	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
45 On demand interbank loans	3,122	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
46 Cash and cash-related assets	1,070	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
47 Other categories of assets (e.g. Goodwill, commodities etc.)	19,040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
48 <b>Total GAR assets</b>	1,559,485	914,555	134,663	43	296	90	20	0	-	-	11	-	-	56	-	-	-	-	-	-	914,641	134,663	43	296	90
49 <b>Assets not covered for GAR calculation</b>	133,297	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
50 Central governments and Supranational issuers	10,624	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
51 Central banks exposure	59,986	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52 Trading book	62,687	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
53 <b>Total assets</b>	1,692,782	914,555	134,663	43	296	90	20	0	-	-	11	-	-	56	-	-	-	-	-	-	914,641	134,663	43	296	90
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>																									
54 Financial guarantees	1,989	1,269	673	-	0	672	-	-	-	-	-	-	-	-	-	-	-	-	-	1,269	673	-	0	672	
55 Assets under management	267,881	4,415	4,232	-	-	50	49	-	-	-	-	-	-	-	-	-	-	-	-	4,465	4,282	-	-	-	
56 Of which debt securities	216,661	898	738	-	-	2	2	-	-	-	-	-	-	-	-	-	-	-	-	901	741	-	-	-	
57 Of which equity instrument	51,220	3,517	3,494	-	-	47	47	-	-	-	-	-	-	-	-	-	-	-	-	3,564	3,541	-	-	-	

## 1. Assets for the calculation of GAR (CapEx)

Million DKK	Total (gross) carrying amount	Disclosure reference date T																	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	
-	GAR - Covered assets in both numerator and denominator																					
1	Loans and advances, debt securities and equity instruments not NFI-eligible for GAR calculation	1,128,104	963,332	133,659	169	373	177	46	2	2	2	-	-	-	2	-	-	-	0	-	-	-
2	Financial undertakings	119,308	4,645	307	169	65	14	7	2	2	2	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	23,088	4,645	307	169	65	14	7	2	2	2	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	2,327	360	10	-	2	1	0	0	-	0	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	12,009	4,226	295	169	63	12	7	2	2	2	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	8,752	59	2	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	59	2	-
7	Other financial corporations	96,220	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	2,770	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	2,770	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	14,591	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	14,591	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	19,727	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	19,727	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Non-financial undertakings	34,511	23,352	4,372	-	309	163	39	-	-	-	-	2	-	-	-	-	-	0	-	-	-
21	Loans and advances	34,511	23,352	4,372	-	309	163	39	-	-	-	-	2	-	-	-	-	-	0	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Households	974,255	935,335	128,980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	935,335	128,980	-
25	of which loans collateralised by residential immovable property	898,469	898,469	128,980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	898,469	128,980	-
26	of which building renovation loans	34,345	34,345	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,345	-	-
27	of which motor vehicle loans	2,861	2,521	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,521	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	536,092	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Financial and Non-financial undertakings	508,716	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NPOs (other than SMEs) not subject to NFRD disclosure obligations	502,029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	479,873	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	441,041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	28,094	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	11,794	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	10,362	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	6,686	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	6,362	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	Derivatives	6,326	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	On demand interbank loans	2,644	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	17,647	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Total GAR assets	1,664,196	963,332	133,659	169	373	177	46	2	2	2	-	-	-	2	-	-	-	0	-	-	-
49	Assets not covered for GAR calculation	121,284	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	13,772	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	Central banks exposure	60,720	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	Trading book	46,791	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	Total assets	1,785,479	963,332	133,659	169	373	177	46	2	2	2	-	-	-	2	-	-	-	0	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																						
54	Financial guarantees	3,053	1,526	1,019	-	1	1,017	7	0	-	-	-	-	-	-	-	-	-	-	1,533	1,019	-
55	Assets under management	254,240	77,992	12,015	-	841	4,058	644	183	-	146	35	2	-	0	1,212	31	-	30	1,980	13	-
56	Of which debt securities	198,730	66,011	6,353	-	523	526	107	26	-	7	1	1	-	0	77	1	-	1	117	7	-
57	Of which equity instruments	55,511	11,979	5,662	-	318	3,531	537	158	-	140	33	1	-	0	1,136	30	-	29	1,473	6	-

### 1. Assets for the calculation of GAR (CapEx) – continued

[illegible]

## 2. GAR sector information

Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)																												Climate Change Adaptation (CCA)								Water and marine resources (WTR)								Circular economy (CE)								Pollution (PPC)								Biodiversity and Ecosystems (BIO)								TOTAL (CCM + CCA + WTR + CE + PPC + BIO)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
		Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
		Mn DKK		Of which environmentally sustainable (CCM)		Mn DKK		Of which environmentally sustainable (CCM)		Mn DKK		Of which environmentally sustainable (CCA)		Mn DKK		Of which environmentally sustainable (CCA)		Mn DKK		Of which environmentally sustainable (WTR)		Mn DKK		Of which environmentally sustainable (WTR)		Mn DKK		Of which environmentally sustainable (CE)		Mn DKK		Of which environmentally sustainable (CE)		Mn DKK		Of which environmentally sustainable (PPC)		Mn DKK		Of which environmentally sustainable (BIO)		Mn DKK		Of which environmentally sustainable (BIO)		Mn DKK		Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)		Mn DKK		Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
1	22.28 - Manufacture of other plastic products	2	-																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							

### 3. GAR KPI stock (Turnover)

		Disclosure reference date T																																			
% (compared to total covered assets in the denominator)		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)									
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)									
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)									
		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling								
GAR - Covered assets in both numerator and denominator																																					
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	57.83%	8.12%	0.01%	0.03%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	-	-	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57.85%	8.12%	0.01%	0.03%	0.00%	63.18%	
2	Financial undertakings	0.34%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.34%	0.02%	0.01%	0.00%	0.00%	6.68%
3	Credit institutions	0.34%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.34%	0.02%	0.01%	0.00%	0.00%	1.29%
4	Loans and advances	0.03%	0.00%	-	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.00%	-	0.00%	0.00%	0.13%
5	Debt securities, including UoP	0.26%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.26%	0.02%	0.01%	0.00%	0.00%	0.67%
6	Equity instruments	0.05%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.00%	-	-	0.00%	0.49%
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.39%	
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16%	
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16%	
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82%	
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82%	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.10%	
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.10%	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Non-financial undertakings	1.29%	0.35%	-	0.03%	0.00%	0.00%	-	-	0.00%	-	-	-	-	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.31%	0.35%	-	0.03%	0.00%	1.93%
21	Loans and advances	1.29%	0.35%	-	0.03%	0.00%	0.00%	-	-	0.00%	-	-	-	-	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.31%	0.35%	-	0.03%	0.00%	1.93%
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Households	56.20%	7.75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54.57%	
25	of which loans collateralised by residential immovable property	53.99%	7.75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50.32%	
26	of which building renovation loans	2.06%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.92%	
27	of which motor vehicle loans	0.15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
32	Total GAR assets	57.83%	8.12%	0.01%	0.03%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	-	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57.85%	8.12%	0.01%	0.03%	0.00%	93.21%



### 3. GAR KPI stock (Turnover) – continued

Disclosure reference date T-1

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	
-	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	54.95%	8.09%	0.00%	0.02%	0.01%	0.00%	0.00%	-	-	0.00%	-	-	-	0.00%	-	-	-	-	-	-	-	-	-	54.96%	8.09%	0.00%	0.02%	0.01%	61.63%	
2	Financial undertakings	0.28%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.28%	0.02%	0.00%	0.00%	0.00%	5.36%	
3	Credit institutions	0.28%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.28%	0.02%	0.00%	0.00%	0.00%	1.27%	
4	Loans and advances	0.05%	0.00%	-	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.00%	-	0.00%	0.00%	0.29%	
5	Debt securities, including UoP	0.21%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21%	0.01%	0.00%	0.00%	0.00%	0.65%	
6	Equity instruments	0.03%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.00%	-	-	0.00%	0.33%	
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.10%		
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.24%		
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21%		
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%		
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.12%		
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.12%		
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.72%		
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.72%		
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
20	Non-financial undertakings	1.14%	0.31%	-	0.01%	0.01%	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	1.14%	0.31%	-	0.01%	0.01%	1.55%	
21	Loans and advances	1.14%	0.31%	-	0.01%	0.01%	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	1.14%	0.31%	-	0.01%	0.01%	1.55%	
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
24	Households	53.54%	7.77%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53.54%	7.77%	-	-	-	54.72%	
25	of which loans collateralised by residential immovable property	51.46%	7.77%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.46%	7.77%	-	-	-	50.59%	
26	of which building renovation loans	1.97%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.97%	0.00%	-	-	-	1.94%	
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

### 3.GAR KPIs Stock (CapEx)

Disclosure reference date T																													
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator																													
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	57.89%	8.03%	0.01%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	57.89%	8.03%	0.01%	0.02%	0.01%	63.18%
2	Financial undertakings	0.28%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	0.28%	0.02%	0.01%	0.00%	0.00%	6.68%
3	Credit institutions	0.28%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	0.28%	0.02%	0.01%	0.00%	0.00%	1.29%
4	Loans and advances	0.02%	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	0.02%	0.00%	-	0.00%	0.00%	0.13%
5	Debt securities, including UoP	0.25%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	0.25%	0.02%	0.01%	0.00%	0.00%	0.67%
6	Equity instruments	0.00%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.49%
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.39%	
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16%	
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16%	
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82%	
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82%	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.10%	
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.10%	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Non-financial undertakings	1.40%	0.26%	-	0.02%	0.01%	0.00%	-	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%	-	-	-	1.41%	0.26%	-	0.02%	0.01%	1.93%
21	Loans and advances	1.40%	0.26%	-	0.02%	0.01%	0.00%	-	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%	-	-	-	1.41%	0.26%	-	0.02%	0.01%	1.93%
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Households	56.20%	7.75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.20%	7.75%	-	-	-	54.57%
25	of which loans collateralised by residential immovable property	53.99%	7.75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53.99%	7.75%	-	-	-	50.32%
26	of which building renovation loans	2.06%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.06%	-	-	-	-	1.92%
27	of which motor vehicle loans	0.15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
32	Total GAR assets	57.89%	8.03%	0.01%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	0.00%	-	-	-	57.89%	8.03%	0.01%	0.02%	0.01%	93.21%

### 3.GAR KPIs Stock (CapEx) – continued

Disclosure reference date T-1

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling			
GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	55.02%	8.03%	0.00%	0.01%	0.01%	0.00%	0.00%	-	-	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	55.02%	8.03%	0.00%	0.01%	0.01%	61.63%
2	Financial undertakings	0.28%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.28%	0.02%	0.00%	0.00%	0.00%	5.36%	
3	Credit institutions	0.24%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0.24%	0.01%	0.00%	0.00%	0.00%	1.27%	
4	Loans and advances	0.03%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.00%	-	0.00%	0.00%	0.29%	
5	Debt securities, including UoP	0.21%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21%	0.01%	0.00%	0.00%	0.00%	0.65%	
6	Equity instruments	0.00%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	-	0.00%	0.33%	
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.10%		
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.24%		
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21%		
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%		
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.12%		
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.12%		
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.72%		
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.72%		
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
20	Non-financial undertakings	1.20%	0.24%	-	0.01%	0.01%	0.00%	-	-	-	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	1.20%	0.24%	-	0.01%	0.01%	1.55%
21	Loans and advances	1.20%	0.24%	-	0.01%	0.01%	0.00%	-	-	-	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	1.20%	0.24%	-	0.01%	0.01%	1.55%
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
24	Households	53.54%	7.77%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53.54%	7.77%	-	-	-	54.72%	
25	of which loans collateralised by residential immovable property	51.46%	7.77%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.46%	7.77%	-	-	-	50.59%	
26	of which building renovation loans	1.97%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.97%	-	-	-	-	1.94%	
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

#### 4. GAR KPI flow (Turnover)

[illegible]

#### 4. GAR KPI flow (CapEx)

[illegible]



## 5. KPI off-balance sheet exposures stock (CapEx)

		Disclosure reference date T																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which transitional      Of which enabling				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which enabling				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which enabling			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which enabling			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which enabling			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which enabling			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  Of which use of Proceeds      Of which enabling																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
% (compared to total eligible off-balance sheet assets)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							

#### 5. KPI off-balance sheet exposures flow (CapEx)

		Disclosure reference date T																													
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)															
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  Of which Use of Proceeds      Of which transitional      Of which enabling				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  Of which Use of Proceeds      Of which enabling				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  Of which Use of Proceeds      Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  Of which Use of Proceeds      Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  Of which Use of Proceeds      Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  Of which Use of Proceeds      Of which enabling															
% (compared to total eligible off-balance sheet assets)																															
1	Financial guarantees (FinGuar KPI)	0.06%	0.00%	-	0.00%	0.00%	0.01%	0.00%	-	-	-	-	0.00%	0.02%	-	0.02%	0.76%	0.04%	-	0.04%	0.02%	0.01%	-	-	0.08%	0.00%	-	0.00%	0.00%		
2	Assets under management (AuM KPI)	97.90%	14.43%	-	0.94%	4.41%	0.49%	0.17%	-	0.10%	0.03%	0.00%	-	0.00%	0.73%	0.02%	-	0.02%	0.76%	0.04%	-	0.04%	0.02%	0.01%	-	-	99.93%	14.67%	-	0.94%	4.57%

## Reporting pursuant to Article 10(7) of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021

	DKK million	Proportion of total covered assets
<b>Taxonomy-eligible exposures in accordance with new environmental objectives and TSK (eligible)</b>	<b>384</b>	<b>0.02%</b>
Economic activities in accordance with new environmental objectives	384	0.02%
<i>Water and Marine Resources: WTR</i>	11	0.00%
<i>Circular Economy: CE</i>	373	0.02%
<i>Pollution Prevention and Control: PPC</i>	0	0.00%
<i>Biodiversity and Ecosystems: BIO</i>	0	0.00%
<i>Economic activities in accordance with new technical screening criteria</i>	0	0.00%
<b>Taxonomy non-eligible exposures</b>	<b>12,702</b>	<b>0.78%</b>

## Template 1 Nuclear and fossil gas related activities

### Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

### Fossil gas related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

## Template 2. Taxonomy-aligned economic activities (numerator)

Amount and proportion (the information is to be presented in monetary amounts and as percentages)						
Economic activities based on KPI turnover, Mn DKK	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		%	Amount	%	Amount	%
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7 Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	135,134	8.12%	135,134	8.12%	0	0.00%
8 Total applicable KPI	135,134	8.12%	135,134	8.12%	0	0.00%

Amount and proportion (the information is to be presented in monetary amounts and as percentages)						
Economic activities based on KPI turnover, Mn DKK	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		%	Amount	%	Amount	%
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7 Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	133,661	8.03%	133,659	8.03%	2	0.00%
8 Total applicable KPI	133,661	8.03%	133,659	8.03%	2	0.00%

### Template 3. Taxonomy-aligned economic activities (denominator)

Amount and proportion (the information is to be presented in monetary amounts and as percentages)						
	(CCM+CCA)	%	Climate change mitigation		Climate change adaptation	
			Amount	%	Amount	%
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7 Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	962,425	57.83%	962,407	57.83%	18	0.00%
8 Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	962,425	57.83%	962,407	57.83%	18	0.00%

Amount and proportion (the information is to be presented in monetary amounts and as percentages)						
	(CCM+CCA)	%	Climate change mitigation		Climate change adaptation	
			Amount	%	Amount	%
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7 Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	963,378	57.89%	963,332	57.89%	46	0.00%
8 Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	963,378	57.89%	963,332	57.89%	46	0.00%

## Template 4. Taxonomy-eligible but not taxonomy-aligned economic activities

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
c		(CCM+CCA)	%	Climate change mitigation		Climate change adaptation	
				Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	827,291	49.71%	827,272	49.71%	18	0.00%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	827,291	49.71%	827,272	49.71%	18	0.00%

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
Economic activities based on KPI CAPEX, Mn DKK		(CCM+CCA)	%	Climate change mitigation		Climate change adaptation	
				Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	829,717	49.86%	829,673	49.86%	44	0.00%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	829,717	49.86%	829,673	49.86%	44	0.00%



## Template 5. Taxonomy non-eligible economic activities

Economic activities based on KPI turnover, Mn DKK		Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	701,789	42.17%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	701,789	42.17%

Economic activities based on KPI turnover, Mn DKK		Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	700,864	42.11%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	700,864	42.11%

## Accounting policies applied in the Sustainability Statement

Nykredit's Sustainability Statement has been prepared in accordance with the new European Sustainability Reporting Standards (ESRS) applicable in pursuance of the EU Corporate Sustainability Reporting Directive (CSRD).

### Consolidation and business combination

Data in the Sustainability Statement has been consolidated in accordance with the same principles as those following from the financial accounting policies.

The Sustainability Statement includes Nykredit A/S (the Parent) as well as companies controlled by Nykredit A/S from the date on which Nykredit A/S obtains direct or indirect control over the financial and operational management of the company and receives a variable return.

Any deviations from these principles will be clearly stated in the description of the accounting method.

### Accounting period

All data for use in the Sustainability Statement cover the period 1 January 2024 – 31 December 2024, unless otherwise stated. Changes in relation to specific data statements or methods are shown in connection with the relevant data.

### Accounting policy judgements and estimates

To ensure precision and reliability in judgements, accounting frameworks must be developed and maintained. Nykredit aims to ensure that both we and our customers have access to data that can guide decision-making processes and support risk management. Nykredit therefore always strives to improve data availability and quality. This involves strengthening of the accounting data framework through internal coordination, improvement of IT solutions for data collection and processing and participation in industry-wide initiatives aimed at standardising and improving the quality of ESG data in the financial sector.

In addition, Nykredit has established strategic partnerships with expertise to enhance the quality of our ESG data and analysis. These partnerships serve to strengthen the basis for our accounting judgements and estimates, ensure compliance with applicable reporting standards and increase transparency in our reporting to stakeholders.

### Composition of the Board of Directors

Members of the Board of Directors elected by the General Meeting are used as the basis for calculations in respect of the composition of the Board of Directors.

The distribution of gender on the Board of Directors is calculated for Nykredit A/S and Nykredit Realkredit A/S.

The distribution of gender on the Board of Directors is calculated as a percentage distribution based on the gender of board members (male/female).

### The total number of employees

The total number of employees is calculated as the average number of employees in the financial year translated into full-time equivalents on the basis of Arbejdsmarkedets Tillægspension (ATP).

### GHG accounting method

Nykredit's GHG accounting method is based on the Greenhouse Gas Protocol (the GHG Protocol) and Finance Denmark's Framework for Financed Emissions Accounting for the financial industry. Finance Denmark's Framework for Financed Emissions Accounting builds on the standards set out in the GHG Protocol and the Global GHG Accounting & Reporting Standard for the Financial Industry, developed by the Partnership for Carbon Accounting Financials (PCAF). The GHG inventory includes both CO<sub>2</sub> and other relevant GHG emissions.

### Scope 1

Scope 1 emissions include direct GHG emissions from sources owned or controlled by Nykredit.

#### Heating

The GHG inventory covering emissions from direct heating of Nykredit's buildings includes the consumption of non-renewable energy sources (natural gas) (kWh). GHG emissions are estimated based on the Danish Energy Agency's emission factors.

#### Cars

The GHG inventory covering emissions from Nykredit's own cars include transport/travel by the Group's own or leased vans and company cars. Mileage (km) for Nykredit's own cars is accounted for based on internal statements of the total cost of petrol. For leased company cars, emissions are calculated based on litres of fuel purchased per car.

GHG emissions are calculated based on the Danish Business Authority's emission factors.

## Scope 2

Scope 2 emissions comprise indirect GHG emissions resulting from the consumption of the energy we source.

### Electricity

Emissions from electricity are calculated according to the GHG Protocol's market- and location-based methodologies.

Under the market-based methodology, Nykredit makes use of contractual instruments used for selling and buying energy. Nykredit has entered into a physical Power Purchase Agreement (PPA) that covers 100% of the Group's power consumption. The agreement runs from 1 January 2023 to 1 January 2033.

Under the location-based methodology, emission factors for the relevant municipality included in Energinet's environmental declaration are used for Nykredit's locations.

### District heating

District heating consumption is calculated based on measurements made at locations where district heating consumption is monitored in real time.

For locations without available meters, consumption is calculated based on the most recent invoice. For locations without available meters and monthly invoices, consumption is calculated based on the average heat consumption per square metre for the rest of the Group.

Nykredit's locations have different suppliers of district heating, which is why the emissions factor for district heating of each location's utility company is used.

### District heating from biomass

Emissions related to the combustion of biomass for district heating are calculated based on the share of biomass in the district heating mix and emission factors from the Danish Energy Agency. Emissions related to the combustion of biomass are calculated outside Scope 2.

## Scope 3 emissions from operations

Accounting of carbon emissions in Scope 3 follow the GHG Protocol's guidance and categorisation.

### Purchased goods and services

This category includes emissions from purchased goods and services, including furniture, canteen operations and office supplies, as well as data processing and storage, for which the reported figures are supplier-specific.

Nykredit uses JN Data for data processing and storage. Nykredit's emissions to this area are calculated corresponding to Nykredit's share of the costs of operating JN Data. JN Data's CO<sub>2</sub>e emissions are published in JN Data's climate accounts.

### Capital goods

This category includes IT equipment purchased, and emissions from these products are calculated based on a product-specific life cycle analysis (LCA).

### Fuel- and energy-related activities

This category includes emissions associated with the production of fuels as well as network and distribution losses. GHG emissions are calculated based on the Danish Business Authority's emission factors.

### Waste generated in operations

This category includes waste collected from Nykredit's operations, and emissions are calculated using supplier-specific emission factors.

### Business travel

The category includes business travel, which covers Nykredit's travel by air, train, taxi and Nykredit's work-related travel by passenger car.

Emissions from air travel are reported directly by our travel agency Egencia based on the international standard DEFRA (Department for Environment, Food and Rural Affairs). For air travel not reported by Egencia, emissions are estimated using an estimate based on reported air travel and DEFRA.

Emissions from taxi and train travel are calculated on the basis of the total costs, which are converted into kilometres using conversion factors. The price per kilometre for Nykredit's annual travel by taxi is used, while the price charged by the train operating company DSB is used to calculate travel by train.

Emissions from work-related travel by passenger cars are based on registered kilometres driven multiplied by the Danish Business Authority's emission factors.

## Scope 3 emissions from loan and investment portfolio

This category includes financed emissions associated with Nykredit's loan and investment portfolio.

### Significant estimates of carbon emissions from loan and investment portfolio

Calculation of financed carbon emissions associated with investments and lending is largely based on estimates. To indicate the uncertainty of the calculations, Nykredit assigns a data quality score according to Finance Denmark's CO<sub>2</sub> model, which is in alignment with the Partnership for Carbon Accounting Financials' (PCAF) standards. Scores range from 1 to 5, with score 1 representing the highest data quality, and score 5 the lowest.

When the calculation for lending is based on measured consumption from a property or the financed company's own reporting of emissions, it is often assigned a data quality score of either 1 or 2. Nykredit does not include estimates in these calculations. A data quality score of between 3 and 5, however, involves a calculation based on estimates. For example, a data quality score of 3 can be based on an energy label, a data quality score of 4 is an estimated energy label, while a data quality score of 5 is typically a sector average. The data quality score depends on the type of data used to calculate and ascribe the carbon emissions to the financed asset.

The data quality score is presented in the Sustainability Statement and is presented as an overall score for the asset type, which is weighted according to the size of the individual exposures.

It should be noted that financed carbon emissions associated with lending to the agricultural sector are based on a sector average. This entails a substantial degree of uncertainty. In addition, the calculation of these sector averages for Denmark does not take into account the activities of businesses outside Denmark.

For the asset classes listed equities and corporate bonds, Nykredit uses data from data provider MSCI. If MSCI does not have reported data from a company, Nykredit will use estimated data from MSCI as far as possible.

Some of the data used in the calculations is inherently delayed. For example, the emission factors calculated by various authorities are delayed by one year, as they must be calculated based on actual data for fuel consumption for the production of electricity and district heating. The same applies to piped gas, where the share of biogas is also calculated subject to delay.

Data from Statistics Denmark on the average total assets of the individual companies and the sector-average carbon emissions is delayed by up to two years. The same applies to vehicle data for kilometres driven and emissions from fuel.

Companies usually report their carbon emissions as part of their external financial reporting process. As this data only becomes available after Nykredit's reporting period, this leads to a delay of one year. This results in a mismatch between the reporting period for carbon data and Nykredit's portfolio data.

At Nykredit, it is considered more accurate to use actual data, subject to the described delay, than to make projections based on previous years' developments.

## Method for calculating Scope 3 emissions from loan and investment portfolio

For calculations of financed emissions, Nykredit uses various methods included in Finance Denmark's CO<sub>2</sub> model. The methods define how to determine financed emissions for different loan and investment categories.

### Methods used from FIDA's CO<sub>2</sub> model

Loan category	Method
Owner-occupied dwellings	Loans secured by mortgages on real estate (mortgage loans)
Real estate – residential	Loans secured by mortgages on real estate (mortgage loans)
Real estate – office and retail	Loans secured by mortgages on real estate (mortgage loans)
Agriculture	Business lending
Electricity and heat production	Business lending Loans secured by mortgages on real estate (mortgage loans)
Transport and manufacturing	Business lending
Other loans	Business lending Loans secured by mortgages on real estate (mortgage loans) Car loans (and leased cars) for personal customers
Investment category	Method
Mortgage covered bonds	Covered bonds
Equities	Listed equities and corporate bonds
Corporate bonds	Listed equities and corporate bonds

## Financed emissions from loan portfolio

### Business lending

The calculation of financed carbon emissions from business lending is primarily based on data from Statistics Denmark on sector averages for carbon emissions and total assets at industry level. If possible, Nykredit collects data from companies that report their carbon emissions in their external financial statements (data quality 1 or 2 for audited and unaudited carbon accounts, respectively). In such cases, emissions are attributed based on the relationship between the loan amount and the companies' individual level of total assets.

### Loans secured by mortgages on real estate

The calculation of financed emissions from loans secured by mortgages on real estate is based on emissions from building operations, which are attributed to Nykredit at the same proportion as the current loan-to-value (LTV) ratio of the loan. Emissions from building operations are mainly calculated based on the building's actual energy label or estimated energy label (data qualities 3 and 4). The calculation of buildings' estimated energy labels follows Finance Denmark's method. For holiday homes, a fixed value for energy consumption (1,009 kWh) is used (data quality 5).

The energy consumption of buildings is translated into GHG emissions by applying the emissions and energy factors of the Danish Energy Agency and Energinet.

### Electricity and heat production

For mortgage loans, the calculation of financed emissions from electricity- and heat-producing companies is made by applying Nykredit's financed share of the asset's value and the corresponding share of energy production and carbon emissions from such production. For bank lending, the calculation is made in the same way, but based on Nykredit's financed share of a company's total assets. The total financed carbon emissions are subsequently divided by the financed amount of energy produced. Solar and wind energy as well as energy produced from biogas or biofuel are calculated as climate-neutral energy sources.

### Cars

Emissions from cars leased to personal customers (Scope 3, category 13) as well as loans for privately owned cars (Scope 3, category 15) are calculated by combining a car's fuel consumption (based on Worldwide Harmonised Light Vehicle Test Procedure (WLTP) data for the individual car type) with an estimated annual distance travelled. For car types without WLTP data, average data for a car in Denmark using the same kind of fuel is used. The estimated distance travelled and average data for a car are provided by the DCE – Danish Centre for Environment and Energy.

For leasing, Nykredit is credited with 100% of the emissions. For loans, Nykredit is credited with the loan's debt outstanding relative to the price at the time of purchase.

## Financed emissions from investment portfolio

The total carbon footprint of Nykredit's investment portfolio is defined as tCO<sub>2</sub> per DKK 1 million invested and is calculated as the sum of Nykredit's financed emissions from the individual investment companies divided by the total investment portfolio.

The GHG inventory covering the investment portfolio relates to Nykredit's own portfolios as well as assets under management.

### Mortgage covered bonds

Nykredit has collected data directly from issuers of mortgage covered bonds to calculate emissions. Data originates from the cover pools from which the bonds are issued. For investments in mortgage covered bonds, Scope 1, 2 and 3 issues are included. The method follows Finance Denmark's method for covered bonds.

For energy-labelled buildings that are not labelled as industrial or agricultural, carbon emissions are estimated as a function of: energy label (energy consumption), heat source (emission factor) and size (square meters).

For buildings that do not have an energy label, the energy consumption is estimated based on buildings with similar characteristics, such as building type, year of construction, municipality and heat source.



### Equities and corporate bonds

The valuation of companies applied in the weighting of equities and corporate bonds is based on the Enterprise Value Including Cash (EVIC) method and complies with the recommendations set out in Finance Denmark's method for listed equities and corporate bonds. Climate data is provided by MSCI ESG Research, which primarily relies on data from company disclosures and the CDP.

Nykredit does not currently report on Scope 3 emissions for listed equities and corporate bonds. Therefore, only Scopes 1 and 2 are included. This is because the data for Scope 3 is not deemed to be of a satisfactory quality that can give a true and fair view of the actual underlying emissions.

### Government bonds, cash and other investments

Nykredit's coverage of these areas is limited because of the absence of a Danish or internationally recognised reporting method for the climate footprint of these asset classes. Therefore, we are working to develop a method in this field.

### Excluded Scope 3 categories

Based on the scope of the individual category and the importance of Nykredit's impact on emissions, Nykredit has chosen not to calculate the emissions for the following Scope 3 categories:

- 4 (Upstream transportation and distribution)
- 7 (Employee commuting)
- 8 (Upstream leased assets)
- 9 (Downstream transportation and distribution)
- 10 (Processing of sold products)
- 11 (Use of sold products)
- 12 (End-of-life treatment of sold products)
- 14 (Franchising).

### Net revenue

Net revenue is calculated as the sum of the following components according to the income statement: "interest income", "interest income based on the effective interest method", "dividend from equities", "fee and commission income", "value adjustments", "other operating income", and "profit from investments in associates and Group enterprises". This approach follows the definition of net revenue in the Danish Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc.

### Climate targets

Nykredit has set targets in three areas:

- Loans and advances
- Investments
- Operations.

Where possible, emissions targets are in alignment with the target of limiting global warming to 1.5°C under the Paris Agreement.

The framework within which the targets are set and the concrete decarbonisation pathways used are set out in the Sustainability Statement and the accompanying tables.

The SBTi's financial institutions guidance is applied to SBTi-validated targets. All targets are gross targets, which means that GHG sequestration is not included. Emissions targets are based on Nykredit's carbon calculations and thus the same delimitations are generally applied as apply to calculations of carbon emissions.

The base year is determined based on the year in which the targets were set. There have been no indications that the base year should not be representative. If accounting methods or data basis change significantly, Nykredit will update the base year for the climate targets.

The achievement of the vast majority of the climate targets is dependent on customers funded as well as companies invested in by Nykredit reducing their carbon emissions.

Nykredit provides longer-term loans that cannot be terminated as long as the customers fulfil their obligations. This entails a risk of locked-in emissions, which are not considered to jeopardise the achievement of the climate targets.

Status of the climate targets has been made as of 31 December 2024.

## Climate targets for loan portfolio

All emissions targets for the loan portfolio cover Scopes 1 and 2.

### Emissions targets for owner-occupied dwellings, residential buildings and office and retail buildings

Nykredit's three emissions targets for buildings cover owner-occupied dwellings, residential buildings and office and retail buildings, respectively. Only mortgage loans, which are loans secured by mortgages on real estate, are included in the GHG inventory. This means that the targets do not cover bank lending. Only Danish real estate is included.

The targets are set using SBTi's Sectoral Decarbonization Approach (SDA), where the portfolio of a given sector is compared with a science-based scenario for the development of the given sector that complies with the temperature targets of the Paris Agreement.

When initially setting targets, Nykredit used CRREM's 1.5°C scenario for Denmark, which was regarded as the most accurate and ambitious scenario available at the time. The SBTi has since updated its 1.5°C scenario for buildings in Europe, ensuring that in some areas it is now at least as ambitious as CRREM's scenario. At the same time, SBTi validation of Nykredit's emissions targets has been conducted based on SBTi's 1.5°C scenario. Therefore, going forward, Nykredit will assess and illustrate progress towards targets on the basis of SBTi's scenario. The targets have been set so that they are below both CRREM's and SBTi's 1.5°C scenarios.

The target is based on intensities and calculated as CO<sub>2</sub>e emissions per square metre per year. Both carbon emissions and financed square metres are LTV-adjusted.

### Targets for oil and gas-fired boilers

The target includes all Danish owner-occupied dwellings financed by Nykredit mortgage loans, where information about the heat source is available.

It is determined by the ratio of owner-occupied dwellings without an oil- or gas-fired boiler compared to the total number of owner-occupied dwellings. For a property to count towards having another heat source, it must neither have an oil- nor a gas-fired boiler. If a building has several heat sources, none of them can be an oil- or gas-fired boiler.

Our data on buildings' heat sources is based on information from the Danish building and dwelling registry (Bygnings- og Boligregistret (BBR)). Therefore, it is crucial that the BBR registrations are updated, for example, when a building changes heat source.

### Targets for electric cars

The target includes all car loans for personal customers. Achievement of the target is determined based on total electric car loans granted by Nykredit in a given period (2023-2025) relative to total car loans in the given period. Data is based on internal calculations.

### Emission targets for electricity and heat production

The target covers large companies operating in the area of electricity and heat production, defined as companies and subsidiaries in reporting classes D and large companies in reporting class C.

The target is based on the SBTi's 1.5°C scenario and follows the calculation method set out in SBTi's guidance. It has not been validated by SBTi, as Nykredit's financed emissions from this sector are below SBTi's minimum threshold.

The target is an intensity target measured as kg CO<sub>2</sub>e of emissions per MWh of energy produced. The total financed carbon emissions are subsequently divided by the financed amount of energy produced.

### SBTi portfolio targets for transport and manufacturing

The target covers customers in the transport and manufacturing sectors. The target covers large companies, defined as companies and subsidiaries of companies in reporting classes D and large companies in reporting class C.

The method has been set by applying the SBTi's Portfolio Coverage Approach relating to targets for the proportion of financed carbon emissions within a given portfolio (transport and manufacturing) that is covered by SBTi-validated targets. The target for transport and manufacturing covers both bank lending and mortgage loans to the sectors. The target runs until 2028 and is to follow a linear curve from the base year until all large transport and manufacturing companies have been SBTi-validated by 2040.

The target is determined by calculating which companies in Nykredit's portfolio have SBTi-validated targets via SBTi's website, and calculating how large a share of Nykredit's total financed carbon emissions within the sectors these companies represent.

### Emission targets for agriculture

The target includes all agricultural buildings for which Nykredit has provided mortgage loans.

The financial sector currently has no science-based scenario or method for agricultural emissions targets. Nykredit's agricultural target is therefore a policy-based target that mirrors the political target of a 55%-65% reduction in emissions from agriculture by 2030 compared with 1990. Nykredit has used 2021 as the base year and therefore recalculated the reduction to align with the political target.

The target is based on sector averages from Statistics Denmark and is an intensity target calculated as CO<sub>2</sub>e emissions per DKK 1 million loaned.

## Climate targets for investment portfolio

### Emission targets for total investment portfolio

Nykredit's carbon reduction target for the total investment portfolio encompasses all asset classes and is thus representative of Nykredit's total assets under management (AuM). The carbon reduction target covers Scope 1 and 2 emissions.

Nykredit has set carbon reduction targets as part of our commitment to the Net Zero Asset Managers initiative (NZAM) and adheres to its guidelines.

Nykredit uses external data sources to estimate the total financed carbon emissions from the investment portfolio and to set carbon reduction targets. The data and the underlying method are in accordance with industry standards and the guidelines of international organisations (TCFD and PCAF).

Due to a lack of data coverage, the asset classes government bonds and alternatives are not included in the calculation.

### Emissions target for mortgage covered bonds

The target includes investments in mortgage covered bonds and has been set for Scope 1 and 2 emissions.

For mortgage covered bonds, Nykredit has chosen to apply the SDA method in accordance with SBTi's guidelines (see section on emission targets for owner-occupied dwellings, residential and office and retail buildings). The decarbonisation pathway is formed using CRREM's 1.5°C scenario.

All covered bond issuers in Denmark have joined the European Covered Bond Council's (ECBC) "Covered Bond Label" initiative and therefore disclose emissions for all their cover pools (capital centres) on a quarterly basis using a so-called Harmonised Transparency Template (HTT).

By comparing the property categories of the cover pools' HTT with the corresponding CRREM property categories as well as the underlying bonds within each cover pool, the different CRREM decarbonisation pathways can be weighted into a single pathway.

Actual emissions are calculated as a weighted average for all bonds within each cover pool. By combining actual emissions with the weighted pathway from CRREM, the final decarbonisation pathway can be calculated using SBTi's portfolio intensity target model. Each year, actual emissions are calculated and then compared with the decarbonisation pathway for that same year.

### Temperature rating targets

Temperature rating targets cover listed equities and corporate bonds. Temperature rating targets have been set for both Scopes 1+2 and 1+2+3 with 2022 as the baseline.

Nykredit has set temperature rating targets in accordance with SBTi's guidance. The method consists of translating the targets set by the companies in Nykredit's investment portfolio into a data point for the expected global temperature increase (a "temperature rating" score). Companies that have not published reduction targets are attributed a higher score, corresponding to the companies having done nothing ("business as usual" scenario). The total temperature rating for the investment portfolio is calculated as a weighted average of the temperature ratings of the individual companies in the portfolio. This forms the portfolio's baseline.

The target for Nykredit's portfolio has been set based on a calculation of how far the companies should have progressed in the target year (2028) to be Paris-aligned.

Nykredit uses data from MSCI as well as calculated estimates.

The data and method are in accordance with industry standards and the guidelines of international organisations (TCFD and PCAF).

## Climate targets for own operations

Operational targets include the footprint of the bank's internal operations (Scopes 1 and 2).

### Total operations (CO<sub>2</sub>e)

Nykredit uses SBTi's target-setting tool, which is based on SBTi's 1.5°C scenario, to set operational targets for GHG emission reductions. In addition, Nykredit uses SBTi's Absolute Contraction Approach (ACA), which entails a specific reduction of the Group's absolute emissions up to 2030. Nykredit has set a new and higher target of reducing carbon emissions by 85%, including by not heating locations with fossil fuel sources and by improving the energy efficiency of own locations.

The target builds on the market-based approach with respect to Scope 2 emissions.

### Heat sources

The target includes locations with a direct heat source, such as natural gas, but not locations where the indirect heat source includes fossil fuel, such as district heating.

The target includes both leased and owned buildings where Nykredit has its activities.

### Total operations (energy consumption)

The target includes power consumption, district heating consumption and gas consumption.

## Energy consumption and mix

This category includes energy consumption and mix from own operations.

### Fuel consumption from crude oil and petroleum products

Company car fuel is calculated in litres and converted into MWh in accordance with the CDP's guidance.

### District heating

District heating consumption is divided into renewable and non-renewable energy.

### Electricity

Electricity consumption is divided into renewable and non-renewable energy in accordance with the market-based method.

## Employees

An employee is defined as a person who receives remuneration for personal work in a service relationship. Salaried employees as well as registered directors are considered as employees.

The calculations include the number of employees, including redundancies as at 31 December of the reporting year, unless otherwise stated in the individual section.

36 local employees outside Denmark are not included in the calculations, as data is not available for these employees in the various HR systems accessible by Nykredit from Denmark, unless otherwise stated in the individual section.

### Non-employees

A non-employee is defined as a person who performs work in the interest of Nykredit without being in an employment relationship with Nykredit. This could be an independent consultant or an employee of a company that supplies goods or services to Nykredit.

### Type of contract

Types of contract are defined below:

- Non-guaranteed hours employees: office assistants (m/f)
- Temporary employees: student assistants, substitute workers/temps, interns and other employees with temporary contracts
- Permanent employees: all other employees.

## Resignations

The number of resignations is calculated as the number of employees who have left the company during the reporting period divided by the average number of employees during the reporting period. The calculation of the number of resignations includes the number of employees with a resignation date in 2024, regardless of the reason for the resignation, across contract types.

### Top management

Top management is defined as employees who are members of the Nykredit Group Executive Board.

### Nykredit Group managers

A manager in the Nykredit Group is defined as employees with the following job titles: Group Chief Executive, Group Managing Director, Managing Director, Executive Vice President, Senior Vice President, First Vice President, Function Manager and Team Manager. Local employees outside Denmark are included in the calculation of the gender distribution of Nykredit managers. Redundant managers are not included in the calculation.

### Gender distribution

Nykredit employees register their gender themselves as female/male/neutral/other, respectively. All employees have stated their gender, and all employees have stated either female or male. Thus, no Nykredit employees are registered with any other gender than male or female.

## Gender pay gap

Gross hourly pay is calculated as follows:

Salaried employees:

- Actual full-time pay in December, including all pay elements (base salaries, retirement, holiday allowance, bonus/performance allowance) – divided by monthly norm (160.33 hours)
- Bonus as well as retention payments allocated in 2024 are also included. These are converted into hourly pay via the annual norm of 1,924 hours.

For employees paid by the hour:

- Actual hourly pay, including pay elements (fixed pay, pensions, holiday allowance, bonus/performance allowance).

Three employees (interns) are employed without payment and are thus not included in the payment calculations.

Average gross hourly pay for men and women, respectively, is calculated based on the above data.

The gender pay gap is calculated as the difference between the average gross hourly pay of men and women divided by the average gross hourly pay for men.

## The pay ratio between highest paid employee and median pay of other employees

The median pay is calculated on the basis of the gross hourly pay of the individual employee multiplied by the annual norm (1,924 hours).

The median pay is calculated as the median among all employees, including temporary employees, but excluding the above three interns as well as the highest paid employee.

The calculation of the highest paid employee in Nykredit includes the same pay elements as for salaried employees.

The pay ratio is calculated by dividing the annual total pay of the company's highest paid employee by the median annual total pay of other employees.

## Adjusted gender pay gap

The gender pay gaps are calculated as a weighted average of the pay gap in the respective IPE job classes. The individual pay differences are weighted in relation to the number of employees in the IPE job classes.

## Proportion of new home loans outside the major cities

Totalkredit's market share of gross new lending outside large cities is based on data from Finance Denmark. Larger cities are defined on the basis of categories from the Danish Business Authority website Liv og Land.

## Complaints

Complaints are calculated as the number of cases handled by the Group's complaints unit on the basis of inquiries from dissatisfied customers.

## Anti-money laundering learning programmes

The completion rate is calculated as the number of employees having completed the learning programme, divided by the total number of employees assigned to the learning programme.

Financial Sector Training Centre (FU) – VidenBarometer provides data on employees who have/have not completed mandatory and statutory training.

## Large business customers

Large business customers include customers served by our large customers centres, including Corporates & Institutions clients (C&I clients).

## Voting at general meetings

Nykredit's voting data and statistics are based on the information available at the time of reporting from the database of Nykredit's proxy voting service provider, Institutional Shareholder Services.

## Overview of ESRS disclosure requirements

The following tables show all the ESRS disclosure requirements in the ESRS 2 and the four subject-specific standards as well as the taxonomy reporting. The tables can be used to find information related to a specific disclosure requirement in the Annual Report.

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## E1 – Climate change

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S1-4	Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches	The Group's employees	74-79
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S1-6	Characteristics of the undertaking's employees	Equal pay for equal work	77
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		Management Commentary (continued)	289
S-10	Adequate wages	The Group's employees	74,77
S1-16	Compensation metrics (pay gap and total remuneration)	The Group's employees	78
S1-17	Incidents, complaints and severe human rights impacts	The Group's employees	78

## S4 – Consumers and end-users

Disclosure requirements		Section	Page
ESRS 2, SBM-2	Interests and views of stakeholders	Stakeholder involvement	34
		The good customer dialogue	73
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities	39
		The Group's customers	69-71
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		The Group's customers	69-70
S4-2	Processes for engaging with consumers and end-users about impacts	The Group's customers	73
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	The Group's customers	69- 73
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	The Group's customers	69-73

## G1 – Responsible business practices

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ESRS 2, GOV-1	The roles of the administrative, supervisory and management bodies	Sound corporate culture and competent management	81
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Double materiality assessment	35-36
G1-1	Business conduct policies and corporate culture	Sound corporate culture and competent management	81-82
G1-3	Prevention of money laundering and terrorist financing	Combating financial crime	83

## Core elements of due diligence

	Core elements of due diligence	Section	Page
a)	Embedding due diligence in governance, strategy and business model	ESG due diligence	84-86
b)	Engaging with affected stakeholders in all key steps of the due diligence	Double materiality assessment	35-36
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d)	Taking actions to address those adverse impacts	E – A greener and prepared Denmark S – A customer-owned Nykredit G – Responsible business practices	43-68 69-73 74-79 83
e)	Tracking the effectiveness of these efforts and communicating	E – A greener and prepared Denmark S – A customer-owned Nykredit G – Responsible business practices	43-68 69-73 74-79 83

## Data points derived from other EU legislation

The table below contains all disclosure requirements and related data points originating from other EU legislation as set out in Annex B of ESRS 2, indicating where the data points can be found in the annual report and which data points are assessed as non-material.

Disclosure requirements	Related data point		Reference to SFDR	Reference to Pillar III	Reference to the Benchmarks Regulation	Climate Law reference	Section	Page
ESRS 2 GOV-1	21 (d)	Board gender diversity	x		x		Management Commentary (continued)	282
ESRS 2 GOV-1	21 (e)	Percentage of independent board members			x		Management Commentary (continued)	282
ESRS 2 GOV-4	30	Statement on due diligence	x				Core elements of due diligence	124
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuels	x	x	x		Non-material	
ESRS 2 SBM-1	40 (d) ii	Participation in activities related to chemical production	x		x		Non-material	
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		Non-material	
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Non-material	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	Climate change mitigation	47-48
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		Non-material	
ESRS E1-4	34	GHG emission reduction targets	x	x	x		Summary of climate targets	60-61
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Carbon emissions and energy consumption	68
ESRS E1-5	37	Energy consumption and mix	x				Carbon emissions and energy consumption	68
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				Non-material	
ESRS E1-6	44	Gross Scopes 1, 2, 3 and Total GHG emissions	x	x	x		Carbon emissions and energy consumption	65

Disclosure requirements	Related data point		Reference to SFDR	Reference to Pillar III	Reference to the Benchmarks Regulation	Climate Law reference	Section	Page
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x	A greener and prepared Denmark		43-68
ESRS E1-7	56	GHG removals and carbon credits				x Carbon emissions and energy consumption		67
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Non-material	
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk Location of significant assets at material physical risk		x			Non-material	
ESRS E1-9	67 (c)	Breakdown of the carrying value of real estate assets by energy-efficiency classes		x			Non-material	
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		Non-material	
ESRS E2-4		Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				Non-material	
ESRS E3-1	9	Water and marine resources	x				Non-material	
ESRS E3-1	12	Dedicated policy	x				Non-material	
ESRS E3-1	14	Sustainable oceans and seas	x				Non-material	
ESRS E3-4	28 (c)	Total water recycled and reused	x				Non-material	
ESRS E3-4	29	Total water consumption in m <sup>3</sup> per EUR million net income on own operations	x				Non-material	
ESRS 2 – SBM 3 – E4	16 (a) i		x				Non-material	
ESRS 2 – SBM 3 – E4	16 (b)		x				Non-material	
ESRS 2 – SBM 3 – E4	16 (c)		x				Non-material	
ESRS E4-2	24 (b)	Sustainable land/agricultural practices or policies	x				Non-material	
ESRS E4-2	24 (c)	Sustainable oceans/seas practices or policies	x				Non-material	
ESRS E4-2	24 (d)	Policies to address deforestation	x				Non-material	
ESRS E5-5	37 (d)	Non-recycled waste	x				Non-material	
ESRS E5-5	39	Hazardous waste and radioactive waste	x				Non-material	
ESRS 2 — SBM3 — S1	14 (f)	Risk of incidents of forced labour	x				Non-material	



Disclosure require- ments	Related data point		Reference to SFDR	Reference to Pillar III	Reference to the Benchmarks Regulation	Climate Law reference	Section	Page
ESRS 2 — SBM3 — S1	14 (g)	Risk of incidents of child labour	x				Non-material	
ESRS S1-1	20	Human rights policy commitments	x				Governance of Group policies	41
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Or- ganisation Conventions 1 to 8			x		Governance of Group policies	41
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				Non-material	
ESRS S1-1	23	Workplace accident prevention policy or management system	x				Non-material	
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x				Colleague involvement	79
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	x		x		Non-material	
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				Non-material	
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		x		The Group's employees	78
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x				The Group's employees	78
ESRS S1-17	103 (a)	Incidents of discrimination	x				Colleague involvement	79
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Colleague involvement	79
ESRS 2- SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	x				Non-material	
ESRS S2-1	17	Human rights policy commitments	x				Non-material	

Disclosure require- ments	Related data point		Reference to SFDR	Reference to Pillar III	Reference to the Benchmarks Regulation	Climate Law reference	Section	Page
ESRS S2-1	18	Policies related to value chain workers	x				Non-material	
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Non-material	
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Or- ganisation Conventions 1 to 8			x		Non-material	
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				Non-material	
ESRS S3-1	16	Human rights policy commitments	x				Non-material	
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Non-material	
ESRS S3-4	36	Human rights issues and incidents	x				Non-material	
ESRS S4-1	16	Policies related to consumers and end-users	x			Governance of Group poli- cies The Group's customers		41 69-70
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x	Governance of Group poli- cies		41
ESRS S4-4	35	Human rights issues and incidents	x			The Group's customers		71
ESRS G1-1	10 (b)	United Nations Convention against Corruption	x				Non-material	
ESRS G1-1	10 (d)	Protection of whistle-blowers	x				Non-material	
ESRS G1-4	25 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x		Non-material	
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	x				Non-material	

# Capital, funding and liquidity

CET1 capital ratio

## 20.5%

(end-2023: 20.4%)

Total capital ratio

## 23.4%

(end-2023: 23.7%)

Internal capital adequacy requirement

## 10.4%

(end-2023: 10.6%)

## Equity

The Nykredit Realkredit Group's equity stood at DKK 101.0 billion at end-2024.

Despite our historically strong performance for 2024, it has been decided to depart from Nykredit's dividend policy and not pay any dividend for 2024. This decision was made as part of the acquisition financing plan relating to Spar Nord Bank and based on Nykredit's aim of maintaining a strong capital position.

In September 2024, Nykredit distributed extraordinary dividend of DKK 2.2 billion.

Equity carried for accounting purposes includes Additional Tier 1 (AT1) capital of DKK 3,763 million. For capital adequacy purposes, AT1 capital is included in Tier 1 capital but not in Common Equity Tier 1 (CET1) capital.

## Dividend policy

Nykredit's long-term ambition is to provide our owners with a competitive return in the form of dividend in the region of 50% of profit for the year, taking into account the current capital policy. The purpose is to ensure that Forenet Kredit maintains its capital position and can continue to make contributions to the Group's customer benefits programmes. Nykredit continuously assesses its capital position relative to the capital policy laid down and, based on this, considers whether excess capital can be distributed.

## Capital and capital adequacy

The Nykredit Realkredit Group's own funds include CET1 capital, AT1 capital and Tier 2 capital after regulatory deductions.

At end-2024, Nykredit's risk exposure amount (REA) totalled DKK 474.6 billion (end-2023: DKK 433.4 billion). With own funds at DKK 111.4 billion, this corresponds to a total capital ratio of 23.4% (end-2023: 23.7%). The CET1 capital ratio was 20.5% (end-2023: 20.4%).

REA for credit risk increased by DKK 39.3 billion in 2024, primarily driven by growth in lending to large corporate clients and increased lending by Totalkredit A/S. In addition, the use of Nykredit's new LGD model for the personal mortgage segment has resulted in increased credit risk exposures. Finally, REA for equities in the banking book rose, mainly due to the purchase of Spar Nord Bank shares. REA for market risk in the trading book decreased by DKK 1.6 billion in 2024, partly attributable to lower interest rate risk. Operational risk went up by DKK 3.4 billion.

In the Financial Statements for 2024, Spar Nord Bank A/S is considered an associate as the Nykredit Group has increased its ownership interest in Spar Nord Bank A/S. The shares have therefore been included as an asset in the banking book on the Nykredit Group's balance sheet and must be risk-weighted for capital purposes. This leads to a large increase in REA.

If, as expected, the Nykredit Group increases its ownership interest to a point where Spar Nord Bank A/S becomes a subsidiary, the Nykredit Group will include Spar Nord Bank A/S as a consolidated company of the Nykredit Group. This means that the Spar Nord Bank shares, which have been risk-weighted on the Nykredit Group's balance sheet as at Q4/2024, would not in this situation be risk-weighted as they become subject to intercompany elimination.

The Nykredit Realkredit's REA has generally risen in recent years due to lending growth as well as implementation of new regulation and IRB model development. Low arrears and many years of broad-based price rises in the property market have limited the increase in REA. Another limiting factor was the higher interest rates in 2023-2024, which led to a reduction in the value-adjusted debt outstanding of mortgage lending. Nykredit expects that economic trends will lead to an increase in REA for credit risk going forward. This has been factored into Nykredit's capital planning for the coming years.

At end-2024, CET1 capital totalled DKK 97.5 billion (end-2023: DKK 88.6 billion). AT1 capital after regulatory deductions was largely unchanged at DKK 3.7 billion (end-2023: DKK 3.7 billion). Tier 2 capital excluding regulatory adjustments was DKK 10.2 billion (end-2023: DKK 10.6 billion). When determining own funds, minority interests have been excluded from AT1 capital and Tier 2 capital issued by the subsidiary Nykredit Realkredit A/S.

Pursuant to the Danish Financial Business Act, it is the responsibility of the Board of Directors and the Executive Board to ensure that Nykredit has the required own funds. The required own funds are the minimum capital required, in Management's judgement, to cover all significant risks. Required own funds were 10.4% of the Group's REA at end-2024, equal to the internal capital adequacy requirement.

## Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Capital and capital adequacy</b>		
Equity (including AT1 capital)	104,984	101,006
AT1 capital etc	(3,763)	(3,759)
Proposed dividend	0	(5,400)
CET1 regulatory adjustments	(3,734)	(3,204)
<b>CET1 capital</b>	<b>97,486</b>	<b>88,643</b>
AT1 capital	3,667	3,660
AT1 regulatory deductions	(2)	(9)
<b>Tier 1 capital</b>	<b>101,151</b>	<b>92,294</b>
Tier 2 capital	10,231	10,676
Tier 2 regulatory adjustments	-	-
<b>Own funds</b>	<b>111,382</b>	<b>102,970</b>
Credit risk	413,711	374,429
Market risk	26,415	27,981
Operational risk	34,469	30,944
<b>Total risk exposure amount</b>	<b>474,595</b>	<b>433,354</b>
CET1 capital ratio, %	20.5	20.4
Tier 1 capital ratio, %	21.1	21.2
Total capital ratio, %	22.8	23.7
Internal capital adequacy requirement (Pillar I and Pillar II), %	10.4	10.6

In addition to the internal capital adequacy requirement, the Nykredit Group must comply with a combined capital buffer requirement of 7%. This requirement comprises a special SIFI buffer requirement of 2.0% applying to Nykredit as a systemically important financial institution (SIFI) as well as a capital conservation buffer requirement of 2.5% applying to all financial institutions. Both buffer requirements are included in Nykredit's capital targets and must be met using CET1 capital. Moreover, the countercyclical capital buffer is currently fully phased in at 2.5% of REA. The countercyclical capital buffer must also be met using CET1 capital.

Moreover, upon recommendation from the Danish Systemic Risk Council, at end-Q2/2024 the Danish government activated a sector-specific systemic risk buffer requirement of 7% of exposures to property companies in Denmark to be fulfilled using CET1 capital. The buffer has increased the Nykredit Group's statutory minimum CET1 capital requirement by about 0.8 percentage points of REA.



## Capital targets 2024

Nykredit's capital policy is laid down annually by the Board of Directors and is to support the Group's strategy and objectives. In accordance with its business model, Nykredit aims to have stable earnings, a strong capital structure and competitive ratings.

Based on a structured capital management framework, the Group aims to be able to maintain its business activities throughout Denmark regardless of fluctuations in economic trends. This implies having access to capital to meet new regulatory requirements and in addition be able to withstand a severe economic downturn and consequent losses.

At the same time, Nykredit wants to ensure sufficient own funds to generate dividend for its owners, in turn for example allowing Forenet Kredit to realise its key priorities. Nykredit's capital policy must also adhere to current legislation and FSA requirements.

Against this backdrop, Nykredit's capital targets have been set to reflect the Group's capital requirement during a severe recession. The targets have been based on stress test results. Furthermore, Nykredit holds CET1 capital to meet the upcoming Basel requirements and may also obtain new CET1 capital from its owners through Forenet Kredit's capital resources and investment commitments from a number of Danish pension companies.

Due to the access to funding from our owners, Forenet Kredit and a consortium of pension companies, Nykredit's capitalisation levels correspond to those of a listed SIFI.

As a SIFI, Nykredit is subject to a special SIFI buffer requirement of 2%. A capital conservation buffer of 2.5% is also required of all Danish financial institutions. Both buffer requirements are included in Nykredit's capital targets and must be met using CET1 capital.

Moreover, the countercyclical capital buffer is currently fully phased in at 2.5%. The countercyclical buffer will not increase Nykredit's capital targets, which include a stress buffer to absorb the impact of a severe recession, a situation in which the countercyclical buffer is assumed to have been released.

### Capital targets

CET1 capital of 15.5-16.5% of REA.

Total own funds of 20.5-21.5% of REA.

## Nykredit Realkredit Group

DKK million	Share capital, DKK	Share capital, %
<b>Shareholders</b>		
<b>as at 31 December 2024</b>		
Forenet Kredit f.m.b.a.	1,046,965,700	78.90
PFA Pension	133,083,800	10.03
PensionDanmark	31,824,400	2.40
PKA	31,824,400	2.40
PRAS A/S	29,852,600	2.25
AP Pension	21,563,500	1.63
Østifterne Almennyttig f.m.b.a.	17,259,500	1.30
AkademikerPension	5,786,300	0.44
Industriens Fond	4,463,700	0.34
Østifterne Skadeforebyggelse f.m.b.a.	4,356,800	0.31
<b>Total</b>	<b>1,326,980,700</b>	<b>100.00</b>





## Required own funds and internal capital adequacy requirement

The determination of the required own funds takes into account the business objectives by allocating capital for all relevant risks, including calculation uncertainties. Nykredit applies model-based stress tests and capital projections to determine both the required own funds and its capital targets. Nykredit's stress tests are described in more detail in the publication Risk and Capital Management 2024 available at [nykredit.com](https://nykredit.com)

The Nykredit Realkredit's required own funds were DKK 48.9 billion at end-2024 (end-2023: DKK 45.7 billion) and consist of two components: Pillar I and Pillar II capital. The internal capital adequacy requirement, calculated as required own funds as a percentage of REA, was 10.4% at end-2024 (end-2023: 10.6%).

The Nykredit Realkredit has excess capital of currently 4.8 percentage points relative to the capital requirement, ie the internal capital adequacy requirement plus the combined buffer requirement totalling 7.6% at end-2024.

### Pillar I

Pillar I capital, covering credit, market and operational risks, was determined at DKK 37.9 billion at end-2024 (end-2023: DKK 34.6 billion). The Pillar I requirement is identical to the statutory capital requirement, which is 8% of REA.

### Pillar II

Pillar II capital covers other risks as well as a capital charge that allows a weaker economic climate comprising changed customer credit quality and falling property prices. The capital charge is determined using eg stress tests. The Pillar II capital requirement was determined at DKK 10.9 billion at end-2024 (end-2023: DKK 11.1 billion). The determination of other risks includes assessments of the effects of model updates, model risk, validation and backtesting results, interest rate risk, data quality as well as operational risks, IT risks, strategic risks etc.

Internal capital adequacy requirement

**10.4%**

2023: 10.6%

## Leverage ratio

The leverage ratio, which indicates the relationship between Tier 1 capital and the balance sheet (including off-balance sheet items), was 5.3% at end-2024 (end-2023: 5.1%).

Nykredit's balance sheet mainly consists of match-funded mortgage loans, and paired with a stable development in mortgage lending, this implies limited risk. This risk is mainly credit risk.

## CRR3 enters into force on 1 January 2025

CRR3 will be phased in up to 2032, where the output floor is expected to be binding for Nykredit. However, already at the entry into force on 1 January 2025, Nykredit expects a slight increase in REA. This is mainly due to the new approach to calculating capital requirements for operational risk. At the same time, the revised IRB approach will enter into force, which is only expected to have a limited net effect on REA due to opposing effects. As this report covers the development in 2024, the published data does not yet include the above effect.

## Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Required own funds and internal capital adequacy requirement</b>		
Credit risk	33,097	29,954
Market risk	2,113	2,238
Operational risk	2,758	2,476
<b>Total Pillar I</b>	<b>37,968</b>	<b>34,668</b>
Risk scenarios and credit quality changes	7,185	7,629
Other risks	3,734	3,437
<b>Total Pillar II</b>	<b>10,919</b>	<b>11,065</b>
<b>Total required own funds</b>	<b>48,886</b>	<b>45,734</b>
Internal capital adequacy requirement (Pillar I and Pillar II), %	10.4	10.6

# Funding and liquidity

Nykredit manages its liquidity and funding at Group level and generally issues bonds, senior debt and capital instruments through Nykredit Realkredit A/S.

Bank lending is mainly funded by deposits. In 2024, Nykredit Bank's deposits equalled 117% of lending against 117% in 2023.

Nykredit's balance sheet mainly consists of match-funded mortgage loans. Mortgage lending is secured by mortgages on real estate and funded through the issuance of mortgage covered bonds (SDOs and ROs) and is therefore characterised by a high level of collateralisation.

## Balance principle and match funding

Nykredit's mortgage lending is governed by the balance principle, which provides limits to the financial risks Nykredit may assume in relation to lending and funding.

Nykredit operates according to the general balance principle, which allows the use of derivatives for risk hedging under certain conditions. In practice, Nykredit's mortgage lending is match funded. As a result, Nykredit's lending and related funding activities only involve negligible financial risks. Nykredit currently does not apply derivatives in connection with mortgage lending.

To eliminate interest rate risk and foreign exchange risk, the interest rate and foreign exchange terms of mortgage loans match those of the bonds funding the loans. Fixed-rate loans maintain the same funding throughout the term of a loan. Adjustable-rate mortgage loans (ARMs) and floating-rate mortgage loans are funded by bonds with maturities shorter than the terms of the underlying loans, which are refinanced on maturity of the bonds. The loan rate is adjusted upon refinancing based on the interest rate of the new bonds sold.

The outstanding funding is reduced by principal payments and loan redemptions. Borrowers cover Nykredit's costs of redemption.

The due dates of payment of interest and principal are fixed so that Nykredit receives the funds on or before the dates when the payments to bondholders fall due, provided borrowers make timely payments.

Match funding ensures a balance between the interest and principal payments of a loan and the underlying funding (the balance principle). Therefore, Nykredit's earnings margin consists of a separate so-called administration margin, which is most often calculated on the basis of borrowers' debt outstanding. In addition, various fees are payable, such as price spreads on refinancing, change of refinancing agreement etc.

## Balance principle and match funding



## Liquidity

Nykredit holds substantial liquidity reserves and meets the regulatory requirements by a comfortable margin. This is illustrated in the table below, which shows that the Liquidity Coverage Ratios (LCRs) of the various companies are significantly above the regulatory requirement of 100%.

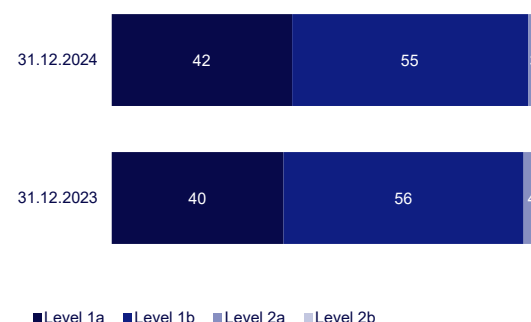
### Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>LCR determination</b>		
Nykredit Group	352	310
Nykredit Group, LCR requirement in EUR	399	400
Nykredit Realkredit and Totalkredit	505	585
Nykredit Realkredit and Totalkredit, including LCR Pillar II requirements	274	254
Nykredit Bank	229	191

The net stable funding ratio of the Nykredit Realkredit Group was 142% at 31 December 2024 compared with 146% at end-2023.

The composition of Nykredit's liquid assets determined under the LCR is shown in the figure below. 97% of the liquid assets are classified as Level 1, indicating that they have the highest LCR liquidity value. 3% of the liquid assets have the second highest LCR liquidity value, Level 2.

### Stock of liquid assets by LCR level, %



### Liquid assets

The liquid assets are determined at market value. The Nykredit Realkredit Group's liquid assets came to DKK 213 billion at 31 December 2024 compared with DKK 190 billion at end-2023. The liquid assets are mainly placed in liquid Danish and other European government and covered bonds. These securities are eligible as collateral in the repo market and with central banks and are directly applicable for raising liquidity.

The Nykredit Realkredit Group's liquid assets determined under the LCR came to DKK 110 billion at 31 December 2024 compared with DKK 106 billion at end-2023. The main difference between liquid assets and liquid assets determined under the LCR is the holdings of self-issued bonds.

## Covered bond market

Nykredit is the largest issuer of mortgage covered bonds in Europe, and the Group's issues mainly consist of covered bonds named Særligt Dækkede Obligationer (SDOs) and Realkreditobligationer (ROs).

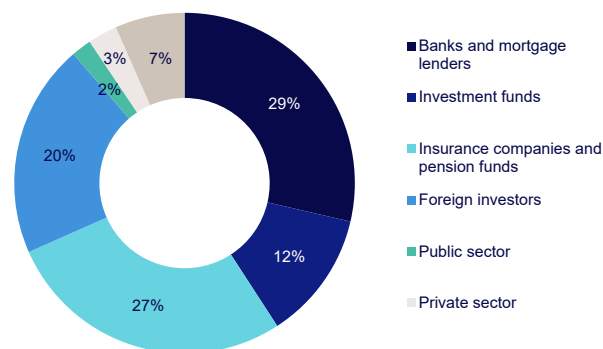
Nykredit's SDOs and ROs are issued through daily tap issuance coupled with bond auctions to refinance ARMs and floating-rate loans etc. At end-2024, the Group had a nominal amount of DKK 1,488 billion of SDOs in issue and DKK 106 billion of ROs in issue.

Nykredit has a large and diversified investor base. Nykredit's investors are mainly Danish institutional investors, comprising Danish banks, mortgage lenders and investment funds, which, at end-2024, held 41%, and insurance companies and pension funds, which held 27%. Foreign ownership amounted to 20% at end-2024.

In 2024, Nykredit issued bonds worth a total of DKK 429 billion, of which daily tap issues amounted to DKK 223 billion, including bonds delivered to the Totalkredit partner banks, while bonds issued for the purpose of refinancing auctions amounted to DKK 206 billion.

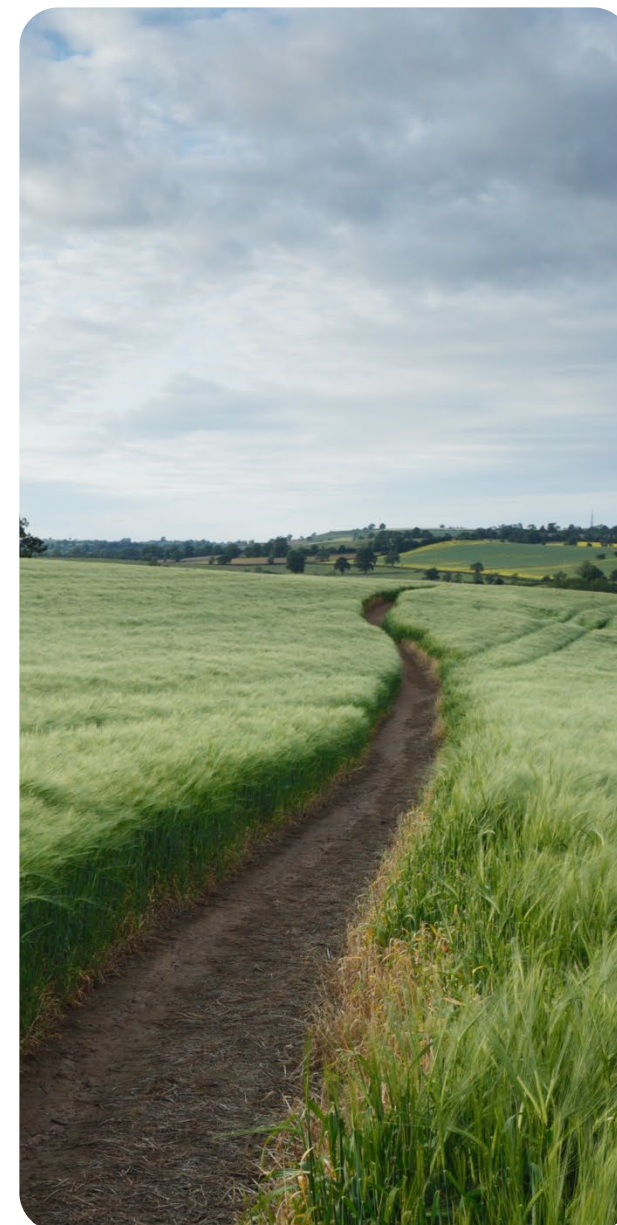
In addition to daily tap sales and refinancing auctions, Nykredit occasionally issues SDOs via an investment bank syndicate.

## Covered bonds investor base



## Green bonds

Nykredit's Green Bond Framework was established in accordance with ICMA's Green Bond Principles (GBP). Sustainalytics has made an independent assessment of the Framework and its alignment with the EU taxonomy. The criteria of Nykredit's Green Bond Framework relate to 61 EU taxonomy activities, of which Sustainalytics considers 59 activities to be aligned and two activities to be partly aligned with the EU taxonomy. The assessment relates solely to the "substantial contribution" criterion. At end-2024, DKK 36.6 billion-worth of green mortgage bonds had been issued in addition to DKK 650 million-worth of green senior non-preferred debt.



## Capital market funding

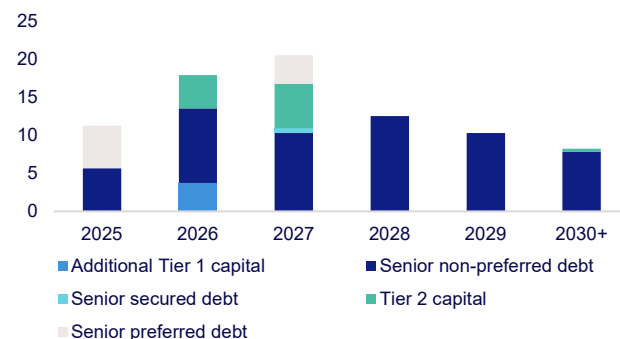
Nykredit must have a debt buffer of at least 2% of mortgage lending. Also, the debt buffer, own funds and MREL eligible liabilities combined must amount to at least 8% of the consolidated balance sheet. Nykredit meets both requirements.

Due to an expected higher REA, the total regulatory requirement may exceed 8% of the consolidated balance sheet as a result of rising capital requirements.

Nykredit has also decided to comply with S&P's ALAC rating criteria to maintain a long-term Issuer Credit Rating of A+.

In 2024, Nykredit issued approximately DKK 19 billion of senior non-preferred debt eligible for meeting the 2% debt buffer requirement, the 8% requirement and the ALAC criteria.

### Maturity profile of capital market funding, DKK billion



Note: As at 31 December 2024. Maturity of capital instruments by first call date.

Debt raised to fund Nykredit Bank is issued by Nykredit Realkredit and distributed to Nykredit Bank as long-term inter-company funding.

The Bank's senior preferred debt outstanding consisted of short-term ECP of DKK 11.6 billion as at 31 December 2024.

The total funding and ECP issuance need will depend on the development in customer deposits and lending as well as the Bank's other business activities.

## Refinancing and issuance schedule for 2025

Nykredit Realkredit will continue to issue mortgage covered bonds (SDOs and ROs) on tap and at refinancing auctions.

Nykredit will hold four annual refinancing auctions to reduce refinancing risk as much as possible. Nykredit expects to refinance DKK 63 billion and DKK 55 billion of SDO and RO covered bonds, respectively, at the auctions in February and May 2025 and DKK 54 billion and DKK 52 billion at the auctions in August and November 2025. This corresponds to refinancing volumes of about DKK 223 billion over the next year.

Nykredit has made a tender offer to buy Spar Nord Bank. The transaction is expected to result in issuance of Tier 2 capital and senior non-preferred debt totalling DKK 15 billion in Q1/2025.

The total issuance need towards end-2025, in addition to the issuance of SDO and RO covered bonds, is expected to amount to DKK 30 billion due to the transaction and refinancing of outstanding debt.

After the closing of the accounts, Nykredit has issued DKK 11.2 billion-worth of senior non-preferred debt and DKK 5.6 billion-worth of Tier 2 capital. Nykredit expects the remaining issuance need towards end-2025 to be DKK 10-15 billion.

## Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Bonds in issue</b>		
Covered bonds (ROs), see note 39 a	105,923	113,043
Covered bonds (SDOs), see note 39 b	1,488,156	1,412,023
Senior secured debt, see note 39 c	640	710
Senior preferred debt, Nykredit Realkredit A/S	9,324	9,317
Senior non-preferred debt	64,889	47,049
Tier 2 capital, see note 49	10,472	10,394
AT1 capital, see note 4, Nykredit Realkredit A/S	3,763	3,660
ECP issues, Nykredit Bank A/S	11,634	5,925

## Supervisory Diamond

Nykredit is subject to the Danish FSA's Supervisory Diamond, both at the level of the Group and the individual companies.

The Supervisory Diamond model for banks and mortgage lenders, respectively, uses key benchmarks to measure if a bank or a mortgage lender is operating at an elevated risk.

### Benchmark

Nykredit complied with all benchmark limits of the Supervisory Diamond model for banks and mortgage lenders as at 31 December 2024.

## Supervisory Diamond for banks

### Nykredit Bank A/S

	Benchmark	31.12.2024
Large exposures	<175%	120.6%
Lending growth	<20%	4.7%
Property exposure	<25%	10.1%
Liquidity benchmark	>100%	246.8%

## Supervisory Diamond for mortgage lenders

### Benchmark

	Nykredit Realkredit Group 31.12.2024	Nykredit Realkredit A/S 31.12.2024	Totalkredit A/S 31.12.2024	Limit value
<b>Lending growth by segment</b>				
Private residential	2.7%	(12.5)%*	3.1%	15.0%
Commercial residential properties <sup>1</sup>	6.9%	6.7%	14.9%	15.0%
Agricultural properties	(0.8)%	(0.8)%	0.0%	15.0%
Other commercial	2.3%	2.2%	5.7%	15.0%
<b>Borrower's interest rate risk</b>				
Private/commercial residential	13.2%	16.03%	12.5%	25.0%
<b>Interest-only loans</b>				
Private residential	4.6%	2.40%	4.7%	10.0%
<b>Loans with short-term funding</b>				
Refinancing (annually)	14.1%	20.0%	10.6%	25.0%
Refinancing (quarterly)	3.7%	2.4%	4.5%	12.5%
<b>Large exposures</b>				
Loans and advances/CET1 capital	47.7%	46.6%	7.0%	100.0%

<sup>1</sup> As Totalkredit's business lending is lower than Totalkredit's own funds, the segment is not subject to the 15% limit.

\* The decrease in Nykredit Realkredit A/S's lending to personal customers should be seen in the context that principal payments and redemptions as well as new lending for personal customers are refinanced through Totalkredit.



# Credit ratings

Nykredit Realkredit and Nykredit Bank collaborate with international credit rating agencies S&P Global Ratings (S&P) and Fitch Ratings (Fitch) regarding the credit rating of the Group's companies and their funding.

## List of ratings

For a complete list of Nykredit's credit ratings with S&P and Fitch Ratings, please visit [nykredit.com](https://nykredit.com)

## S&P Global Ratings

S&P has assigned Nykredit Realkredit and Nykredit Bank long-term and short-term Issuer Credit Ratings as well as long-term and short-term senior preferred debt ratings of A+/A-1 with a stable outlook as well as long-term and short-term Resolution Counterparty Ratings of AA-/A-1+. Senior non-preferred debt has a BBB+ rating with S&P.

Covered bonds (SDOs and ROs) issued by Nykredit Realkredit and Totalkredit through rated capital centres are all rated AAA by S&P, which is the highest possible rating. The rating outlook is stable.

## Fitch Ratings

Nykredit Realkredit and Nykredit Bank each have long-term and short-term Issuer Credit Ratings of A+/F1 with Fitch with stable outlooks. Nykredit Realkredit has long-term and short-term rating of senior preferred debt of AA-/F1+. Senior non-preferred debt is rated A+ by Fitch.

On 22 November 2024, Fitch has upgraded Nykredit's ratings, including long-term Issuer Credit Ratings to A+ from A based on Nykredit's strengthened earnings contribution and revenue diversification.

## ESG

ESG ratings are a tool used by investors and other stakeholders to assess a company's position relative to sustainability based on a number of environmental, social and governance factors. Nykredit is currently focusing on the ESG rating agencies MSCI and Sustainalytics, which consider all ESG factors, as well as on the CDP (formerly Carbon Disclosure Project), which assesses the environmental impact of businesses.

ESG rating agency	Nykredit's rating
MSCI	AAA
Sustainalytics	Low risk
CDP	B

Issuer	S&P Global Ratings			Fitch Ratings		
Nykredit Realkredit A/S	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Resolution Counterparty Rating	AA-	A-1+				
Issuer Credit Rating	A+	A-1	Stable	A+	F1	Stable
Senior preferred debt	A+	A-1		AA-	F1+	
Senior non-preferred debt	BBB+			A+		
Nykredit Bank A/S	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Resolution Counterparty Rating	AA-	A-1+				
Issuer Credit Rating	A+	A-1	Stable	A+	F1	Stable
Senior preferred debt	A+	A-1			F1+	

# Credit risk

Credit risk reflects the risk of loss resulting from Nykredit's customers and counterparties defaulting on their obligations.

Nykredit's credit exposures mainly consist of mortgage loans. As mortgage loans are secured by real estate, credit risk is low. Credit risk on mortgage loans is typically characterised by a stable development.

Nykredit's credit exposures are considered to be of high credit quality. Loan-to-Value (LTV) ratios have been declining in recent years, not least due to the high remortgaging activity, enabling customers to reduce their debt outstanding. In 2023 and 2024, however, we saw a slight increase in LTV ratios, which currently amount to 53,4%.

Impairment charges for loans and advances, net reversal

## DKK 248 million

(end-2023: net reversal of DKK 177 million)

Provisions related to geopolitical tensions and macroeconomic uncertainty

## DKK 941 million

(end-2023: DKK 2.1 billion)

## Earnings impact in 2024

Impairment charges for loans and advances were a net reversal of DKK 248 million (2023: net reversal of DKK 177 million) owing to the continued strong Danish economy and the high credit quality of our customers. Impairment charges for loans and advances comprised individual impairment provisions of DKK 220 million and a net reversal of DKK 468 million from model-based impairments. In 2024, provisions related to macroeconomic and geopolitical uncertainty were reduced by DKK 1.1 billion. Provisions related to ESG increased in the same period by DKK 0.6 billion as a result of a reassessment of ESG transition risks and the introduction of new provisions related to the Energy Performance of Buildings Directive and climate risks.

## Macroeconomic uncertainty

The geopolitical conditions and the global economies have been challenged in recent years. These conditions are expected to affect the credit quality of some customers owing to lower economic growth and consequential impact on the macroeconomic situation. However, this scenario is gradually looking milder than first assumed.

Provisions related to macroeconomic uncertainty are based on stress test calculations of two factors. Firstly, stress simulations have been performed for stage 1 and stage 2 business customers. Certain business customers in the construction, retail, wholesale, rental, production and manufacturing sectors are expected to be affected due to delayed impacts from inflation, scarcity of goods and alignment to new, higher interest rate levels. Secondly, the property values of stage 3 customers have been stressed to simulate a reduction in collateral values. We have taken total provisions of DKK 790 million for exposed sectors, and total provisions to manage the increased risk now amount to DKK 941 million. Provisions were generally characterised by reversals due to a more benign outlook than in 2023. The risks previously provided for were increasingly reflected in the financial statements of our business customers.

We are currently very observant of the trading conditions of clients who export globally. For further information about the impacts of geopolitical tensions and macroeconomic trends, please refer to our Fact Book Q4 2024, which is available at [nykredit.com](https://nykredit.com)

## Macroeconomic impacts on impairment levels

The general macroeconomic situation is monitored by Nykredit's scenario experts, who regularly assess the need for impact updates based on overall international economic trends.

The loan portfolio measured at nominal value developed positively in 2024, and individual impairment provisions remained low. Arrears ratios were declining for some portfolios and stable for others. Write-offs remained low. Nykredit has made only a few individual impairment provisions relating to macroeconomic uncertainty and interest rates.

Nykredit's macroeconomic forecasts have been incorporated into the impairment models and in the model-based impairment provisions.

## ESG

ESG entails both transition and physical risks, which results in an increased risk of loss. Transition risks include risks related to regulation in the form of carbon taxes and the Energy Performance of Buildings Directive, which impact the credit quality of business customers. Physical risks include risks related to the increasing frequency of extreme weather events. These occurrences particularly affect personal customers with properties in areas exposed to storm surges, as the value of their properties may decrease for a number of years after the storm surge. Plant growers are also more sensitive to weather changes, and their credit quality consequently decreases due to the more frequent and extreme weather changes. For this reason, total provisions of DKK 1,286 million have been made to mitigate such risk.

## Credit models

Nykredit uses credit models to determine the capital requirement for credit risk and for impairment calculations. The determination of credit risk is based on three key parameters: Probability of Default (PD), expected Loss Given Default (LGD) and expected Exposure at Default (EAD). The three key parameters are estimated on the basis of Nykredit's customer default and loss history.

The PD is customer-specific, while the other parameters are product-specific. One PD is therefore assigned to each customer, while each of the customer's products has a separate LGD and EAD.

## Expectations for macroeconomic models

Nykredit's impairment model calculations include forward-looking macroeconomic scenarios. The scenarios reflect uncertainties relating to the economy and include both improved and deteriorating outlooks. At end-2024, the scenarios were updated to reflect updated macroeconomic conditions and other resulting market conditions that are expected to impact, and partly already have impacted, the economy. The main scenario carries a 60% weighting. The main scenario used for the impairment models implies expected GDP growth of 2.2% and house price rises of 3.2% in 2025. At end-2024, the main scenario implied expected GDP growth of 2.3% and house price increases of 3.9% in 2024.

The adverse scenario was included in the models with a weighting of 20%. This scenario implies expected GDP decline of 0.3% and house price decreases of 5.7% in 2025.

## Nykredit Realkredit Group

	Loans, advances and guarantees		Total provisions for loan impairment and guarantees		Impairment charges for loans and advances, earnings impact	
DKK million	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>Loans, advances, guarantees and impairment charges for loans and advances</b>						
<b>Mortgage lending, nominal value</b>						
Nykredit Realkredit	576,369	561,773	3,465	3,770	(200)	(353)
Totalkredit	907,477	878,488	1,790	1,722	136	102
<b>Total</b>	<b>1,483,846</b>	<b>1,440,262</b>	<b>5,254</b>	<b>5,492</b>	<b>(64)</b>	<b>(251)</b>
<b>Loans and advances etc</b>						
Nykredit Bank	103,279	94,375	3,058	3,207	(148)	76
<b>Total</b>	<b>103,279</b>	<b>94,375</b>	<b>3,058</b>	<b>3,207</b>	<b>(148)</b>	<b>76</b>
Receivables from credit institutions	7,972	7,005	19	29	(10)	11
Reverse repurchase lending	44,026	33,965	-	-	-	-
Guarantees etc	12,459	6,932	302	328	(26)	(12)
<b>Loan impairment, %<sup>1</sup></b>						
Nykredit Realkredit			0.60	0.67	(0.03)	(0.06)
Totalkredit			0.20	0.20	0.01	0.01
<b>Total</b>			<b>0.35</b>	<b>0.38</b>	<b>(0.00)</b>	<b>(0.02)</b>
<b>Loans and advances etc</b>						
Nykredit Bank			2.88	3.29	(0.14)	0.08
<b>Total</b>			<b>2.88</b>	<b>3.29</b>	<b>(0.14)</b>	<b>0.08</b>

<sup>1</sup> Loan impairment excluding receivables from credit institutions, reverse repurchase lending and guarantees.

The improved scenario carries a 20% weighting and is based on the macroeconomic conditions observed at the date of this Report. This scenario uses realised levels of interest rates, GDP, house prices and unemployment. Based on this weighting, impairment provisions totalled DKK 8,632 million as at 31 December 2024 (end-2023: DKK 9,056 million). If the main scenario carried a 100% weighting, total impairment provisions would decrease by DKK 82 million. Compared with the main scenario, total impairment provisions would rise by DKK 2,417 million if the adverse scenario carried a 100% weighting. The change reflects a transfer of exposures from stage 1 to stage 2 (strong) and stage 2 (weak), resulting in increased expected credit losses. If the weighting of the improved scenario was 100%, total impairment provisions would decrease by DKK 687 million.

A significant part of the sensitivities to macroeconomic scenarios is related to the assessment of exposed sectors. Focus is currently on customers in manufacturing, construction, rental, trade as well as accommodation and food service. If the adverse scenario carried a 100% weighting, the impairment level of such customers would increase by DKK 1,959 million. If the weighting of the improved scenario was 100%, total impairment provisions of such customers would be reduced by DKK 507 million. These sensitivities form part of the sensitivities mentioned above.

See our Factbook Q4 2024 for a sector breakdown by the impact of geopolitical tensions on these sectors at [nykredit.com](https://nykredit.com)

As at 31 December 2024, the impairment model applied the following main scenario and adverse scenario:

	Main scenario			Adverse scenario		
Scenarios for impairment calculations	2024	2025	2026	2024	2025	2026
Short-term rate <sup>1</sup>	3.5	2.5	2.3	3.5	4.0	4.9
Long-term rate <sup>2</sup>	2.3	1.8	1.7	2.3	3.3	3.5
House prices <sup>3</sup>	3.9	3.2	3.2	3.9	(5.7)	(3.2)
GDP <sup>3</sup>	2.3	2.2	1.8	2.3	(0.3)	(1.0)
Unemployment <sup>4</sup>	2.6	2.6	2.6	2.6	3.2	3.3

<sup>1</sup> Short-term rate reflects the 3M Copenhagen Interbank Offered Rate (Cibor).

<sup>2</sup> Long-term rate reflects 10-year Danish government bonds.

<sup>3</sup> House prices and GDP reflect annual percentage changes.

<sup>4</sup> Registered net unemployment.

## Post-model adjustments

Management uses post-model adjustments (PMA) to determine corrections to and changes in the assumptions behind impairment models. At end-2024, post-model adjustments amounted to DKK 2,854 million.

The underlying reasons, for example changes in agricultural output prices due to changed economic trends and/or changed export potential as well as financial and legal conditions in the real estate sector may generally affect credit risk beyond the outcome derived on the basis of model-based impairments. Local geographical conditions, internal process risk and ongoing monitoring of the loan portfolio may also reflect conditions which macroeconomic projections cannot capture.

Physical and transition risks related to ESG will challenge Nykredit's business models in certain sectors and areas. At the same time, legislative measures may have a large impact on Nykredit's loan portfolio. On balance, the value of certain assets is expected to decrease. Provisions have been made which will be regularly quantified and updated in the impairment models.

The general assessment of economic trends in early 2024 has been affected by milder housing price forecasts and expectations of slightly falling interest rates. The estimates are adjusted and evaluated on a regular basis, and it is decided on an individual basis whether to phase out or incorporate an estimate into the models, if necessary. Total post-model adjustments have been reduced during 2024 as risks are continuously reassessed and incorporated into the impairment models. In particular, personal customers' resilience to interest rate increases and unemployment has resulted in reversals in 2024.

## Nykredit-Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Specific macroeconomic risks and process-related circumstances</b>		
Agricultural property	364	406
Geopolitical tensions	151	1,083
Concentration risks in loan portfolios	217	209
<b>Total macroeconomic risks</b>	<b>732</b>	<b>1,698</b>
Process-related	117	503
Coming model adjustments	290	0
ESG	1,286	674
Haircut, property values	142	226
Results of controlling	287	379
<b>Total process-related circumstances</b>	<b>2,122</b>	<b>1,782</b>
<b>Total post-model adjustments</b>	<b>2,854</b>	<b>3,480</b>

Note: At end-2024, another DKK 790 million was added to the impairment models as in-model adjustments, where exposed sectors are stressed due to geopolitical tensions, resulting in a change of stage.

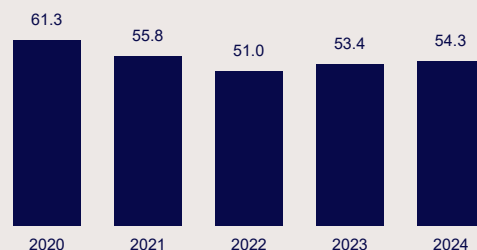
# Mortgage lending

Nykredit's credit exposure in terms of nominal mortgage lending was DKK 1,484.8 billion (end-2023: DKK 1,440.3 billion).

The security underlying mortgage lending is substantial. Furthermore, mortgage loans granted via Totalkredit are covered by set-off agreements. The loss risk relating to personal loans is mitigated through an agreement with the partner banks. Under the agreement, incurred losses corresponding to the cash part of a loan exceeding 60% of the mortgageable value at the time of granting are offset against future commission payments to the partner banks having arranged the loan.

The average loan-to-value (LTV) ratio relative to the market value of the loans was 54.3% (end-2023: 53.4%).

## LTV



## Total provisions for mortgage loan impairment

Total provisions for mortgage loan impairment equalled 0.35% of total mortgage lending, excluding credit institutions (end-2023: 0.38%). Total impairment provisions amounted to DKK 5,254 million (end-2023: DKK 5,492 million). Provisions related to macroeconomic uncertainty based on stress test calculations have been included in total impairment provisions.

Impairment charges for loans and advances are mainly attributable to:

Stress test calculations are made as a supplement to ordinary impairment calculations to the extent that recent economic developments (such as unemployment etc) have not yet been captured by Nykredit's models.

## Earnings impact

Impairment charges for mortgage lending were a net reversal of DKK 67 million (2023: net reversal of DKK 251 million) of which impairment charges of DKK 3 million were attributable to the business segment and a reversal of DKK 70 million was attributable to owner-occupied dwellings.

## Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Total impairment provisions for mortgage lending</b>		
Individual impairment provisions (stage 3)	2,067	1,868
Model-based impairment provisions (stages 1, 2 and 3)	3,187	3,624
- of the above attributable to macroeconomic uncertainty	355	1,267
<b>Total impairment provisions for mortgage lending</b>	<b>5,254</b>	<b>5,492</b>



## Arrears

Mortgage loan arrears are determined 75 days past the due date. Mortgage loan arrears were 0.15% of total mortgage payments due 75 days past the September due date (September due date 2023: 0.18%).

Bond debt outstanding affected by arrears as a percentage of total bond debt outstanding was DKK 1.76 billion; an increase compared with DKK 1.55 billion at the September 2023 due date.

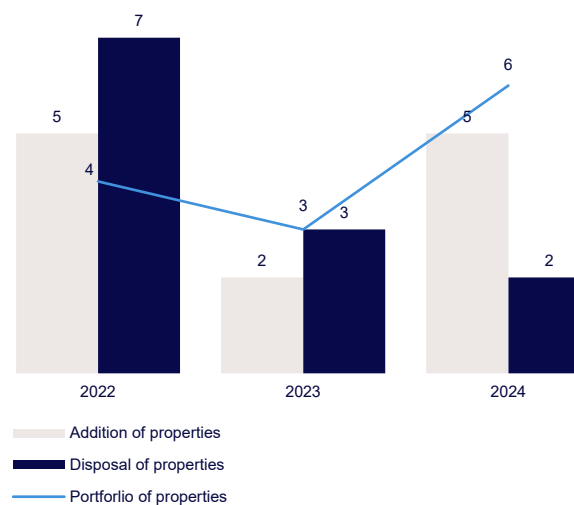
## Nykredit Realkredit Group

	Arrears relative to total mortgage payments	Debt outstanding in arrears relative to total debt outstanding	Debt outstanding affected by arrears
	%	%	DKK billion
Arrears ratio – 75 days past due			
Due date			
2024			
- September	0.15	0.12	1.76
- June	0.16	0.13	1.87
- March	0.16	0.12	1.79
2023			
- December	0.15	0.12	1.77
- September	0.18	0.14	1.98
- June	0.16	0.13	1.80
- March	0.16	0.12	1.79
2022			
- December	0.16	0.12	1.69
- September	0.16	0.11	1.55

## Properties acquired by foreclosure

In 2024, the Group acquired 5 properties and sold 2. The portfolio subsequently comprised 6 properties (end-2023: 3 properties).

## Number of properties acquired by foreclosure



## Mortgage lending (portfolio)

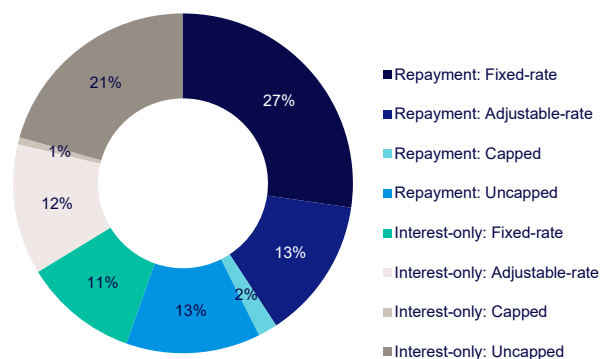
Owner-occupied dwellings accounted for 62% of the total bond debt outstanding.

Office and retail made up 10.5%, and private rental represented 10.6% of the total bond debt outstanding. In 2023, office and retail amounted to 10.4%, while private rental was 10.1%.

Fixed-rate loans were 37.8% of total mortgage lending (2023: 37.6%), whereas adjustable-rate mortgages (ARMs) totalled 25.9% (2023: 25.5%). Loans without interest rate cap totalled 31.8% (2023: 33.0%).

Repayment loans accounted for 55% (2023: 54.6%), as shown in the chart below.

### Mortgage lending



## Mortgage lending by property type<sup>1</sup>

									DKK million	
									/number	
Fair value at end-2024	Owner-occupied dwellings	Public housing	Coopera-tive housing	Private rental	Office and retail	Agricul-tural property	Industry and trades	Other	Total 2024	Total 2023
Mortgage lending										
- Bond debt outstanding	890,105	82,308	31,961	151,536	149,684	80,779	22,932	15,144	1,424,450	1,354,987
- Number of loans	686,063	14,839	5,482	25,152	14,415	24,751	1,610	2,124	774,436	777,653
Bond debt outstanding by loans subject to										
- public guarantees	0	59,715	271	8	125	27	22	327	60,495	58,582
- bank guarantees	16,528	0	0	0	0	0	0	0	16,528	29,333
- set-off agreements with partner banks	140,307	0	0	0	0	0	0	0	140,307	129,277
- no guarantee	733,270	22,593	31,690	151,528	149,559	80,752	22,911	14,817	1,207,120	1,137,795
Total	890,105	82,308	31,961	151,536	149,684	80,779	22,932	15,144	1,424,450	1,354,987

### Bond debt outstanding by loan type

Fixed-rate loans										
- repayment loans	322,646	17,317	11,117	9,110	17,733	2,761	1,354	6,524	388,564	364,681
- includes interest-only period	124,118	7	5,782	12,233	3,678	3,641	6	115	149,579	145,182
Adjustable-rate mortgage loans (ARMs)										
- repayment loan, 1-year interest reset	11,325	41	104	1,270	1,168	1,376	85	321	15,691	94,448
- other repayment loans	103,981	47,807	1,030	10,053	12,161	4,542	1,309	987	181,871	85,595
- includes interest-only period, 1-year interest reset	7,695	0	100	1,042	190	1,411	1	32	10,472	62,525
- other, including interest-only period	111,396	0	4,169	39,148	10,736	7,491	3,572	218	176,729	103,597
Money market-linked loans										
Loans with interest rate cap										
- repayment loans	20,700	44	109	334	139	628	9	194	22,156	24,725
- includes interest-only period	7,688	0	79	108	11	272	1	0	8,159	8,841
Loans without interest rate cap										
- repayment loans	76,600	205	209	20,699	52,595	19,316	4,714	3,428	177,767	171,028
- includes interest-only period	103,955	33	8,151	57,520	51,272	39,327	11,881	3,292	275,431	275,688
Index-linked loans	0	16,854	1,111	17	0	16	0	34	18,031	18,677
<b>Total</b>	<b>890,105</b>	<b>82,308</b>	<b>31,961</b>	<b>151,536</b>	<b>149,684</b>	<b>80,779</b>	<b>22,932</b>	<b>15,144</b>	<b>1,424,450</b>	<b>1,354,987</b>

<sup>1</sup> The breakdown by property type is not directly comparable with Nykredit's business areas.

## Mortgage lending (continued)

Bond debt outstanding was distributed across all regions and with much the same distribution as in 2024.

For 65.5% of bond debt outstanding was less than DKK 5 million (2023: 66.4%).

For 70.2% of bond debt outstanding has a time-to-maturity of more than 20 years (2023: 70.5%).

## Nykredit Realkredit Group

### Mortgage lending by property type<sup>1</sup>

Fair value at end-2024	Owner-occupied dwellings	Public housing	Cooperative housing	Private rental	Office and retail	Agricultural property	Industry and trades	Other	DKK million Total 2024	DKK million Total 2023
<b>Mortgage lending</b>										
Capital Region of Denmark	264,152	28,965	17,334	55,739	51,778	1,978	3,704	5,702	429,352	400,761
Sealand Region	116,052	8,076	2,771	9,892	12,559	12,932	1,476	1,333	165,090	155,678
North Denmark Region	107,626	10,051	2,817	10,189	12,223	19,917	2,226	1,291	166,340	161,755
Central Denmark Region	217,216	19,660	4,755	29,501	23,225	25,001	6,098	3,916	329,372	313,283
South Denmark Region	175,907	15,556	4,255	19,407	17,277	20,919	2,539	2,776	258,636	248,149
Faeroe Islands and Greenland	1,705	0	30	193	368	0	0	126	2,421	2,234
- Total foreign	7,446	0	0	26,615	32,255	32	6,890	0	73,238	73,126
<b>Total</b>	<b>890,105</b>	<b>82,308</b>	<b>31,961</b>	<b>151,536</b>	<b>149,684</b>	<b>80,779</b>	<b>22,932</b>	<b>15,144</b>	<b>1,424,450</b>	<b>1,354,987</b>
<b>Bond debt by debt outstanding, DKK million</b>										
0-2	504,677	4,874	1,882	13,108	5,838	12,102	666	786	543,933	549,992
2-5	322,981	7,735	6,471	14,991	9,764	24,901	1,095	1,608	389,546	349,922
5-20	56,130	24,574	14,060	31,021	25,239	37,931	2,336	4,592	195,883	181,050
20-50	4,040	20,955	5,762	23,059	20,614	4,918	1,598	2,332	83,278	77,488
50-100	1,178	15,195	1,799	18,125	14,923	752	1,125	1,298	54,395	49,264
100-	1,100	8,975	1,986	51,232	73,306	176	16,113	4,527	157,415	147,270
<b>Total</b>	<b>890,105</b>	<b>82,308</b>	<b>31,961</b>	<b>151,536</b>	<b>149,684</b>	<b>80,779</b>	<b>22,932</b>	<b>15,144</b>	<b>1,424,450</b>	<b>1,354,987</b>
<b>Bond debt outstanding by remaining loan term, years</b>										
0-10	24,145	8,013	889	28,548	50,372	2,345	4,371	1,339	120,021	113,026
10-15	49,253	7,271	6,708	7,480	23,971	7,341	9,465	2,723	114,212	112,615
15-20	80,249	20,946	4,194	13,537	44,317	14,421	9,037	3,205	189,906	171,731
20-25	222,764	28,805	12,275	44,444	14,245	28,240	11	5,962	356,746	325,683
25-30	513,695	17,273	7,895	57,526	16,779	28,433	48	1,915	643,564	631,930
30-35	0	0	0	0	0	0	0	0	0	0
35-	0	0	0	1	0	0	0	0	1	1
<b>Total</b>	<b>890,105</b>	<b>82,308</b>	<b>31,961</b>	<b>151,536</b>	<b>149,684</b>	<b>80,779</b>	<b>22,932</b>	<b>15,144</b>	<b>1,424,450</b>	<b>1,354,987</b>

<sup>1</sup> The breakdown by property type is not directly comparable with Nykredit's business areas.

# Bank lending

The total credit exposure came to DKK 174.0 billion (end-2023: DKK 147.4 billion), of which DKK 14.3 billion is mortgage loan guarantees. Bank lending at amortised cost amounted to DKK 103.2 billion (end-2023: DKK 94.4 billion), up DKK 4.3 billion since the turn of the year.

Reverse repurchase lending totalled DKK 44.0 billion (end-2023: DKK 34.0 billion). Guarantees provided amounted to DKK 12.5 billion (end-2023: DKK 7.0 billion).

## Bank lending

The total credit exposure breaks down as shown in the table below.

### Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Bank loans, advances and guarantees</b>		
Bank loans and advances	103,279	94,375
Reverse repurchase lending	44,026	33,965
Guarantees	12,459	6,932
Mortgage loan guarantees	14,279	12,127
<b>Total</b>	<b>174,043</b>	<b>147,399</b>

### Total provisions for bank loan impairment

Provisions for bank loan impairment (exclusive of credit institutions and guarantees) totalled DKK 3,058 million (end-2023: DKK 3,207 million). Provisions related to the geopolitical tensions are based on stress test calculations and have been included in total impairment provisions.

Impairment charges for loans and advances are mainly attributable to:

### Nykredit Realkredit Group

DKK million	31.12.2024	31.12.2023
<b>Total provisions for bank loan impairment</b>		
Individual impairment provisions (stage 3)	2,034	1,776
Model-based impairment provisions (stages 1, 2 and 3)	1,024	1,431
- of the above attributable to geopolitical tensions	586	818
<b>Total provisions for bank loan impairment</b>	<b>3,058</b>	<b>3,207</b>

## Bank lending, reverse repurchase lending and guarantees by sector

The finance and insurance sector still accounts for the largest credit exposure with loans and advances of DKK 50.3 billion (end-2023: DKK 42.0 billion).

The exposure widely comprised reverse repurchase lending with bonds serving as security.

Finance and insurance accounted for 28.9% (end-2023: 27.7%) and personal customers for 16% (end-2023: 17.0%) of the total credit exposure.

At end-2024, impairment provisions for loans and advances excluding credit institutions totalled DKK 3,361 million (end-2023: DKK 3,535 million) or 1.9% of total lending (end-2023: 2.3%).

## Nykredit Realkredit Group

DKK million

	31.12.2024			31.12.2023		
<b>Credit exposures in terms of bank lending, reverse repurchase lending and guarantees by sector<sup>1</sup></b>	Lending, year-end	Total impairment provisions	Earnings impact	Lending, year-end	Total impairment provisions	Earnings impact
Public sector	506	0	0	466	0	(0)
Agriculture, hunting, forestry and fishing	4,563	165	(57)	4,337	225	(21)
Manufacturing, mining and quarrying	20,044	871	110	14,803	730	207
Energy supply	6,723	28	5	5,059	21	(77)
Construction	3,224	127	(21)	3,375	271	(119)
Trade	16,362	886	28	14,454	860	210
Transport, accommodation and food service activities	8,344	325	66	6,127	245	129
Information and communication	6,826	54	(5)	5,670	58	(38)
Finance and insurance	50,351	60	(4)	41,986	61	(15)
Real estate	17,131	302	(19)	16,376	294	(177)
Other	12,195	201	(30)	13,042	225	(47)
<b>Total business customers</b>	<b>145,763</b>	<b>3,019</b>	<b>75</b>	<b>125,229</b>	<b>2,990</b>	<b>52</b>
<b>Personal customers</b>	<b>27,773</b>	<b>340</b>	<b>(250)</b>	<b>25,666</b>	<b>545</b>	<b>11</b>
<b>Total</b>	<b>174,043</b>	<b>3,360</b>	<b>(175)</b>	<b>151,360</b>	<b>3,535</b>	<b>64</b>
- of which provisions for losses under guarantees etc	-	302	26	-	328	(12)
Impairment provisions for credit institutions	-	1	0	-	1	(2)

<sup>1</sup> The breakdown by property type is not directly comparable with Nykredit's business areas.

# Organisation and management

The Board of Directors of Nykredit Realkredit A/S counts 12 members, of whom ten are elected by the Annual General Meeting for a term of one year and five are elected by and among the staff for a term of four years.

The Board of Directors must be composed so that it possesses the right mix of skills required to undertake the executive and strategic management and to take any measures to ensure that the business is operated in a responsible and satisfactory way; to this end, it must possess the knowledge and experience required to be able to critically assess and challenge the work and proposals of the Executive Board.

The Board of Directors reviews its Members' skills profiles on an ongoing basis and has decided that the skills and knowledge should be represented within the following areas:

- Strategic matters
- Sector and real estate expertise
- Economics, finance and accounting
- Capital markets, securities and funding
- Politics, public administration and associations
- Financial regulation and corporate governance
- Digitisation, IT and processes
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Risk management and credit matters.

Sustainability is an increasingly important factor in society, including in the financial sector. Board members receive regular training in relevant issues through thematic programmes and regular reporting.

## Performance evaluation of the Board of Directors in 2024

In H2/2024, Nykredit's Board of Directors conducted the annual Board evaluation. The Board evaluation comprised a questionnaire survey as well as individual interviews with members of the Board of Directors and the Executive Board.

The evaluation outcomes were presented to the Board at the meeting of the Board of Directors on 10 November 2024 where the Board's performance and collaboration with the Group Executive Board were discussed.

The outcomes of the Board evaluation were generally positive. The main conclusion was that the Board of Directors is effective, has the right skills and works efficiently, that the collaboration between the Board, the board committees and the Group Executive Board is effective and that the organisation of the work and the documentation provided to the Board of Directors are generally of a high quality.

The next Board evaluation is scheduled for H2/2025. The Board of Directors held 11 meetings in 2024.

## Board Committees

The Board of Directors of Nykredit Realkredit A/S has appointed a Board Audit Committee, a Board Risk Committee, a Board Nomination Committee and a Board Remuneration Committee. These Committees advise the Board of Directors on particular matters and prepare cases for review by the entire Board of Directors, each within their field of responsibility.

### Board Audit Committee

The principal tasks of the Board Audit Committee are to inform the Board of Directors of the results of the statutory audit, to oversee the financial reporting process and the effectiveness of Nykredit's internal control systems, internal audit and risk management, to oversee the statutory audit of the financial statements etc, to monitor and verify the independence of the auditors, and to be responsible for the procedure for selecting and submitting a recommendation for the appointment of auditors.

The Board Audit Committee consists of Jørgen Høholt, former Banking Executive, (Chair); Per W. Hallgren, CEO; Michael Demnitz, former CEO; and Preben Sunke, Chief Executive, who are all members of the Boards of Directors of Nykredit A/S and Nykredit Realkredit A/S elected by the Annual General Meeting.

The Board Audit Committee held six meetings in 2024.

### Board Risk Committee

The function of the Board Risk Committee is to oversee Nykredit's overall risk profile and strategy, including to assess the long-term capital requirement and the capital policy. It also assesses risks related to products, business model, remuneration structure and incentives as well as risk models and methodological basis. The Board Risk Committee also assists the Board of Directors in overseeing that the risk appetite defined by the Board of Directors is implemented correctly in the organisation.

The Board Risk Committee consists of Per W. Hallgren, CEO (Chair); Vibeke Krag, former CEO; Jørgen Høholt, former Banking Executive; and Torsten Hagen Jørgensen, CEO, who are all members of the Boards of Directors of Nykredit A/S and Nykredit Realkredit A/S elected by the Annual General Meeting.

The Board Risk Committee held six meetings in 2024.

### Board Nomination Committee

The Board Nomination Committee is tasked with making recommendations to the Board of Directors on the nomination of candidates for the Board of Directors and the Executive Board. The Committee also advises the Board of Directors with respect to targets for the under-represented gender on the Board of Directors and laying down a diversity policy applying to the same. In addition, the Board Nomination Committee, reporting to the Board of Directors, is ultimately responsible for defining the skills profiles of the Board of Directors and the Executive Board and for the continuous evaluation of their performance and achievements.



The Board Nomination Committee consists of Merete Eldrup, former CEO (Chair); Michael Demsitz, former CEO; Per W. Hallgren, CEO; and Preben Sunke, Chief Executive, who are all members of the Board of Directors of Nykredit A/S and Nykredit Realkredit A/S elected by the General Meeting.

The Board Nomination Committee held three meetings in 2024.

### Board Remuneration Committee

The principal tasks of the Board Remuneration Committee are to qualify proposals for remuneration prior to consideration by the Board of Directors and to make recommendations in respect of Nykredit's remuneration policy, including guidelines on incentive pay, for the approval of the Board of Directors, as well as to assist in ensuring that these are observed. Moreover, the Board Remuneration Committee reviews and considers the criteria for and process of appointing risk takers, assesses whether the Group's processes and systems relative to remuneration are sufficient and takes into consideration the Group's risks, and ensures that the remuneration policy and practices are in alignment with and promote sound and effective risk management and are in accordance with the Group's business strategy, objectives, values and long-term interests.

Finally, the Board Remuneration Committee ensures that the information in the Annual Report about remuneration of the Board of Directors and the Group Executive Board is correct, fair and satisfactory.

The Board Remuneration Committee consists of Merete Eldrup, former CEO (Chair); Preben Sunke, Chief Executive; and Per W. Hallgren, CEO, who are all members of the Boards of Directors of Nykredit A/S and Nykredit Realkredit A/S elected by the Annual General Meeting, as well as Inge Sand, who is staff-elected member of the Board of Directors of both companies.

The Board Remuneration Committee held three meetings in 2024.

Details on bonuses to risk takers as well as remuneration policy and practices are available at [nykredit.com](https://nykredit.com)

## Group Executive Board and committees

### Group Executive Board

Nykredit's Group Executive Board consists of Michael Rasmussen, Group Chief Executive, David Hellemann, Group Managing Director (CFO/COO), Anders Jensen, Group Managing Director (CRO), Pernille Sindby, Group Managing Director (Wealth Management) and Tonny Thierry Andersen, Group Managing Director (Banking).

### Committees

The Executive Board has set up a number of committees at Group level, which support and assist with compliance with and implementation of risk policies, guidelines etc. The Executive Board has issued committee governance guidelines, which ensure, among other things, that decisions of importance to a Group company can only be made if explicitly endorsed by the company's Executive Board representative, as well as guidelines for internal documents, which ensure a uniform approach to the preparation, maintenance and use of internal documents in Nykredit, including policies, guidelines, mandates, role descriptions and business procedures. Each committee must report to the entire Group Executive Board, and the individual members may at any time request the Executive Board to decide on a case. The Credits Committee is charged with ensuring adequate credit risk management and approving and/or deciding credit applications and loan impairments as well as overseeing the management of risks in the Nykredit Group's credits area.

The Committee manages the Group's loan portfolio and submits recommendations on credit policies to the individual Executive Boards and Boards of Directors. The Committee lays down business procedures for the granting of credits within the limits of the guidelines laid down by the Group Executive Board and the Board of Directors. The Committee's remit covers Nykredit Realkredit A/S, Nykredit Bank A/S and Nykredit Leasing A/S.

The Asset/Liability Committee (ALCO) undertakes the day-to-day responsibilities and tasks of the Executive Board in the areas of capital, funding, liquidity and market risk according to guidelines approved by the Boards of Directors.

The Committee has a governance mandate in these areas at Group as well as at company level. The Committee's remit covers Nykredit Realkredit A/S, Totalkredit A/S and Nykredit Bank A/S.

The Group Risk Committee is charged with overseeing the Nykredit Group's overall risk profile and capital requirements, in order to assist the individual Executive Boards and Boards of Directors of the Nykredit Group in ensuring compliance with current legislation and practice. The Committee's remit covers Nykredit Realkredit A/S, Totalkredit A/S, Nykredit Bank A/S, Nykredit Portefølje Administration A/S and Nykredit Leasing A/S.

The Contingency Committee has the overall responsibility for compliance with IT security policy rules in relation to contingencies (major accidents and catastrophes) and the Group's entire spectrum of contingency plans covering IT as well as business aspects. The Committee's remit covers Nykredit A/S, Nykredit Realkredit A/S, Totalkredit A/S, Nykredit Bank A/S, Nykredit Portefølje Administration A/S, Nykredit Leasing A/S and Nykredit Mægler A/S.

The Products Committee's overarching objective is to ensure that the Nykredit Group's products meet applicable business and regulatory requirements. The Committee must ensure that any launch of new or changes to existing products and services, involving material risks for the Group, the individual companies, counterparties or customers, are in alignment with the business models of the individual companies and comply with the current product policy and the Executive Boards' guidelines for development and approval of new products and services.

Further, the Committee must regularly monitor and evaluate the existing products and assess any need for changing or adjusting individual products or an entire product range. The Committee's

remit covers Nykredit Realkredit A/S, Totalkredit A/S, Nykredit Bank A/S, Nykredit Portefølje Administration A/S and Nykredit Leasing A/S.

The Group Executive Board implements the Group strategy as laid down by the Board of Directors and is responsible for the corporate responsibility strategy, including Group-wide targets and the progress of such targets. The Group Executive Board prioritises corporate responsibility themes and initiatives based on analyses of materiality, impact and sustainability-related risks, delegates responsibility for prioritised initiatives and is responsible for the implementation of the UN Principles for Responsible Banking.

## Report on and targets for the proportion of the under-represented gender on the Board of Directors

The table below shows progress on the targets for the proportion of the under-represented gender on the Boards of Directors of the Nykredit Realkredit Group. Following an amendment to the Danish Financial Business Act, staff-elected board members do not count towards the gender target as from 2023.

Since the latest data from end-2023, one female member of the Group Executive Board has joined the Boards of Directors of Nykredit Bank A/S and Totalkredit A/S.

Nykredit meets the 2025 target for the proportion of women on the Boards of Directors of Nykredit Realkredit A/S, Totalkredit A/S, Nykredit Portefølje Administration A/S and Nykredit Leasing A/S and an equal gender balance has been achieved.

The 2025 target has also been met for Nykredit Bank A/S but an equal gender balance has not yet been achieved.

Nykredit has set a 2030 target of 45% for the under-represented gender on the Boards of Directors of all Group companies. The targets align with the Group's other targets for gender balance.

## Report on and targets for the proportion of the under-represented gender at the two top management levels below the Board of Directors

Nykredit has set clear targets for an equal gender balance among the Group's managers, aiming for a minimum target of 45% female managers by 2030. In addition, guiding principles and a series of initiatives have been defined to achieve this target.

Nykredit also set targets for the two top management levels below the Board of Directors. In order to provide a relatively short time horizon for the targets that also matches the Group's other time horizons for targets, a target towards 2025 was set at end-2022.

Nykredit has also set a 2030 target of 45% of the under-represented gender at the two top management levels under the Board of Directors in the individual Group companies. The targets align with the Group's other targets for gender balance. This is to ensure clear progress towards the Group's long-term target of an equal gender balance and to allow for the time horizon, our starting point (current male/female distribution), number of positions and movements and the time needed to build a sufficient talent pipeline.

## Nykredit Realkredit Group

### Targets and progress – proportion of the under-represented gender on the Board of Directors

	Progress at 31.12.2023		Progress at 31.12.2024				2025 target	2030 target
	Proportion of women	Percentage of women	Proportion of women	Percentage of women	2025 target met?	Equal gender balance achieved?		
Nykredit Realkredit A/S	3 out of 8	38%	3 out of 8*	38%	Yes	Yes	40%	45%
Nykredit Bank A/S	0 out of 4	0%	1 out of 5	20%	Yes	No	20%	45%
Totalkredit A/S	0 out of 3	0%	1 out of 4*	25%	Yes	Yes	25%	45%
Nykredit Portefølje Administration A/S	2 out of 4	50%	2 out of 4	50%	Yes	Yes	40%	45%
Nykredit Leasing A/S	1 out of 4	25%	1 out of 4*	25%	Yes	Yes	40%	45%

\* See the Danish Business Authority's guidelines and definitions.

The regulatory requirements for setting targets for the top management levels align with the Group's ambitions for an equal gender balance among managers – and are addressed through the same initiatives and activities. However, this is aimed at a proportion of the Group's managers (top level), while the Group's targets apply to the total number of managers.

Progress as at 31 December 2023 and 31 December 2024 is based on employment and reporting conditions in the companies, which have dual and triple employment contracts. This means that the same person often forms part of the management of several companies.

In 2024, the Group Executive Board of Nykredit Realkredit A/S was expanded to include a female member.

At end-2024, the proportion of the under-represented gender at the two top management levels below the Board of Directors of Nykredit Realkredit A/S and Nykredit Bank A/S had risen on end-2023, while the proportion fell in Totalkredit A/S, Nykredit Portefølje Administration A/S and Nykredit Leasing A/S during that same period.

In Nykredit Realkredit A/S, the proportion of female managers increased from 15% to 19%. This movement was due to the addition of the new female member of the Executive Board as well as a net increase in the number of male and female managers at the second management level.

In Nykredit Bank A/S, the proportion of female managers increased from 17% to 19% as a result of movements among both male and female managers at the second management level, which resulted in a net addition of one female manager.

In Totalkredit A/S, the decrease from 32% to 30% was mainly due to the appointment of two managing directors, which means that nine male and four female managers are now included in the two top management levels as they report directly to the two new managing directors.

In Nykredit Portefølje Administration A/S, the proportion of female managers dropped from 25% to 15%, mainly because the appointment of a female manager resulted in five new male managers joining the second management level.

In Nykredit Leasing A/S, the proportion of female managers fell from 45% to 30%, among other things, due to the appointment of a new male managing director when the former female managing director took up a new position in the Group.

At the same time, a male and a female manager have left while a new male manager has taken up a position at the second management level.

In future, the target will be reviewed and updated annually in connection with the Annual Report.

Nykredit's current initiatives to improve the gender balance support the realisation of both the Group's target of an equal gender balance among all our managers and the regulatory requirement for top management level targets.

#### Targets and progress – proportion of the under-represented gender in the two top management levels below the Board of Directors

	Progress at 31.12.2023		Progress at 31.12.2024				2025 target	2030 target
	Proportion of women	Percentage of women	Proportion of women	Percentage of women	2025 target met?	Equal gender balance achieved?		
Nykredit Realkredit A/S	6 out of 39	15%	8 out of 43	19%	No	No	25%*	45%
Nykredit Bank A/S	7 out of 41	17%	8 out of 42	19%	No	No	25%*	45%
Totalkredit A/S	9 out of 28	32%	11 out of 37	30%	No	No	35%*	45%
Nykredit Portefølje Administration A/S	4 out of 16	25%	3 out of 20	15%	No	No	35%*	45%
Nykredit Leasing A/S	5 out of 11	45%	3 out of 10	30%	No	No	40%**	45%

\* Target set as at 31.12.2022.

\*\* Target for Nykredit Leasing A/S was added in 2023.



# Corporate governance

Nykredit operates as a listed company for external purposes and on the basis of sound business practices.

Nykredit operates as a listed company subject to any adjustments that may follow from our mutual ownership structure. In consequence, Nykredit regularly considers the Recommendations on Corporate Governance of the Danish Committee on Corporate Governance and complies with the recommendations where relevant. The recommendations form part of the rules of Nasdaq Copenhagen.

The recommendations concerning the composition and organisation of the Board of Directors, and in particular the independence of the Board of Directors and shareholders' role and interaction with the company management, are aimed at ordinary listed companies with many shareholders.

Nykredit differs from ordinary listed companies, as it has only a limited number of shareholders: Forenet Kredit, Industriens Fond, Østifterne Skadeforebyggelse f.m.b.a., Østifterne Almennyttig f.m.b.a., PRAS A/S and a group of Danish pension companies headed by PFA Pension and with PensionDanmark, PKA, AP Pension and AkademikerPension as co-investors.

The purpose of the recommendations concerning shareholders' role and interaction with the company management is to create an appropriate setting encouraging shareholders to enter into a dialogue with the company management. The limited number of shareholders of Nykredit per se creates a favourable setting for a close dialogue between the shareholders and the company management. Nykredit also complies with the managerial code of conduct of Finance Denmark, which supplements the Recommendations on Corporate Governance. Information on Nykredit's organisation and corporate governance is available at [nykredit.com](https://nykredit.com)

## Forenet Kredit as our majority shareholder

In 1991 the mortgage association Nykredit was converted into a public limited company. Nykredit operates its business through Nykredit Realkredit A/S, the object of which is to carry on mortgage banking and other financial business. The company is wholly owned by Nykredit A/S, the object of which is to carry on Nykredit's business. Forenet Kredit is the largest shareholder of Nykredit A/S, holding 78.9% of the shares. Its objects are to be a shareholder of Nykredit and to carry on financially sustainable mortgage banking and other financial business for the benefit of its customers. The members of Forenet Kredit's Board of Directors elected by the Committee of Representatives make up 4 of 9 of the Board of Directors of Nykredit A/S and 4 of 7 of the Board of Directors of Nykredit Realkredit A/S.

# Remuneration

## Material risk takers

At end-2024, the Group had identified a total of 235 risk takers (2023: 234)

Members of the Board of Directors: 31 (2023: 33)

Group Managing Directors: 5 (2023: 4)

Managing Directors of subsidiaries: 14 (2023: 15)

Other material risk takers: 178 (2023: 182)

The criteria for identifying other material risk takers are approved annually by the Board of Directors in accordance with current EU rules.

## Remuneration of material risk takers

Pursuant to the Danish Financial Business Act, material risk takers are subject to special restrictions, chiefly in relation to variable remuneration. Some of these restrictions are deferral of payout over a several-year period, partial payout through financial instruments subject to selling restrictions instead of cash payment and the possibility that Nykredit may retain the deferred amount under special circumstances.

The members of the Board of Directors and the Group Executive Board do not receive variable remuneration, nor bonus awards. The total remuneration of the Board of Directors and the Group Executive Board appears from note 16 of the Financial Statements.

The bonus provisions in respect of Subsidiary Managing Directors and other risk takers amounted to DKK 90 million for 2024 (2023: DKK 74 million). The 2024 bonus provisions corresponded to 88% of their fixed salaries.

The total remuneration of risk-takers appears from note 16 of these Financial Statements. Details on variable remuneration of risk takers, remuneration policy and practices are available at [nykredit.com](https://nykredit.com)

## Bonus programmes

Special individual bonus programmes apply to some of the colleagues of Markets, Asset Management, Investments and Group Treasury who have major earnings responsibility, in line with market standards for such positions. The remuneration of these colleagues is chiefly based on their job performance. The 2024 bonus provisions in respect of these colleagues (excluding risk takers) amounted to DKK 63 million (2023: DKK 50 million). The 2024 bonus provisions corresponded to 42% of their fixed salaries.

In addition, a limited number of individual bonus programmes apply to selected colleagues. The 2024 bonus provisions in respect of these colleagues (excluding risk takers) amounted to DKK 65 million (2023: DKK 62 million). The 2024 bonus provisions corresponded to 31% of their fixed salaries.

Bonus programmes under which the variable remuneration component may reach up to 25% of the base salary apply to other members of management and a small number of colleagues in high-level positions or tasked with special projects. The 2024 bonus provisions in respect of these managers and colleagues (excluding risk takers) amounted to DKK 20 million (2023: DKK 23 million). The 2024 bonus provisions corresponded to 23% of their fixed salaries.

The bonus programmes do not apply to other managers or colleagues, but they may receive individual one-off awards. The 2024 provisions for one-off awards came to DKK 29 million (2023: DKK 23 million), which corresponded to 1% of the relevant group's fixed salaries.

Total provisions for accounting purposes for bonuses and one-off awards for 2024 came to DKK 251 million (2023: DKK 236 million). The total provisions for bonuses and one-off awards for 2024 corresponded to 8% of total fixed salaries.



# Internal control and risk management systems

## The financial reporting process

The Board of Directors and the Executive Board are responsible for the financial reporting process, including compliance with relevant accounting legislation and regulation. The financial reporting process is based on internal control and risk management systems, which together ensure that all relevant financial transactions are correctly reflected for accounting purposes and in financial statements. Nykredit's Management regularly reviews items in respect of which estimates may have a material impact on the value of assets and liabilities. The process is based on a number of fixed routines, including the planning process, which are prepared together with material business units, management support functions and the Executive Board.

Group Finance & Investments undertakes the Group's overall financial reporting and is responsible for ensuring that Group financial reporting complies with policies laid down and current legislation. Group Finance & Investments is also responsible for the day-to-day internal reporting in the Treasury and Markets areas.

Group Finance & Investments prepares monthly internal reports and performs budget control, which includes accounting for the monthly, quarterly and annual results. Further, Group Finance & Investments is responsible for the Group's external annual and interim financial reporting and formulates Management's comments on the financial and business development.

## Risk management and control environment

The Board of Directors oversees the establishment of risk management procedures and monitors risks through the Board Risk Committee and the Board Audit Committee. All policies are approved at least once a year by the Boards of Directors, which receive regular reports on compliance with limits and guidelines set out in the policies. The Executive Boards oversee that risks are managed and controlled as determined by the Boards of Directors.

The Group Executive Board implements the Group strategy and is responsible for the day-to-day management and for implementing policies and guidelines laid down by the Board of Directors.

The Board Risk Committee and the Board Audit Committee oversee the effectiveness of Nykredit's internal control systems, financial reporting, internal audit and risk management. Nykredit's Group committees perform the ongoing risk management and reporting on behalf of the Executive Boards. The committees ensure a continuous overview of relevant risks and oversee that the risk policies and guidelines defined by the Boards of Directors are implemented in the business units.

Nykredit's risk management is based on the Group's Three Lines of Defence model. The first line of defence consists of the Group's operational business units, which basically take, and are responsible for managing, the risk, including controls. The second line of defence are units, which are responsible for the independent monitoring, controlling and reporting of risks. Plans are prepared annually for risk management in the second line of defence, including specification of methods, approach and resource allocation, which are subject to approval by the Executive Boards. The third line of defence performs independent audits of the business, including risk management and internal controls.

For further information on the Group's Three Lines of Defence model, please refer to the publication Risk and Capital Management, available at [nykredit.com](https://nykredit.com)

In order to provide the Board of Directors and the Executive Board with objective deep dives into activities involving risk, the first, second and third lines of defence continuously report on the current risk outlook.

The Board of Directors and the Executive Board receive a quarterly report describing and assessing all relevant risks. The risk reporting complies with current legislation and is aimed at describing the current risk outlook on the basis of data and analyses of relevant risk types and focus areas.

## Risk assessment

The risk management of the Board of Directors and the Executive Board relating to the financial reporting process may generally be summarised as follows:

- Periodical review of risk and financial reporting, including IT systems, general procedures and business procedures
- Review of the areas which include assumptions and estimates material to the financial statements, including unlisted financial instruments and impairment charges for loans and advances
- Review of the business and financial development
- Review and approval of budgets and forecasts
- Review of annual and interim reports and other financial data
- Review of reports from the Chief Risk Officer
- Annual assessment of the risk of fraud.



## Controls

The purpose of Nykredit's controls is to ensure that policies and guidelines laid down by the Executive Board are observed, and to ensure timely prevention, detection and correction of any errors, deviations or omissions.

Business procedures have been laid down and controls implemented for all material and high-risk areas, and Group-wide general principles and requirements for the preparation of business procedures and a process for the approval of business procedures in material risk areas have been established. The controls comprise manual and physical controls as well as general IT controls and automatic controls in the IT systems applied. The Executive Board is responsible for risk delineation, management and monitoring.

In addition to this, the Board Audit Committee oversees the effectiveness of Nykredit's internal control systems, financial reporting, internal audit and risk management. The Committees perform the current management and monitoring on behalf of the Executive Board.

In connection with the preparation of financial statements, a number of fixed procedures and internal controls are performed. These procedures and controls include fixed analysis and reconciliation routines and compliance with fixed business procedures as well as ongoing dialogue with Nykredit's business units and management support functions for the purpose of obtaining a business assessment of the information in the financial statements.

## Communication and information

The Board of Directors has adopted an overall communications and marketing policy, stating that Nykredit is committed to a transparent and credible business conduct – in compliance with legislation and the Stock Exchange Code of Ethics. The policy is reviewed once a year by the Board of Directors and was last revised in December 2024.

Nykredit's Boards of Directors and Executive Boards regularly receive internal and external financial reporting. Internal reporting includes analyses of important issues with respect to Nykredit's business areas and subsidiaries etc.

For further information on the Group's risk and capital management, please refer to the publication Risk and Capital Management 2024, available at [nykredit.com](https://nykredit.com)



# Company details

Nykredit Realkredit A/S  
Sundkrogsgade 25  
DK-2150 Nordhavn  
Denmark

Website: [nykredit.com](https://nykredit.com)  
Tel: +45 44 55 10 00

CVR no: 12 71 92 80  
Financial year: 1 January – 31 December 2024  
Municipality of registered office: Copenhagen

## External auditors

EY Godkendt Revisionspartnerselskab  
Dirch Passers Alle 36  
DK-2000 Frederiksberg

## Annual General Meeting

The Annual General Meeting of the Company will be held on 20 March 2025.

At [nykredit.com](https://nykredit.com) you may read more about the Nykredit Realkredit Group and download the following reports:

- [Financial Reporting](#)
- [Risk and capital management 2024](#)
- [Fact Book Q4 2024](#)
- [Remuneration Report 2024](#)
- [Data Ethics Policy](#)

## Board of Directors

Merete Eldrup  
former Chief Executive Officer, Chair

Preben Sunke  
Chief Executive, Deputy Chair

Michael Demsitz, former Chief Executive Officer  
Per W. Hallgren, Chief Executive Officer  
Jørgen Høholt, former Banking Executive  
Torsten Hagen Jørgensen, Chief Executive Officer  
Vibeke Krag, former Chief Executive Officer  
Mie Krog, Chief Executive  
Inge Sand, Chair of Finansforbundet i Nykredit\*  
Olav Bredgaard Brusen, Deputy Chair of  
Finansforbundet i Nykredit\*  
Kathrin Helene Hattens, Director\*  
Rasmus Fossing, Political Secretary\*

\* Staff-elected member

See page URL for directorships and executive positions of the members of the Board of Directors and the Executive Board.

## Nykredit Realkredit Group

### ESEF data

Domicile of entity	Denmark
Description of nature of entity's operations and principal activities	Mortgage bank
Country of incorporation	Denmark
Principal place of business	Denmark
Legal form of entity	A/S
Name of reporting entity or other names of Identification	Nykredit Realkredit A/S
Name of parent	Nykredit A/S
Name of ultimate parent of group	Forenet Kredit f.m.b.a

## Board Audit Committee

Jørgen Høholt, Chair  
Per W. Hallgren  
Michael Demsitz  
Preben Sunke

## Board Risk Committee

Per W. Hallgren, Chair  
Jørgen Høholt  
Torsten Hagen Jørgensen  
Vibeke Krag

## Board Nomination Committee

Merete Eldrup, Chair  
Michael Demsitz  
Per W. Hallgren  
Preben Sunke

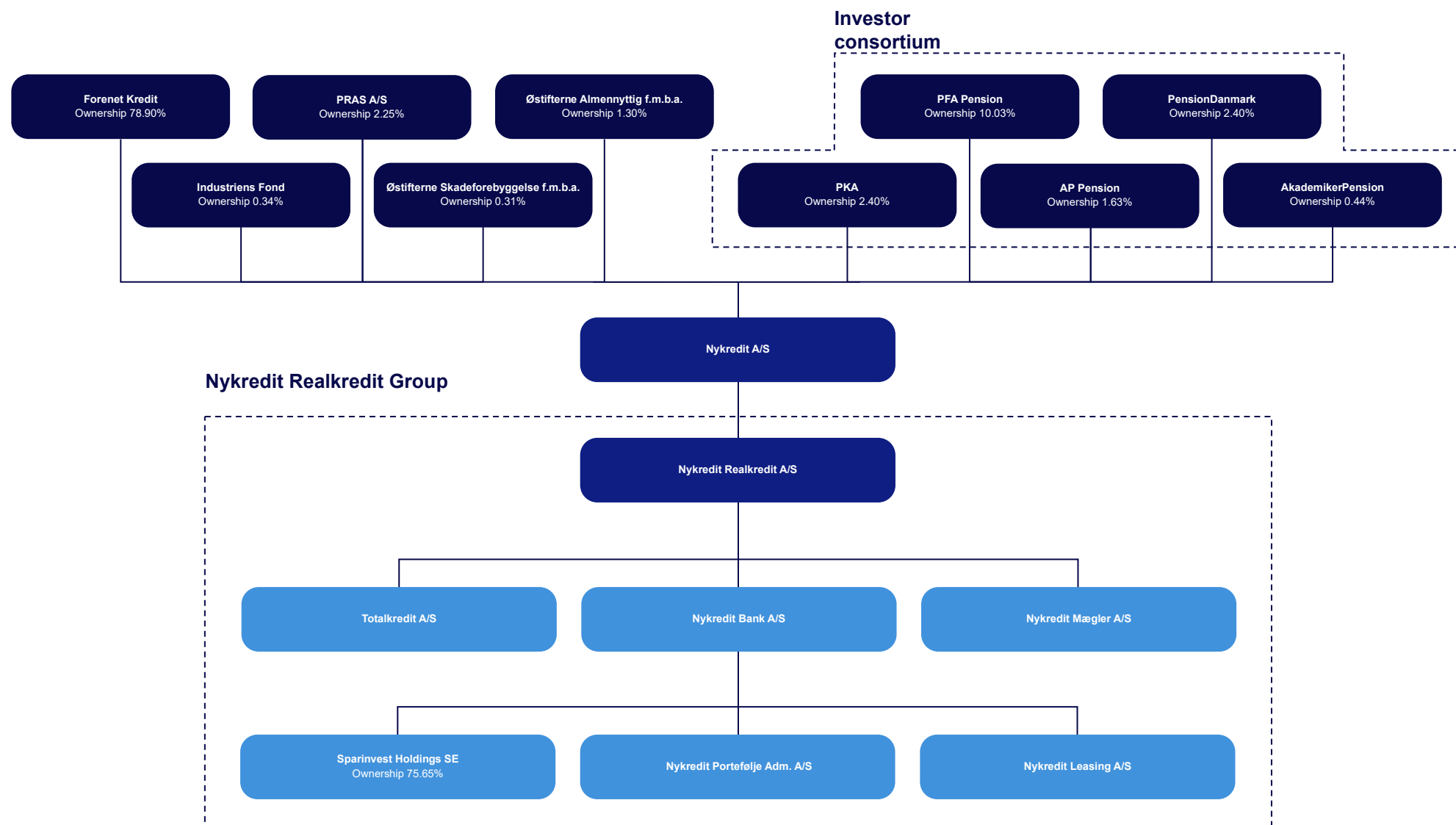
## Board Remuneration Committee

Merete Eldrup, Chair  
Preben Sunke  
Per W. Hallgren  
Inge Sand

## Executive Board

Michael Rasmussen, Group Chief Executive  
Tonny Thierry Andersen, Group Managing Director  
David Hellemann, Group Managing Director  
Anders Jensen, Group Managing Director  
Pernille Sindby, Group Managing Director

# Group structure



# Alternative performance measures

In the opinion of Management, the Management Commentary should be based on the internal management and business division reporting, which also forms part of Nykredit's financial governance. This will provide readers of the financial reports with information that is relevant to their assessment of Nykredit's financial performance.

The income statement format of the financial highlights on pages 7 and 8 and the business areas (pages 13-22 and note 5) reflect the internal management reporting. In certain respects, the presentation of the financial highlights differs from the format of the Financial Statements prepared under the International Financial Reporting Standards (IFRS). No correcting entries have been made, which means that profit for the year is the same in the financial highlights and in the IFRS-based Financial Statements. The reclassification in note 6 shows the reconciliation between the presentation in the financial highlights table of the Management Commentary and the presentation in the Consolidated Financial Statements prepared according to the IFRS and includes:

"Net interest income" comprising net administration margin income from mortgage lending as well as interest income from bank lending and deposits. The corresponding item in the income statement includes all interest.

"Net fee income" comprising income from mortgage refinancing and mortgage lending, income from bank lending, service fees, provision of guarantees and leasing business etc.

"Wealth management income" comprising asset management and administration fees etc. This item pertains to business with customers conducted through the Group's entities Nykredit Markets, Nykredit Asset Management, Nykredit Portefølje Administration A/S and Sparinvest, but where income is ascribed to the business areas serving the customers.

"Net interest from capitalisation" comprising the risk-free interest attributable to equity and net interest from subordinated debt etc. Net interest is composed of the interest expenses related to debt, adjusted for the internal liquidity interest.

"Trading, investment portfolio and other income" comprising income from swaps and derivatives transactions currently offered, Nykredit Markets activities, repo deposits and lending, debt capital markets activities as well as other income and expenses not

allocated to the business divisions, including income from the sale of real estate.

"Net income relating to customer benefits programmes" comprising discounts etc, such as KundeKroner, ErhvervsKroner as well as green and other benefits granted to the Group's customers. The amount includes contributions received. The effect of the benefits programmes is included under "Group Items".

"Costs" includes the following income statement items "Staff and administrative expenses", "Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets" and "Other operating expenses".

## Supplementary financial ratios etc

In relation to the internal presentation of income, a number of supplementary financial ratios are included in the Management Commentary.

Profit (loss) for the year as % of average equity (RoE). Profit for the year corresponds to net profit or loss less minority interests and interest expenses for Additional Tier 1 capital, which is treated as dividend in the Financial Statements. Average equity is calculated on the basis of the value at the beginning of the period and at the end of all quarters of the period. Equity is determined exclusive of minority interest and Additional Tier 1 capital. The figures have been annualised. Cost/income ratio (C/I), % is calculated as the ratio of "Costs" to "Income".

Impairment charges for the year, %. Impairment charges are calculated based on impairment charges for loans and advances relative to loans and advances.

Long-term RoE is a target for the annual return after tax of 8.0% of shareholders' equity (RoE) viewed over an economic cycle.

Deposits relative to loans and advances is calculated based on total deposits, excluding repo deposits, relative to lending excluding reverse repurchase lending measured at amortised cost and not adjusted for impairment charges.

# Management statement

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today reviewed and approved the Annual Report for the period 1 January – 31 December 2024 of Nykredit Realkredit A/S and the Nykredit Realkredit Group.

The Consolidated Financial Statements have been presented in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for issuers of listed bonds. The Financial Statements and the Management Commentary have been prepared in accordance with statutory requirements, including the Danish Financial Business Act.

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the Group's and the Parent's assets, liabilities, equity and financial position at 31 December 2024 and of the results of the Group's and the Parent's operations and the Group's cash flows for the financial year 2024.

Further, in our opinion, the Management Commentary gives a fair review of the development in the operations and financial circumstances of the Group and the Parent as well as a description of the material risk and uncertainty factors which may affect the Group and the Parent, and the sustainability reporting has been prepared in accordance with European standards for sustainability reporting, as laid down in the Danish Financial Business Act as well as Article 8 of the EU Taxonomy Regulation.

The Annual Report is recommended for approval by the Annual General Meeting.

### ESEF-compliant financial reports

In our opinion, the Annual Report of Nykredit Realkredit A/S for the financial year 1 January to 31 December 2024 with the file name nyrr-2024-12-31-en is prepared, in all material respects, in compliance with the ESEF Regulation. The Annual Report is recommended for approval by the Annual General Meeting

Copenhagen, 5 February 2025

### Executive Board

Michael Rasmussen  
Group Chief Executive

Tonny Thierry Andersen  
Group Managing Director

David Hellemann  
Group Managing Director

Anders Jensen  
Group Managing Director

Pernille Sindby  
Group Managing Director

### Board of Directors

Merete Eldrup  
Chair

Preben Sunke  
Deputy Chair

Michael Demsitz

Per W. Hallgren

Jørgen Høholt

Torsten Hagen Jørgensen

Vibeke Krag

Mie Krog

Inge Sand\*

Olav Bredgaard Brusen\*

Kathrin Helene Hattens\*

Rasmus Fossing\*

\* Staff-elected members

# Independent auditor's report

To the shareholders of Nykredit Realkredit A/S

Report on the audit of the Consolidated Financial Statements and Parent Company Financial Statements.

## Opinion

We have audited the consolidated financial statements and the parent company financial statements of Nykredit Realkredit A/S for the financial year 1 January – 31 December 2024, which comprise income statements, statements of comprehensive income, balance sheets, statement of changes in equity and notes, including material accounting policy information, for the Group and the Parent Company and a consolidated cash flow statement. The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements for issuers of listed bonds, and the parent company financial statements are prepared in accordance with the Danish Financial Business Act.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group at 31 December 2024 and of the results of the Group's operations and cash flows for the financial year 1 January – 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for issuers of listed bonds.

Further, in our opinion the parent company financial statements give a true and fair view of the financial position of the Parent Company at 31 December 2024 and of the results of the Parent Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Business Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities

for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no.

537/2014

## Appointment of auditor

We were initially appointed as auditor of Nykredit Realkredit A/S on 25 March 2021 for the financial year 2021. We have been re-appointed annually by resolution of the general meeting for a total consecutive period of 4 year up until the financial year 2024.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2024. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the key audit matters below. Our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.



## Key audit matters

### Measurement of loans and guarantees

Significant part of the Group's assets consists of loans which entail a risk of loss in case of the customer's inability to pay. Also, the Group offers guarantees and other financial products also implying a risk of loss.

The Group's total loans amounted to DKK 1.572.372 million at 31 December 2024 (DKK 1,483,957 million at 31 December 2023), and total provisions for expected credit losses amounted to DKK 8.632 million at 31 December 2024 (DKK 9,056 million at 31 December 2023).

We consider the measurement of impairment provisions on loans and provisions for losses on guarantees, etc. (together "exposures") a key audit matter as the measurement implies significant amounts and management estimates. This concerns in particular the assessment of probability of default, staging and the assessment of indication of credit impairment, realisable value of collateral received as well as the customer's ability to pay in case of default.

Significant exposures with high risk are assessed individually, whereas all other loans and loans with lower risk are assessed on the basis of models for expected credit losses where methods and assumptions used to assess the expected credit loss are based on assumptions and management estimates.

The Group recognises additional impairment provisions based on management estimates in situations where the model-calculated and individually assessed impairment losses are not yet considered to reflect a specific loss risk ("in-model-adjustments" and "post-model-adjustments"),

Reference is made to the accounting policies and note 18 and 57 to the consolidated financial statements for a description of the Group's credit risks and a description of uncertainties and estimates where matters that may affect the statement of expected credit losses are described.

### Fair value of swaps

Measurement of the fair value of swaps is determined using valuation techniques based on observable market data as well as unobservable inputs regarding credit risk which to a high degree are based on management estimates. Due to the materiality of these estimates, the audit of measurement of fair value of swaps is a key audit matter.

The Group's portfolio of swaps at 31 December 2024 include contracts with positive fair value of DKK 5-378 million (DKK 4,666 million at 31 December 2023) and negative fair value of DKK 4.879 million (DKK 6,770 million at 31 December 2023).

- Valuation models and methods applied for the valuation of swaps.
- Management's assumptions and parameters applied to determine credit valuation adjustment (CVA)

The principles for measuring fair value are described in the accounting policies. Further details on market risk management and the specific assumptions and sensitivities are included in notes 53 and 57.

## How our audit addressed the key audit matter

Based on our risk assessment and knowledge of the industry, we performed the following audit procedures regarding measurement of loans and guarantees:

- Assessment of the Group's methods for measuring provisions for expected credit losses and whether methods applied for modelbased and individual measurement of expected credit losses are in accordance with IFRS 9.
- Test of the Group's procedures and internal controls, including monitoring of exposures, stage allocation of exposures, recording of indications of credit impairment and recording and valuation of collateral.
- Sample test of the largest and most risky exposures, including credit-impaired exposures.
- For model-based impairments, we tested completeness and accuracy of input data, model assumptions, accuracy of calculations and the Group's validation of models and methods.
- For management additions to individual and model-based impairments, we assessed whether the methods applied are relevant and appropriate. In addition, we assessed and tested the Group's basis for the assumptions used, including whether they are reasonable and well-founded compared to relevant bases of comparison.

We also assessed whether disclosures relating to exposures, impairment losses and credit risks meet the relevant accounting rules and tested the amounts therein (note 18 and 57).

Our audit included an examination of relevant business procedures, test of key controls and analysis of valuations. In addition, our audit procedures included:

- Assessment of the models and assumptions applied for calculating the risk relating to the customers' inability to pay (CVA) based on our knowledge of and experience with the sector.
- Assessment of changes to the assumptions compared with trends in the sector as well as historical observations.
- Risk-based test of the valuation of swaps using our internal valuation specialists.

We also assessed whether disclosures relating to fair value and credit risks meet the relevant accounting rules and tested the amounts therein (note 18, 53 and 57).

## Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required by relevant law and regulations.

Based on our procedures performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of relevant law and regulations. We did not identify any material misstatement of the Management's review.

## Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for issuers of listed bonds and for the preparation of parent company financial statements that give a true and fair view in accordance with the Danish Financial Business Act.

Moreover, Management is responsible for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the over-ride of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements and the parent company financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Report on compliance with the ESEF Regulation

As part of our audit of the Consolidated Financial Statements and Parent Company Financial Statements of Nykredit Realkredit A/S, we performed procedures to express an opinion on whether the annual report of Nykredit Realkredit A/S for the financial year 1 January – 31 December 2024 with the file name nyrr-2024-12-31-en is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;

- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Nykredit Realkredit A/S for the financial year 1 January – 31 December 2024 with the file name nyrr-2024-12-31-en is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, 5 February 2025  
EY Godkendt Revisionspartnerselskab  
CVR no 30 70 02 28

Lars Rhod Søndergaard  
State Authorised  
Public Accountant  
mne28632

Rasmus Berntsen  
State Authorised  
Public Accountant  
mne31450

# Independent auditor's limited assurance report on sustainability statement

To the shareholders of Nykredit Realkredit A/S

## Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability statement of Nykredit Realkredit A/S Group (the group) included in the Management's commentary (the sustainability statement), page 30-128, for the financial year 1 January – 31 December 2024 including disclosures incorporated by reference listed on page 31.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not prepared, in all material respects, in accordance with the Danish Financial Business Act, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the management to identify the information reported in the sustainability statement (the process) is in accordance with the description set out in the section "Double Materiality Assessment"; and
- compliance of the disclosures in the section "EU taxonomy" of the sustainability statement with Article 8 of EU Regulation 2020/852 (the Taxonomy Regulation).

## Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information (ISAE 3000 (Revised)) and the additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is

substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Auditor's responsibilities for the assurance engagement section of our report.

## Our independence and quality management

We are independent of the group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

EY Godkendt Revisionspartnerselskab applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

## Management's responsibilities for the sustainability statement

Management is responsible for designing and implementing a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this Process in the section "Double Materiality Assessment" of the sustainability statement. This responsibility includes:

- understanding the context in which the group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the sustainability statement, in accordance with the Danish Financial Business Act, including:

- compliance with the ESRS;
- preparing the disclosures in section "EU taxonomy" of the sustainability statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error; and

- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

## Auditor's responsibilities for the assurance engagement

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the process include:

- Obtaining an understanding of the process but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS, and
- Designing and performing procedures to evaluate whether the process is consistent with the group's description of its process, as disclosed in the section "Double Materiality Assessment".

Our other responsibilities in respect of the sustainability statement include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and

- Designing and performing procedures responsive to disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the sustainability statement.

In conducting our limited assurance engagement, with respect to the process, we:

- Obtained an understanding of the process by performing inquiries to understand the sources of the information used by management; and reviewing the group's internal documentation of its process; and
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the group's was consistent with the description of the Process set out in the section "Double Materiality Assessment".

In conducting our limited assurance engagement, with respect to the sustainability statement, we:

- Obtained an understanding of the group's reporting processes relevant to the preparation of its sustainability statement including the consolidation processes by obtaining an understanding of the group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Evaluated whether material information identified by the process is included in the sustainability statement;
- Evaluated whether the structure and the presentation of the sustainability statement are in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the sustainability statement;
- Performed substantive assurance procedures on selected information in the sustainability statement;
- Evaluated methods, assumptions and data for developing material estimates and forward-looking information and how these methods were applied;

- Obtained an understanding of the process to identify the EU taxonomy eligible and aligned economic activities for turnover and CAPEX and the corresponding disclosures in the sustainability statements;
- Evaluated compliance processes, methods, and data for covered activities, assessed minimum safeguards compliance through personnel inquiries, and conducted analytical procedures on EU taxonomy aligned disclosures
- Evaluated the presentation and use of EU taxonomy templates in accordance with relevant requirements;
- Reconciled and ensured consistency between the reported EU taxonomy economic activities and the items reported in the primary financial statements including the disclosures provided in related notes.

Copenhagen, 5 February 2025  
EY Godkendt Revisionspartnerselskab  
CVR no 30 70 02 28

Lars Rhod Søndergaard  
State Authorised  
Public Accountant  
mne28632

Rasmus Berntsen  
State Authorised  
Public Accountant  
mne31450



# Income statements

		DKK million			
Nykredit Realkredit A/S		Nykredit Realkredit Group			
2023	2024	Note	2024	2023	
<b>INCOME STATEMENTS</b>					
40,169	45,329	Interest income	8	50,767	46,174
-	-	Interest income based on the effective interest method	8	7,961	7,321
36,013	41,314	Interest expenses	9	43,543	37,759
<b>4,156</b>	<b>4,011</b>	<b>Net interest income</b>		<b>15,185</b>	<b>15,736</b>
234	523	Dividend on equities etc	10	528	237
1,216	1,249	Fee and commission income	11	4,504	4,181
449	428	Fee and commission expenses	12	4,199	4,047
<b>5,157</b>	<b>5,356</b>	<b>Net interest and fee income</b>		<b>16,019</b>	<b>16,107</b>
1,425	2,493	Value adjustments	13	3,669	2,856
1,981	2,500	Other operating income	14	1,836	1,492
3,375	4,092	Staff and administrative expenses	15	6,431	6,022
234	251	Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets	16	293	276
224	193	Other operating expenses		233	256
(347)	(205)	Impairment charges for loans, advances and receivables etc	17, 18	(248)	(177)
6,948	6,808	Profit from investments in associates and Group enterprises	19	5	6
<b>12,024</b>	<b>12,825</b>	<b>Profit before tax</b>		<b>14,821</b>	<b>14,083</b>
1,197	1,204	Tax	20	3,088	3,191
<b>10,828</b>	<b>11,622</b>	<b>Profit for the year</b>		<b>11,733</b>	<b>10,892</b>
<b>Distribution of profit for the year</b>					
10,674	11,468	Shareholder of Nykredit Realkredit A/S		11,468	10,674
-	-	Minority interests		111	65
154	154	Holders of Additional Tier 1 capital notes		154	154
<b>10,828</b>	<b>11,622</b>	<b>Profit for the year</b>		<b>11,733</b>	<b>10,892</b>
<b>Proposal for the distribution of profit</b>					
6,948	6,808	Statutory reserves			
(3,948)	2,412	Retained earnings			
24	48	Non-distributable reserve fund			
1,850	2,200	Paid extraordinary dividend			
5,400	-	Proposed dividend			
154	154	Additional Tier 1 capital			

# Statements of comprehensive income

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
10,828	11,622	11,733	10,892
<b>Profit for the year</b>			
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that cannot be reclassified to profit or loss:</b>			
9	16	16	9
(2)	(4)	(4)	(2)
(2)	-	-	(2)
<b>5</b>	<b>12</b>	<b>12</b>	<b>5</b>
<b>Total items that cannot be reclassified to profit or loss</b>			
<b>5</b>	<b>12</b>	<b>12</b>	<b>5</b>
<b>Other comprehensive income</b>			
<b>10,833</b>	<b>11,633</b>	<b>11,744</b>	<b>10,898</b>
<b>Comprehensive income for the year</b>			
<b>Distribution of comprehensive income</b>			
10,679	11,479	11,479	10,679
-	-	111	65
154	154	154	154
<b>10,833</b>	<b>11,633</b>	<b>11,744</b>	<b>10,898</b>
<b>Comprehensive income for the year</b>			

# Balance sheets

		DKK million			
Nykredit Realkredit A/S		Nykredit Realkredit Group			
2023	2024	Note	2024	2023	
<b>ASSETS</b>					
12,101	7,504		61,480	61,056	Cash balances and demand deposits with central banks
37,194	31,147	23	7,972	7,005	Receivables from credit institutions and central banks
1,392,091	1,497,894	24	1,424,807	1,355,312	Loans, advances and other receivables at fair value
196	158	25	147,565	128,645	Loans, advances and other receivables at amortised cost
30,255	37,587	26	90,779	94,486	Bonds at fair value
3,813	3,860	27	1,735	1,688	Bonds at amortised cost
6,956	5,068	28	5,385	7,457	Equities etc
30	5,265	29	5,297	55	Investments in associates
78,128	84,667	30	-	-	Investments in Group enterprises
-	-	31	9,123	4,173	Assets in pooled schemes
448	576	32	2,429	2,323	Intangible assets
<b>Land and buildings</b>					
-	-		14	20	Owner-occupied properties
450	1,231		1,245	466	Leased properties
<b>450</b>	<b>1,231</b>	<b>33</b>	<b>1,259</b>	<b>486</b>	<b>Total</b>
213	284	34	295	231	Other property, plant and equipment
-	-	43	70	46	- Current tax assets
-	-	44	169	168	- Deferred tax assets
6	8	35	30	6	Assets in temporary possession
11,383	10,501	36	14,218	18,075	Other assets
274	292		424	393	Prepayments
<b>1,573,537</b>	<b>1,686,042</b>		<b>1,773,038</b>	<b>1,681,605</b>	<b>Total assets</b>

# Balance sheets

DKK million

Nykredit Realkredit A/S				Nykredit Realkredit Group	
2023	2024		Note	2024	2023
<b>LIABILITIES AND EQUITY</b>					
10,716	4,014	Payables to credit institutions and central banks	37	13,994	12,591
-	-	Deposits and other payables	38	124,592	119,825
-	-	Deposits in pooled schemes		9,123	4,173
1,378,493	1,483,287	Bonds in issue at fair value	39	1,398,913	1,334,909
56,435	64,957	Bonds in issue at amortised cost	40	76,590	62,360
306	947	Other non-derivative financial liabilities at fair value	41	6,702	7,139
130	23	Current tax liabilities	43	77	300
15,864	17,127	Other liabilities	42	26,294	27,694
-	-	Deferred income		4	4
<b>1,461,944</b>	<b>1,570,355</b>	<b>Total payables</b>		<b>1,656,289</b>	<b>1,568,994</b>
<b>Provisions</b>					
6	-	Provisions for pensions and similar obligations	45	-	6
177	298	Provisions for deferred tax	44	620	457
13	12	Repayable reserves in pre-1972 series	46	12	13
-	-	Provisions for losses under guarantees	47	302	328
109	84	Other provisions	48	359	406
<b>305</b>	<b>393</b>	<b>Total provisions</b>		<b>1,293</b>	<b>1,211</b>
<b>10,394</b>	<b>10,472</b>	<b>Subordinated debt</b>	49	<b>10,472</b>	<b>10,394</b>
<b>Equity</b>					
1,182	1,182	Share capital		1,182	1,182
<b>Accumulated value adjustments</b>					
-	-	- revaluation reserves		5	3
<b>Other reserves</b>					
42,546	49,083	- statutory reserves		-	-
22,142	22,343	- series reserves		22,343	22,142
3,227	3,275	- non-distributable reserve fund		4,958	4,885
22,637	25,175	- retained earnings		72,571	63,521
5,400	-	- proposed dividend		-	5,400
<b>97,134</b>	<b>101,058</b>	<b>Shareholder of Nykredit Realkredit A/S</b>		<b>101,058</b>	<b>97,134</b>
-	-	Minority interests		163	112
3,759	3,763	Holders of Additional Tier 1 capital		3,763	3,759
<b>100,893</b>	<b>104,821</b>	<b>Total equity</b>		<b>104,984</b>	<b>101,006</b>
<b>1,573,537</b>	<b>1,686,042</b>	<b>Total liabilities and equity</b>		<b>1,773,038</b>	<b>1,681,605</b>
<b>OFF-BALANCE SHEET ITEMS</b>					
-	-	Contingent liabilities	50	12,459	6,932
10,202	8,968	Other commitments		21,212	24,209
<b>10,202</b>	<b>8,968</b>	<b>Total</b>		<b>33,671</b>	<b>31,141</b>

# Statement of changes in equity

DKK million

Nykredit Realkredit Group

	Share capital <sup>1</sup>	Revaluation reserves	Series reserves	Non-distributable reserve fund <sup>2</sup>	Retained earnings	Proposed dividend	Shareholder of Nykredit Realkredit A/S	Minority interests	Additional Tier 1 capital <sup>3</sup>	Total equity
<b>2024</b>										
<b>Equity, 1 January</b>	<b>1,182</b>	<b>3</b>	<b>22,142</b>	<b>4,885</b>	<b>63,521</b>	<b>5,400</b>	<b>97,134</b>	<b>112</b>	<b>3,759</b>	<b>101,006</b>
Profit for the year	-	-	-	72	9,195	2,200	11,468	111	154	11,733
Total other comprehensive income	-	-	-	-	12	-	12	-	-	12
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72</b>	<b>9,207</b>	<b>2,200</b>	<b>11,479</b>	<b>111</b>	<b>154</b>	<b>11,744</b>
Interest paid on Additional Tier 1 capital	-	-	-	-	-	-	-	-	(154)	(154)
Foreign currency translation adjustment of Additional Tier 1 capital	-	-	-	-	(3)	-	(3)	-	3	-
Net transaction costs in connection with issuance of Additional Tier 1 capital instruments	-	-	-	-	-	-	-	-	-	-
Subsequent adjustment of purchase price allocation	-	-	-	-	48	-	48	-	-	48
Distributed ordinary dividend	-	-	-	-	-	(5,400)	(5,400)	(69)	-	(5,469)
Distributed extraordinary dividend	-	-	-	-	-	(2,200)	(2,200)	-	-	(2,200)
Realised from the sale of properties	-	1	-	-	(1)	-	-	-	-	-
Adjustment pursuant to capital adequacy rules	-	-	200	-	(200)	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	9	-	9
<b>Equity 31 December</b>	<b>1,182</b>	<b>5</b>	<b>22,343</b>	<b>4,958</b>	<b>72,571</b>	<b>-</b>	<b>101,058</b>	<b>163</b>	<b>3,763</b>	<b>104,984</b>
<b>2023</b>										
<b>Equity, 1 January</b>	<b>1,182</b>	<b>3</b>	<b>31,878</b>	<b>4,849</b>	<b>50,401</b>	<b>4,650</b>	<b>92,964</b>	<b>114</b>	<b>3,751</b>	<b>96,829</b>
Profit for the year	-	-	-	36	3,388	7,250	10,674	65	154	10,892
Total other comprehensive income	-	-	-	-	5	-	5	-	-	5
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>3,393</b>	<b>7,250</b>	<b>10,679</b>	<b>65</b>	<b>154</b>	<b>10,898</b>
Interest paid on Additional Tier 1 capital	-	-	-	-	-	-	-	-	(154)	(154)
Net transaction costs in connection with issuance of Additional Tier 1 capital instruments	-	-	-	-	(8)	-	(8)	-	8	-
Subsequent adjustment of purchase price allocation	-	-	-	-	(11)	-	(11)	-	-	(11)
Distributed ordinary dividend	-	-	-	-	-	(4,650)	(4,650)	(65)	-	(4,715)
Distributed extraordinary dividend	-	-	-	-	-	(1,850)	(1,850)	-	-	(1,850)
Adjustment pursuant to capital adequacy rules	-	-	(9,736)	-	9,736	-	-	-	-	-
Transferred from provisions – pre-1972 series	-	-	-	-	7	-	7	-	-	7
Other movements	-	-	-	-	3	-	3	(2)	-	1
<b>Equity 31 December</b>	<b>1,182</b>	<b>3</b>	<b>22,142</b>	<b>4,885</b>	<b>63,521</b>	<b>5,400</b>	<b>97,134</b>	<b>112</b>	<b>3,759</b>	<b>101,006</b>

<sup>1</sup> The share capital is divided into shares of DKK 100 and multiples thereof. Nykredit Realkredit A/S has only one class of shares, and all the shares confer the same rights on shareholders.

<sup>2</sup> Non-distributable reserve funds of DKK 1,683 million in Totalkredit A/S and DKK 3,275 million in Nykredit Realkredit A/S.

<sup>3</sup> Additional Tier 1 (AT1) capital is perpetual, and payment of principal and interest is discretionary. For accounting purposes, the AT1 capital is consequently treated as equity. On 15 October 2020, Nykredit issued new AT1 capital of nominally EUR 500 million which carries an interest of 4.125% up to 15 October 2026. The loan is perpetual with an early redemption option from April 2026. The loan will be written down if the Common Equity Tier 1 (CET1) capital of Nykredit Realkredit A/S, the Nykredit Realkredit Group or the Nykredit Group falls below 7.125%.

Pursuant to the Danish Financial Business Act, the subsidiaries Nykredit Bank A/S, Totalkredit A/S, Nykredit Portefølje Administration

A/S and Sparinvest Holdings SE are subject to a number of restrictions including regulatory capital requirements which determine the scope for distributing dividend of such companies to the parent.

# Statement of changes in equity

DKK million

Nykredit Realkredit A/S

	Share capital <sup>1</sup>	Non-distributable reserve fund	Statutory reserves <sup>2</sup>	Series reserves	Retained earnings	Proposed dividend	Shareholder of Nykredit Realkredit A/S	Additional Tier 1 capital <sup>3</sup>	Total equity
<b>2024</b>									
<b>Equity, 1 January</b>	<b>1,182</b>	<b>3,227</b>	<b>42,546</b>	<b>22,142</b>	<b>22,637</b>	<b>5,400</b>	<b>97,134</b>	<b>3,759</b>	<b>100,893</b>
Profit for the year	-	48	6,808	-	2,412	2,200	11,468	154	11,622
Total other comprehensive income	-	-	-	-	12	-	12	-	12
<b>Total comprehensive income</b>	<b>-</b>	<b>48</b>	<b>6,808</b>	<b>-</b>	<b>2,424</b>	<b>2,200</b>	<b>11,479</b>	<b>154</b>	<b>11,633</b>
Interest paid on Additional Tier 1 capital	-	-	-	-	-	-	-	(154)	(154)
Foreign currency translation adjustment of Additional Tier 1 capital	-	-	-	-	(3)	-	(3)	3	-
Distributed ordinary dividend	-	-	-	-	-	(5,400)	(5,400)	-	(5,400)
Distributed extraordinary dividend	-	-	-	-	-	(2,200)	(2,200)	-	(2,200)
Dividend from Group enterprises	-	-	(318)	-	318	-	-	-	-
Adjustment pursuant to capital adequacy rules	-	-	-	200	(200)	-	-	-	-
Changes in subsidiary equity	-	-	48	-	-	-	48	-	48
<b>Equity 31 December</b>	<b>1,182</b>	<b>3,275</b>	<b>49,083</b>	<b>22,343</b>	<b>25,175</b>	<b>-</b>	<b>101,058</b>	<b>3,763</b>	<b>104,821</b>
<b>2023</b>									
<b>Equity, 1 January</b>	<b>1,182</b>	<b>3,203</b>	<b>35,869</b>	<b>31,878</b>	<b>16,181</b>	<b>4,650</b>	<b>92,964</b>	<b>3,751</b>	<b>96,715</b>
Profit (loss) for the year	-	24	6,948	-	(3,548)	7,250	10,674	154	10,828
Total other comprehensive income	-	-	-	-	5	-	5	-	5
<b>Total comprehensive income</b>	<b>-</b>	<b>24</b>	<b>6,948</b>	<b>-</b>	<b>(3,542)</b>	<b>7,250</b>	<b>10,679</b>	<b>154</b>	<b>10,833</b>
Interest paid on Additional Tier 1 capital	-	-	-	-	-	-	-	(154)	(154)
Foreign currency translation adjustment of Additional Tier 1 capital	-	-	-	-	(8)	-	(8)	8	-
Distributed ordinary dividend	-	-	-	-	-	(4,650)	(4,650)	-	(4,650)
Distributed extraordinary dividend	-	-	-	-	-	(1,850)	(1,850)	-	(1,850)
Dividend from Group enterprises	-	-	(263)	-	263	-	-	-	-
Adjustment pursuant to capital adequacy rules	-	-	-	(9,736)	9,736	-	-	-	-
Transferred from provisions – pre-1972 series	-	-	-	-	7	-	7	-	7
Changes in subsidiary equity	-	-	(11)	-	-	-	(11)	-	(11)
Other movements	-	-	3	-	-	-	3	-	3
<b>Equity 31 December</b>	<b>1,182</b>	<b>3,227</b>	<b>42,546</b>	<b>22,142</b>	<b>22,637</b>	<b>5,400</b>	<b>97,134</b>	<b>3,759</b>	<b>100,893</b>

<sup>1</sup> The share capital is divided into shares of DKK 100 and multiples thereof. Nykredit Realkredit A/S has only one class of shares, and all the shares confer the same rights on shareholders.

<sup>2</sup> The item relates to a transfer to reserves for net revaluation according to the equity method. The item includes a non-distributable reserve fund of DKK 1,646 million in Totalkredit A/S.

<sup>3</sup> Additional Tier 1 (AT1) capital is perpetual, and payment of principal and interest is discretionary. For accounting purposes, the AT1 capital is consequently treated as equity. On 15 October 2026, Nykredit issued new AT1 capital of nominally EUR 500 million which carries an interest of 4,125% up to 15 October 2026. The loan is perpetual with an early redemption option from April 2026.

The loan will be written down if the Common Equity Tier 1 (CET1) of Nykredit Realkredit A/S, the Nykredit Realkredit Group or the Nykredit Group falls below 7.125%.

<sup>4</sup> A dividend per share of DKK 643 was distributed in 2024 (2023: DKK 550).



# Cash flow statement

DKK million

Nykredit Realkredit Group

	2024	2023
<b>Profit for the year</b>	<b>11,733</b>	<b>10,892</b>
<b>Adjustments</b>		
Net interest income	(15,185)	(15,736)
Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets	293	452
Profit from investments in associates	(5)	(6)
Impairment charges for loans, advances and receivables etc	(90)	(177)
Prepayments/deferred income, net	(32)	(19)
Tax on profit for the year	3,088	3,191
Other adjustments	(1,547)	617
<b>Total</b>	<b>(1,746)</b>	<b>(785)</b>
<b>Change in operating capital</b>		
Loans, advances and other receivables	(88,144)	(66,438)
Deposits and payables to credit institutions	6,169	(9,091)
Bonds in issue	78,235	81,058
Other operating capital	1,533	(2,960)
<b>Total</b>	<b>(3,953)</b>	<b>1,784</b>
Interest income received	58,734	52,578
Interest expenses paid	(43,124)	(33,248)
Corporation tax paid, net	(3,171)	(3,532)
<b>Cash flows from operating activities</b>	<b>8,486</b>	<b>17,582</b>
<b>Cash flows from investing activities</b>		
Acquisition of associates	(5,242)	(5)
Dividend received from associates	5	7
Purchase and sale of bonds and equities, net	6,875	(3,422)
Purchase and sale of intangible assets	(221)	(174)
Purchase and sale of property, plant and equipment	(1,015)	(54)
<b>Total</b>	<b>402</b>	<b>(3,648)</b>
<b>Cash flows from financing activities</b>		
Issuance of subordinated debt <sup>1</sup>	-	-
Distributed dividend	(7,600)	(6,564)
Repayment of lease liabilities <sup>1</sup>	(133)	(98)
<b>Total</b>	<b>(7,733)</b>	<b>(6,662)</b>
<b>Total cash flows for the year</b>	<b>1,154</b>	<b>7,273</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>68,061</b>	<b>61,242</b>
Foreign currency translation adjustment of cash	236	(453)
Total cash flows for the year	1,154	7,273
<b>Cash and cash equivalents, year-end</b>	<b>69,451</b>	<b>68,061</b>
<b>Cash and cash equivalents, year-end:</b>		
Cash balances and demand deposits with central banks	61,480	61,056
Receivables from credit institutions and central banks	7,972	7,005
<b>Total</b>	<b>69,451</b>	<b>68,061</b>

<sup>1</sup> See notes 42 and 49 for further information on cash flows.

# Notes

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## Nykredit Realkredit Group

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# Notes

Nykredit Realkredit Group

## 1. ACCOUNTING POLICIES

### GENERAL

The Consolidated Financial Statements have been prepared in accordance with statutory requirements, including the International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the EU and in accordance with additional Danish disclosure requirements for annual reports as stated in the IFRS Executive Order governing financial companies issued pursuant to the Danish Financial Business Act and formulated by Nasdaq Copenhagen for issuers of listed bonds.

All figures in the Annual Report are rounded to the nearest million Danish kroner (DKK), unless otherwise specified.

### CHANGE IN ACCOUNTING POLICIES, NEW AND AMENDED STANDARDS AS WELL AS INTERPRETATIONS ETC

#### *New or amended standards:*

In 2024 the following minor amendments to reporting standards etc have been implemented:

- IAS 1 "Presentation of liabilities"
- IAS 7 and IFRS 7 "Supplier finance arrangements"
- IFRS 16 "Sale and leaseback".

The implementation has not affected the financial reporting and the accounting policies which are unchanged compared with the Annual Report for 2023.

For more clarity and to reduce the number of note disclosures where figures and qualitative disclosures are considered immaterial to the Financial Statements, certain disclosures have been excluded.

### REPORTING STANDARDS AND INTERPRETATIONS NOT YET IN FORCE

At the time of presentation of the Annual Report, new or amended standards and interpretations concerning

- Annual Improvements Volume 11
- IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- IFRS 18 "Presentation and Disclosure in Financial Statements" (new standard)
- IFRS 19 "Subsidiaries without Public Accountability" (new standard)
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"

had not yet entered into force and/or had not been approved for use in the EU for the financial year beginning on 1 January 2024.

The implementation of IFRS 18 will not affect the determination of profit for the year, but will result in a number of amendments to the presentation of the income statement such as new items, etc. The implementation of other standards is not expected to significantly impact Nykredit's financial reporting.

### CONSOLIDATION AND BUSINESS COMBINATIONS

The Consolidated Financial Statements include Nykredit Realkredit A/S (the Parent) as well as the enterprises controlled by Nykredit Realkredit A/S from the date on which Nykredit Realkredit A/S obtains direct or indirect control over the financial and operational management of the enterprise and receives a variable return.

The Consolidated Financial Statements are prepared on the basis of the financial statements of the individual enterprises by combining items of a uniform nature. The financial statements applied for the consolidation are prepared in accordance with the Group's accounting policies. The financial statements of partly owned subsidiaries are fully consolidated, and minority interests' share of the Group's profit or loss and equity is stated as separate items in the income statement and under Group equity, respectively. All intercompany income and costs, dividends, intercompany shareholdings, intercompany derivatives and balances as well as realised and unrealised intercompany gains and losses are eliminated. Divested enterprises are included up to the time of divestment.

Intercompany business combinations are made by applying the uniting-of-interests method.

### OFFSETTING

Financial assets and liabilities are offset and presented as a net amount when the Group has a legally enforceable right of set-off and intends either to settle by way of netting or to realise the asset and settle the liability simultaneously.

Offsetting mostly takes place in connection with repo transactions and derivative financial instruments cleared through recognised clearing centres. Impairments are offset against the relevant assets (loans, advances and receivables etc as well as bonds).

### CURRENCY

The Consolidated Financial Statements are presented in Danish kroner (DKK), which is the functional as well as the presentation currency of the Parent. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction date. Exchange gains and losses arising on the settlement of these transactions are recognised in "Value adjustments" through profit or loss.

On the balance sheet date, monetary assets and liabilities in foreign currencies are translated at the exchange rates prevailing on the balance sheet date. Foreign currency translation adjustments are recognised in "Value adjustments" through profit or loss.

Currency translation differences arising on translation of non-monetary assets and liabilities are recognised in the income statement together with other fair value adjustment of the relevant items.

The financial statements of foreign entities are translated into Danish kroner at the exchange rates prevailing on the balance sheet date with respect to balance sheet items and at average exchange rates with respect to income statement items.

### HEDGE ACCOUNTING

The Group applies derivative financial instruments (interest rate swaps) to hedge interest rate risk on loans and advances, subordinated debt and bonds in issue measured at amortised cost. In Nykredit Realkredit, hedging interest rate risk (hedge accounting) is still made according to the IAS 39 rules.

# Notes

Nykredit Realkredit Group

Changes in the fair values of derivative financial instruments that are classified and qualify as fair value hedges of a recognised asset or liability are recognised in the income statement together with changes in the value of the hedged asset or liability that are attributable to the hedged risk, eg interest rate hedging.

The hedges are established for individual assets and liabilities and at portfolio level. The hedge accounting effectiveness is measured and assessed on a regular basis. If the criteria for hedge accounting are no longer met, the accumulated value adjustment of the hedged item is amortised over its residual life. Please also refer to note 57 on "Hedge accounting".

## FINANCIAL INSTRUMENTS

### Recognition, classification and measurement

Financial instruments, including loans, advances and receivables, bonds in issue and other payables as well as derivative financial instruments represent approximately 95% of the Group's assets as well as payables (end-2023: 95%).

### Recognition of financial instruments

Financial assets and liabilities are recognised when the Group companies become a party to the contractual provisions of the instruments.

Financial instruments are recognised on the settlement date. With respect to financial instruments that are subsequently measured at fair value, changes in the fair value of instruments purchased or sold in the period between the trade date and the settlement date are recognised as financial assets or liabilities in "Other assets" and "Other liabilities", respectively, in the balance sheet and set off against "Value adjustments" in the income statement.

For assets measured at amortised cost after initial recognition, changes in value are not recognised between the trade date and the settlement date.

Initially, financial instruments are recognised at fair value at the time of recognition. Financial instruments are subsequently measured at amortised cost or fair value depending on the classification of the individual instrument. Financial instruments subsequently measured at amortised cost are recognised inclusive or exclusive of the transaction costs related to the origination of financial assets or liabilities.

Financial assets are derecognised when the right to receive or pay related cash flows has lapsed or been transferred, or the Group has transferred all risks and returns related to ownership in all material respects. Financial liabilities are derecognised when, and only when, they are extinguished.

### Classification and measurement of financial instruments

Financial assets are classified as follows:

- The asset is held to collect cash flows from payments of principal and interest (hold to collect business model). Nykredit carries out continuous SPPI (solely payments of principal and interest) tests, and given that the characteristics of an asset meet the test criteria, the asset will be measured at amortised cost after initial recognition.
- The asset is held to collect cash flows from payments of principal and interest and sell the asset (hold to collect and sell business model). Given that the asset meets these criteria, it is measured at fair value with changes in value recognised through other comprehensive income with reclassification to the income statement on realisation of the assets. Nykredit had no financial instruments in this category in 2023 and 2024.

- Other financial assets are measured at fair value through profit or loss. These include assets managed on a fair value basis or held in the trading book, or assets which have contractual cash flows that are not solely payments of principal and interest on the amount outstanding, including derivative financial instruments. It is also possible to measure financial assets at fair value with value adjustment through profit or loss, when such measurement significantly reduces or eliminates an accounting mismatch that would otherwise have occurred on measurement of assets and liabilities or recognition of losses and gains on different bases.

The Group's financial assets and business models are continuously reviewed (SPPI test) to ensure correct classification thereof. The review includes an assessment of whether collecting cash flows is a significant element of holding the assets, including whether the cash flows represent solely payments of principal and interest.

This assessment is based on the assumption that ordinary rights to prepay loans and/or extend loan terms fulfil the condition that the cash flows are based on collection of interest and principal payments, or that deviation therefrom is immaterial.

Generally, financial liabilities are measured at amortised cost after initial recognition. Financial liabilities may also be measured at fair value if the instrument is part of an investment strategy or a risk management system based on fair values and is continuously stated at fair value in the reporting to Management, and when measurement at fair value reduces or eliminates an accounting mismatch. Derivative financial instruments, which are liabilities, are always measured at fair value, however.

# Notes

Nykredit Realkredit Group

## **Loans, advances and receivables as well as financial liabilities at amortised cost**

Receivables from and payables to credit institutions and central banks, the Group's bank lending, certain bond portfolios, corporate bonds in issue, a part of the senior debt in issue and subordinated debt as well as deposits and other payables are included in this category.

These instruments are measured at fair value on initial recognition inclusive or exclusive of transaction costs directly attributable to the acquisition and subsequently at amortised cost. For loans, advances and receivables as well as bonds, amortised cost equals cost less principal payments, impairment provisions for losses and other accounting adjustments, including amortisation of any fees and transaction costs that form part of the effective interest of the instruments. For liabilities, amortised cost equals the capitalised value using the effective interest method. Using this method, transaction costs are distributed over the life of the asset or liability.

## **Financial assets and liabilities measured at fair value through profit or loss**

Mortgage loans are measured at fair value through profit or loss. The same applies to the financial liabilities that are issued for the purpose of funding these loans, ie covered bonds (ROs and SDOs) and senior secured debt.

Generally, mortgage loans are not transferred during maturity, and the business model is based on holding the portfolio in order to collect the cash flows. Mortgage loans and their inherent liabilities are, however, measured at fair value through profit or loss.

This is in part a consequence of customers having the option to prepay mortgage loans at a price corresponding to the official fair value of the bonds funding the loans. As fluctuations in the fair value of the bonds are caused by other factors than just interest rate trends and the prepayment option, loans and advances fail the SPPI test and must therefore be classified at fair value and adjusted through profit or loss. To avoid accounting mismatch, the underlying bonds are also measured at fair value.

Nykredit Bank A/S offers customers the opportunity to deposit funds in special deposit accounts ("Deposits in pooled schemes"). The Bank subsequently invests the funds in financial instruments (assets). Returns on these investments accrue to the customers. Pooled schemes are not part of a business model whose objective is to hold assets to collect cash flows representing payments of principal and interest. The assets are therefore measured at fair value through profit or loss. The same applies to measurement of related financial liabilities to prevent an accounting mismatch. The returns (positive as well as negative) are recognised in "Value adjustments" in the income statement.

The Group's equity portfolio and part of the bond portfolio are measured at fair value through profit or loss. The business model behind the bond portfolio is not intrinsically based on collecting cash flows from payments of principal and interest but is based on, for example, short-term trading activity and investments focused on cost minimisation, where contractual cash flows do not constitute a central element but follow solely from the investment.

Please also refer to "Fair value disclosures" in note 52, which contains a review of the most important valuation principles.

Realised and unrealised gains and losses arising from changes in the fair value are recognised in "Value adjustments" through profit or loss for the period in which they arose. Value adjustment of mortgage loans attributable to credit risk is recognised in "Impairment charges for loans, advances and receivables etc" together with other provisions for loan impairment and guarantees.

## **Impairment charges for loans, advances and receivables**

Impairments corresponding to expected credit losses are based on a classification of the individual loans in stages, reflecting the changes in credit risk since initial recognition.

- Stage 1 covers loans, advances and receivables etc measured at amortised cost without significant increase in credit risk since initial recognition. For this category, impairment provisions are made on initial recognition corresponding to the expected credit losses due to default in the first 12 months.

For loans and advances measured at fair value, initial impairment is assumed to be almost nil, as the value of the loan at the time of recognition is based on fair value in accordance with IFRS 13. Subsequently, impairments will be increased equal to 12-month expected credit losses based on analysis of the distribution of credit losses throughout the life of the loan.

If there is an insignificant change in credit risk, the impairment provisions will be adjusted but the exposure will be kept at stage 1.

- Stage 2 covers loans and advances etc with significant increase in credit risk since initial recognition. For this category, impairment provisions are made corresponding to the expected credit losses over the time-to-maturity.
- Stage 3 covers loans and advances that are credit impaired, and which have been subject to individual provisioning on the specific assumption that the customers will default on their loans. For this category, impairment provisions are also made corresponding to the expected credit losses over the time-to-maturity.

Impairment calculations are based on continuous development of existing methods and models for impairment, taking into account forward-looking information and scenarios.

The definition of default is dictated by a customer's financial position and payment behaviour. An exposure is considered to be in default when a mortgage customer's payment of a significant amount is 75 days past due and at the time when Nykredit Bank sends a third reminder. Both scenarios are shorter than the rule of assumption of 90 days under the accounting rules. Exposures for which individual impairment provisions have been made or a direct loss has been incurred are also considered in default. These exposures are classified in stage 3.

In expected credit loss calculations, the time-to-maturity corresponds at a maximum to the contractual maturity, as adjustments are made for expected prepayments, as required. Nevertheless, for credit-impaired financial assets, the determination of expected losses is based on contractual maturity.

# Notes

Nykredit Realkredit Group

## Stage 1 and stage 2 impairments

Model-based impairment in stages 1 and 2 is based on transformations of PD and LGD values to short term (12 months) or long term (remaining life of the product/cyclicality). The parameters are based on Nykredit's IRB models, and forward-looking information is determined according to the same principles as apply to regulatory capital and stress tests. For a small fraction of portfolios with no IRB parameters, simple methods are used based on appropriate loss ratios.

A key element of the determination of impairment is establishing when a financial asset should be transferred from stage 1 to stage 2. The following principles apply:

- For assets/facilities with 12-month PD <1% at the time of granting: Increased PD for expected time-to-maturity of the financial asset of 100% and an increase in 12-month PD of 0.5 percentage points
- For assets/facilities with 12-month PD >1% at the time of granting: Increased PD for expected time-to-maturity of the financial asset of 100% or an increase in 12-month PD of 2.0 percentage points
- The Group considers that a significant increase in credit risk has occurred no later than when an asset is more than 30 days past due, unless special circumstances apply or the customer's PD is above 5%.
- Customers with PDs less than 0.2% are included in stage 1. These are primarily very secure assets with credit ratings corresponding to AAA. In Nykredit's portfolio this could be large listed companies or companies covered by government guarantees etc.

In stages 1 and 2, impairments are based on three potential outcomes (scenarios) of a customer's financial situation. In addition to past experience, the models should reflect current conditions and future outlook at the balance sheet date. The inclusion of scenarios must be probability-weighted and unbiased. The macroeconomic scenarios are described in detail in note 56.

## Stage 3 impairment

Individual reviews and risk assessments of significant loans, advances and receivables are performed regularly to determine whether these are impaired.

Stage 3 includes loans and advances etc where observations indicate that the asset is impaired. Most often, this is where

- borrowers are experiencing considerable financial difficulties owing to eg changes in income, capital and wealth, leading to the assumption that they are unable to fulfil their obligations
- borrowers fail to meet their payment obligations or default on an obligation, implying non-performance
- there is an increased probability of a borrower's bankruptcy, or where borrowers are offered more lenient contractual terms (for example, interest rate and loan term) due to deterioration in the borrowers' financial circumstances.

Relative to large stage 3 exposures, credit officers perform an individual assessment of scenarios, costs as well as changes to credit losses etc. Relative to small stage 3 exposures, the credit loss is determined using a portfolio model according to the same principles as are used in an individual assessment.

Furthermore, model-based impairments are subject to a number of management judgements (post-model adjustments) to allow for special risks and uncertainties not deemed to be covered by model-based impairment.

## Differences between stages due to credit improvements

When the criteria for migration between stages due to increased credit risk or credit impairment are no longer present, impairment provisions will be reversed to the initial stages.

From stage 2 to stage 1 this could happen if the change in PD and/or arrears no longer meet the criteria described above. The same applies to impairment provisions in stage 3, which will be transferred to stage 2 after a deferred period of at least three months if the conditions for credit impairment no longer apply.

## Impairment of mortgage lending measured at fair value

IFRS 9 does not comprise provisions governing impairment of mortgage lending measured at fair value. Value adjustment of financial assets measured at fair value is thus subject to IFRS 13 and the Danish Executive Order on Financial Reports.

In accordance with the Danish Executive Order on Financial Reports with guidance notes issued by the Danish Financial Supervisory Authority (Danish FSA), Nykredit Realkredit records impairment of mortgage loans applying the same principles as are used for impairment of loans and advances at amortised cost (see IFRS 9) provided that the impairments are recorded within the framework of IFRS 13.

When calculating impairment of mortgage loans measured at fair value, certain adjustments are made compared with the calculation of impairment of loans measured at amortised cost. However, in the assessment of stage 1 impairment, an analysis of the distribution of credit losses over the loan period is made, and on this basis it is assessed whether interest/administration margin income has been received in the financial period, which is expected to cover any expected credit losses in the following periods. If this is the case, stage 1 impairment of lending measured at fair value is made in the financial period.

## Provisions in general

Impairment provisions for receivables from credit institutions, loans, advances and receivables etc are taken to an allowance account and deducted from the relevant asset items. Similarly, provisions for financial guarantees and unutilised credit commitments are made under liabilities and equity.

Write-offs, changes in loan impairment provisions for the year and provisions for guarantees are charged to the income statement in "Impairment charges for loans, advances and receivables etc".

Where events subsequently occur showing a partial or complete risk of loss, impairment provisions are reversed from the same item as mentioned above.

The Group amortises/depreciates a financial asset when reliable information indicates that the debtor is in severe financial distress and recovery seems unrealistic. Financial assets that have been written off may still be subject to enforcement in accordance with the Group's debt collection procedures, taking into consideration any legal advice where relevant. Recoveries are recognised in profit or loss.



# Notes

Nykredit Realkredit Group

## RECOGNITION, MEASUREMENT AND PRESENTATION IN GENERAL

### Recognition and measurement

Assets and liabilities, which are financial instruments, are recognised when the Group companies become a party to the contractual provisions of the instruments, see "Financial instruments".

Remaining assets are recognised in the balance sheet if it is probable as a result of a previous event that future economic benefits will flow to the Group, and if the value of the asset can be measured reliably.

Remaining liabilities are recognised in the balance sheet if it is probable as a result of a previous event that future economic benefits will flow from the Group, and if the value of the liability can be measured reliably.

Income is recognised in the income statement as earned. Furthermore, value adjustment of financial assets and liabilities measured at fair value or amortised cost is recognised in the income statement for the period in which it arose.

All costs incurred by the Group are recognised in the income statement, including depreciation, amortisation, impairment charges, provisions and reversals as a result of changed accounting estimates of amounts previously recognised in the income statement.

Certain fees relating to financial instruments measured at amortised cost, are recognised (amortised) through profit and loss as the instrument is amortised.

### Leases

*Leases where Nykredit is the lessor* are classified as finance leases when all material risk and returns associated with the title to an asset have been transferred to the lessee.

Receivables from the lessee under finance leases are included in "Loans, advances and other receivables at amortised cost". On initial recognition, receivables under finance leases are measured at an amount equal to the net investment in the lease. Lease payments receivable are recognised in "Interest income" calculated as a return on the lease receivable or as principal of the lease receivable, respectively.

Direct costs of establishment of leases are recognised in the net investment.

*Leases where Nykredit is the lessee* include primarily leases (owner-occupied properties), which are recognised in the balance sheet as right-of-use assets (leasehold premises) as well as liabilities equal to the present value arising from those leases. The leased properties are generally depreciated over their estimated useful lives of 7 years. However, the new domicile, Nykredit Huset, is depreciated over 15 years, equal to the lease term. The lease liability will be reduced by the principal payment, which is determined as the lease payments less the interest portion of the lease liability.

The present value of the liability has been calculated using a discount rate equal to a risk-free swap rate and a Nykredit-specific credit risk charge which matches the loan term.

The calculated interest on the liability is included in the income statement in "Interest expenses", while depreciation/amortisation is included in "Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets". The value of the leased asset is recognised in "Land and buildings", while the liability is included in the liability item "Other liabilities".

*Finance leases where Nykredit is the lessee* primarily include leases entered into by Nykredit Mægler A/S where the leases are sublet on identical terms to the Company's business partners.

Assets included under "Other assets" correspond to future receivable lease payments, whereas the liabilities included under "Other liabilities" correspond to outstanding lease liabilities. The calculation of the assets and liabilities is based on the same principles as applied to operating leases, see above.

Repayments received and repayments paid are offset against the relevant asset and liability, while interest is carried under "Interest income" or "Interest expenses".

### Repo deposits and reverse repurchase lending

Securities sold as part of repo transactions are retained in the appropriate principal balance sheet item, eg "Bonds". The amount received is recognised under payables in "Payables to credit institutions and central banks" or "Deposits and other payables".

Payment for securities acquired as part of reverse repurchase lending is recognised in "Receivables from credit institutions and central banks" or "Loans, advances and other receivables at amortised cost".

Where the Group resells assets received in connection with reverse repurchase lending, and where the Group is obliged to return the instruments, this liability is recognised at fair value and included in "Other non-derivative financial liabilities at fair value".

## INCOME STATEMENT

### Interest income and expenses etc

Interest income comprises interest from interest-bearing items, including interest-bearing financial instruments and administration margin income from mortgage lending measured at fair value, interest concerning tax on account as well as interest from derivative financial instruments. To this should be added interest and interest-like income, interest-like commission received, and other income that forms an integral part of the effective interest of the underlying instruments if they are measured at amortised cost.

Interest income from loans and advances measured at amortised cost for which stage 3 impairment is made is included in "Interest income" at an amount reflecting the effective interest from the impaired value of loans and advances. Any interest income from the underlying loans and advances exceeding this amount is included in "Impairment charges for loans, advances and receivables etc".

Interest expenses comprise all interest-like expenses including adjustment over the life of financial liabilities measured at amortised cost and where the cost differs from the redemption price. Interest expenses also comprise transaction costs etc which are part of the effective interest of the underlying instruments if they are measured at amortised cost.

# Notes

Nykredit Realkredit Group

## Fees and commissions

Fees and commissions comprise income and costs relating to services, including management fees. Fee income relating to services provided on a current basis is accrued over their terms. For accounting purposes, fees, commissions and transaction costs relating to loans, advances and deposits measured at amortised cost are treated as interest if they form an integral part of the effective interest of a financial instrument.

## Other operating income

"Other operating income" comprises operating income not attributable to other income statement items, including contributions from Forenet Kredit.

## Staff and administrative expenses

Staff expenses comprise wages and salaries as well as social security costs, pensions etc. Termination benefits etc are recognised during the vesting period.

## Tax

Tax for the year, consisting of current tax for the year and changes to deferred tax and adjustment of tax for previous years, is recognised in the income statement, unless the tax effect concerns items recognised in "Other comprehensive income". Tax relating to "Other comprehensive income" items is recognised in the same item.

Current tax liabilities and current tax assets are recognised in the balance sheet as tax calculated on taxable income for the year adjusted for tax paid on account. The current tax for the year is calculated on the basis of the tax rates and rules prevailing on the balance sheet date. The Danish tax of the jointly taxed companies is payable in accordance with the scheme for payment of tax on account.

Based on the balance sheet liability method, deferred tax on all temporary differences between the carrying amounts and the tax base of an asset or liability is recognised.

Deferred tax is determined on the basis of the intended use of each asset or the settlement of each liability. Deferred tax is measured using the tax rates expected to apply to temporary differences upon reversal and the tax rules prevailing on the balance sheet date.

Deferred tax assets, including the tax base of any tax loss carryforwards, are recognised in the balance sheet at the value at which they are expected to be realised, either by set-off against deferred tax liabilities or as net tax assets for set-off against tax on future positive taxable income. On each balance sheet date, it is assessed whether it is probable that a deferred tax asset can be used.

The Nykredit Group's companies are jointly taxed with Forenet Kredit. Current corporation tax payable is distributed among the jointly taxed companies relative to their taxable income (full distribution subject to refund for tax losses).

## ASSETS

### Assets and liabilities in pooled schemes

Nykredit Bank A/S offers customers the opportunity to deposit funds in special deposit accounts ("Deposits in pooled schemes"). The Bank subsequently invests the funds in financial instruments. Returns on these investments accrue to the customers.

Legally, the assets belong to Nykredit Bank A/S and are therefore recognised in the balance sheets of the Bank and of the Group. The returns (positive as well as negative) on "Assets in pooled schemes" are recognised in "Value adjustments" in the income statement.

As the returns ultimately accrue to the customers, offsetting value adjustments are made through profit or loss and a corresponding adjustment of the customers' deposit accounts. The value adjustments (net) do not affect profit or loss, and, at the same time, pooled assets and liabilities show identical balance sheet amounts.

### Investments in associates

Investments in associates include enterprises that the Nykredit Realkredit Group does not control, but in which the Group exercises significant influence. Enterprises in which the Group holds between 20% and 50% of the voting rights are generally considered associates. Investments in associates are recognised and measured according to the equity method and are therefore measured at the proportional ownership interest of the enterprises' equity value determined in accordance with the Group's accounting policies less/plus the proportionate share of unrealised intercompany gains and losses plus goodwill. The proportionate share of associates' profit or loss after tax is recognised in the consolidated income statement.

### Intangible assets

#### Goodwill

Goodwill comprises positive balances between the cost of enterprises acquired and the fair value of the net assets of such enterprises at the time of acquisition.

Goodwill is recognised at cost on initial recognition in the balance sheet and subsequently at cost less accumulated impairments. Goodwill is tested for impairment once a year and is written down to the recoverable amount through profit or loss, if this is lower than the carrying amount. The recoverable amount is calculated as the present value of the future net cash flows expected from the cash-generating units to which the goodwill relates. Identification of cash-generating units is based on the management structure and the way the units are managed financially. Goodwill impairment is reported in the income statement and is not reversed. Impairment testing and the assumptions used for testing are described in note 32.

#### Other intangible assets

Fixed-term rights are recognised at cost less accumulated amortisation. Fixed-term rights are amortised on a straight-line basis over their remaining terms. Fixed-term rights lapse after a period of 5-10 years.

Costs relating to development projects are recognised as intangible assets provided that there is sufficient certainty that the value in use of future earnings will cover the development costs.

Capitalised development projects comprise salaries and other costs directly attributable to the Group's development activities. Other development costs are recognised as costs in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation. Capitalised development costs are amortised on completion of the development project on a straight-line basis over the period in which it is expected to generate economic benefits. The amortisation period is 3-5 years.

# Notes

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Customer relationships etc are recognised at cost less accumulated amortisation. Customer relationships are amortised on a straight-line basis over the estimated useful lives of the assets. The amortisation period is 3-7 years.

Other intangible assets are written down to the recoverable amount where evidence of impairment is identified.

## Land and buildings including leased properties

### Owner-occupied properties

Owner-occupied properties are properties which the Group uses for administration, sales and customer contact centres or for other service activities.

Owner-occupied properties where Nykredit acts as lessee are described under "Leases".

On acquisition, owner-occupied properties are recognised at cost and subsequently measured at a reassessed value, equal to the fair value at the revaluation date less subsequent accumulated depreciation and impairment charges. Revaluations are made annually to prevent the carrying amounts from differing significantly from the values determined using the fair value on the balance sheet date. Please also refer to note 33.

Positive value adjustments less deferred tax are added to revaluation reserves under equity via "Other comprehensive income". Impairment charges offsetting former revaluation of the same property are deducted from revaluation reserves via "Other comprehensive income", while other impairment charges are recognised through profit or loss.

When the asset is ready for its intended use, it is depreciated on a straight-line basis over the estimated useful life of 10-50 years, allowing for the expected scrap value at the expiry of the expected useful life. Land is not depreciated.

On divestment of revalued assets, revaluation amounts contained in the revaluation reserves are transferred to "Retained earnings" under equity without recognition in the income statement.

## Other property, plant and equipment

### Equipment

Equipment is measured at cost less accumulated depreciation and impairment charges. Cost includes the purchase price and costs directly related to the acquisition up to the time when the assets are ready for their intended use.

Depreciation is made on a straight-line basis over the estimated useful lives of:

- Computer equipment and machinery etc up to five years
- Fixtures, equipment and cars up to five years
- Leasehold improvements; maximum term of the lease is 15 years.

The assets' residual values and useful lives are reviewed at each balance sheet date. The carrying amount of an asset is written down to the recoverable amount if the carrying amount of the asset exceeds the estimated recoverable amount.

Gains and losses on the divestment of property, plant and equipment are recognised in "Other operating income" or "Other operating expenses".

## Assets in temporary possession

Assets in temporary possession include property, plant and equipment or groups thereof as well as investments in subsidiaries and associates in respect of which:

- the Group's possession is temporary only
- a sale is intended in the short term, and
- a sale is highly likely.

Liabilities directly attributable to the assets concerned are presented as liabilities relating to assets in temporary possession in the balance sheet.

Assets in temporary possession are measured at the lower of the carrying amount at the time of classification as assets in temporary possession and the fair value less selling costs. Assets are not depreciated or amortised once classified as assets in temporary possession.

Impairment arising on initial classification as assets in temporary possession and gains and losses on subsequent measurement at the lower of the carrying amount and the fair value less selling costs are recognised in "Impairment charges for loans, advances and receivables etc" in the income statement.

## LIABILITIES AND EQUITY

### Payables

Payables relating to financial instruments are described in "Financial instruments" to which reference is made.

### Provisions

Provisions are recognised where, as a result of an event having occurred on or before the balance sheet date, the Group has a legal or constructive obligation which can be measured reliably, and where it is probable that economic benefits must be given up to settle the obligation. Provisions are measured at Management's best estimate of the amount considered necessary to honour the obligation.

### Provisions for pensions and similar obligations

The Group has entered into pension agreements with the majority of its staff. The agreements may be divided into two main types of plans:

- Defined contribution pension plans
- Defined benefit plans.

These are described in detail in note 45.

### Repayable reserves in pre-1972 series

Repayable reserves include reserves in pre-1972 series repayable after full or partial redemption of mortgage loans in compliance with the articles of association of the series concerned.

### Subordinated debt

Subordinated debt consists of financial liabilities in the form of subordinate loan capital and Additional Tier 1 capital which, in case of voluntary or compulsory liquidation, will not be repaid until the claims of ordinary creditors have been met. Subordinated debt is measured at fair value on initial recognition and subsequently at amortised cost.

# Notes

Nykredit Realkredit Group

## Equity

### Share capital

Shares in issue are classified as equity where there is no legal obligation to transfer cash or other assets to the shareholder.

### Revaluation reserves

Revaluation reserves include positive value adjustment of owner-occupied properties less deferred tax on the value adjustment. Increases in the reassessed value of properties are recognised directly in this item unless the increase cancels out a decrease previously recognised in the income statement. The item is adjusted for any impairment fully or partially cancelling out previously recognised value gains. The item is also adjusted on the sale of properties.

### Series reserves

Series reserves include series reserves where there is no obligation to repay the borrowers.

### Non-distributable reserve fund

Includes a reserve fund in Totalkredit A/S and formerly LR Realkredit A/S (now merged with Nykredit Realkredit A/S) established when former mortgage banks were converted into limited companies. The reserves are non-distributable.

### Retained earnings

Retained earnings comprise reserves which are in principle distributable to the Company's shareholders. However, under the Danish Financial Business Act, distribution is subject to Nykredit's compliance with the capital requirements applying to the Company and the Group.

### Proposed dividend

Dividend expected to be distributed for the year is carried as a separate item in equity. Proposed dividend is recognised as a liability at the time of adoption at the Annual General Meeting (time of declaration).

### Minority interests

Minority interests comprise the share of a subsidiary's equity owned by other parties than the Group companies.

### Additional Tier 1 capital

Perpetual Additional Tier 1 capital with discretionary payment of interest and principal is recognised as equity for accounting purposes. Correspondingly, interest expenses relating to the issue are recorded as dividend for accounting purposes. Interest is deducted from equity at the time of payment.

## CASH FLOW STATEMENT

The consolidated cash flow statement is prepared according to the indirect method based on profit or loss for the year. The consolidated cash flow statement shows cash flows for the year stemming from:

- Operating activities
- Investing activities
- Financing activities.

Operating activities include the Group's principal and other activities which are not part of its investing or financing activities.

Investing activities comprise the purchase and sale of non-current assets and financial investments not included in cash and cash equivalents.

Financing activities comprise subordinated debt raised as well as redeemed, including the sale and purchase of self-issued subordinated debt, and payments to or from shareholders as well as holders of Additional Tier 1 capital.

Furthermore, the cash flow statement shows the changes in the Group's cash and cash equivalents for the year and the Group's cash and cash equivalents at the beginning and end of the year.

## SEGMENT INFORMATION AND PRESENTATION OF FINANCIAL HIGHLIGHTS

Segment information is provided for business areas, and income and assets relating to foreign activities are specified. Apart from activities in Sparinvest SE, Luxembourg, Nykredit has limited business activity outside Denmark.

The income statement format of the financial highlights on page 7 and the business areas in note 5 reflect the internal management reporting. The reclassification in note 6 shows the reconciliation between the presentation in the financial highlights table of the Management Commentary and the presentation in the Consolidated Financial Statements prepared according to the IFRS and includes:

"Net interest income" comprising net administration margin income from mortgage lending as well as interest income from bank lending and deposits. The corresponding item in the income statement includes all interest. "Net fee income" comprising income from mortgage refinancing and mortgage lending, income from bank lending, service fees, provision of guarantees and leasing business etc.

"Wealth management income" comprising asset management and administration fees etc. This item pertains to business with customers conducted through the Group's entities Nykredit Markets, Nykredit Asset Management, Nykredit Portefølje Administration A/S and Sparinvest Holdings S.E., but where income is ascribed to the business areas serving the customers.

"Net interest from capitalisation" comprising the risk-free interest attributable to equity and net interest from subordinated debt etc. Net interest is composed of the interest expenses related to debt, adjusted for the internal liquidity interest.

"Net income relating to customer benefits programmes" comprising discounts etc such as KundeKroner, ErhvervsKroner and MineMål granted to the Group's customers. The amount includes contributions received from Forenet Kredit. The item is included in Group Items to illustrate the earnings of the individual business areas excluding the impact of the Group's customer benefits programmes whilst also presenting the impact on income of the programmes in a separate item.

"Trading, investment portfolio and other income" comprising income from swaps and derivatives transactions currently offered, Nykredit Markets activities, repo deposits and lending, debt capital markets activities as well as other income and expenses not allocated to the business divisions, including income from the sale of real estate.

Business areas are defined on the basis of differences in customer segments and services. Items not allocated to the business areas are included in Group Items. Segment information is provided exclusively at Group level.

# Notes

Nykredit Realkredit Group

## ACCOUNTING POLICIES APPLYING SPECIFICALLY TO THE PARENT NYKREDIT REALKREDIT A/S

The financial statements of the Parent Nykredit Realkredit A/S are prepared in accordance with statutory requirements, including the Danish Financial Business Act and the Danish FSA Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc. (the Danish Executive Order on Financial Reports).

In all material respects, these rules comply with the International Financial Reporting Standards (IFRS Accounting Standards) and the Group's accounting policies as described above.

### Amendments to the Danish Executive Order on Financial Reports and other amendments

Relative to the "Accounting policies" in the Financial Statements for 2023, no amendments to the Danish Executive Order on Financial Reports have been adopted in 2024 which affect our accounting policies.

### Other ordinary income

The item "Other operating expenses" contains a large share of income from administrative services, etc, provided by the Parent to the other Group companies, for which settlement is made on the basis of intercompany agreements.

### Investments in Group enterprises etc

Investments in Group enterprises (subsidiaries) are recognised and measured according to the equity method.

The proportional ownership interest of the equity value of the enterprises less/plus unrealised intercompany gains and losses is recognised in "Investments in Group enterprises" in the Parent's balance sheet. Any positive difference between the total cost of investments in Group enterprises and the fair value of the net assets at the time of acquisition is recognised as goodwill in "Intangible assets" in the balance sheet.

Nykredit Realkredit's share of the enterprises' profit or loss after tax and elimination of unrealised intercompany gains and losses is recognised in the Parent's income statement.

Total net revaluation of investments in Group enterprises is transferred to equity in "Statutory reserves" through the distribution of profit for the year.

### Statutory reserves

The Parent's statutory reserves include value adjustment of investments in subsidiaries and associates (net revaluation according to the equity method). The reserves are reduced by dividend distribution to the Parent and are adjusted for other changes in the equity of subsidiaries and associates. The reserves are non-distributable.

## EUROPEAN SINGLE ELECTRONIC FORMAT

### EU REGULATION

EU Regulation 2019/815 on the European Single Electronic Format (ESEF Regulation) requires companies preparing IFRS financial statements and being issuers of listed securities to make public financial reports approved by the board of directors in the ESEF format. Nykredit Realkredit A/S published its Annual Reports for 2020-2024 in the ESEF format.

Implementation of the ESEF format has not given rise to material changes to the Group's Annual Report and does not affect the Group's accounting policies, see note 1. The ESEF format is a technical format enabling users of financial statements to read financial statements using a browser in Extensible Hypertext Markup Language (XHTML) and to digitally extract information from the financial statements in eXtensible Business Reporting Language (XBRL). In the Financial Statements for 2024, the following items of the Consolidated Financial Statements have iXBRL tags reflecting the ESEF taxonomy, issued by the European Securities and Markets Authority (ESMA):

- Items in income statement and other comprehensive income
  - Items in balance sheet
  - Statement of changes in equity
  - Cash flow statement
  - Notes of the financial statements (block tagging)
- (Notes of the Financial Statements were not tagged in the Annual Report for 2021) pursuant to the Regulation.

The mark-up is made initially based on an assessment of each item's alignment with the ESMA taxonomy, which observes the IASB's IFRS taxonomy, followed by mark-ups relative to the element in the taxonomy most relevant to the presentation and assessment of the individual items.

The requirement to mark up information applies only to items on a consolidated basis and therefore items at Parent level are not marked up.

The Financial Statements are published with the following file name: NYRR-2024-12-31.

## 2. SIGNIFICANT ACCOUNTING ASSESSMENTS

When providing accounting policies, Management makes a number of assessments that may affect the Financial Statements. Significant assessments include:

Assessment of the time of recognition and derecognition of financial instruments and assessment of the business models which form the basis for classification of financial assets, including whether the contractual cash flows of a financial asset represent solely payments of principal and interest.

## 3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Financial Statements involves the use of qualified accounting estimates (post-model adjustments). These estimates and assessments are made by Nykredit Realkredit's Management in accordance with accounting policies and based on past experience and an assessment of future conditions. The principles of using accounting estimates are unchanged relative to 2023.

Accounting estimates are tested and assessed regularly. The estimates and assessments applied are based on assumptions which Management considers reasonable and realistic, but which are inherently uncertain and unpredictable.

In addition to the assessment of the usual risks arising from operations and legislation, a special assessment has been made of sustainability-related risks (current or future risks related to environmental, social and governance factors) (ESG) and their impact on the Financial Statements.

# Notes

## Nykredit Realkredit Group

Nykredit has reviewed the Group's tangible and intangible assets without identifying potential risks that could affect the financial reporting for 2024. In this connection, it should be noted that the balance sheet value is relatively limited and that the Group, in all material respects, is the lessee of the properties from which Nykredit operates. If the domiciles are impacted by sudden environmental effects (flooding, etc), it has also been assessed that operations can be normalised relatively quickly, eg via remote work, and that any operating loss will be limited. Furthermore, IT operations are not believed to be materially impacted.

There are no immediate indications that the Financial Statements will be materially impacted by effects that are attributable to social or governance-related factors. Likewise, no conditions have been identified that require the Group to make special provisions for ESG-related obligations etc, eg environmental restoration or the closure of business locations and/or activities. The reason for this is partly that the Group's business model does not include its own operating activities that have a negative impact on the environment, etc.

On the basis of the review, it has been assessed that primarily negative effects from the lending side will affect the Financial Statements. This is due to the fact that a number of the Group's customers are expected to be negatively affected by climate-related effects in the form of eg flooding, new taxes and regulatory changes that could affect the security of Nykredit's mortgages on properties etc, as well as the customers' current business models and profitability and thus credit quality. Provisions related to ESG amounted to DKK 1.3 billion. Reference is made to Sustainability etc in the Management Commentary.

Areas implying a high degree of assessment or complexity or areas in which assumptions and estimates are material to the Financial Statements are:

### Valuation of assets and liabilities measured at fair value

Valuation of financial assets and liabilities measured at fair value is based on officially listed prices.

For financial instruments for which no listed prices in an active market or observable data are available, the valuation implies the use of significant estimates and assessments in connection with the choice of credit spread, maturity and extrapolation etc of each instrument. At year-end, no particular challenges had been established in connection with the identification and obtaining of the usual market data.

Particularly, the fair value measurement of unlisted derivative financial instruments involves significant estimates and assessments in connection with the choice of calculation methods and valuation and estimation techniques.

Note 52 specifies the methods applied to determine the carrying amounts and the specific uncertainties related to the fair value measurement of financial instruments.

The fair value of unlisted derivative financial instruments (assets) was 0.4% of the Group's assets at end-2024 (0.4% at end-2023).

The fair value of financial assets and liabilities, measured on the basis of level 2 or level 3 inputs of the fair value hierarchy, was 86.4% and 0.2%, respectively, of the Group's balance sheet total at end-2024 for financial assets (end-2023: 86.1% and 0.3%), and 1.2% and 0.0%, respectively, for financial liabilities (end-2023: 1.2% and 0.0%).

The fair value of financial instruments for which no listed prices in an active market are available accounted for 86.4% of the Group's assets at end-2024 (end-2023: 86.3%).

### Measurement of loans and advances etc – impairments

12-month expected credit losses are initially recognised for loans and advances measured at amortised cost. The determination of such losses and the following years' developments in the credit quality of customers are to some extent based on a number of estimates. The same applies to the determination of loss, including the expected value of collateral security received, payments from customers and dividend in liquidation from estates in bankruptcy. Finally, the determination of the period in which the cash flows are received involves significant estimates.

In addition to the impairment models' calculations of impairment levels across stages, estimates are used to cover risks and conditions not yet incorporated into the models. The estimates are forward-looking and may either lead to adjustments in the models, for example, targeted at customers in selected sectors (in-model adjustments) or more broad-based management judgements subsequently distributed on customer and credit facility level (post-model adjustments). The latter is based on significant methodology choice and estimated assumptions.

At year-end, the post-model adjustments represented DKK 2,854 million. The estimates are adjusted and evaluated on a regular basis.

The calculations and estimates are based on rationales and expectations rooted in internal and external assessments. Internal assessments could be analyses of sector conditions, model back testing, macroeconomic outlook or internal process-related circumstances. External assessments could be based on analyses and inspections by Danmarks Nationalbank and the Danish FSA, respectively.

Reference is made to note 56, which further describes impairment methodology, including the use of scenarios.

The estimates are assessed quarterly by Nykredit's senior management, who review the basis and rationale of the estimates. The estimates are updated on a quarterly basis and are subject to internal controls.

The most relevant areas in which management judgement is applied are described below. The methodology is presented to show how the provisions are allocated.



# Notes

Nykredit Realkredit Group

## **Agriculture**

Milk, pork and plant producers are considered to be subject to a number of risks that are not yet reflected in customer ratings and impairments. The risks considered are the spread of swine fever and bluetongue virus, the price of piglets, the terms of trade between sales prices and the cost of feed etc, environmental requirements and trading barriers, as well as the effect of rising interest rates.

Calculation and choice of methodology: Calculations are based on an estimate of the potential effects of the individual risks on agricultural customers' ratings and also an estimated probability rate that this risk will occur.

Impairments are distributed on agricultural customers in stages 1 and 2.

## **Geopolitical conditions and macroeconomic uncertainty**

The geopolitical conditions and the global economies are challenged by, for instance, the war in Ukraine and volatile financial markets. These conditions are expected to affect the credit quality of some customers as a result of lower economic growth, increasing interest rates, impact on house prices, inflation and disruptions of value and supply chains.

Provisions related to macroeconomic uncertainty are based on stress test calculations of three factors. Firstly, stress simulations have been performed for stage 1 and stage 2 personal and business customers. We expect a drop in personal customers' discretionary incomes as a consequence of high inflation and rising interest rates. Secondly, business customers in the construction, retail, wholesale, commercial rental, production and manufacturing sectors are also expected to be affected due to inflation, scarcity of goods and rising interest rates. Thirdly, the property values of stage 3 customers have been stressed to simulate a reduction in collateral values.

Management overlay is distributed on personal and business customers across all stages.

## **Concentration risks**

It is assessed that customers and some portfolios with potentially elevated credit risk have not yet been identified. These are homogeneous portfolios with significant lending. Such provisions are taken to counter significant new impairment charges for customers not currently written down for impairment in case of material changes in the customer's performance and/or the valuation of collateral.

Determination and choice of methodology: Results from the controlling reports are applied, and provisions for portfolios assessed to be relevant are scaled up.

These are distributed on business customers in stages 1 and 2.

## **Process-related risk (data)**

Analyses and findings based on impairment model back testing, credit controlling and updated risk outlook from Danmarks Nationalbank are quantified.

Calculation and choice of methodology: Parameters are regularly back tested in Nykredit's impairment models. Any need for additional impairment provisions is recognised. Asset prices and interest rates etc are monitored regularly. Anomalies in the development could lead to management judgement in order to reduce any disproportionate effects.

This applies to the Nykredit Group's entire portfolio.

## **ESG**

Physical and transition risks related to ESG will challenge Nykredit's business models in certain sectors and areas. At the same time, legislative measures may have a large impact on Nykredit's loan portfolio.

On balance, the value of certain assets is expected to decrease.

Government efforts towards the green transition of heavy transport, new carbon taxes and new energy efficiency directives have been intensified, and new bills have been tabled. Conditions will further challenge customers' business models and increase expected credit losses. Provisions related to ESG totalled DKK 1.3 billion at end-2024 (end-2023: DKK 0.7 billion).

The provisions are based on a post-model adjustment (management judgement) to cover the loss expected beyond the outcome derived on the basis of model-based impairments.

## **Model changes**

Impact calculations are made for future changes to credit risk models. Any significant model-driven changes may imply additional impairment provisions.

Coming changes to credit risk models are recalculated and quantified. Any need for additional impairment provisions is recognised as a management judgement.

This applies to the Nykredit Realkredit Group's entire portfolio.

## **Other factors**

Other factors include results of controlling and general regular controls. Regular controls and spot checks in Nykredit Bank A/S, Nykredit Realkredit A/S and To-talkredit A/S, respectively, suggest that there could be factors which have not yet been registered in the credit risk management.

Determination and choice of methodology: Credit Controlling reports and analyses are scaled up for the entire portfolio.

This is distributed on customers in stages 1 and 2.

# Notes

		DKK million		
Nykredit Realkredit A/S		Nykredit Realkredit Group		
2023	2024	2024	2023	
<b>4. CAPITAL AND CAPITAL ADEQUACY</b>				
100,893	104,821	Equity for accounting purposes	104,984	101,006
-	-	Minority interests not included	(163)	(112)
(3,759)	(3,763)	Carrying amount of Additional Tier 1 capital recognised in equity	(3,763)	(3,759)
<b>97,134</b>	<b>101,058</b>	<b>Equity excluding Additional Tier 1 capital and minority interests</b>	<b>101,058</b>	<b>97,134</b>
(5,400)	-	Proposed dividend	-	(5,400)
(36)	(39)	Prudent valuation adjustment	(77)	(83)
-	-	Minority interests	79	54
(306)	(327)	Intangible assets excluding deferred tax liabilities	(2,158)	(2,154)
(270)	(282)	Other regulatory adjustments	(282)	(270)
(322)	(620)	Deduction for non-performing exposures	(1,133)	(639)
<b>(6,333)</b>	<b>(1,269)</b>	<b>Common Equity Tier 1 regulatory deductions</b>	<b>(3,572)</b>	<b>(8,491)</b>
<b>90,801</b>	<b>99,789</b>	<b>Common Equity Tier 1 capital</b>	<b>97,486</b>	<b>88,643</b>
3,652	3,656	Additional Tier 1 capital	3,667	3,660
-	-	Additional Tier 1 regulatory deductions	(2)	(9)
<b>3,652</b>	<b>3,656</b>	<b>Total Additional Tier 1 capital after regulatory deductions</b>	<b>3,665</b>	<b>3,651</b>
<b>94,452</b>	<b>103,445</b>	<b>Tier 1 capital</b>	<b>101,151</b>	<b>92,294</b>
10,665	10,215	Tier 2 capital	10,231	10,676
<b>105,117</b>	<b>113,660</b>	<b>Own funds</b>	<b>111,382</b>	<b>102,970</b>
548,820	591,574	Credit risk	413,711	374,429
12,976	10,693	Market risk	26,415	27,981
14,032	15,118	Operational risk	34,469	30,944
<b>575,829</b>	<b>617,386</b>	<b>Total risk exposure amount</b>	<b>474,595</b>	<b>433,354</b>
<b>Financial ratios</b>				
15.7	16.1	Common Equity Tier 1 capital ratio, %	20.5	20.4
16.4	16.7	Tier 1 capital ratio, %	21.3	21.2
18.2	18.4	Total capital ratio, %	23.4	23.7

Capital and capital adequacy have been determined in accordance with the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD) of the European Parliament and of the Council as incorporated into Danish legislation.

Nykredit has been designated as a systemically important financial institution (SIFI) by the Danish authorities. As a result, a special SIFI CET1 capital buffer requirement of 2% applies to the Nykredit Realkredit Group. To this should be added the permanent buffer requirement of 2.5% in Denmark which must also be met using Common Equity Tier 1 capital. The countercyclical capital buffer is currently at 2.5% and consequently fully phased in. Moreover, upon recommendation from the Danish Systemic Risk Council, as at 30 June 2024 the Danish government has activated a sector-specific systemic risk buffer requirement of 7% of exposures to property companies in Denmark to be fulfilled using CET1 capital.

# Notes

Nykredit Realkredit Group

## 4. CAPITAL AND CAPITAL ADEQUACY (CONTINUED)

Pursuant to the Danish Financial Business Act, the Board of Directors and the Executive Board must ensure that Nykredit has sufficient funds and accordingly determine the required level of own funds. The required own funds are the minimum capital required, in Management's judgement, to cover all significant risks.

The determination takes into account the business objectives and capital policy targets by allocating capital for all relevant risks, including calculation uncertainties. The Boards of Directors of Nykredit's individual companies determine at least annually the required own funds and internal capital adequacy requirement (ICAAP result) of their respective companies.

### Stress tests and capital projection

Nykredit applies a number of model-based stress tests and capital projections to determine the required own funds in different macroeconomic scenarios. The results are applied at both Group and company level and are included in the annual assessment by the individual Boards of Directors of the internal capital adequacy requirement as well as in the regular capital planning. The stress tests are not the only element of the determination of the capital requirements, but they form part of an overall assessment along with the company's capital policy, risk profile and capital structure.

The stress test calculations include the macroeconomic factors of greatest importance historically to Nykredit's customers. The most important macroeconomic factors identified are:

- Property prices
- Interest rates
- Unemployment
- GDP growth

The capital requirement for credit risk builds primarily on correlations between the macroeconomic factors, the Probability of Default (PD) and Loss Given Default (LGD). These correlations are an essential component of Nykredit's capital projection model.

### Nykredit Realkredit Group

#### Stress scenarios for determination of capital requirement

	2024 <sup>2</sup>	2025	2026	2027
<b>Baseline scenario</b>				
Property prices, growth	3.9%	4.1%	4.2%	4.2%
Interest rates <sup>1</sup>	2.9%	2.1%	2.0%	2.0%
Unemployment	5.1%	5.1%	5.2%	5.3%
GDP growth	2.3%	1.5%	1.3%	1.1%
<b>Severe recession</b>				
<b>(scenario applied for capital policy)</b>				
Property prices, growth	3.9%	(5.0)%	(15.0)%	(2.0)%
Interest rates <sup>1</sup>	2.9%	2.3%	2.0%	1.7%
Unemployment	5.1%	7.6%	8.8%	9.4%
GDP growth	2.3%	(1.0)%	(3.0)%	(1.0)%

<sup>1</sup> Average of 3-month money market rates and 10-year government bond yields.

<sup>2</sup> 2024 figures are forecast.

Nykredit applies a wide range of macroeconomic scenarios taken from its catalogue of scenarios, including a baseline scenario and stress scenarios of varying severity, ranging from a weaker economic climate to a severe recession. Other relevant scenarios from external parties such as the Danish FSA or Danmarks Nationalbank, current risk scenarios or company-specific scenarios for Nykredit Bank and Totalkredit are also considered.

### Baseline scenario

This scenario is a neutral projection of the Danish economy based on Nykredit's assessment of the current economic climate.

### Stress scenario: Severe recession

Nykredit's capital policy aims at ensuring a robust capital level, also in the long term and in a severe recession. Nykredit continually assesses the impact of severe recession combined with rising or declining interest rates. This stress scenario reflects an exceptional, but plausible, macroeconomic stress scenario. The calculations are factored into the current assessments of capital policy targets.

### Other stress scenarios

As part of the Group's capital policy, in addition to calculating its own stress scenarios, Nykredit also assesses the stress scenarios prepared by the Danish FSA. The results are compared regularly.

Nykredit participated in the EU-wide stress test exercises of the European Banking Authority (EBA) in 2023 and will do so again in 2025. The stress test in 2023 showed that Nykredit can withstand an even very severe macroeconomic downturn where large property price declines have a significant adverse impact on both personal and business lending. The most recent results confirmed Nykredit's strong capital position under the current capital requirements.

The Boards of Directors will reassess the Group's capital need in case of major unexpected events. The determination by the Boards of Directors of the capital needs of the individual Group companies is based on a number of stress tests as well as an assessment of the companies' business model, risk profile and capital structure.

Furthermore, the Board Risk Committee and the Group Risk Committee closely monitor developments in the capital needs of the individual Group companies and are briefed at least quarterly. The Asset/Liability Committee monitors and coordinates the capital, funding and liquidity of the Group and the individual Group companies. The report Risk and Capital Management 2024, available at [nykredit.com/reports](https://nykredit.com/reports), contains a detailed description of the determination of required own funds and internal capital adequacy requirement of Nykredit as well as all Group companies. The report is not audited.

# Notes

DKK million

Nykredit Realkredit Group

## 5. BUSINESS AREAS

The business areas reflect Nykredit's organisation and internal reporting. Banking includes: Retail, which serves personal customers and SMEs (small and medium-sized enterprises). It also includes Corporates & Institutions, comprising activities with corporate and institutional clients, securities trading and derivatives trading. Wealth Management comprises wealth and asset management activities. Please refer to the Management Commentary.

	Personal Banking	Business Banking	Total Retail	Corporates & Institutions	Total Banking	Totalcredit Partners	Wealth Management	Group Items	Total
<b>RESULTS 2024</b>									
<b>RESULTS BY BUSINESS AREA</b>									
Net interest income	2,478	3,181	5,658	2,813	8,471	3,113	408	26	12,018
Net fee income	582	566	1,148	767	1,915	807	44	(23)	2,744
Wealth management income	541	140	681	200	881	-	1,766	32	2,678
Net interest from capitalisation	192	557	749	689	1,438	572	49	424	2,483
Net income relating to customer benefits programmes <sup>1</sup>	-	(0)	(0)	-	(0)	-	-	(580)	(580)
Trading, investment portfolio and other income	43	86	129	312	441	(12)	45	1,616	2,089
<b>Income</b>	<b>3,836</b>	<b>4,529</b>	<b>8,365</b>	<b>4,781</b>	<b>13,146</b>	<b>4,480</b>	<b>2,312</b>	<b>1,494</b>	<b>21,432</b>
Costs	2,514	1,307	3,821	857	4,678	868	1,106	305	6,958
<b>Business profit before impairment charges</b>	<b>1,322</b>	<b>3,222</b>	<b>4,545</b>	<b>3,923</b>	<b>8,468</b>	<b>3,612</b>	<b>1,206</b>	<b>1,189</b>	<b>14,475</b>
Impairment charges for loans and advances	(511)	(33)	(543)	175	(369)	149	(16)	(13)	(248)
<b>Business profit</b>	<b>1,833</b>	<b>3,255</b>	<b>5,088</b>	<b>3,749</b>	<b>8,837</b>	<b>3,463</b>	<b>1,221</b>	<b>1,202</b>	<b>14,723</b>
Legacy derivatives	3	36	39	59	98	-	-	-	98
<b>Profit before tax</b>	<b>1,836</b>	<b>3,291</b>	<b>5,127</b>	<b>3,808</b>	<b>8,934</b>	<b>3,463</b>	<b>1,221</b>	<b>1,202</b>	<b>14,821</b>
Average allocated business capital	8,227	17,515	25,742	22,228	47,970	24,387	1,748	8,971	83,076
Business profit as % of average business capital <sup>2</sup>	22.3	18.6	19.8	16.9	18.4	14.2	69.9	13.4	17.7
<b>BALANCE SHEET</b>									
<b>Assets</b>									
Mortgage loans etc at fair value	156,666	217,856	374,522	311,022	685,544	721,865	17,041	(0)	1,424,450
Reverse repurchase lending	-	-	-	-	-	-	-	44,026	44,026
Loans and advances at amortised cost	15,525	35,096	50,621	47,257	97,879	-	5,618	42	103,539
<b>Assets by business area</b>	<b>172,191</b>	<b>252,953</b>	<b>425,144</b>	<b>358,280</b>	<b>783,423</b>	<b>721,865</b>	<b>22,659</b>	<b>44,069</b>	<b>1,572,015</b>
Unallocated assets									201,023
<b>Total assets</b>									<b>1,773,038</b>
<b>Liabilities and equity</b>									
Repo deposits								3,109	3,109
Bank deposits and other payables at amortised cost	53,160	29,491	82,651	16,736	99,387	-	17,236	4,860	121,483
<b>Liabilities by business area</b>	<b>53,160</b>	<b>29,491</b>	<b>82,651</b>	<b>16,736</b>	<b>99,387</b>	<b>-</b>	<b>17,236</b>	<b>7,968</b>	<b>124,592</b>
Unallocated liabilities									1,543,462
Equity									104,984
<b>Total liabilities and equity</b>									<b>1,773,038</b>

<sup>1</sup> The item comprises contributions and discounts relating to Nykredit's benefits programmes, see "Alternative performance measures".

<sup>2</sup> In the determination of "Business profit as % of average business capital", the business profit corresponds to profit for accounting purposes less interest expenses for Additional Tier 1 capital.

All income, costs, impairment and capital usage follow the customer and are recognised under the business areas which are primarily responsible for the customer. In some instances, they are initially recognised in a product owner unit but are subsequently allocated to the business areas primarily responsible for the customer. The funds transfer pricing charge with respect to business areas for providing funding (corresponding to their capital usage) to the Group Treasury is based on an internal funding rate. The own portfolio is managed by units included in the business area "Group Items".

### Geographical markets

Income from international lending came to DKK 157 million (2023: DKK 150 million). The international loan portfolio totalled DKK 8 billion at end-2024 (2023: DKK 9 billion). The international loan portfolio comprises loans and advances in Sweden, Spain, France and Germany.

# Notes

DKK million

Nykredit Realkredit Group

## 5. BUSINESS AREAS (CONTINUED)

	Personal Banking	Business Banking	Total Retail	Corporates & Institutions	Total Banking	Totalkredit Partners	Wealth Management	Group Items	Total
<b>RESULTS 2023</b>									
<b>Results by business area</b>									
Net interest income	2,761	3,233	5,994	2,714	8,707	3,114	498	(14)	12,305
Net fee income	699	499	1,198	730	1,929	828	44	(11)	2,789
Wealth management income	458	121	579	161	740	-	1,595	33	2,368
Net interest from capitalisation	137	363	500	432	932	379	39	369	1,719
Net income relating to customer benefits programmes <sup>1</sup>	-	(0)	(0)	-	(0)	-	-	(404)	(404)
Trading, investment portfolio and other income	38	88	125	431	556	(8)	40	1,036	1,625
<b>Income</b>	<b>4,092</b>	<b>4,303</b>	<b>8,396</b>	<b>4,469</b>	<b>12,865</b>	<b>4,313</b>	<b>2,215</b>	<b>1,009</b>	<b>20,401</b>
Costs	2,365	1,307	3,672	807	4,480	853	1,018	204	6,554
<b>Business profit before impairment charges</b>	<b>1,727</b>	<b>2,996</b>	<b>4,723</b>	<b>3,662</b>	<b>8,385</b>	<b>3,460</b>	<b>1,197</b>	<b>805</b>	<b>13,847</b>
Impairment charges for loans and advances	(146)	(159)	(305)	15	(290)	86	12	15	(177)
<b>Business profit</b>	<b>1,873</b>	<b>3,155</b>	<b>5,028</b>	<b>3,647</b>	<b>8,675</b>	<b>3,374</b>	<b>1,185</b>	<b>790</b>	<b>14,024</b>
Legacy derivatives	4	29	33	26	59	-	(0)	-	59
<b>Profit before tax</b>	<b>1,877</b>	<b>3,184</b>	<b>5,061</b>	<b>3,673</b>	<b>8,734</b>	<b>3,374</b>	<b>1,185</b>	<b>790</b>	<b>14,083</b>
Average allocated business capital	6,375	14,286	20,662	17,337	37,999	19,729	1,462	8,010	67,200
Business profit as % of average business capital <sup>2</sup>	29.4	22.1	24.3	21.0	22.8	17.1	81.1		20.9

## BALANCE SHEET

### Assets

Mortgage loans etc at fair value	154,671	209,054	363,724	289,187	652,912	686,944	15,131	-	1,354,987
Reverse repurchase lending								33,965	33,965
Loans and advances at amortised cost	13,961	31,465	45,427	42,591	88,017	-	5,843	515	94,375
<b>Assets by business area</b>	<b>168,632</b>	<b>240,519</b>	<b>409,151</b>	<b>331,778</b>	<b>740,929</b>	<b>686,944</b>	<b>20,973</b>	<b>34,480</b>	<b>1,483,327</b>
Unallocated assets									198,278

### Total assets

1,681,605

### Liabilities and equity

Repo deposits								5,618	5,618
Bank deposits and other payables at amortised cost	48,160	27,947	76,107	17,810	93,917	-	17,655	2,762	114,333
<b>Liabilities by business area</b>	<b>48,160</b>	<b>27,947</b>	<b>76,107</b>	<b>17,810</b>	<b>93,917</b>	<b>-</b>	<b>17,655</b>	<b>8,379</b>	<b>119,951</b>

Unallocated liabilities 1,460,648

Equity 101,006

### Total liabilities and equity

1,681,605

<sup>1</sup> The item comprises contributions and discounts relating to Nykredit's benefits programmes, see "Alternative performance measures".

<sup>2</sup> In the determination of "Business profit as % of average business capital", the business profit corresponds to profit for accounting purposes less interest expenses for Additional Tier 1 capital.

# Notes

DKK million

Nykredit Realkredit Group

## 6. RECONCILIATION OF INTERNAL AND REGULATORY INCOME STATEMENT

	2024			2023		
	Earnings presentation in Management Commentary	Reclassification	Income statement	Earnings presentation in Management Commentary	Reclassification	Income statement
Net interest income	12,018	3,167	15,185	12,305	3,431	15,736
Dividend on equities etc		528	528		237	237
Fee and commission income, net	2,744	(2,439)	305	2,789	(2,655)	134
<b>Net interest and fee income</b>		<b>1,257</b>	<b>16,019</b>		<b>1,013</b>	<b>16,107</b>
Wealth management income	2,678	(2,678)	-	2,368	(2,368)	-
Net interest from capitalisation	2,483	(2,483)	-	1,719	(1,719)	-
Net income relating to customer benefits programmes	(580)	580	-	(404)	404	-
Trading, investment portfolio and other income	2,089	(2,089)	-	1,625	(1,625)	-
Value adjustments		3,669	3,669		2,856	2,856
Other operating income		1,836	1,836		1,492	1,492
<b>Income</b>	<b>21,432</b>			<b>20,401</b>		
Costs	6,958	-	6,958	6,554	-	6,554
<b>Business profit before impairment charges</b>	<b>14,475</b>			<b>13,847</b>		
Impairment charges for loans and advances etc	(248)	-	(248)	(177)	-	(177)
Profit from investments in associates and Group enterprises		5	5		6	6
<b>Business profit</b>	<b>14,723</b>			<b>14,024</b>		
Legacy derivatives	98	(98)	-	59	(59)	-
<b>Profit before tax</b>	<b>14,821</b>	<b>-</b>	<b>14,821</b>	<b>14,083</b>	<b>-</b>	<b>14,083</b>

Note 6 combines the earnings presentation in the Management Commentary (internal presentation), including the presentation of the financial highlights and the business areas, and the formal income statement of the Financial Statements.

The most important difference is that all income is recognised in three main items in the internal presentation: "Income", including sub-items, and "Legacy derivatives". The sum of these items thus corresponds to "Net interest and fee income", "Value adjustments" and "Other operating income" and "Profit from investments in associates and Group enterprises" in the income statement of the Financial Statements. The column "Reclassification" thus comprises only differences between the internal presentation and the income statement with respect to these items.

"Costs" in the internal presentation corresponds to total costs recognised in the Financial Statements: "Staff and administrative expenses", "Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets" and "Other operating expenses".

"Impairment charges for loans and advances etc" corresponds to the presentation in the income statement.

The internal presentation is based on the same recognition and measurement principles as the IFRS-based Financial Statements. Thus, "profit before tax" is identical.



# Notes

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Nykredit Realkredit Group

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## 6A. IFRS REVENUE

Nykredit's revenue primarily consists of net income recognised in items governed by the accounting standards IFRS 9 "Financial Instruments" and IFRS 16 "Leases". Fees and transaction costs that are integral to the effective interest rate of an instrument are covered by IFRS 9. The same applies to fees relating to financial guarantees.

Revenue recognised according to IFRS 15 partly includes fees from guarantees (see note 11) and other commitments (off-balance sheet items) as well as net revenue from Nykredit Markets, Asset Management and custody transactions, where revenue is recognised pursuant to the contractual provisions of the underlying agreements or price lists. Generally, business activities do not imply contract assets or liabilities for accounting purposes.

Revenue comprised by IFRS 15 mainly relates to:

- Custody fees are based on a percentage of the size of the individual custody account balance and/or fixed fees. Fees are recognised at fixed payment dates in accordance with contractual provisions or price lists.
- Revenue from Nykredit Markets activities comprises trading in financial instruments and is recognised simultaneously with the transaction. Revenue in connection with eg Capital Markets transactions is recognised at the time of delivery of the service and when Nykredit's obligation has been settled.
- Revenue from wealth management activities comprises Nykredit's business within asset and wealth management, including private banking and pension activities. Revenue is recognised as the services are performed and delivered to the customers. Revenue is determined as a percentage of assets under management and administration or in the form of transaction fees.

Revenue from specific custody and Asset Management activities is determined based on the price movements of the underlying contracts, and therefore earnings cannot be finally calculated until at a specified, agreed date, but not later than at the end of the financial year.

Recognition of revenue is not impacted by special conditions which may significantly impact the size thereof or cash flows. Nykredit has no IFRS 15 obligations in the form of buybacks or guarantees etc.

# Notes

DKK million

Nykredit Realkredit Group

## 7. NET INTEREST INCOME ETC AND VALUE ADJUSTMENTS

2024	Interest income	Interest expenses	Net interest income	Dividend on equities	Value adjustments	Total
<b>Financial portfolios at amortised cost</b>						
Receivables from and payables to credit institutions and central banks	898	231	667	-	-	667
Lending and deposits	5,609	2,565	3,043	-	1	3,045
Repo transactions and reverse repurchase lending	1,779	587	1,192	-	-	1,192
Bonds	6	-	6	-	-	6
Subordinated debt	-	466	(466)	-	-	(466)
Other financial instruments	227	103	125	-	-	125
<b>Total</b>	<b>8,519</b>	<b>3,952</b>	<b>4,567</b>	<b>-</b>	<b>1</b>	<b>4,568</b>
<b>Financial portfolios at fair value and financial instruments at fair value</b>						
Mortgage loans and bonds in issue	48,898	39,591	9,308	-	(43)	9,265
- of which administration margin income	9,285	-	9,285	-	-	9,285
Bonds	2,803	-	2,803	-	2,886	5,689
Equities etc	-	-	-	528	1,236	1,764
Derivative financial instruments	(1,493)	-	(1,493)	-	645	(848)
Other liabilities	-	-	-	-	(1,292)	(1,292)
<b>Total</b>	<b>50,209</b>	<b>39,591</b>	<b>10,618</b>	<b>528</b>	<b>3,431</b>	<b>14,578</b>
Foreign currency translation adjustment					236	236
<b>Net interest income etc and value adjustments</b>	<b>58,728</b>	<b>43,543</b>	<b>15,185</b>	<b>528</b>	<b>3,669</b>	<b>19,382</b>
KundeKroner and ErhvervsKroner discounts for the period, offset against interest income, amounted to	2,015					
<b>2023</b>						
<b>Financial portfolios at amortised cost</b>						
Receivables from and payables to credit institutions and central banks	781	217	565	-	-	565
Lending and deposits	5,176	1,662	3,514	-	(5)	3,509
Repo transactions and reverse repurchase lending	1,415	642	773	-	-	773
Bonds	6	-	6	-	-	6
Subordinated debt	-	454	(454)	-	-	(454)
Other financial instruments	195	74	122	-	-	122
<b>Total</b>	<b>7,574</b>	<b>3,048</b>	<b>4,526</b>	<b>-</b>	<b>(5)</b>	<b>4,521</b>
<b>Financial portfolios at fair value and financial instruments at fair value</b>						
Mortgage loans and bonds in issue <sup>1</sup>	44,694	34,698	9,996	-	(77)	9,919
- of which administration margin income	9,703	-	9,703	-	-	9,703
Bonds	2,644	-	2,644	-	3,689	6,332
Equities etc	-	-	-	237	216	453
Derivative financial instruments	(1,430)	-	(1,430)	-	1,133	(297)
Other liabilities	-	-	-	-	(2,235)	(2,235)
<b>Total</b>	<b>45,908</b>	<b>34,698</b>	<b>11,210</b>	<b>237</b>	<b>2,726</b>	<b>14,172</b>
Foreign currency translation adjustment					135	135
<b>Net interest income etc and value adjustments</b>	<b>53,482</b>	<b>37,746</b>	<b>15,736</b>	<b>237</b>	<b>2,856</b>	<b>18,828</b>
Negative interest income	7	7	-			
Positive interest expenses	7	7	-			
<b>Total</b>	<b>53,495</b>	<b>37,759</b>	<b>15,736</b>			
KundeKroner and ErhvervsKroner discounts for the period, offset against interest income, amounted to	1,575					

<sup>1</sup> Recognised at fair value under the fair value option.

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>8. INTEREST INCOME</b>			
1,414	1,582	1,135	994
35,021	39,776	46,764	41,452
3,813	3,831	9,285	9,703
<b>Bonds</b>			
772	781	1,681	1,413
533	686	2,591	2,398
41	88	83	44
546	512	509	535
<b>Derivative financial instruments</b>			
(29)	(5)	61	88
(1,192)	(1,308)	(1,554)	(1,518)
342	453	227	195
<b>41,260</b>	<b>46,395</b>	<b>60,782</b>	<b>55,305</b>
(1,100)	(1,068)	(2,054)	(1,823)
<b>40,160</b>	<b>45,329</b>	<b>58,728</b>	<b>53,482</b>
-	-	7,961	7,321
<b>Of which interest income from reverse repurchase lending entered as:</b>			
144	173	237	213
-	-	1,542	1,202
<b>Of total interest income:</b>			
-	-	96	95
-	-	105	65
-	-	309	277
Interest income accrued on bank loans subject to stage 3 impairment totalled DKK 96 million (2023: DKK 95 million). Nykredit Bank A/S generally does not charge interest on individually impaired loans. Interest income attributable to the impaired part of loans after the first time of impairment is offset against subsequent impairment.			
<b>9. INTEREST EXPENSES</b>			
468	400	570	654
-	-	2,814	1,867
36,095	41,357	41,645	36,521
454	466	466	454
87	159	103	74
<b>37,104</b>	<b>42,382</b>	<b>45,598</b>	<b>39,569</b>
(1,100)	(1,068)	(2,054)	(1,823)
<b>36,004</b>	<b>41,314</b>	<b>43,543</b>	<b>37,745</b>
3	45	57	8
<b>Of which interest expenses from repo transactions entered as:</b>			
451	357	339	437
-	-	248	205

# Notes

			DKK million	
Nykredit Realkredit A/S			Nykredit Realkredit Group	
2023	2024		2024	2023
<b>10. DIVIDEND ON EQUITIES ETC</b>				
234	523	Dividend	528	237
<b>234</b>	<b>523</b>	<b>Total</b>	<b>528</b>	<b>237</b>
<b>11. FEE AND COMMISSION INCOME</b>				
-	-	Fees etc relating to financial instruments measured at amortised cost	48	83
-	-	Fees from asset management activities and other fiduciary activities	2,348	2,388
1,216	1,249	Other fees	2,108	1,709
<b>1,216</b>	<b>1,249</b>	<b>Total</b>	<b>4,504</b>	<b>4,181</b>
<b>12. FEE AND COMMISSION EXPENSES</b>				
0	0	Fees etc relating to financial instruments measured at amortised cost	60	95
-	-	Fees from asset management activities and other fiduciary activities	418	294
448	428	Other fees	3,721	3,657
<b>449</b>	<b>428</b>	<b>Total</b>	<b>4,199</b>	<b>4,047</b>
<b>13. VALUE ADJUSTMENTS</b>				
<b>Assets measured at fair value through profit or loss</b>				
7,974	6,586	Mortgage loans, a)	23,779	31,113
23,156	17,198	Funding of Totalkredit mortgage lending, a)	-	-
2	2	Other loans, advances and receivables at fair value, a)	1	(5)
2,356	1,775	Bonds, a)	2,886	3,689
143	1,171	Equities etc, a)	1,236	216
(1)	(10)	Foreign exchange <sup>1</sup>	236	135
1,236	890	Foreign exchange, interest rate and other contracts as well as derivative financial instruments <sup>2</sup> , a)	644	1,133
-	-	- Other assets	1	-
-	-	- Assets in pooled schemes	629	254
-	-	- Deposits in pooled schemes	(629)	(254)
<b>Liabilities measured at fair value through profit or loss</b>				
(8,051)	(6,629)	Bonds in issue, a)	(23,822)	(31,190)
(25,391)	(18,491)	Other liabilities	(1,292)	(2,235)
<b>1,425</b>	<b>2,493</b>	<b>Total</b>	<b>3,669</b>	<b>2,856</b>
<sup>1</sup> Of which value adjustment of assets and liabilities recognised at amortised cost			36	20
<sup>2</sup> Of which value adjustment of interest rate swaps			271	437
a) Financial assets and liabilities classified at fair value on initial recognition.				
<b>Of which value adjustment relating to fair value hedging for accounting purposes</b>				
Fair value hedging			(1)	3
<b>14. OTHER OPERATING INCOME</b>				
249	224	Distributed by Forenet Kredit f.m.b.a.	1,724	1,374
0	-	Income from leasing	1	53
1,731	2,276	Other income	112	65
<b>1,981</b>	<b>2,500</b>	<b>Total</b>	<b>1,836</b>	<b>1,492</b>

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>15. STAFF AND ADMINISTRATIVE EXPENSES</b>			
59	75	75	59
2,372	2,454	3,982	3,926
944	1,564	2,374	2,038
<b>3,375</b>	<b>4,092</b>	<b>6,431</b>	<b>6,022</b>
<b>Total</b>			
<b>Remuneration of Board of Directors and Executive Board</b>			
<b>Board of Directors</b>			
5	5	5	5
<b>Executive Board</b>			
48	61	61	48
6	9	9	6
<b>59</b>	<b>75</b>	<b>75</b>	<b>59</b>
<b>Total</b>			
Disclosure of Board and Executive Compensation is available at <a href="https://nykredit.com/salaries">nykredit.com/salaries</a> , to which reference is made.			

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>15. STAFF AND ADMINISTRATIVE EXPENSES (CONTINUED)</b>			
<b>Staff expenses</b>			
1,834	1,911	Salaries	3,135 3,076
210	216	Pensions	339 326
308	307	Payroll tax	475 492
21	20	Other social security expenses	33 32
<b>2,372</b>	<b>2,454</b>	<b>Total</b>	<b>3,982 3,926</b>
109	110	In addition to the Board of Directors and Executive Board, Nykredit has designated the following number (average) of staff whose activities significantly affect Nykredit's risk profile (material risk takers). The average number:	190 197
Details of Nykredit's remuneration policy appear from page 155 of the Management Commentary under Remuneration and at nykredit.com/remuneration.			
<b>Remuneration of material risk takers is included in "Staff expenses" and breaks down into:</b>			
160	159	Base salaries	305 309
36	31	Variable remuneration	77 86
<b>196</b>	<b>191</b>	<b>Total</b>	<b>382 395</b>
Material risk takers are only offered defined contribution pension plans. Variable remuneration comprises variable remuneration components in the financial year as well as bonus provided for at the end of the financial year. The final bonus is determined during the first quarter of the following financial year.			
<b>Number of staff</b>			
2,670	2,607	Average number of staff for the financial year, full-time equivalent	3,900 3,973
<b>Fees to auditor appointed by the General Meeting</b>			
4	5	EY Godkendt Revisionspartnerselskab	13 13
<b>Total fees include:</b>			
3	3	Statutory audit of the Financial Statements	8 9
1	2	Other assurance engagements	4 3
0	-	Tax advice	0 0
0	0	Other services	1 1
<b>4</b>	<b>5</b>	<b>Total</b>	<b>13 13</b>

Other services than statutory audit include statutory declarations, ISAE 3402 declarations, financial and tax due diligence as well as general tax advice.



# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>16. DEPRECIATION, AMORTISATION AND IMPAIRMENT CHARGES FOR PROPERTY, PLANT AND EQUIPMENT AS WELL AS INTANGIBLE ASSETS</b>			
<b>Intangible assets</b>			
55	78	116	92
-	-	-	-
<b>Property, plant and equipment</b>			
56	16	17	61
1	-	-	1
<b>Leased properties</b>			
122	157	161	122
<b>234</b>	<b>251</b>	<b>293</b>	<b>276</b>

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP)

### 17 a. Impairment charges for loans, advances and receivables etc

	Loans and advances at fair value	Loans and advances at fair value	Loans and advances at amortised cost	Loans and advances at amortised cost	Credit institutions	Credit institutions	Guarantees etc <sup>1</sup>	Guarantees etc <sup>1</sup>	Total	Total
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Total impairment provisions</b>										
<b>Balance, 1 January</b>	<b>5,492</b>	<b>5,919</b>	<b>3,207</b>	<b>3,132</b>	<b>29</b>	<b>18</b>	<b>328</b>	<b>340</b>	<b>9,056</b>	<b>9,409</b>
New impairment provisions as a result of additions and change in credit risk	1,807	1,833	1,217	1,498	0	12	197	179	3,222	3,523
Releases as a result of redemptions and change in credit risk	1,899	2,082	1,301	1,427	11	2	224	191	3,435	3,701
Impairment provisions written off	144	178	124	50	-	-	-	-	268	227
Other adjustments and interest from impaired facilities	-	-	59	53	-	-	-	-	59	53
Transferred to "Impairment provisions for properties acquired by foreclosure"	(2)	1	-	-	-	-	-	-	(2)	1
<b>Total impairment provisions</b>	<b>5,254</b>	<b>5,492</b>	<b>3,058</b>	<b>3,207</b>	<b>18</b>	<b>29</b>	<b>302</b>	<b>328</b>	<b>8,632</b>	<b>9,056</b>
<b>Earnings impact</b>										
Change in impairment provisions for loans and advances (stages 1-3)	(92)	(249)	(84)	71	(11)	11	(26)	(12)	(213)	(179)
Write-offs for the year, not previously written down for impairment	121	136	13	17	-	-	-	-	134	154
Recoveries on claims previously written off	60	73	40	36	-	-	-	-	100	109
<b>Total</b>	<b>(31)</b>	<b>(186)</b>	<b>(111)</b>	<b>53</b>	<b>(11)</b>	<b>11</b>	<b>(26)</b>	<b>(12)</b>	<b>(180)</b>	<b>(134)</b>
Value adjustment of assets in temporary possession	3	3	-	-	-	-	-	-	3	3
Value adjustment of claims previously written off	43	14	(37)	23	-	-	-	-	6	37
Losses offset, in accordance with partnership agreement <sup>1</sup>	(77)	(83)	-	-	-	-	-	-	(77)	(83)
<b>Earnings impact</b>	<b>(63)</b>	<b>(251)</b>	<b>(148)</b>	<b>76</b>	<b>(11)</b>	<b>11</b>	<b>(26)</b>	<b>(12)</b>	<b>(248)</b>	<b>(177)</b>

<sup>1</sup> According to the partnership agreement with the partner banks Totalkredit A/S has a right of set-off against commission in connection with write-offs on lending.

The contractual amounts outstanding on financial assets written off in 2024 and still sought to be recovered totalled DKK 193 million at 31 December 2024 (2023: DKK 216 million).

Of total impairment provisions for mortgage lending determined under IFRS 9, 26% or DKK 1.4 billion was attributable to customers who are in serious financial difficulty but not in arrears. Of total impairment provisions for mortgage lending determined under IFRS 9, 2% or DKK 0.1 billion was attributable to customers who have gone bankrupt, are undergoing bankruptcy proceedings or compulsory dissolution, or who are deceased.

Of total impairment provisions for bank lending determined under IFRS 9, 2% or DKK 0,1 billion was attributable to customers who have gone bankrupt, are undergoing bankruptcy proceedings or compulsory dissolution, or who are deceased.

Loans are impaired if a customer is deemed to be in serious financial difficulty, or forbearance has been granted as a result of financial difficulty. When assessing whether loans are impaired, factors such as non-performance of contractual obligations and personal circumstances such as divorce, unemployment or long-term illness are also taken into consideration.

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 b. Total impairment provisions by stage

2024	Loans and advances at fair value			Loans and advances at amortised cost			Guarantees etc			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Total, 1 January 2024	1,873	1,645	1,974	432	1,102	1,702	67	186	75	9,056
Transfer to stage 1	644	(568)	(76)	172	(143)	(29)	43	(42)	(1)	-
Transfer to stage 2	(39)	174	(135)	(46)	101	(55)	(4)	7	(3)	-
Transfer to stage 3	(9)	(88)	97	(10)	(83)	93	(0)	(12)	12	-
Impairment provisions for new loans and advances (additions)	204	124	89	53	133	169	12	50	6	840
Additions as a result of change in credit risk	302	523	565	38	223	600	4	56	70	2,381
Releases as a result of change in credit risk	879	432	587	389	470	453	87	91	45	3,435
Previously written down for impairment, now written off	-	-	144	0	0	124	-	-	-	268
Other adjustments and interest from impaired facilities	-	-	(2)	-	-	59	-	-	-	57
Total impairment provisions, year-end	2,095	1,379	1,780	249	864	1,963	34	154	115	8,632
Total, year-end	5,254				3,076			302		8,632
Impairment provisions, year-end, are moreover attributable to:										
Credit institutions				18	-	-				18
Earnings impact, 2024	(373)	215	67	(298)	(113)	316	(72)	14	31	(213)

	Loans and advances at fair value			Loans and advances at amortised cost			Guarantees etc			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Total, 1 January 2023	2,116	1,521	2,281	399	914	1,837	75	190	75	9,409
Transfer to stage 1	665	(539)	(126)	221	(196)	(26)	55	(54)	(1)	-
Transfer to stage 2	(81)	301	(220)	(61)	183	(122)	(10)	14	(4)	-
Transfer to stage 3	(8)	(104)	112	(3)	(114)	117	(1)	(6)	6	-
Impairment provisions for new loans and advances (additions)	124	218	110	97	227	100	19	43	9	947
Additions as a result of change in credit risk	186	690	505	147	497	444	8	84	17	2,576
Releases as a result of change in credit risk	1,128	442	511	367	410	652	80	86	26	3,701
Previously written down for impairment, now written off	-	-	178	0	0	50	-	-	-	227
Other adjustments and interest from impaired facilities	-	-	(1)	-	-	53	-	-	-	53
Total impairment provisions, year-end	1,873	1,645	1,974	432	1,102	1,702	67	186	75	9,056
Total, year-end	5,492			3,236			328			9,056
Impairment provisions, year-end, are moreover attributable to:										
Credit institutions				29	-	-				29
Earnings impact, 2023	(819)	466	104	(124)	314	(109)	(53)	41	(1)	(179)

The principles of impairment are described in detail in the accounting policies (note 1) of the Annual Report for 2024.

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 c. Loans, advances and guarantees etc by stage

2024	Stage 1	Stage 2	Stage 3	Total
<b>Loans and advances at fair value, gross</b>				
Loans and advances at fair value, gross	1,377,495	38,292	14,275	1,430,062
Total impairment provisions, year-end	2,095	1,379	1,780	5,254
<b>Value, year-end</b>	<b>1,375,400</b>	<b>36,914</b>	<b>12,494</b>	<b>1,424,807</b>
<b>Loans and advances at amortised cost excluding credit institutions, gross</b>				
Loans and advances at amortised cost excluding credit institutions, gross	122,497	24,392	3,734	150,623
Total impairment provisions, year-end	231	864	1,963	3,058
<b>Value, year-end</b>	<b>122,266</b>	<b>23,529</b>	<b>1,771</b>	<b>147,565</b>
<b>Guarantees etc</b>				
Guarantees etc	33,307	3,209	296	36,812
Total impairment provisions, year-end	34	154	115	302
<b>Value, year-end</b>	<b>33,273</b>	<b>3,055</b>	<b>181</b>	<b>36,510</b>
<b>2023</b>				
	Stage 1	Stage 2	Stage 3	Total
<b>Loans and advances at fair value, gross</b>				
Loans and advances at fair value, gross	1,299,511	48,176	13,117	1,360,804
Total impairment provisions, year-end	1,873	1,645	1,974	5,492
<b>Value, year-end</b>	<b>1,297,639</b>	<b>46,530</b>	<b>11,143</b>	<b>1,355,312</b>
<b>Loans and advances at amortised cost excluding credit institutions, gross</b>				
Loans and advances at amortised cost excluding credit institutions, gross	107,879	21,276	2,698	131,852
Total impairment provisions, year-end	402	1,102	1,702	3,207
<b>Value, year-end</b>	<b>107,476</b>	<b>20,173</b>	<b>996</b>	<b>128,645</b>
<b>Guarantees etc</b>				
Guarantees etc	29,407	2,539	375	32,321
Total impairment provisions, year-end	67	186	75	328
<b>Value, year-end</b>	<b>29,340</b>	<b>2,353</b>	<b>300</b>	<b>31,993</b>

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 d. Loans and advances at fair value, by stage

2024	Stage 1	Stage 2	Stage 3	Total
<b>Gross lending etc, 1 January 2024</b>	<b>1,299,511</b>	<b>48,176</b>	<b>13,117</b>	<b>1,360,804</b>
Transfer to stage 1	29,010	(28,239)	(772)	-
Transfer to stage 2	(17,933)	19,251	(1,317)	-
Transfer to stage 3	(2,494)	(1,156)	3,650	-
Other movements <sup>1</sup>	69,400	261	(403)	69,258
<b>Total, 31 December 2024</b>	<b>1,377,495</b>	<b>38,292</b>	<b>14,275</b>	<b>1,430,062</b>
Total provisions	2,095	1,379	1,780	5,254
<b>Carrying amount</b>	<b>1,375,400</b>	<b>36,914</b>	<b>12,494</b>	<b>1,424,807</b>
<b>2023</b>				
	Stage 1	Stage 2	Stage 3	Total
<b>Gross lending etc, 1 January 2023</b>	<b>1,250,361</b>	<b>33,854</b>	<b>14,194</b>	<b>1,298,408</b>
Transfer to stage 1	20,778	(19,784)	(994)	-
Transfer to stage 2	(26,291)	27,344	(1,053)	-
Transfer to stage 3	(2,168)	(992)	3,160	-
Other movements <sup>1</sup>	56,831	7,754	(2,190)	62,395
<b>Total, 31 December 2023</b>	<b>1,299,511</b>	<b>48,176</b>	<b>13,117</b>	<b>1,360,804</b>
Total provisions	1,873	1,645	1,974	5,492
<b>Carrying amount</b>	<b>1,297,639</b>	<b>46,530</b>	<b>11,143</b>	<b>1,355,312</b>

<sup>1</sup> "Other movements" consists of new loans and advances as well as loans and advances redeemed in the period.

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 d. Loans and advances at amortised cost excluding credit institutions, gross, by stage

2024	Stage 1	Stage 2	Stage 3	Total
<b>Gross lending, 1 January 2024</b>	<b>107,879</b>	<b>21,276</b>	<b>2,698</b>	<b>131,852</b>
Transfer to stage 1	3,153	(3,292)	139	-
Transfer to stage 2	(4,524)	4,623	(99)	-
Transfer to stage 3	(419)	(452)	871	-
Other movements <sup>1</sup>	16,408	2,237	126	18,771
<b>Total, 31 December 2024</b>	<b>122,497</b>	<b>24,392</b>	<b>3,734</b>	<b>150,623</b>
Total provisions	231	864	1,963	3,058
<b>Carrying amount</b>	<b>122,266</b>	<b>23,529</b>	<b>1,771</b>	<b>147,565</b>
<b>2023</b>				
	Stage 1	Stage 2	Stage 3	Total
<b>Gross lending, 1 January 2023</b>	<b>108,433</b>	<b>16,867</b>	<b>2,859</b>	<b>128,159</b>
Transfer to stage 1	6,400	(6,472)	71	-
Transfer to stage 2	(11,064)	11,181	(117)	-
Transfer to stage 3	(182)	(409)	591	-
Other movements <sup>1</sup>	4,292	108	(707)	3,693
<b>Total, 31 December 2023</b>	<b>107,879</b>	<b>21,276</b>	<b>2,698</b>	<b>131,852</b>
Total provisions	402	1,102	1,702	3,207
<b>Carrying amount</b>	<b>107,476</b>	<b>20,173</b>	<b>996</b>	<b>128,645</b>

<sup>1</sup> "Other movements" consists of new loans and advances as well as loans and advances redeemed in the period.

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 d. Guarantees by stage, gross

2024	Stage 1	Stage 2	Stage 3	Total
<b>Gross guarantees, 1 January 2024</b>	<b>29,407</b>	<b>2,539</b>	<b>375</b>	<b>32,321</b>
Transfer to stage 1	432	(429)	(3)	-
Transfer to stage 2	(646)	664	(18)	-
Transfer to stage 3	(93)	(19)	112	-
Other movements <sup>1</sup>	4,207	454	(170)	4,491
<b>Total, 31 December 2024</b>	<b>33,307</b>	<b>3,209</b>	<b>296</b>	<b>36,812</b>
Total provisions	34	154	115	302
<b>Carrying amount</b>	<b>33,273</b>	<b>3,055</b>	<b>181</b>	<b>36,510</b>

2023	Stage 1	Stage 2	Stage 3	Total
<b>Gross guarantees, 1 January 2023</b>	<b>25,937</b>	<b>2,744</b>	<b>375</b>	<b>29,057</b>
Transfer to stage 1	718	(711)	(7)	-
Transfer to stage 2	(692)	719	(27)	-
Transfer to stage 3	(59)	(29)	88	-
Other movements <sup>1</sup>	3,503	(184)	(55)	3,264
<b>Total, 31 December 2023</b>	<b>29,407</b>	<b>2,539</b>	<b>375</b>	<b>32,321</b>
Total provisions	67	186	75	328
<b>Carrying amount</b>	<b>29,340</b>	<b>2,353</b>	<b>300</b>	<b>31,993</b>

<sup>1</sup> "Other movements" consists of new guarantees as well as guarantees terminated in the period.



# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 e. Financial assets, gross, by stage

2024	Financial assets, gross				of which financial assets excluding impairment			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets at fair value	1,377,495	38,292	14,275	<b>1,430,062</b>	-	-	-	-
Financial assets at amortised cost	122,497	24,392	3,734	<b>150,623</b>	44,026	-	-	<b>44,026</b>
Balances with credit institutions	7,972	-	-	<b>7,972</b>	5,328	-	-	<b>5,328</b>
Guarantees	33,307	3,209	296	<b>36,812</b>	-	-	-	-
Bank loan commitments	23,186	-	-	<b>23,186</b>	-	-	-	-
Mortgage loan commitments	9,200	-	-	<b>9,200</b>	9,200	-	-	<b>9,200</b>
<b>Total, 31 December 2024</b>	<b>1,573,656</b>	<b>65,894</b>	<b>18,305</b>	<b>1,657,855</b>	<b>58,553</b>	-	-	<b>58,553</b>

2023	Financial assets, gross				of which financial assets excluding impairment			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets at fair value	1,299,511	48,176	13,117	<b>1,360,804</b>	-	-	-	-
Financial assets at amortised cost	107,879	21,276	2,698	<b>131,852</b>	33,965	-	-	<b>33,965</b>
Balances with credit institutions	7,005	-	-	<b>7,005</b>	4,001	-	-	<b>4,001</b>
Guarantees	29,407	2,539	375	<b>32,321</b>	-	-	-	-
Bank loan commitments	24,543	-	-	<b>24,543</b>	-	-	-	-
Mortgage loan commitments	9,622	-	-	<b>9,622</b>	9,622	-	-	<b>9,622</b>
<b>Total, 31 December 2023</b>	<b>1,477,967</b>	<b>71,991</b>	<b>16,189</b>	<b>1,566,147</b>	<b>47,587</b>	-	-	<b>47,587</b>

Financial assets excluding impairment relate to repo lending and mortgage loan commitments.

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 f. Mortgage loans at fair value by rating category

2024	Mortgage lending, gross			Total impairment provisions		
Rating category	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
10	324,362	998	-	271	13	-
9	230,011	1,249	-	243	25	-
8	331,492	2,875	-	367	36	-
7	240,453	2,468	-	380	40	-
6	130,229	3,430	-	323	64	-
5	56,361	3,423	-	223	92	-
4	31,748	2,953	-	129	91	-
3	14,377	2,913	-	71	84	-
2	16,972	4,385	-	80	129	-
1	1,489	4,388	-	8	199	-
0	-	8,642	-	-	573	-
Exposures in default	-	569	14,275	-	33	1,780
Total	1,377,495	38,292	14,275	2,095	1,379	1,780

2023	Mortgage lending, gross			Total impairment provisions		
Rating category	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
10	297,740	1,312	-	280	17	-
9	228,851	1,145	-	301	19	-
8	335,852	5,304	-	406	50	-
7	225,595	3,433	-	358	85	-
6	117,794	9,410	-	240	170	-
5	47,777	4,876	-	148	133	-
4	26,284	3,448	-	65	101	-
3	9,020	2,597	-	35	79	-
2	9,392	4,665	-	36	145	-
1	1,206	4,471	-	4	222	-
0	-	6,894	-	-	560	-
Exposures in default	-	620	13,117	-	63	1,974
Total	1,299,511	48,176	13,117	1,873	1,645	1,974

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 f. Bank lending etc at amortised cost by rating category

2024	Bank lending, gross			Total impairment provisions		
Rating category	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
10	51,507	5,945	-	44	71	-
9	9,341	3,059	-	31	32	-
8	13,806	4,676	-	36	67	-
7	9,340	2,018	-	32	42	-
6	14,640	3,644	-	39	74	-
5	7,574	1,055	-	23	54	-
4	914	1,286	-	11	129	-
3	14,773	695	-	9	105	-
2	445	533	-	5	66	-
1	156	1,190	-	0	156	-
0	-	234	-	-	64	-
Exposures in default	-	57	3,734	-	4	1,963
Total	122,497	24,392	3,734	231	864	1,963

2023	Bank lending, gross			Total impairment provisions		
Rating category	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
10	35,940	4,028	-	63	74	-
9	11,871	2,687	-	63	48	-
8	14,512	3,152	-	86	75	-
7	10,144	4,343	-	78	100	-
6	10,278	1,616	-	49	90	-
5	5,356	1,952	-	32	117	-
4	5,384	1,056	-	21	186	-
3	5,703	678	-	8	166	-
2	7,944	276	-	3	24	-
1	748	1,078	-	0	152	-
0	-	407	-	-	69	-
Exposures in default	-	2	2,698	-	1	1,702
Total	107,879	21,276	2,698	402	1,102	1,702

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 g. Mortgage lending and total impairment provisions by property category

2024	Mortgage lending			Total impairment provisions		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Owner-occupied dwellings	850,492	20,883	7,523	740	867	793
Private rental	150,685	6,434	1,481	266	228	191
Industry and trades	23,584	460	133	27	13	19
Office and retail	147,690	6,645	2,233	178	121	378
Agricultural property	77,148	2,728	2,022	822	96	248
Public housing	81,892	395	121	2	5	5
Cooperative housing	31,462	361	449	42	26	91
Other	14,542	387	312	18	23	56
<b>Fair value</b>	<b>1,377,495</b>	<b>38,292</b>	<b>14,275</b>	<b>2,095</b>	<b>1,379</b>	<b>1,780</b>

2023	Mortgage lending			Total impairment provisions		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Owner-occupied dwellings	800,879	24,884	7,226	749	990	880
Private rental	135,974	5,438	1,327	147	226	193
Industry and trades	24,037	1,028	89	29	28	17
Office and retail	136,326	12,564	1,427	158	189	319
Agricultural property	75,678	3,031	2,340	723	138	384
Public housing	79,820	334	119	8	8	10
Cooperative housing	30,868	411	444	39	38	121
Other	15,929	486	144	20	28	49
<b>Fair value</b>	<b>1,299,511</b>	<b>48,176</b>	<b>13,117</b>	<b>1,873</b>	<b>1,645</b>	<b>1,974</b>

# Notes

DKK million

Nykredit Realkredit Group

## 17. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (GROUP) (CONTINUED)

### 17 h. Bank loans and advances, reverse repurchase lending and guarantees etc and total impairment provisions by sector

2024	Bank loans, advances and guarantees			Total impairment provisions		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Public sector	505	0	2	0	0	-
Agriculture, hunting, forestry and fishing	4,188	426	114	61	22	81
Manufacturing, mining and quarrying	14,010	6,221	685	39	334	499
Energy supply	6,416	322	13	7	4	18
Construction	1,334	1,790	227	4	62	61
Trade	3,093	13,554	601	11	358	518
Transport, accommodation and food service activities	7,964	241	464	11	6	307
Information and communication	6,779	50	51	11	2	40
Finance and insurance	49,924	357	130	9	7	45
Real estate	14,342	2,748	343	47	121	134
Other	10,642	1,016	737	23	22	156
<b>Total business customers</b>	<b>118,692</b>	<b>26,726</b>	<b>3,364</b>	<b>224</b>	<b>937</b>	<b>1,859</b>
Personal customers	26,835	875	404	41	80	219
<b>Total</b>	<b>146,032</b>	<b>27,601</b>	<b>3,770</b>	<b>265</b>	<b>1,017</b>	<b>2,078</b>

2023	Bank loans, advances and guarantees			Total impairment provisions		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
<b>Public sector</b>	<b>466</b>	<b>1</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>
Agriculture, hunting, forestry and fishing	4,153	294	116	119	16	90
Manufacturing, mining and quarrying	10,362	4,766	406	35	391	306
Energy supply	4,944	128	9	7	4	9
Construction	1,415	1,913	317	4	106	160
Trade	3,858	10,953	503	21	446	393
Transport, accommodation and food service activities	5,850	241	280	10	9	226
Information and communication	5,606	71	50	12	3	43
Finance and insurance	41,768	220	59	13	7	42
Real estate	14,131	2,300	240	51	125	119
Other	11,934	1,112	220	52	53	120
<b>Total business customers</b>	<b>104,022</b>	<b>21,997</b>	<b>2,200</b>	<b>322</b>	<b>1,161</b>	<b>1,506</b>
Personal customers	23,826	1,817	567	147	127	271
<b>Total</b>	<b>128,313</b>	<b>23,815</b>	<b>2,767</b>	<b>469</b>	<b>1,289</b>	<b>1,777</b>

# Notes

DKK million

Nykredit Realkredit A/S

## 18. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (PARENT)

### 18 a. Impairment charges for loans, advances and receivables etc

	Loans and advances at fair value	Loans and advances at fair value	Credit institutions	Credit institutions	Total	Total
	2024	2023	2024	2023	2024	2023
<b>Total impairment provisions</b>						
<b>Balance, 1 January</b>	<b>3,770</b>	<b>4,232</b>	<b>17</b>	<b>11</b>	<b>3,787</b>	<b>4,243</b>
New impairment provisions as a result of additions and change in credit risk	959	922	-	6	959	928
Releases as a result of redemptions and change in credit risk	1,196	1,280	5	-	1,201	1,280
Impairment provisions written off	69	103	-	-	69	103
Transferred to "Impairment provisions for properties acquired by foreclosure"	-	1	-	-	-	1
<b>Total impairment provisions</b>	<b>3,465</b>	<b>3,770</b>	<b>12</b>	<b>17</b>	<b>3,477</b>	<b>3,787</b>
<b>Earnings impact</b>						
Change in impairment provisions for loans and advances (stages 1-3)	(237)	(358)	(5)	6	(242)	(352)
Write-offs for the year, not previously written down for impairment	33	38	-	-	33	38
Recoveries on claims previously written off	35	45	-	-	35	45
<b>Total</b>	<b>(238)</b>	<b>(365)</b>	<b>(5)</b>	<b>6</b>	<b>(243)</b>	<b>(358)</b>
Value adjustment of assets in temporary possession	2	3	-	-	2	3
Value adjustment of claims previously written off	36	8	-	-	36	8
<b>Earnings impact</b>	<b>(200)</b>	<b>(353)</b>	<b>(5)</b>	<b>6</b>	<b>(205)</b>	<b>(347)</b>

The contractual amounts outstanding on financial assets written off in 2024 and still sought to be recovered totalled DKK 53 million at 31 December 2024 (2023: DKK 62 million).

# Notes

DKK million

Nykredit Realkredit A/S

## 18. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (PARENT) (CONTINUED)

### 18 b. Total impairment provisions by stage

2024	Loans and advances			Total
	Stage 1	Stage 2	Stage 3	
<b>Total, 1 January 2024</b>	<b>1,376</b>	<b>936</b>	<b>1,475</b>	<b>3,787</b>
Transfer to stage 1	409	(353)	(56)	-
Transfer to stage 2	(33)	110	(77)	-
Transfer to stage 3	(8)	(49)	57	-
Impairment provisions for new loans and advances (additions)	169	102	66	338
Additions as a result of change in credit risk	142	168	311	621
Releases as a result of change in credit risk	520	246	435	1,201
Previously written down for impairment, now written off	-	-	69	69
Other adjustments and interest from impaired facilities	-	-	-	-
<b>Total impairment provisions, year-end</b>	<b>1,535</b>	<b>669</b>	<b>1,273</b>	<b>3,477</b>
<b>Impairment provisions, year-end, are moreover attributable to:</b>				
Credit institutions	12			12
<b>Earnings impact, 2024</b>	<b>(209)</b>	<b>25</b>	<b>(58)</b>	<b>(242)</b>

2023	Loans and advances			Total
	Stage 1	Stage 2	Stage 3	
<b>Total, 1 January 2023</b>	<b>1,478</b>	<b>972</b>	<b>1,792</b>	<b>4,243</b>
Transfer to stage 1	462	(351)	(112)	-
Transfer to stage 2	(68)	236	(168)	-
Transfer to stage 3	(7)	(67)	74	-
Impairment provisions for new loans and advances (additions)	109	176	94	380
Additions as a result of change in credit risk	47	241	261	549
Releases as a result of change in credit risk	646	271	364	1,281
Previously written down for impairment, now written off	-	-	103	103
<b>Total impairment provisions, year-end</b>	<b>1,375</b>	<b>936</b>	<b>1,474</b>	<b>3,787</b>
<b>Impairment provisions, year-end, are moreover attributable to:</b>				
Credit institutions	17	-	-	17
<b>Earnings impact, 2023</b>	<b>(490)</b>	<b>146</b>	<b>(8)</b>	<b>(352)</b>



# Notes

DKK million

Nykredit Realkredit A/S

## 18. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (PARENT) (CONTINUED)

### 18 c. Loans and advances etc by stage

2024	Stage 1	Stage 2	Stage 3	Total
<b>Loans and advances at fair value etc, gross</b>				
Loans and advances at fair value, gross	531,858	19,707	8,340	559,906
Total impairment provisions, year-end	1,523	669	1,273	3,465
<b>Loans and advances, carrying amount</b>	<b>530,335</b>	<b>19,039</b>	<b>7,068</b>	<b>556,441</b>

2023	Stage 1	Stage 2	Stage 3	Total
<b>Loans and advances at fair value etc, gross</b>				
Loans and advances at fair value, gross	506,133	26,845	7,632	540,609
Total impairment provisions, year-end	1,359	936	1,475	3,770
<b>Loans and advances, carrying amount</b>	<b>504,774</b>	<b>25,909</b>	<b>6,157</b>	<b>536,839</b>

# Notes

DKK million

Nykredit Realkredit A/S

## 18. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (PARENT) (CONTINUED)

### 18 d. Loans at fair value by stage, gross

2024	Stage 1	Stage 2	Stage 3	Total
<b>Gross lending etc, 1 January 2024</b>	<b>506,133</b>	<b>26,845</b>	<b>7,632</b>	<b>540,609</b>
Transfer to stage 1	17,324	(16,873)	(450)	-
Transfer to stage 2	(9,848)	10,383	(535)	-
Transfer to stage 3	(1,322)	(527)	1,849	-
Other movements <sup>1</sup>	19,571	(121)	(154)	19,296
<b>Total, 31 December 2024</b>	<b>531,858</b>	<b>19,707</b>	<b>8,340</b>	<b>559,906</b>
Total provisions	1,523	669	1,273	3,465
<b>Carrying amount</b>	<b>530,335</b>	<b>19,039</b>	<b>7,068</b>	<b>556,441</b>

	Stage 1	Stage 2	Stage 3	Total
<b>Gross lending etc, 1 January 2023</b>	<b>497,215</b>	<b>15,606</b>	<b>9,568</b>	<b>522,389</b>
Transfer to stage 1	8,559	(7,772)	(787)	-
Transfer to stage 2	(13,146)	13,672	(526)	-
Transfer to stage 3	(903)	(496)	1,399	-
Other movements <sup>1</sup>	14,407	5,835	(2,022)	18,220
<b>Total, 31 December 2023</b>	<b>506,133</b>	<b>26,845</b>	<b>7,632</b>	<b>540,609</b>
Total provisions	1,359	936	1,475	3,770
<b>Carrying amount</b>	<b>504,774</b>	<b>25,909</b>	<b>6,157</b>	<b>536,839</b>

<sup>1</sup> "Other movements" consists of new loans and advances as well as loans and advances redeemed in the period.

# Notes

Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>18. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC (CONTINUED)</b>			
<b>18 e. Impairment provisions for properties acquired by foreclosure</b>			
<b>18</b>	<b>20</b>	<b>20</b>	<b>18</b>
1	-	2	1
3	3	4	3
0	1	1	0
2	-	1	2
<b>20</b>	<b>22</b>	<b>24</b>	<b>20</b>
Impairment provisions for properties acquired by foreclosure have been offset against "Assets in temporary possession".			
<b>19. PROFIT FROM INVESTMENTS IN ASSOCIATES AND GROUP ENTERPRISES</b>			
1	1	5	6
6,947	6,807	-	-
<b>6,948</b>	<b>6,808</b>	<b>5</b>	<b>6</b>

# Notes

Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>20. TAX</b>			
<b>20 a. Tax on profit for the year</b>			
Tax on profit for the year has been calculated as follows:			
1,287	1,191	3,037	3,229
(116)	11	52	(105)
65	(104)	(106)	79
(39)	105	105	(12)
<b>1,197</b>	<b>1,204</b>	<b>3,088</b>	<b>3,191</b>
<b>Tax</b>			
Tax on profit for the year can be specified as follows:			
2,645	2,822	3,261	3,098
Calculated 22% tax on profit before tax			
Tax effect of:			
149	184	472	397
Surtax			
-	5	5	1
Difference between domestic and foreign taxes			
(1,763)	(1,823)	(668)	(490)
Non-taxable income			
143	14	19	145
Non-deductible expenses and other adjustments			
26	2	(1)	43
Adjustment of tax relating to previous years			
(4)	-	-	(2)
Adjustment of deferred tax, change in tax rate (surtax)			
<b>1,197</b>	<b>1,204</b>	<b>3,088</b>	<b>3,191</b>
<b>Total</b>			
22.0	22.0	22.0	22.0
Current tax rates, %			
3.2	4.0	4.0	3.2
Surtax			
(15.2)	(16.6)	(5.2)	(2.5)
Permanent deviations			
<b>10.0</b>	<b>9.4</b>	<b>20.8</b>	<b>22.7</b>
<b>Effective tax rate, %</b>			
Permanent deviations are attributable to investments in Group enterprises and associates, equities as well as contributions from Forenet Kredit f.m.b.a			
<b>20 b. Payroll tax</b>			
In addition to corporation tax, the Nykredit Group has paid a payroll tax. The payroll tax is included in "Staff expenses", see note 15		475	492

On 7 December 2023, the Parliament in Denmark, where the ultimate Parent Forenet Kredit f.m.b.a. is incorporated, adopted the minimum taxation act effective from 1 January 2024. Under this legislation, Forenet Kredit f.m.b.a. will be required to pay, in Denmark, top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15%. The Group has applied the transitional rules of Transitional CbCR Safe Harbour, and on this basis, the Group expects no impact from the rules.

# Notes

DKK million

Nykredit Realkredit Group

## 21. CONTRACTUAL DUE DATES BY TIME-TO-MATURITY (GROUP)

### 2024

	On demand	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total
<b>Assets</b>						
Receivables from credit institutions and central banks	2,804	5,167	-	-	-	7,972
Mortgage loans, arrears and outlays as well as other loans and advances	-	10,247	27,478	196,541	1,190,541	1,424,807
Loans, advances and other receivables at amortised cost	44,876	64,942	19,530	14,235	3,982	147,565
Finance leases	-	537	1,215	4,317	526	6,595
Gross investments in finance leases	-	-	1,968	4,719	1,143	7,829
Finance leases (other assets)	-	11	32	172	43	258
Gross investments in finance leases (other assets)	-	12	36	191	48	286
<b>Liabilities</b>						
Payables to credit institutions and central banks	5,602	7,342	1,050	-	-	13,994
Deposits and other payables	94,609	28,027	1,615	340	-	124,592
Bonds in issue at fair value	-	57,177	210,350	609,551	521,835	1,398,913
Bonds in issue at amortised cost	-	13,262	9,655	46,637	7,036	76,590
Other non-derivative financial liabilities	-	355	17	841	5,489	6,702
Lease payments (excluding finance leases) recognised in "Other"	-	20	59	487	666	1,232
Contingent liabilities	-	-	7,628	3,272	1,559	12,459

### 2023

	On demand	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total
<b>Assets</b>						
Receivables from credit institutions and central banks	3,223	3,782	-	-	-	7,005
Mortgage loans, arrears and outlays as well as other loans and advances	-	8,528	26,939	175,954	1,143,891	1,355,312
Loans, advances and other receivables at amortised cost	42,069	61,339	5,326	16,780	3,132	128,645
Finance leases	-	559	1,200	4,073	490	6,324
Gross investments in finance leases	-	-	2,016	4,604	1,052	7,673
Finance leases (other assets)	-	11	33	220	47	311
Gross investments in finance leases (other assets)	-	11	34	190	98	333
<b>Liabilities</b>						
Payables to credit institutions and central banks	4,892	7,581	119	-	-	12,591
Deposits and other payables	94,521	27,408	1,800	269	-	123,998
Bonds in issue at fair value	-	45,843	187,426	580,648	520,992	1,334,909
Bonds in issue at amortised cost	-	4,790	13,036	38,519	6,014	62,360
Other non-derivative financial liabilities	-	208	1,274	232	5,426	7,139
Lease payments (excluding finance leases) recognised in "Other"	-	30	49	258	140	477
Contingent liabilities	-	-	2,471	3,244	1,217	6,932

Derivative financial instruments by time-to-maturity appear from note 54.

# Notes

DKK million

Nykredit Realkredit A/S

## 22. CONTRACTUAL DUE DATES BY TIME-TO-MATURITY (PARENT)

### 2024

	On demand	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total
<b>Assets</b>						
Receivables from credit institutions and central banks	6,081	3,594	825	18,647	2,000	31,147
Mortgage loans, arrears and outlays as well as other loans and advances	-	5,089	14,101	109,625	427,626	556,441
Totalkredit mortgage loan funding	-	66,241	102,047	372,042	401,123	941,453
Loans, advances and other receivables at amortised cost	-	1	4	30	122	158
<b>Liabilities</b>						
Payables to credit institutions and central banks	287	3,727	-	-	-	4,014
Bonds in issue at fair value	-	79,300	215,207	665,200	523,579	1,483,287
Bonds in issue at amortised cost	-	3,730	7,554	46,637	7,036	64,957
Other non-derivative financial liabilities	-	-	-	-	947	947
Lease payments (excluding finance leases) recognised in "Other":	-	19	57	476	664	1,216
Contingent liabilities	-	-	-	-	-	-

### 2023

	On demand	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total
<b>Assets</b>						
Receivables from credit institutions and central banks	3,053	7,148	4,127	17,878	4,989	37,194
Mortgage loans, arrears and outlays as well as other loans and advances	-	3,746	14,475	97,975	420,643	536,839
Totalkredit mortgage loan funding	-	33,013	81,662	356,416	384,160	855,252
Loans, advances and other receivables at amortised cost	-	1	5	35	154	196
<b>Liabilities</b>						
Payables to credit institutions and central banks	310	10,406	-	-	-	10,716
Bonds in issue at fair value	-	51,064	191,111	614,827	521,491	1,378,493
Bonds in issue at amortised cost	-	14	11,887	38,519	6,014	56,435
Other non-derivative financial liabilities	-	-	-	-	306	306
Lease payments (excluding finance leases) recognised in "Other"	-	30	47	244	137	458
Contingent liabilities	-	-	-	-	-	-

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>23. RECEIVABLES FROM CREDIT INSTITUTIONS AND CENTRAL BANKS</b>			
34,484	28,441	2,644	3,004
-	-	219	27
2,711	2,706	5,108	3,974
<b>37,194</b>	<b>31,147</b>	<b>7,972</b>	<b>7,005</b>
<b>24. LOANS, ADVANCES AND OTHER RECEIVABLES AT FAIR VALUE</b>			
536,656	556,213	1,424,450	1,354,987
184	228	357	325
855,252	941,453	-	-
<b>1,392,091</b>	<b>1,497,894</b>	<b>1,424,807</b>	<b>1,355,312</b>
<b>24 a. Mortgage loans</b>			
<b>552,492</b>	<b>561,773</b>	<b>1,440,262</b>	<b>1,429,891</b>
56,094	64,351	225,428	220,887
1,320	139	139	1,320
-	(1,227)	(1,227)	-
(14,885)	(15,631)	(33,473)	(31,414)
(33,248)	(33,038)	(147,283)	(180,422)
<b>561,773</b>	<b>576,369</b>	<b>1,483,846</b>	<b>1,440,262</b>
-	-	(1)	-
<b>561,773</b>	<b>576,369</b>	<b>1,483,845</b>	<b>1,440,262</b>
(21,432)	(16,759)	(54,254)	(79,912)
<b>Adjustment for credit risk</b>			
(3,686)	(3,397)	(5,141)	(5,363)
<b>536,656</b>	<b>556,213</b>	<b>1,424,450</b>	<b>1,354,987</b>



# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>24. LOANS, ADVANCES AND OTHER RECEIVABLES AT FAIR VALUE (CONTINUED)</b>			
<b>As collateral for loans and advances, Nykredit has received mortgages over real estate and:</b>			
73,435	75,263	94,984	103,422
2,057	1,369	12,466	24,725
724	2,963	18,903	14,885
<b>Mortgage loans at nominal value by property category:</b>			
Loans and advances as %, year-end			
4	4	58	58
0	0	3	3
21	21	8	8
26	27	11	10
4	4	2	2
26	27	11	11
15	14	6	6
3	3	1	1
<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
For more details on mortgage lending by loan type and property category, please refer to page 147 of the Management Commentary.			
<b>24 b. Arrears and outlays</b>			
241	288	467	425
27	7	4	28
(84)	(68)	(114)	(128)
<b>184</b>	<b>228</b>	<b>357</b>	<b>325</b>

# Notes

Nykredit Realkredit A/S		Nykredit Realkredit Group		DKK million	
2023	2024		2024	2023	
		24. LOANS, ADVANCES AND OTHER RECEIVABLES AT FAIR VALUE (CONTINUED)			
		24 c. Funding of Totalkredit mortgage lending			
913,291	913,825	Balance, beginning of year, nominal value	-	-	
238,683	258,755	New loans	-	-	
(15,187)	(13,193)	Ordinary principal payments	-	-	
(222,962)	(180,352)	Prepayments and extraordinary principal payments	-	-	
913,825	979,034	Balance, year-end, nominal value	-	-	
(58,573)	(37,581)	Adjustment for interest rate risk	-	-	
855,252	941,453	Balance, year-end, fair value	-	-	
		25. LOANS, ADVANCES AND OTHER RECEIVABLES AT AMORTISED COST			
-	-	Bank loans and advances	106,337	97,582	
4	4	Totalkredit mortgage loan funding	-	-	
-	-	Mortgage loans	4	4	
-	-	Reverse repurchase lending	44,026	33,965	
192	154	Other loans and advances	257	301	
196	158	Balance, year-end	150,623	131,852	
		Adjustment for credit risk			
-	-	Impairment provisions	(3,058)	(3,207)	
196	158	Balance after impairment provisions, year-end	147,565	128,645	
		The Nykredit Group hedges the interest rate risk of fixed-rate bank loans and advances on a current basis using derivatives. This enables the Group to manage its overall interest rate sensitivity taking into consideration expected interest rate developments.			
		The bank loan portfolio has been fair value adjusted through profit or loss as a result of the use of hedge accounting.			
-	-	Of total loans and advances, fixed-rate bank loans represent	101	119	
-	-	Market value of fixed-rate loans	100	117	

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
	<b>25. LOANS, ADVANCES AND OTHER RECEIVABLES AT AMORTISED COST (CONTINUED)</b>		
	<b>25 a. Bank loans and advances</b>		
	<b>Non-accrual loans or loans carrying a reduced interest rate</b>		
-	- Non-accrual loans	15	13
-	- Loans carrying a reduced interest rate	5	7
	<b>Bank loans, advances and guarantee debtors by sector</b>		
%	% Loans and advances as %, year-end	%	%
-	- <b>Public sector</b>	1	0
	<b>Business customers</b>		
-	- Agriculture, hunting, forestry and fishing	2	3
-	- Manufacturing, mining and quarrying	11	10
-	- Energy supply	4	3
-	- Construction	1	2
-	- Trade	9	10
-	- Transport, accommodation and food service activities	4	4
-	- Information and communication	4	4
-	- Finance and insurance	33	28
-	- Real estate	10	11
-	- Other	7	9
-	- <b>Total business customers</b>	<b>85</b>	<b>83</b>
-	- Personal customers	15	17
-	- <b>Total</b>	<b>100</b>	<b>100</b>
	The sector distribution is based on the official Danish activity codes.		

# Notes

DKK million

Nykredit Realkredit A/S			Nykredit Realkredit Group	
2023	2024		2024	2023
		25. LOANS, ADVANCES AND OTHER RECEIVABLES AT AMORTISED COST (CONTINUED)		
		25 a. Bank loans and advances (continued)		
		Finance leases		
		Of total loans and advances at amortised cost, finance leases represent		
-	-	Balance, beginning of year	6,324	6,011
-	-	Additions	2,516	2,592
-	-	Disposals	(2,245)	(2,279)
-	-	Balance, year-end	6,595	6,324
-	-	Impairment provisions for finance leases represent	116	71
		26. BONDS AT FAIR VALUE		
51,324	42,300	Self-issued SDOs	127,359	94,972
13,555	12,778	Self-issued ROs	14,200	15,988
8,034	8,073	Self-issued senior debt	8,081	8,041
21,392	27,596	Other covered bonds	79,032	83,207
4,469	5,431	Government bonds	6,298	6,333
4,394	4,560	Other bonds	5,442	4,938
103,168	100,738	Total	240,411	213,480
(51,320)	(42,296)	Set-off of self-issued SDOs against "Bonds in issue at fair value"	(127,355)	(94,968)
(4)	(4)	Set-off of self-issued SDOs against "Bonds in issue at amortised cost"	(4)	(4)
(13,555)	(12,778)	Set-off of self-issued ROs against "Bonds in issue at fair value"	(14,200)	(15,988)
(8,034)	(8,073)	Set-off of self-issued senior debt against "Bonds in issue at fair value"	(8,073)	(8,034)
30,255	37,587	Total	90,779	94,486

# Notes

Nykredit Realkredit A/S		DKK million	
2023	2024	Nykredit Realkredit Group	
		2024	2023

# Notes

			DKK million	
Nykredit Realkredit A/S			Nykredit Realkredit Group	
2023	2024		2024	2023
<b>29. INVESTMENTS IN ASSOCIATES</b>				
11	11	Cost, beginning of year	31	17
0	5,237	Additions	5,242	14
11	5,248	Cost, year-end	5,273	31
18	18	Revaluations and impairment charges, beginning of year	24	23
1	(1)	Profit (loss)	6	7
-	-	Dividend	(5)	(7)
18	17	Revaluations and impairment charges, year-end	25	24
30	5,265	Balance, year-end	5,297	55
<p>Spar Nord Bank A/S is considered an associate, as Nykredit Realkredit A/S with an ownership interest of 27.76% of the shares (32,678,229 shares) and the voting rights in Spar Nord has gained significant influence as of Q4/2024.</p> <p>The increase was made at market value at the time of transaction, as the original shareholding, a total of 19.6% of the shares in issue, was recognised at market value at the time when the associate relationship was established in Q4/2024. The carrying amount of the shareholding subsequently came to DKK 5,235 million at end-2024, while the market value amounted to DKK 6,732 million. No share of profit or loss etc thereof was recognised in 2024.</p> <p>The remaining part of "Balance, year-end" of the Nykredit Realkredit Group (a total of DKK 62 million) can be attributed to immaterial associates.</p> <p>Please also refer to note 63, detailing Nykredit Realkredit's ownership interest in associates.</p>				
<b>30. INVESTMENTS IN GROUP ENTERPRISES</b>				
35,643	35,643	Cost, beginning of year	-	-
1	-	Additions	-	-
35,643	35,643	Cost, year-end	-	-
35,809	42,485	Revaluations and impairment charges, beginning of year	-	-
6,947	6,807	Profit	-	-
(271)	(267)	Other movements in capital	-	-
42,485	49,024	Revaluations and impairment charges, year-end	-	-
78,128	84,667	Balance, year-end	-	-
77,231	83,727	Of which credit institutions	-	-
<b>Subordinated receivables</b>				
2,000	2,000	Group enterprises	-	-
2,004	-	Other enterprises	564	2,392
4,004	2,000	Total	564	2,392
<b>31. ASSETS IN POOLED SCHEMES</b>				
-	-	Cash deposits	70	208
-	-	Investment fund units	9,219	4,041
-	-	Other items	(166)	(77)
-	-	Total	9,123	4,173

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>32. INTANGIBLE ASSETS</b>			
-	- Goodwill	1,770	1,770
-	- Fixed-term rights	3	2
137	206 Software	244	175
311	370 Development projects in progress	370	311
-	- Customer relationships	42	66
<b>448</b>	<b>576 Total</b>	<b>2,429</b>	<b>2,323</b>
<b>32 a. Goodwill</b>			
-	- Cost, beginning of year	1,770	1,770
-	- Cost, year-end	1,770	1,770
-	- Balance, year-end	1,770	1,770
<p>Goodwill of DKK 1,770 million is allocated to the business area Wealth Management (Nykredit Group level) as the underlying cash flows are principally generated by this business area. Internal financial reporting is made at Nykredit Group level to the Management, which also monitors the value of goodwill.</p> <p>Goodwill is tested for impairment once a year and measured at cost less accumulated impairment. If the impairment test indicates a value, which is lower than the carrying amount, goodwill will be written down to the recoverable amount. Goodwill has not been amortised, and an impairment test has provided no evidence of goodwill impairment</p> <p>The recoverable amount is calculated as the present value of the expected cash flows from the unit to which allocation of goodwill is made.</p> <p>Expected cash flows included in the impairment test are based on a 5-year budget period that reflects existing budgets and forecasts in the budget period as well as a subsequent terminal period where growth rates are kept at 2%. The development in the budget period is based on the development over the past few years and includes expected intake of new customers, increased volumes of existing customers and value increases of existing portfolios. Costs have been projected using an expected inflation rate. The effect thereof has been partly offset by synergies resulting from the acquisition. The discount rate applied is 10.8% in 2024 (8% after tax) compared with 10.7% in 2023 (8% after tax). The determination is based on an analysis of the equity market's return requirements for investment management and portfolio administration.</p>			



# Notes

DKK million

Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>32. INTANGIBLE ASSETS (CONTINUED)</b>			
<b>32 a. Goodwill (continued)</b>			
<b>The impairment test is based on the following assumptions:</b>			
		2024	2023
	Acquired goodwill	1,770	1,770
	Required rate of return before tax, %	10.8	10.7
	Average annual business growth in the budget period, %	6	6
	Fixed annual business growth in the terminal period, %	2	2
If average annual growth in the budget period declines by 1.0 percentage point, this will not lead to impairment. An increased return requirement of 1 percentage point will not lead to impairment.			
<b>32 b. Software</b>			
469	493	566	539
	<b>Cost, beginning of year</b>		
24	146	160	27
	Additions		
493	639	726	566
	<b>Cost, year-end</b>		
301	355	391	324
	<b>Amortisation and impairment, beginning of year</b>		
55	78	91	67
	Amortisation for the year		
0	-	-	0
	Impairment for the year		
355	433	482	391
	<b>Amortisation and impairment, year-end</b>		
137	206	244	175
	<b>Balance, year-end</b>		
<b>32 c. Development projects in progress</b>			
185	311	311	185
	<b>Cost, beginning of year</b>		
150	205	205	150
	Additions		
24	146	146	24
	Disposals		
311	370	370	311
	<b>Cost, year-end</b>		
-	-	-	-
	<b>Amortisation and impairment, beginning of year</b>		
-	-	-	-
	Impairment for the year		
-	-	-	-
	<b>Amortisation and impairment, year-end</b>		
311	370	370	311
	<b>Balance, year-end</b>		

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>32. INTANGIBLE ASSETS (CONTINUED)</b>			
<b>32 d. Customer relationships</b>			
-	-	<b>Cost, beginning of year</b>	<b>170</b>
-	-	<b>Cost, year-end</b>	<b>170</b>
-	-	<b>Amortisation and impairment, beginning of year</b>	<b>104</b>
-	-	Amortisation for the year	24
-	-	<b>Amortisation and impairment, year-end</b>	<b>128</b>
-	-	<b>Balance, year-end</b>	<b>42</b>
Customer relationships etc are amortised over 7 years.			
-	-	Residual amortisation period at 31 December (average number of years)	2
			3

Customer relationships relating to the investment in Sparinvest have been determined at DKK 170 million, which is amortised over 7 years. The value relates to the distribution network and administration and asset management activities.

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>33. LAND AND BUILDINGS</b>			
-	-	14	20
450	1,231	1,245	466
<b>450</b>	<b>1,231</b>	<b>1,259</b>	<b>486</b>
<b>33 a. Owner-occupied properties</b>			
<b>8</b>	-	<b>16</b>	<b>25</b>
8	-	7	9
-	-	<b>9</b>	<b>16</b>
-	-	<b>6</b>	<b>4</b>
-	-	-	4
-	-	-	(2)
-	-	<b>6</b>	<b>6</b>
<b>1</b>	-	<b>2</b>	<b>4</b>
(0)	-	-	0
(1)	-	(0)	(2)
-	-	<b>2</b>	<b>2</b>
-	-	<b>14</b>	<b>20</b>
-	-	12	13
Owner-occupied properties are depreciated over a period of 20-50 years.			
Residual depreciation period at 31 December (average number of years)			
The latest revaluation of owner-occupied properties was made at end-2024.			
The valuations were carried out by an internal valuer based on the return method. In 2024 the required rate of return ranged between 6.0% and 7.70% (6.5% on average) depending on the nature, location and state of repair of the owner-occupied property.			
If no revaluations had been made, the carrying amount of owner-occupied properties would have been:		8	14

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>33. LAND AND BUILDINGS (CONTINUED)</b>			
<b>33 b. Leased properties</b>			
868	728	737	876
(140)	886	886	(139)
<b>728</b>	<b>1,614</b>	<b>1,623</b>	<b>737</b>
<b>628</b>	<b>279</b>	<b>271</b>	<b>630</b>
122	105	105	126
472	-	-	485
<b>279</b>	<b>384</b>	<b>377</b>	<b>271</b>
<b>450</b>	<b>1,231</b>	<b>1,245</b>	<b>466</b>

Additions and disposals for 2023 include disposal of the Group's headquarters.

Leased assets concern properties from which Nykredit operates (owner-occupied properties). Additions have mainly been calculated based on the present value of the remaining lease payments, excluding VAT and any services. Property taxes payable by Nykredit are also excluded from the lease value.

The discount rate is based on Nykredit's lending rate, which is determined on the basis of a swap rate with a term matching the remaining lease term plus a Nykredit-specific credit spread. The total interest rate ranges between 1.11% for short-term contracts and 4.43% for long-term contracts. For leases which have been terminated, the determination is based on the period until the end of the lease term, while the remaining portfolio has an average remaining term of about 6 years based on an estimate of the period in which Nykredit expects to occupy the properties. However, the lease term for the new headquarters, Nykredit Huset, is 15 years. Liabilities were DKK 1,215 million at end-2024 (2023: DKK 458 million). Interest relating to lease liabilities was DKK 45 million (2023: DKK 3 million).

Moreover, the Group has a number of minor non-capitalised leases.

# Notes

DKK million

Nykredit Realkredit A/S			Nykredit Realkredit Group	
2023	2024		2024	2023
<b>34. OTHER PROPERTY, PLANT AND EQUIPMENT</b>				
507	569	Cost, beginning of year	631	571
68	135	Additions	135	72
6	62	Disposals	67	12
569	642	Cost, year-end	699	631
304	356	Depreciation and impairment, beginning of year	400	346
56	63	Depreciation for the year	65	58
1	(1)	Impairments	(1)	1
(5)	(61)	Reversal of depreciation and impairment	(61)	(5)
356	357	Depreciation and impairment, year-end	403	400
213	284	Balance, year-end	295	231
4	3	Other assets are depreciated over 4-15 years. Residual depreciation period at 31 December (average number of years)	3	4
<b>35. ASSETS IN TEMPORARY POSSESSION</b>				
6	8	Properties acquired by foreclosure for sale	30	6
6	8	Total	30	6
If the Group acquires a mortgaged property through a forced sale by public auction to reduce its loss on the exposure in default, the Group will seek to divest the mortgaged property at the highest obtainable price within 12 months. The assets are recognised in Group Items in the segment financial statements.				
<b>36. OTHER ASSETS</b>				
8,563	9,110	Interest and commission receivable	2,920	2,932
1	0	Receivables from Group enterprises	-	-
573	204	Positive market value of derivative financial instruments etc	6,326	6,663
270	300	Defined benefit plans	300	270
1,976	887	Other	4,671	8,211
11,383	10,501	Total	14,218	18,075
<b>36 a. Defined benefit plans</b>				
The majority of the Group's pension plans are defined contribution plans. The contributions are charged against income on a current basis.				
The Group's defined benefit plans are funded through contributions from Nykredit Realkredit A/S into the pension fund Nykredits Afviklingspensionskasse, which acts in the members' interests by investing the contributions made to cover the pension obligations. An annual actuarial calculation of the value in use of future benefits is performed. Actuarial gains and losses are recognised in "Other comprehensive income".				
Due to the excess coverage of the pension fund, Nykredit Realkredit A/S has not made any contributions since 2009. The pension fund is subject to Danish legislation on company pension funds. The scheme is closed to new members and covers staff employed before 1972.				
(277)	(274)	Present value of defined benefit plans	(274)	(277)
547	575	Fair value of plan assets <sup>1</sup>	575	547
270	300	Net assets, year-end	300	270
(19)	(15)	Pension costs/income relating to defined benefit plans recognised in "Staff and administrative expenses" in the income statement	(15)	(19)
(9)	(12)	Pension costs/income relating to defined benefit plans recognised in "Actuarial gains/losses on defined benefit plans" in "Other comprehensive income"	(12)	(9)

<sup>1</sup> The plan assets primarily consists of mortgage bonds and government bonds.

# Notes

Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
DKK million			
36. OTHER ASSETS (CONTINUED)			
36 b. Finance leases			
The subsidiary Nykredit Mægler has entered into a number of leases that have been subleased to the Company's franchisees, which use the leases to carry on estate agency business.			
The leases are sublet to the franchisees on the same terms as Nykredit Mægler's head lease paid to the lessor. The leases are therefore categorised as finance leases.			
The leases, which are determined at portfolio level, have average lease terms of seven years. As to recognition and discounting to net present value, the same principles are applied as described in note 33 b to which reference is made.			
The related lease liabilities (note 42 "Other liabilities") nominally correspond to the size and terms of the assets.			
-	-	Cost, beginning of year	311202
-	-	Additions for the year	-153
-	-	Disposals for the year	5344
-	-	Cost, year-end	258311
-	-	Interest income:	115
-	-	Interest expenses:	115
-	-	Rent paid or collected	4851
-	-	Non-earned income	1922

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>37. PAYABLES TO CREDIT INSTITUTIONS AND CENTRAL BANKS</b>			
370	287	8,194	5,350
-	-	-	606
10,346	3,727	5,581	6,609
-	-	219	27
<b>10,716</b>	<b>4,014</b>	<b>13,994</b>	<b>12,591</b>
<b>38. DEPOSITS AND OTHER PAYABLES</b>			
-	-	99,084	92,559
-	-	19,183	18,672
-	-	3,217	2,977
-	-	3,109	5,618
-	-	<b>124,592</b>	<b>119,825</b>
<b>39. BONDS IN ISSUE AT FAIR VALUE</b>			
112,262	106,235	108,342	114,759
1,330,395	1,431,483	1,431,483	1,330,395
8,744	8,716	8,716	8,744
<b>1,451,402</b>	<b>1,546,434</b>	<b>1,548,541</b>	<b>1,453,899</b>
(72,909)	(63,147)	(149,628)	(118,990)
<b>1,378,493</b>	<b>1,483,287</b>	<b>1,398,913</b>	<b>1,334,909</b>

Changes in the fair values of covered bonds (ROs and SDOs) and senior debt issues attributable to the Nykredit Group's own credit risk can be determined relative to changes in option-adjusted yield spreads (OAS) against government bonds or relative to changes in yield spreads against equivalent bonds from other Danish mortgage lenders.

Determined relative to other Danish mortgage lenders, the fair value has not been subject to changes attributable to the Nykredit Group's own credit risk in 2024 or since the issue, as there are no measurable price differences between bonds with identical properties issued by different lenders.



# Notes

DKK million

Nykredit Realkredit A/S

2023	2024		2024	2023
<b>39. BONDS IN ISSUE AT FAIR VALUE (CONTINUED)</b>				
<p>The yield spread between government bonds and ROs/SDOs tightened in 2024, causing an increase in the fair value of issued bonds of about DKK 6 billion (2023: an increase of about DKK 13 billion), which is attributable to Nykredit's own credit risk. Since 2007, spread widening between government bonds and ROs/SDOs has resulted in a fair value decrease of about DKK 11 billion (2023: a decrease of about DKK 19 billion), which is attributable to Nykredit's own credit risk.</p> <p>Equity and profit/loss have not been affected by the changes in fair value for ROs and SDOs, as the value of mortgage lending has changed correspondingly.</p> <p>The determination allows for both maturity and nominal holding, but is to some extent based on estimates.</p>				
<b>39 a. ROs</b>				
110,640	103,903	ROs at nominal value	105,923	113,043
1,622	2,333	Fair value adjustment	2,419	1,716
<b>112,262</b>	<b>106,235</b>	<b>ROs at fair value</b>	<b>108,342</b>	<b>114,759</b>
(13,555)	(12,778)	Self-issued ROs	(14,200)	(15,988)
<b>98,707</b>	<b>93,458</b>	<b>Total outstanding ROs at fair value</b>	<b>94,142</b>	<b>98,771</b>
1,908	4	Of which pre-issuance	4	1,908
3,454	3,139	ROs redeemed and maturing at next creditor payment date	3,139	3,541
<b>39 b. SDOs</b>				
1,412,023	1,488,156	SDOs at nominal value	1,488,156	1,412,023
(81,627)	(56,673)	Fair value adjustment	(56,673)	(81,627)
<b>1,330,395</b>	<b>1,431,483</b>	<b>SDOs at fair value</b>	<b>1,431,483</b>	<b>1,330,395</b>
(51,320)	(42,296)	Self-issued SDOs	(127,355)	(94,968)
<b>1,279,076</b>	<b>1,389,187</b>	<b>Total outstanding SDOs at fair value</b>	<b>1,304,128</b>	<b>1,235,428</b>
8,453	2,637	Of which pre-issuance	2,637	8,453
55,988	86,815	SDOs redeemed and maturing at next creditor payment date	86,815	55,988
<b>39 c. Senior secured debt</b>				
8,685	8,614	Senior secured debt at nominal value	8,614	8,685
59	102	Fair value adjustment	102	59
<b>8,744</b>	<b>8,716</b>	<b>Senior secured debt at fair value</b>	<b>8,716</b>	<b>8,744</b>
(8,034)	(8,073)	Self-issued senior secured debt	(8,073)	(8,034)
<b>710</b>	<b>642</b>	<b>Total outstanding senior secured debt at fair value</b>	<b>642</b>	<b>710</b>
-	-	Senior secured debt maturing at next creditor payment date	-	-

# Notes

DKK million

Nykredit Realkredit A/S				
2023	2024		2024	2023
		<b>40. BONDS IN ISSUE AT AMORTISED COST</b>		
-	-	Corporate bonds	13,759	8,050
5	4	SDOs	4	5
56,366	64,889	Senior unsecured debt	64,889	56,366
69	67	Other securities	67	69
<b>56,439</b>	<b>64,961</b>	<b>Total</b>	<b>78,719</b>	<b>64,489</b>
-	-	Self-issued corporate bonds	(2,125)	(2,125)
(4)	(4)	Self-issued SDOs	(4)	(4)
<b>56,435</b>	<b>64,957</b>	<b>Total outstanding bonds in issue at amortised cost</b>	<b>76,590</b>	<b>62,360</b>
		<b>40 a. Corporate bonds Issues</b>		
-	-	ECP issues	11,634	5,925
-	-	Other issues	2,125	2,125
-	-	<b>Total</b>	<b>13,759</b>	<b>8,050</b>
		<b>41. OTHER NON-DERIVATIVE FINANCIAL LIABILITIES AT FAIR VALUE</b>		
306	947	Negative securities portfolios	6,702	7,139
<b>306</b>	<b>947</b>	<b>Total</b>	<b>6,702</b>	<b>7,139</b>
		<b>42. OTHER LIABILITIES</b>		
13,136	13,674	Interest and commission payable	14,458	14,148
800	636	Negative market value of derivative financial instruments etc	5,601	8,817
1,928	2,818	Other	6,234	4,729
<b>15,864</b>	<b>17,127</b>	<b>Total</b>	<b>26,294</b>	<b>27,694</b>

Moreover, payment of lease liabilities relating to finance leases were recognised in "Other" at DKK 258 million in 2024 (2023: DKK 311 million), see note 36. Lease liabilities concern rent etc related to assets, see notes 33 b. and 36 b.

Operating leases were recognised at DKK 1,232 million compared with DKK 477 million at end-2023. The change of DKK 755 million consists of liquid repayments of DKK 133 million and illiquid additions of DKK 888 million. In 2023, the liability increased from DKK 281 million to DKK 477 million as a result of liquid repayments of DKK 98 million and illiquid additions of DKK 294 million.

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>43. CURRENT TAX ASSETS AND LIABILITIES</b>			
<b>Current tax</b>			
(55)	(130)	(254)	(478)
-	-	-	1
(1,287)	(1,191)	(3,037)	(3,229)
(65)	110	112	(79)
1,277	1,188	3,171	3,532
(130)	(23)	(8)	(254)
<b>Current tax recognised in the balance sheet:</b>			
-	-	70	46
130	23	77	300
(130)	(23)	(8)	(254)
<b>44. PROVISIONS FOR DEFERRED TAX/DEFERRED TAX ASSETS</b>			
(330)	(177)	(289)	(402)
-	-	-	0
116	(11)	(49)	80
(2)	(4)	(4)	(3)
39	(105)	(108)	36
(177)	(298)	(451)	(289)
<b>Deferred tax recognised in the balance sheet</b>			
-	-	169	168
177	298	620	457
(177)	(298)	(451)	(289)
<b>Deferred tax relates to:</b>			
-	-	(219)	(174)
(4)	(9)	(9)	(4)
(84)	(125)	(147)	(111)
6	(4)	(5)	4
13	(43)	(44)	14
10	18	104	93
65	16	22	74
(130)	(93)	(94)	(130)
(54)	(58)	(59)	(55)
(177)	(298)	(451)	(289)
<b>Deferred tax not recognised in the balance sheet</b>			
187	190	191	190
187	190	191	190
The asset has not been recognised, as it is not likely to crystallise in the near future			

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>45. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS</b>			
<b>17</b>	<b>6</b>	<b>6</b>	<b>17</b>
(11)	(6)	(6)	(11)
0	-	-	0
<b>6</b>	<b>-</b>	<b>-</b>	<b>6</b>
<b>46. REPAYABLE RESERVES IN PRE-1972 SERIES</b>			
<b>21</b>	<b>13</b>	<b>13</b>	<b>21</b>
(9)	(3)	(3)	(9)
1	2	2	1
<b>13</b>	<b>12</b>	<b>12</b>	<b>13</b>
Repayable reserves in pre-1972 series stem from loan agreements under which the borrowers on full or partial repayment of their outstanding amounts are paid their share of the series reserve fund in compliance with the terms of the series concerned. This obligation will be gradually reduced up until 2033 as borrowers repay their loans.			
<b>47. PROVISIONS FOR LOSSES UNDER GUARANTEES</b>			
-	-	<b>328</b>	<b>340</b>
-	-	197	179
-	-	(224)	(191)
-	-	<b>302</b>	<b>328</b>
<b>48. OTHER PROVISIONS</b>			
<b>79</b>	<b>109</b>	<b>406</b>	<b>305</b>
(2)	(102)	(163)	(3)
32	103	142	104
-	(26)	(26)	-
0	0	0	0
<b>109</b>	<b>84</b>	<b>359</b>	<b>406</b>

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
	<b>49. SUBORDINATED DEBT</b>		
	Subordinated debt consists of financial liabilities in the form of subordinate loan capital and Additional Tier 1 capital which, in case of voluntary or compulsory liquidation, will not be repaid until the claims of ordinary creditors have been met.		
	Subordinated debt is included in Nykredit's own funds etc in accordance with the EU's Capital Requirements Regulation.		
	<b>Subordinate loan capital</b>		
	Nominally EUR 50 million. The loan matures on 28 October 2030. The loan carries a fixed interest rate of 4% pa for the first two years after issuance. In the remaining loan term, the interest rate will be fixed every six months		
373	373	373	373
	Nominally SEK 1,000 million. The loan matures on 31 March 2031, but may be redeemed at par (100) from 31 March 2026. The loan rate will be fixed every three months.		
671	648	648	671
	Nominally EUR 500 million. The loan matures on 28 July 2031, but may be redeemed at par (100) from 28 April 2026 up to and including 28 July 2026. The loan carries a fixed interest rate of 0.875% pa up to 28 July 2026, after which date the interest rate will be fixed for the next five years		
3,450	3,582	3,582	3,450
	Nominally EUR 500 million. The loan matures on 29 December 2032, but may be redeemed at par (100) from 29 September 2027 up to and including 29 December 2027. The loan carries a fixed interest rate of 5.5% pa up to 29 December 2027, after which date the interest rate will be fixed for the next five years.		
3,732	3,761	3,761	3,732
	Nominally SEK 280 million. The loan matures on 18 October 2032, but may be redeemed at par (100) from 18 October 2027 and on every interest payment date thereafter up to and including 17 October 2032. The loan carries a fixed interest rate of 6.88% pa up to 17 October 2027, after which date the interest rate will be fixed every three months.		
193	186	186	193
	Nominally NOK 1,550 million. The loan matures on 18 October 2032, but may be redeemed at par (100) from 18 October 2027 and on every interest payment date thereafter up to and including 17 October 2032. The loan rate will be fixed every three months.		
1,025	973	973	1,025
	Nominally DKK 950 million. The loan matures on 26 October 2032, but may be redeemed at par (100) from 26 October 2027 and on every interest payment date thereafter up to and including 25 October 2032. The loan rate will be fixed every three months.		
950	950	950	950
<b>10,394</b>	<b>10,472</b>	<b>10,472</b>	<b>10,394</b>
	<b>Total subordinate loan capital</b>		
-	-	-	-
	Portfolio of self-issued bonds		
<b>10,394</b>	<b>10,472</b>	<b>10,472</b>	<b>10,394</b>
	<b>Total subordinated debt</b>		
10,665	10,215	10,231	10,676
-	-	-	-
-	-	-	-
	Subordinated debt that may be included in own funds		
	Costs related to raising and redeeming subordinated debt		
	Extraordinary principal payments and redemption of subordinated debt in the financial period		

Subordinated debt rose by DKK 78 million to DKK 10,472 million during the year due to illiquid value adjustments, as there have been no redemptions or raising of new debt in 2024. In 2023, subordinated debt increased by a total of DKK 258 million from DKK 10,136 million to DKK 10,394 million as a result of illiquid value adjustments.

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>49. SUBORDINATED DEBT (CONTINUED)</b>			
<b>Hedge accounting</b>			
The exposure to fair value changes in the price of the bonds as a result of changes in market rates is hedged. The Nykredit Group has countered this risk by entering into interest rate swaps:			
(270)	(145)	(145)	(270)
15	38	38	15
5	4	4	5
375	391	391	375
657	650	650	657
3,402	3,910	3,910	3,402
1,085	1,052	1,052	1,085
3,851	3,603	3,603	3,851
199	195	195	199
1,081	999	999	1,081
<b>10,401</b>	<b>10,699</b>	<b>10,699</b>	<b>10,401</b>
<b>Total</b>			

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>50. OFF-BALANCE SHEET ITEMS</b>			
Guarantees and warranties provided, irrevocable credit commitments and similar obligations not recognised in the balance sheets are presented below.			
-	-	12,459	6,932
10,202	8,968	21,212	24,209
<b>10,202</b>	<b>8,968</b>	<b>33,671</b>	<b>31,141</b>
<b>50 a. Contingent liabilities</b>			
-	-	345	54
-	-	2	3
-	-	12,112	6,876
-	-	<b>12,459</b>	<b>6,932</b>
"Other contingent liabilities" chiefly comprises purchase price and payment guarantees.			
Remaining terms are partly based on estimates as not all guarantees have a fixed term and as it may depend on delays in registration etc.			
<b>50 b. Other commitments</b>			
9,382	8,283	19,618	22,828
820	685	1,594	1,380
<b>10,202</b>	<b>8,968</b>	<b>21,212</b>	<b>24,209</b>

"Other" under "Other commitments" comprises obligations to and charges in favour of securities depositaries as well as investment commitments to private equity funds.



# Notes

Nykredit Realkredit Group

## 50. OFF-BALANCE SHEET ITEMS (CONTINUED)

### Additional contingent liabilities

Owing to its size and business scope, the Nykredit Group is continuously involved in legal proceedings and litigation. The cases are subject to ongoing review, and necessary provisions are made based on an assessment of the risk of loss. Pending cases are not expected to have a significant effect on the Nykredit Group's financial position.

Nykredit participates in the mandatory Danish deposit guarantee scheme. A new scheme was introduced in 2015, as the Danish Guarantee Fund took over the activities and assets of the Danish Guarantee Fund for Depositors and Investors on 1 June 2015. The purpose of the Danish Guarantee Fund is to provide cover for depositors and investors of failing institutions included in the Fund's scheme. The scheme includes both natural and legal persons, and deposits are covered by an amount equivalent to EUR 100,000 per depositor and EUR 20,000 per investor.

Nykredit also participates in the Danish Resolution Fund scheme, which is a resolution finance scheme that was also established on 1 June 2015. The Danish Resolution Fund is funded by annual contributions from participating banks, mortgage lenders and investment companies and, as from 31 December 2024, the assets of the scheme must make up 1% of the sector's covered deposits.

Participating institutions make annual contributions to cover any losses incurred by the Danish Resolution Fund in connection with the resolution of failing institutions.

BEC Financial Technologies (BEC) is an IT provider of Nykredit Bank. According to BEC's articles of association, Nykredit Bank may terminate its membership of BEC giving five years' notice to expire at the end of a financial year. Should the membership terminate otherwise for reasons related to Nykredit Bank, compensation will be payable to BEC as defined in BEC's articles of association. If a bank merges and ceases being an independent bank, the BEC membership terminates without notice but a transitional Scheme may apply.

Nykredit Realkredit A/S is jointly taxed with Forenet Kredit as the administration company. Pursuant to the Danish Corporation Tax Act, the Company is liable for income taxes etc payable by the jointly taxed companies and for any obligations to withhold tax at source on interest, royalties and dividends of these companies.

Nykredit Realkredit A/S has made an offer to buy all shares in Spar Nord Bank A/S.

Nykredit Realkredit A/S is liable for the obligations of the pension fund Nykredits Afviklingspensionskasse (CVR no 24 25 62 19).

## 51. RELATED PARTY TRANSACTIONS AND BALANCES

Forenet Kredit, the Parent Nykredit A/S, Group enterprises and associates of Nykredit Realkredit A/S as stated in the Group structure as well as Nykredit Realkredit A/S's Board of Directors, Executive Board and related parties thereof are regarded as related parties.

No unusual related party transactions occurred in 2024.

The companies have entered into various intercompany agreements as a natural part of the Group's day-to-day operations. The agreements typically involve financing, provision of guarantees, sales commission, tasks relating to IT support and IT development projects, payroll and staff administration as well as other administrative tasks.

Intercompany trading in goods and services took place on an arm's length, cost reimbursement or profit split basis.

Significant related party transactions prevailing/entered into in 2024 include:

### Agreements between Nykredit Realkredit A/S and Totalkredit A/S

As part of the Group's joint funding activities, Nykredit Realkredit A/S has funded mortgage loans granted by its subsidiary Totalkredit A/S on an ongoing basis.

Totalkredit A/S funds its lending by issuing a master bond for each capital centre with Nykredit Realkredit A/S as the only creditor. The master bond constitutes security for Nykredit Realkredit A/S's issuance of covered bonds (ROs and SDOs) and serves to ensure that Totalkredit A/S transfers all payments to bondholders under the loans and advances granted by Totalkredit A/S to Nykredit Realkredit A/S, not later than at the same time as Nykredit Realkredit A/S makes payments to bondholders. The bondholders therefore enjoy the same security as if the Totalkredit loans had been granted directly from Nykredit Realkredit A/S's own balance sheet. An agreement has been made to hedge market risk relating to collateral, including investments, in Totalkredit's capital centres.

Agreement on the distribution of mortgage loans to personal customers via Totalkredit A/S (this agreement was concluded on the same terms as apply to other business partners, including commission payments).

Nykredit Realkredit A/S has granted loans of DKK 2.0 billion to Totalkredit A/S in the form of subordinated debt and DKK 4.0 billion in the form of Additional Tier 1 capital.

### Agreements between Nykredit Realkredit A/S and Nykredit Bank A/S

Framework agreement on the terms for financial transactions relating to loans and deposits in the securities and money market areas etc.

Nykredit Realkredit has a deposit with Nykredit Bank to cover the Bank's MREL requirement.

### Agreements between Forenet Kredit and Group companies

Forenet Kredit distributes an amount annually to the Group companies which use the contribution to offer the Group's customers benefits in the form of discounts and green solutions.

# Notes

DKK million

## 51. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	Transactions with subsidiaries		Transactions with parents		Transactions with associates		Transactions with the Executive Board		Transactions with the Board of Directors		Related parties of the Executive Board or Board of Directors	
Income statement	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Nykredit Realkredit Group</b>												
<b>Income statement</b>												
Interest income		-		-	0	0	0	-	0	-	0	-
Interest expenses		-	23	31		-	1	1	2	1	0	0
Other operating income		-	1,500	1,125		-		-		-		-
<b>Balance sheet items</b>												
Loans, advances and other receivables at fair value		-		-		-	26	69	50	29	9	10
Other assets		-	0	0		-		-		-		-
Deposits and other payables		-	67	77	9	11	13	34	13	10	5	3
Bonds in issue at fair value		-	203	272		-		-		-		-
<b>Nykredit Realkredit A/S</b>												
<b>Income statement</b>												
Interest income	25,590	21,277		-		-		-		-		-
Interest expenses	623	932	20	27		-		-		-		-
Fee and commission income	1,093	1,054		-		-		-		-		-
Fee and commission expenses	(152)	270		-		-		-		-		-
Value adjustments	17,477	23,491		-		-		-		-		-
Other operating income	2,017	902	231	252		-		-		-		-
Staff and administrative expenses	(2,415)	(1,042)		(3)		-		-		-		-
<b>Balance sheet items</b>												
Receivables from credit institutions and central banks	26,777	35,255		-		-		-		-		-
Funding of Totalkredit mortgage lending	941,453	855,252		-		-		-		-		-
Loans, advances and other receivables at amortised cost	4	4		-		-		-		-		-
Bonds at fair value	99	122		-		-		-		-		-
Other assets	8,249	8,058	0	1		-		-		-		-
Payables to credit institutions and central banks	1,626	8,087		-		-		-		-		-
Bonds in issue at fair value	89,258	48,870	203	272		-		-		-		-
Other liabilities	745	750		-		-		-		-		-

The facilities of related parties were granted on standard business terms. Rates applying to ordinary loans ranged between 0.0% and 4.17% (2023: between 0.0% and 2.5%), and deposit rates were between 0.0% and 2.25% (2023: between 0% and 5.5%).

Facilities granted to the Executive Board, the Board of Directors or related parties thereof have not given rise to stage 2 or stage 3 impairments.

# Notes

Nykredit Realkredit Group

## 52. FAIR VALUE DISCLOSURES

### Valuation principles

Financial instruments are measured at fair value or amortised cost in the balance sheet. The tables in notes 52 a. and 52 b. show the fair values of all instruments compared with the carrying amounts at which the instruments are recognised in the balance sheet.

### Financial instruments measured at fair value

The Group's fair value assets and liabilities are generally measured based on publicly listed prices or market terms in active markets on the balance sheet date. If an asset or liability measured at fair value has both a purchase and a sales price, the mean value is used as a basis for measurement. The measurement is the value at which a financial asset may be traded, or the amount at which a financial liability may be settled, between two independent and willing parties.

If the market for a financial asset or liability is illiquid, or if there are no publicly recognised prices, Nykredit determines the fair value using generally accepted valuation techniques. These techniques include corresponding recent transactions between independent parties, reference to other corresponding instruments and an analysis of discounted cash flows as well as option and other models based on observable market data.

Valuation techniques are generally applied to OTC derivatives and unlisted assets and liabilities.

Unlisted equities are measured at fair value using valuation methods according to which the fair value is estimated as the price of an asset traded between independent parties or based on the company's equity value, if the equity value is assumed equal to the fair value of the instrument.

### Financial instruments measured at amortised cost

In connection with the determination of the fair value of the financial instruments measured at amortised cost in the Financial Statements, the following methods and significant assumptions have been applied:

- For loans, advances and receivables as well as deposits and other payables measured at amortised cost, carrying a variable interest rate and entered into on standard credit terms, the carrying amounts are estimated to correspond to the fair values.
- The fair value of fixed-rate assets and financial liabilities measured at amortised cost has been determined using generally accepted valuation methods.
- The credit risk of fixed-rate financial assets (loans and advances) has been assessed in relation to other loans, advances and receivables.
- The fair value of assets and liabilities without a fixed term has been assumed to be the value disburseable at the balance sheet date.
- The fair value of bonds in issue is measured based on valuation techniques, taking into account comparable transactions and observable inputs such as yield curves, at which Nykredit might launch issues.

Note 52 a shows the fair value of the financial instruments measured at amortised cost and the instances where the fair value does not correspond to the carrying amount.

### Listed prices

The Group's assets and liabilities at fair value are to the widest extent possible recognised at listed prices or prices quoted in an active market or authorised marketplace.

Bonds at fair value are recognised at listed prices if external prices have been updated within the past two trading days prior to the balance sheet date. If no listed prices have been observed during this time span, the portfolio is recognised at observable inputs.

### Observable inputs

When an instrument is not traded in an active market, measurement is based on the most recent listed price in an inactive market, the price of comparable transactions or generally accepted valuation techniques based on, for instance, discounted cash flows and option models.

Observable inputs are typically yield curves, volatilities and market prices of similar instruments, which are usually obtained through ordinary providers such as Reuters, Bloomberg and market makers. If the fair value is based on transactions in similar instruments, measurement is exclusively based on transactions at arm's length. Unlisted derivatives generally belong to this category.

Bonds not traded in the past two trading days belong to this category. The valuation is based on the most recent observed price, and adjustments are made for subsequent changes in market conditions, eg by including transactions in similar instruments (matrix pricing). Redeemed bonds are transferred to this category, as there is no access to official prices in active markets.

CVA is calculated based on the derivatives portfolio with counterparties giving rise to significant counterparty risk. The calculation is based on expected future exposures derived from a Monte Carlo simulation. We use external credit spreads from Itraxx Europe and Crossover Credit Index as input to the probability of default. Furthermore, Funding Valuation Adjustment (FVA) is used for the valuation of derivatives. FVA allows for Nykredit's future funding costs incurred by derivatives transactions where clients have not provided sufficient collateral. Nykredit has used a funding curve for this calculation, which is assessed on the basis of objective prices of Danish SIFI banks' traded bonds.

# Notes

Nykredit Realkredit Group

FVA may involve both a funding benefit and a funding cost, but for Nykredit, the net FVA adjustment in 2024 was a funding cost.

Net value adjustment due to CVA, DVA and FVA amounted to a negative DKK 195 million at 31 December 2024 (end-2023: negative DKK 92 million).

Upon entering into derivatives contracts, further provisions are made in the form of a so-called minimum margin for liquidity and credit risk and return on capital etc. The minimum margin is amortised at the valuation of derivatives over their times-to-maturity. At 31 December 2024, the non-amortised minimum margin amounted to DKK 114 million (end-2023: DKK 105 million). With regard to liquidity and credit risk, DKK 139 million for end-2024 and DKK 131 million for 2023 have been included above in the net adjustment of FVA and CVA. Finally, in some instances further value adjustment based on management judgement is made if the models are not deemed to take into account all known risks, including eg legal risks.

In some cases, markets, eg the bond market, have become inactive and illiquid. When assessing market transactions, it may therefore be difficult to conclude whether the transactions were executed at arm's length or were forced sales. If measurement is based on recent transactions, the transaction price is compared with a price based on relevant yield curves and discounting techniques.

## Unobservable inputs

When it is not possible to measure financial instruments at fair value based on prices in active markets or observable inputs, measurement is based on own assumptions and extrapolations etc. Where possible and appropriate, measurement is based on actual transactions adjusted for differences in eg the liquidity, credit spreads and maturities etc of the instruments. The Group's unlisted equities are generally classified under this heading, and valuation is based on the IPEV Valuation Guidelines.

The positive market values of a number of interest rate swaps with customers in the lowest rating categories have been adjusted for increased credit risk based on additional CVA. The adjustment uses for instance the statistical data applied by the Bank to calculate expected credit losses on loans and advances at amortised cost. Interest rate swaps which have been fair value adjusted to DKK 0 (after deduction for collateral) due to the creditworthiness of the counterparty are also included in the category "Unobservable inputs".

Following value adjustment, the fair value came to DKK 24 million at 31 December 2024 (2023: DKK 275 million). Credit value adjustments came to DKK 112 million at 31 December 2024 (2023: DKK 263 million).

The interest rate risk on these interest rate swaps is hedged in all material respects. However, interest rate fluctuations may impact results to the extent that the market value must be adjusted due to increased counterparty credit risk. A 0.1 percentage point change in interest rate levels will impact the fair value by +/- DKK 10 million.

However, financial assets measured on the basis of unobservable inputs account for a very limited part of total financial assets at fair value. At 31 December 2024, the proportion was thus 0.3% compared with 0.3% at end-2023. The proportion of financial liabilities was 0.0% against 0.0% at end-2023.

Valuation, notably of instruments classified as unobservable inputs, is subject to some uncertainty. Of total assets and liabilities, DKK 3.9 billion (2023: DKK 4.2 billion) belonged to this category.

Assuming that an actual market price will deviate by +/-10% from the calculated fair value, the earnings impact will be DKK 386 million at 31 December 2024 (0.37% of equity at 31 December 2024). The earnings impact for 2023 was estimated at DKK 421 million (0.42% of equity at 31 December 2023).

The net asset thus has a relatively insignificant impact on results and equity. With respect to derivatives (DKK 0.0 billion), it should be noted that changes in market value owing to the development in interest rates will largely be offset by credit value adjustment, and the net effect for accounting purposes is therefore assumed to be very low.

## Transfers between categories

Transfers between the categories Listed prices, Observable inputs and Unobservable inputs are made when an instrument is classified differently on the balance sheet date than at the beginning of the financial year. The value transferred to another category corresponds to the fair value at the beginning of the year. With respect to interest rate swaps that have been fair value adjusted to DKK 0 due to credit risk adjustment, separate calculations are made at the end of each month.

In 2024 and 2023, transfers between the categories Observable inputs and Unobservable inputs mainly resulted from changes to the ratings (credit risk) of counterparties and primarily concerned interest rate swaps, as regards financial instruments with positive market value.

Transfers between the categories Listed prices and Observable inputs mainly result from bonds that are reclassified either due to traded volume or the number of days between last transaction and the time of determination. In 2024 financial assets of DKK 0.7 billion were transferred from Listed prices to Observable inputs and DKK 3.1 billion from Observable inputs to Listed prices. Financial liabilities of DKK 0.3 billion were transferred from Listed prices to Observable inputs and DKK 0.3 billion from Observable inputs to Listed prices.

Redeemed bonds (usually comprised by Listed prices) are transferred to Observable inputs on the last day before the coupon date, as there is no access to official prices in active markets. At 31 December 2024, the amount was DKK 0.4 billion against DKK 0.3 billion at end-2023.

No transfers were made between the categories Listed prices and Unobservable inputs.

# Notes

DKK million

Nykredit Realkredit Group

## 52. FAIR VALUE DISCLOSURES (CONTINUED)

### 52 a. Fair value disclosures of assets and liabilities recognised at amortised cost

52 a. Fair value disclosures of assets and liabilities recognised at amortised cost				Fair value calculated on the basis of		
2024	Carrying amount	Fair value	Balance	Listed prices	Observable inputs	Unobserva- ble inputs
Assets						
Loans, advances and other receivables at amortised cost	147,565	147,831	265	-	4	147,827
Bonds at amortised cost	1,735	1,724	(10)	1,724	-	-
Total	149,300	149,555	255	1,724	4	147,827
Liabilities						
Bonds in issue at amortised cost	76,590	82,989	(6,398)	-	82,917	72
Subordinated debt	10,472	10,699	(226)	-	10,699	-
Total	87,063	93,687	(6,625)	-	93,616	72
Transfer from assets			255			
Total balance			(6,370)			
2023						
Assets						
Loans, advances and other receivables at amortised cost	128,644	128,910	265	0	4	128,905
Bonds at amortised cost	1,688	1,675	(14)	1,675	1	-
Total	130,333	130,584	251	1,675	5	128,905
Liabilities						
Bonds in issue at amortised cost	62,360	60,592	1,768	-	60,523	69
Subordinated debt	10,394	10,401	(6)	-	10,401	-
Total	72,754	70,993	1,761	-	70,924	69
Transfer from assets			251			
Total balance			2,013			

# Notes

DKK million

Nykredit Realkredit Group

## 52. FAIR VALUE DISCLOSURES (CONTINUED)

### 52 b. Fair value of assets and liabilities recognised at fair value (IFRS hierarchy)

31 December 2024

Financial assets:	Listed prices	Observable inputs	Unobservable inputs	Total fair value
- bonds at fair value	3,559	87,220	-	90,779
- equities measured at fair value through profit or loss	1,418	-	3,968	5,385
- positive fair value of derivative financial instruments	22	6,281	24	6,326
- mortgage loans, arrears and outlays	-	1,424,807	-	1,424,807
- owner-occupied properties	-	-	14	14
- assets in pooled schemes	9,123	-	-	9,123
<b>Total</b>	<b>14,121</b>	<b>1,518,308</b>	<b>4,005</b>	<b>1,536,435</b>
<b>Percentage</b>	<b>0.9</b>	<b>98.8</b>	<b>0.3</b>	<b>100.0</b>

### Financial liabilities:

- deposits in pooled schemes	-	9,123	-	9,123
- other non-derivative financial liabilities at fair value	1,219	5,483	-	6,702
- negative fair value of derivative financial instruments	53	5,549	-	5,602
- bonds in issue at fair value	1,398,251	662	-	1,398,913
<b>Total</b>	<b>1,399,523</b>	<b>20,817</b>	<b>-</b>	<b>1,420,339</b>
<b>Percentage</b>	<b>98.5</b>	<b>1.5</b>	<b>-</b>	<b>100.0</b>

### Assets measured on the basis of unobservable inputs

	Real estate	Equities	Derivatives	Total
<b>Fair value, beginning of year, assets</b>	<b>20</b>	<b>3,916</b>	<b>275</b>	<b>4,211</b>
Value adjustment recognised through profit or loss	(0)	171	115	286
Purchases for the year	-	285	-	285
Sales for the year	(6)	(404)	(8)	(418)
Transferred from Listed prices and Observable inputs <sup>1</sup>	-	-	-	-
Transferred to Listed prices and Observable inputs <sup>2</sup>	-	-	(358)	(358)
<b>Fair value, year-end, assets</b>	<b>14</b>	<b>3,968</b>	<b>24</b>	<b>4,005</b>

<sup>1</sup> Transfers from Observable inputs to Unobservable inputs consist of interest rate swaps individually adjusted for increased credit risk.

<sup>2</sup> Transfers to Observable inputs from Unobservable inputs principally consist of interest rate swaps for which individual adjustment for increased credit risk is no longer required.

# Notes

DKK million

Nykredit Realkredit Group

## 52. FAIR VALUE DISCLOSURES (CONTINUED)

### 52 b. Fair value of assets and liabilities recognised at fair value (IFRS hierarchy)

31 December 2023

Financial assets:	Listed prices	Observable inputs	Unobservable inputs	Total fair value
- bonds at fair value	8,782	85,704	-	94,486
- equities etc	3,542	-	3,916	7,457
- positive fair value of derivative financial instruments	160	6,228	275	6,663
- mortgage loans, arrears and outlays	-	1,355,312	-	1,355,312
- owner-occupied properties	-	-	20	20
- assets in pooled schemes	4,041	131	-	4,173
<b>Total</b>	<b>16,525</b>	<b>1,447,376</b>	<b>4,211</b>	<b>1,468,111</b>
<b>Percentage</b>	<b>1.1</b>	<b>98.6</b>	<b>0.3</b>	<b>100</b>

#### Financial liabilities:

- deposits in pooled schemes	-	4,173	-	4,173
- other non-derivative financial liabilities at fair value	502	6,638	-	7,139
- negative fair value of derivative financial instruments	214	8,603	-	8,817
- bonds in issue at fair value <sup>3</sup>	1,334,177	731	-	1,334,909
<b>Total</b>	<b>1,334,892</b>	<b>20,145</b>	<b>-</b>	<b>1,355,037</b>
<b>Percentage</b>	<b>98.5</b>	<b>1.5</b>	<b>-</b>	<b>100</b>

#### Assets measured on the basis of unobservable inputs

	Real estate	Equities	Derivatives	Total
<b>Fair value, beginning of year, assets</b>	<b>25</b>	<b>3,642</b>	<b>201</b>	<b>3,868</b>
Value adjustment recognised through profit or loss	1	239	167	407
Unrealised capital gains and losses recognised in "Other comprehensive income"	2	-	-	2
Purchases for the year	0	209	-	209
Sales for the year	(8)	(174)	(15)	(197)
Transferred from Listed prices and Observable inputs <sup>1</sup>	-	-	48	48
Transferred to Listed prices and Observable inputs <sup>2</sup>	-	-	(126)	(126)
<b>Fair value, year-end, assets</b>	<b>20</b>	<b>3,916</b>	<b>275</b>	<b>4,211</b>

<sup>1</sup> Transfers from Observable inputs to Unobservable inputs consist of interest rate swaps individually adjusted for increased credit risk.

<sup>2</sup> Transfers to Observable inputs from Unobservable inputs principally consist of interest rate swaps for which individual adjustment for increased credit risk is no longer required.



# Notes

DKK million

Nykredit Realkredit Group

## 53. OFFSETTING

	Gross amounts	Financial instruments offset	Carrying amount after offsetting	Further offsetting, master netting agreements	Collateral	Net amounts
<b>2024</b>						
<b>Financial assets</b>						
Derivatives with a positive fair value	43,168	36,842	6,326	2,236	757	3,333
Reverse repo transactions	51,650	2,296	49,354	-	49,119	235
<b>Total</b>	<b>94,817</b>	<b>39,138</b>	<b>55,680</b>	<b>2,236</b>	<b>49,876</b>	<b>3,568</b>
<b>Financial liabilities</b>						
Derivatives with a negative fair value	42,443	36,842	5,601	2,236	325	3,041
Repo transactions	11,205	2,296	8,909	-	8,843	66
<b>Total</b>	<b>53,648</b>	<b>39,138</b>	<b>14,510</b>	<b>2,236</b>	<b>9,168</b>	<b>3,106</b>
<b>2023</b>						
<b>Financial assets</b>						
Derivatives with a positive fair value	50,292	43,629	6,663	3,675	798	2,189
Reverse repo transactions	40,534	2,569	37,965	-	37,750	215
<b>Total</b>	<b>90,826</b>	<b>46,198</b>	<b>44,628</b>	<b>3,675</b>	<b>38,549</b>	<b>2,404</b>
<b>Financial liabilities</b>						
Derivatives with a negative fair value	52,446	43,629	8,817	3,675	577	4,564
Repo transactions	14,822	2,569	12,253	-	12,100	153
<b>Total</b>	<b>67,268</b>	<b>46,198</b>	<b>21,070</b>	<b>3,675</b>	<b>12,677</b>	<b>4,718</b>

In the balance sheet, reverse repo transactions are classified as receivables from credit institutions or loans, advances and other receivables at amortised cost. In the balance sheet, repo transactions are classified as payables to credit institutions as well as deposits and other payables.

Financial assets and liabilities are offset and the net amount reported when the Group and the counterparty have a legally enforceable right of set-off and have agreed to settle on a net basis or to realise the asset and settle the liability.

Positive and negative fair values of derivative financial instruments with the same counterparty are offset if it has been agreed to settle contractual payments on a net basis when cash payments are made or collateral is provided on a daily basis in case of fair value changes. The Group's netting of positive and negative fair values of derivative financial instruments may be cleared through LCH (CCP clearing).

Furthermore, netting is carried out in accordance with enforceable master netting agreements. Master netting agreements and similar agreements entitle parties to offset in the event of default, which further reduces the exposure to a defaulting counterparty but does not meet the conditions for accounting offsetting in the balance sheet.

# Notes

DKK million

Nykredit Realkredit Group

## 54. DERIVATIVE FINANCIAL INSTRUMENTS

By time-to-maturity	Net market value				Gross market value			
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Positive market value	Negative market value	Net market value	Nominal value
<b>2024</b>								
<b>Foreign exchange contracts</b>								
Forward contracts/futures, purchased	(12)	24	(7)	-	247	242	5	51,844
Forward contracts/futures, sold	119	(21)	6	-	289	185	103	35,826
Swaps	(6)	0	1	-	1	6	(5)	369
Options, purchased	0	1	5	-	7	-	7	242
Options, written	(0)	(1)	(5)	-	-	7	(7)	242
<b>Interest rate contracts</b>								
Forward contracts/futures, purchased	(31)	(1)	0	-	14	45	(31)	25,203
Forward contracts/futures, sold	1	2	-	-	32	29	4	114,128
Swaps	4	16	(385)	869	5,377	4,873	503	1,455,238
Options, purchased	-	0	58	300	358	-	358	14,778
Options, written	(0)	(43)	(46)	(121)	-	211	(211)	11,489
<b>Equity contracts</b>								
Forward contracts/futures, purchased	(0)	-	-	-	-	0	(0)	0
<b>Unsettled spot transactions</b>	(1)	-	-	-	0	1	(1)	29,422
<b>Total</b>	<b>73</b>	<b>(22)</b>	<b>(373)</b>	<b>1,047</b>	<b>6,326</b>	<b>5,601</b>	<b>725</b>	
Of which positive market value	537	130	883	4,776				
Of which negative market value	464	153	1,256	3,728				

# Notes

DKK million

Nykredit Realkredit Group

## 54. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

By time-to-maturity

	Net market value				Gross market value			Nominal value
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Positive market value	Negative market value	Net market value	
<b>2023</b>								
<b>Foreign exchange contracts</b>								
Forward contracts/futures, purchased	(370)	6	3	-	423	785	(362)	71,960
Forward contracts/futures, sold	366	9	(3)	-	806	434	372	66,321
Swaps	3	1	2	-	6	1	6	499
Options, purchased	0	0	-	-	0	-	0	92
Options, written	(0)	(0)	-	-	0	0	(0)	92
<b>Interest rate contracts</b>								
Forward contracts/futures, purchased	160	1	-	-	167	7	161	23,031
Forward contracts/futures, sold	(412)	(5)	-	-	14	431	(417)	75,192
Forward rate agreements, purchased	(1)	-	-	-	-	1	(1)	2,000
Forward rate agreements, sold	-	-	-	-	-	-	-	-
Swaps	(1,768)	(77)	(468)	205	4,660	6,769	(2,109)	1,248,850
Options, purchased	0	4	142	422	568	-	568	16,688
Options, written	(0)	(0)	(133)	(245)	-	378	(378)	11,697
<b>Equity contracts</b>								
Forward contracts/futures, purchased	0	-	-	-	0	-	0	0
<b>Credit contracts</b>								
Credit default swaps, purchased	-	-	(0)	-	-	0	(0)	112
<b>Unsettled spot transactions</b>	6	-	-	-	16	10	6	12,063
<b>Total</b>	<b>(2,017)</b>	<b>(62)</b>	<b>(457)</b>	<b>382</b>	<b>6,663</b>	<b>8,817</b>	<b>(2,154)</b>	
Of which positive market value	703	151	1,067	4,742				
Of which negative market value	2,720	213	1,524	4,360				

# Notes

		DKK million	
Nykredit Realkredit A/S		Nykredit Realkredit Group	
2023	2024	2024	2023
<b>55. REPO TRANSACTIONS AND REVERSE REPURCHASE LENDING</b>			
The Nykredit Group applies repo transactions and reverse repurchase lending in its day-to-day business operations. All transactions were entered into using bonds as the underlying asset.			
<b>Of the asset items below, reverse repurchase lending represents:</b>			
2,711	2,706	5,328	4,001
2,711	2,706	5,301	3,938
<b>0</b>	<b>0</b>	<b>26</b>	<b>63</b>
<b>Total less collateral</b>			
-	-	46,322	36,534
-	-	2,296	2,569
-	-	<b>44,026</b>	<b>33,965</b>
<b>Loans, advances and other receivables etc, net</b>			
-	-	43,818	33,813
-	-	<b>208</b>	<b>152</b>
<b>Total less collateral</b>			
2,711	-	28,453	21,914
-	-	-	-
<sup>1</sup> Of which self-issued bonds			
<b>Of the liability items below, repo transactions represent:</b>			
10,346	3,727	5,800	6,636
10,320	3,699	5,776	6,546
-	-	5,405	8,186
-	-	2,296	2,569
-	-	<b>3,109</b>	<b>5,618</b>
<b>Other non-derivative financial liabilities etc, net</b>			
-	-	3,067	5,554
-	-	<b>41</b>	<b>64</b>
<b>Total less collateral</b>			
-	1,477	4,329	5,071
-	-	-	-
<sup>1</sup> Of which self-issued bonds			

# Notes

Nykredit Realkredit Group

## 56. RISK MANAGEMENT

### Risk profile

The business model and related business activities and the management of the investment portfolio involve credit, market, liquidity and non-financial risks, including operational, IT, conduct, model, data quality and compliance risks.

Nykredit's credit risk stems from mortgage and bank lending. Nykredit's mortgage lending is governed by the balance principle, which provides limits to the financial risks Nykredit may assume in relation to lending and funding. This means that Nykredit incurs generally limited interest rate risk, foreign exchange risk and liquidity risk on its mortgage lending and the underlying funding. Liquidity and market risks are further reduced by the Danish act regulating refinancing risk, which provides for the refinancing of mortgage loans in special situations.

Credit, market and operational risks are mitigated by holding adequate capital. Liquidity risk is mitigated by having a sufficient stock of liquid assets.

Nykredit publishes a report annually entitled Risk and Capital Management, available at [nykredit.com/samfundsansvar/rapportering](https://nykredit.com/samfundsansvar/rapportering). It describes Nykredit's risk and capital management in detail and contains a wide selection of risk key figures in accordance with the disclosure requirements of the Capital Requirements Regulation (CRR). The report is not audited.

### Credit risk

Credit risk reflects the risk of loss resulting from Nykredit's customers and counterparties defaulting on their payment obligations.

Credit risk is managed in accordance with the credit policy. The credit policy is reviewed and adopted by the Boards of Directors and is based on the Nykredit Group's strategy and the aim that customers should perceive Nykredit as a reliable and qualified financial partner. Building long-term, financially sound customer relationships is an integral part of Nykredit's strategy. The credit policy lays down the Group's risk appetite.

All credit applications are assessed against the credit policy by financially trained colleagues. Specifically, they assess the willingness and ability of customers to meet their obligations to Nykredit and Totalkredit. The assessment is based on an overall evaluation of the customer's financial circumstances and other risk elements against Nykredit's total exposure to the customer. The assessment of a customer's creditworthiness is the core element, supported by any security provided, including mortgages on real estate.

Totalkredit's mortgage lending is based on a strategic partnership with several Danish local and regional banks undertaking the distribution of Totalkredit loans, customer advisory services, credit assessments and case processing. Totalkredit loans are subject always to final approval by Totalkredit.

The credit policy ensures that credit is granted in accordance with the risk appetite determined by the Board of Directors and the Totalkredit partnership and with Danish mortgage legislation, the Danish Financial Business Act, good business practice and any other relevant rules and regulations.

The aggregate credit granting by the Group companies is undertaken within the credit policy limits for large exposures as well as limits for portfolio distribution by industry, geography and other risk types.

Nykredit's customer centres have been authorised to process most credit applications independently, as it is Nykredit's aim that most credit decisions should be made locally by a qualified customer adviser. The authority comes with a requirement of credit policy and business procedure certification every three years, in addition to the statutory certification.

Nykredit's five regional credit units process business customers' credit applications that exceed the authority assigned to the customer centres. Applications exceeding the authority of the regional credit units are processed centrally by Group Credits, unless they involve exposures requiring escalation to the Credits Committee, the Executive Boards or the Boards of Directors.

Which level of the credit approval hierarchy determines credit applications of personal customers of Nykredit depends on a combination of exposure size and any credit circumstances requiring particular attention (credit approval rules). The level of the credit approval hierarchy determines whether credit applications are processed by the customer centres or centrally by Group Credits.

Which level of the credit approval hierarchy determines a mortgage loan application in Totalkredit depends on the value of the property serving as security for the loan. As for credit applications of business customers of Totalkredit, the level is determined by exposure size, in the same way as for Nykredit customers.

Customers are divided into ordinary exposures and weak exposures, where weak exposures are identified on the basis of the customers' ratings and ability to meet their payment obligations. All weak exposures are reviewed at least once a year. Weak banking exposures are reviewed quarterly. As a minimum, the review must include an assessment of whether the customer rating is appropriate, and it must be checked that the strategy designed for the customer is adhered to.

The largest exposures are presented to the Boards of Directors of the Group companies for approval/granting or briefing on a current basis. The Boards of Directors are also presented with the largest exposures as part of the annual asset review, and they are briefed quarterly on the levels of write-offs and impairments.

### Credit models

Nykredit uses internal ratings-based (IRB) models in its risk management and for the determination of the capital requirement for credit risk for the greater part of the loan portfolio. The determination of credit risk is based on three key parameters: Probability of Default (PD), expected Loss Given Default (LGD) and expected Exposure at Default (EAD). These three key parameters are referred to as risk parameters. Nykredit estimates risk parameters on the basis of Nykredit's default and loss history.

# Notes

Nykredit Realkredit Group

## Modelling principles

Nykredit continuously develops and improves its credit risk models, and in the past years focus has been on redeveloping them in order to comply with new regulation. Focus is on achieving models that are accurate and yield consistent and stable parameters. Nykredit's credit risk models are subject to Nykredit's general model risk management, implying limits and a division of responsibilities as well as a structure of governance with respect to models and model changes. If validation shows that a model contains significant inaccuracies, mitigating actions will be taken by way of a capital charge under Pillar II or by setting aside a capital add-on under Pillar I until the model has been adjusted to capture the actual risk.

According to the CRR, PDs must be estimated on the basis of historical 1-year PDs while at the same time reflecting a suitable weighting between the long-term average and the current level. For the purpose of determining capital requirements, LGD estimates must always reflect an economic downturn.

The above principles applied to estimate the risk parameters ensure that the Group's REA remains more stable throughout an economic cycle than if the calculations had exclusively reflected the current economic climate.

## Probability of Default (PD)

PD expresses the probability of a customer defaulting on an obligation to Nykredit within a period of one year. Nykredit calculates a PD for each individual customer.

The PDs of individual customers are translated into ratings from 0 to 10, 10 being the highest rating. Exposures in default are placed in a category of their own, outside the rating scale. The individual rating categories have been defined based on fixed PD ranges, which means that, in periods of high business activity, a high rating will be assigned to relatively more customers, while the opposite will apply during an economic downturn.

## Elements of credit risk determination

PD	Probability of Default (PD) is the probability of a customer defaulting on an obligation to Nykredit within a year.
LGD	Loss Given Default (LGD) is the expected loss rate of an exposure in case of the customer's default.
EAD	Exposure at Default (EAD) is the total estimated exposure to a customer in DKK at the time of default, including any drawn part of a credit commitment.
REA	Risk Exposure Amount (REA) is credit exposures factoring in the risk relating to the individual customer. REA is calculated by risk-weighting credit exposures. The risk weighting is calculated on the basis of PD and LGD levels.
Default	For both mortgage and bank customers, a number of events have been defined that make it unlikely that a customer will be able to pay its credit obligations without realisation of collateral. The main ones are: events leading to IFRS 9 stage 3, bankruptcy, distressed restructuring and significant arrears/overdrafts (90 days past due)

A rating reflects the customer's financial position and creditworthiness, and besides being included in the determination of capital requirements, the customer rating is also a key element of any customer assessment.

## Loss Given Default (LGD)

For each customer exposure, Nykredit calculates an LGD, reflecting the percentage share of the exposure which is expected to be lost in case of customer default.

Expected LGDs vary with economic trends. In periods of high business activity, default will often not lead to any loss, as the value of the security will typically exceed the value of the loan. This applies in particular to loans secured by mortgages on real estate. Conversely, more and greater losses would be expected during an economic downturn.

For the determination of capital requirements, LGDs are calibrated to reflect losses during a severe economic downturn.

## Exposure at Default (EAD)

Nykredit estimates an EAD for all exposures relating to a customer, reflecting the total expected exposure to the customer at the time of default, including any additional drawn parts of approved credit commitments. The latter is factored in using conversion factors (CF).

## Model validation and reliability

Nykredit continuously develops and improves its credit risk models, including internal models for calculation of impairment under IFRS 9. Focus is on achieving models that are accurate and yield consistent and stable parameters. The models are subject to annual validation, which is performed independently of the risk management function.

The Group Risk Committee monitors and manages Nykredit's model risks. The Group Risk Committee has established domain-specific model committees, which are in charge of the current monitoring and management of model risks and also responsible for governance in respect of model approval and model changes. The overall conclusions on model risks and validation are also reported to the Executive Boards and the Boards of Directors.

## Rating scale and limit values

Rating category	PD floor	PD ceiling
10	0.00%	0.15%
9	0.15%	0.25%
8	0.25%	0.40%
7	0.40%	0.60%
6	0.60%	0.90%
5	0.90%	1.30%
4	1.30%	2.00%
3	2.00%	3.00%
2	3.00%	7.00%
1	7.00%	25.00%
0	25.00%	<100.00%
Exposures in default	100.00%	100.00%

# Notes

Nykredit Realkredit Group

## Credit exposure

The Nykredit Group's credit exposure constitutes DKK 1,787 billion. The credit exposure primarily arises from mortgage loans (loans, advances and other receivables at fair value), which amount to DKK 1,425 billion.

## Total provisions for mortgage loan impairment

Total provisions for mortgage loan impairment equalled 0.37% of total mortgage lending, excluding credit institutions (end-2023: 0.38%). Total impairment provisions amounted to DKK 5,254 million (end-2023: DKK 5,492 million). Provisions related to the geopolitical tensions are based on stress test calculations and have been included in total impairment provisions.

Impairment charges for loans and advances are mainly attributable to:

	DKK million	
Nykredit Realkredit Group		
Total impairment provisions for mortgage lending	31.12.2024	31.12.2023
Individual impairment provisions (stage 3)	2,067	1,868
Model-based impairment provisions (stages 1, 2 and 3)	3,187	3,624
- of the above attributable to macroeconomic uncertainty	355	1,267
<b>Total impairment provisions for mortgage lending</b>	<b>5,254</b>	<b>5,492</b>

Stress test calculations are made as a supplement to ordinary impairment calculations to the extent that recent economic developments (such as unemployment etc) have not yet been captured by Nykredit's models.

## Earnings impact

Impairment charges for mortgage lending were a net reversal of DKK 64 million (2023: net reversal of DKK 251 million). Of these impairments, owner-occupied dwellings represented a reversal of DKK 70 million, and the business segment represented a reversal of DKK 3 million.

## Total provisions for bank loan impairment

Provisions for bank loan impairment (exclusive of credit institutions and guarantees) totalled DKK 3,058 million (end-2023: DKK 3,207 million). The provisions related to geopolitical tensions are based on stress test calculations and included in total impairment provisions.

Impairment charges for loans and advances are mainly attributable to:

	DKK million	
Nykredit Realkredit Group		
Total provisions for bank loan impairment	31.12.2024	31.12.2023
Individual impairment provisions (stage 3)	2,034	1,776
Model-based impairment provisions (stages 1, 2 and 3)	1,024	1,431
- of the above attributable to geopolitical tensions	586	818
<b>Total provisions for bank loan impairment</b>	<b>3,058</b>	<b>3,207</b>

## Post-model adjustments

Management uses post-model adjustments (PMA) to determine corrections to and changes in the assumptions behind impairment models. At end-2024, post-model adjustments amounted to DKK 2,854 million.

The underlying reasons, for example changes in agricultural output prices due to changed economic trends and/or changed export potential as well as financial and legal conditions in the real estate sector may generally affect credit risk beyond the outcome derived on the basis of model-based impairments. Local geographical conditions, internal process risk and ongoing monitoring of the loan portfolio may also reflect conditions which macroeconomic projections cannot capture.

Physical and transition risks related to ESG will challenge Nykredit's business models in certain sectors and areas. At the same time, legislative measures may have a large impact on Nykredit's loan portfolio. On balance, the value of certain assets is expected to decrease. Provisions have been made which will be regularly quantified and updated in the impairment models.

The general assessment of economic trends in 2024 has been affected by several negative forecasts of interest rates, housing prices and growth. The estimates are adjusted and evaluated on a regular basis, and it is decided on an individual basis whether to phase out or incorporate an estimate into the models, if necessary.

The scope of such post-model adjustments is shown below:

	DKK million	
Nykredit Realkredit Group		
Specific macroeconomic risks and process-related circumstances	31.12.2024	31.12.2023
Agriculture	364	406
Geopolitical tensions	151	1,083
Concentration risks in loan portfolios	217	209
<b>Total macroeconomic risks</b>	<b>732</b>	<b>1,698</b>
Process-related	117	503
Coming model adjustments	290	0
ESG	1,286	674
Haircut, property values	142	226
Results of controlling	287	379
<b>Total process-related circumstances</b>	<b>2,122</b>	<b>1,782</b>
<b>Total post-model adjustments</b>	<b>2,854</b>	<b>3,480</b>

## Expectations for macroeconomic models

Nykredit's impairment model calculations include forward-looking macroeconomic scenarios. The scenarios reflect uncertainties relating to the economy and include both improved and deteriorating outlooks. At end-2024, the scenarios were updated to reflect updated macroeconomic conditions and other resulting market conditions that are expected to impact, and partly already have impacted, the economy. The main scenario must reflect the economic environment and carries a 60% weighting. The main scenario used for the impairment models implies expected GDP growth of 2.2% and house price rises of 3.2% in 2025. At end-2024, the main scenario implied expected GDP growth of 2.3% and house price increases of 3.9% in 2024.



# Notes

## Nykredit Realkredit Group

The adverse scenario was included in the models with a weighting of 20%. This scenario implies expected GDP decline of 0.3% and house price decreases of 5.7% in 2025.

The improved scenario carries a 20% weighting and is based on the macroeconomic conditions observed at the date of this Report. This scenario uses real-ised levels of interest rates, GDP, house prices and unemployment.

Based on this weighting, impairment provisions totalled DKK 8,632 million as at 31 December 2024 (end-2023: DKK 9,056 million). If the main scenario carried a 100% weighting, total impairment provisions would decrease by DKK 82 million. Compared with the main scenario, total impairment provisions would rise by DKK 2,417 million if the adverse scenario carried a 100% weighting. The change reflects a transfer of exposures from stage 1 to stage 2 (strong) and stage 2 (weak), resulting in increased expected credit losses. If the weighting of the improved scenario was 100%, total impairment provisions would decrease by DKK 687 million.

A significant part of the sensitivities to macroeconomic scenarios is related to the assessment of exposed sectors. Focus is currently on customers in manufacturing, construction, rental, trade as well as accommodation and food service. If the adverse scenario carried a 100% weighting, the impairment level of such customers would increase by DKK 1,959 million. If the weighting of the improved scenario was 100%, total impairment provisions of such customers would be reduced by DKK 507 million. These sensitivities form part of the sensitivities mentioned above.

### Loans and advances by rating category, property type and sector

88% of Nykredit's mortgage and bank customers make timely payments, while possessing solid financial strength. Exposures to these customers are considered "ordinary exposures" (ratings 6-10).

Overall, 8% of Nykredit's exposures are considered "ordinary exposures with minor signs of weakness" (ratings 3-5). These customers also make timely payments, but their financial strength is lower than that of "ordinary exposures".

The rest of Nykredit's exposures are weak exposures (ratings 0-2) and exposures in default, making up 2% and 1%, respectively, of exposures.

Weak exposures are exposures where customers:

- have not made timely payments
- have a negative net worth or negative equity
- have low or negative earnings
- have objective evidence of credit impairment.

Mortgage loans were primarily granted for the financing of private residential housing, comprising 61% of total lending. The portfolio of business loans mainly comprises loans to the private residential rental (28% of the total portfolio of business loans), office and retail (28%) and agricultural sectors (15%).

Bank lending mainly comprises loans to business customers, which account for 90% of total lending, and loans to personal customers, accounting for 10%.

### Large exposures

Nykredit's internal limit for single exposures to a non-financial counterparty at company level is DKK 11 billion for Nykredit Realkredit A/S, DKK 14 billion for Nykredit Realkredit A/S inclusive of Nykredit Bank A/S, and DKK 3 billion for Nykredit Bank A/S. In Nykredit Bank, the Board of Directors may, however, approve temporary exposures of up to DKK 5 billion for two years. Nykredit Realkredit A/S's largest exposure to a non-financial counterparty amounted to DKK 10 billion at end-2024. Nykredit Bank A/S's largest exposure to a non-financial counterparty amounted to DKK 3.7 billion at end-2024. The temporary exposure above the limit was approved by the Board of Directors.

Nykredit's internal limit to the sum of its 20 largest single exposures to non-financial counterparties amounted to 100% of Common Equity Tier 1 capital in the Nykredit Realkredit Group, DKK 125 billion in Nykredit Realkredit A/S, 100% in Totalkredit A/S and 150% in Nykredit Bank A/S. None of the companies exceeded their limits at end-2024.

DKK million

Nykredit Realkredit Group	2024	2023
<b>Credit exposure</b>		
The Group's maximum credit exposure comprises selected balance sheet and off-balance sheet items		
<b>Total credit exposure</b>		
<b>Balance sheet items</b>	Net	Net
Demand deposits with central banks	60,720	59,986
Receivables from credit institutions and central banks	7,972	7,005
Loans, advances and other receivables at fair value	1,424,807	1,355,312
Loans, advances and other receivables at amortised cost	147,565	128,645
Bonds at fair value	90,779	94,486
Other assets	14,342	18,199
<b>Off-balance sheet items</b>		
Contingent liabilities	12,459	6,932
Irrevocable credit commitments	19,618	22,828
<b>Total</b>	<b>1,778,263</b>	<b>1,693,394</b>

# Notes

DKK million

Nykredit Realkredit Group

## 56. RISK MANAGEMENT (CONTINUED)

### Mortgage lending by property and rating category, nominal value

The rating illustrates the customer's ability to pay, but not the probability of loss. Substantial security is usually provided for mortgage loans, which mitigates or minimises the risk of loss – regardless of customer ratings.

#### 2024

Rating category	Owner-occupied dwellings	Private rental	Industry and trades	Office and retail	Agricultural property	Public housing	Other	Total
10	255,227	30,729	15,003	27,938	3,687	8,735	411	341,731
9	182,569	16,417	2,688	19,304	9,310	8,678	933	239,899
8	196,483	39,773	4,361	46,495	11,416	37,669	8,295	344,491
7	123,713	48,284	1,058	36,175	12,874	25,950	3,331	251,385
6	71,017	36,067	441	12,562	13,776	2,808	1,723	138,394
5	31,901	11,626	152	5,904	11,310	191	737	61,822
4	19,716	6,348	78	2,056	6,992	164	516	35,870
3	7,734	2,834	204	3,479	3,383	39	67	17,740
2	8,664	4,201	181	2,166	6,807	75	29	22,123
1	3,625	705	7	500	908	162	229	6,136
0	7,157	439	31	828	466	79	48	9,048
Exposures in default	7,906	2,112	138	2,339	2,244	104	364	15,206
<b>Total</b>	<b>915,712</b>	<b>199,536</b>	<b>24,342</b>	<b>159,746</b>	<b>83,173</b>	<b>84,654</b>	<b>16,683</b>	<b>1,483,846</b>

#### 2023

Rating category	Owner-occupied dwellings	Private rental	Industry and trades	Office and retail	Agricultural property	Public housing	Other	Total
10	234,816	29,045	14,694	29,242	4,670	7,819	302	320,588
9	178,753	18,982	3,841	18,549	14,804	7,518	932	243,378
8	196,219	41,636	4,228	47,713	18,487	39,677	6,724	354,684
7	124,423	41,663	1,506	27,648	16,501	23,821	6,422	241,984
6	71,112	33,748	493	14,965	10,523	2,091	1,547	134,479
5	31,912	9,460	292	6,419	6,723	91	845	55,742
4	20,185	3,792	188	2,239	3,002	1,403	838	31,646
3	7,839	1,230	49	648	2,539	65	60	12,430
2	6,832	2,974	172	1,916	2,962	97	69	15,024
1	4,469	445	6	519	410	176	225	6,250
0	6,203	402	35	590	369	169	65	7,833
Exposures in default	8,663	2,290	102	1,846	2,965	112	247	16,225
<b>Total</b>	<b>891,425</b>	<b>185,669</b>	<b>25,606</b>	<b>152,294</b>	<b>83,954</b>	<b>83,038</b>	<b>18,276</b>	<b>1,440,262</b>

# Notes

DKK million

Nykredit Realkredit Group

## 56. RISK MANAGEMENT (CONTINUED)

### Bank lending and reverse repurchase lending by sector and rating category at amortised cost determined before impairments

The rating illustrates the customer's ability to pay, but not the probability of loss.

<b>2024</b>							
<b>Rating category</b>	Manufactur- ing and construction	Credit and finance	Property management and trade etc	Transport, trade and ac- commodation	Other trade and public	Personal customers	Total
10	11,543	22,942	4,517	10,591	4,057	3,803	57,453
9	2,598	832	945	3,655	1,675	2,695	12,400
8	4,255	613	1,913	4,032	5,571	2,098	18,481
7	2,058	699	1,390	1,882	3,823	1,504	11,357
6	2,374	4,774	2,268	1,922	3,139	3,808	18,285
5	757	5,420	377	690	822	564	8,630
4	760	139	249	276	542	234	2,199
3	420	13,601	114	312	830	191	15,468
2	101	116	409	53	173	126	978
1	445	218	134	222	215	113	1,347
0	13	2	11	14	17	178	234
Exposures in default	880	128	357	958	866	342	3,531
<b>Total</b>	<b>26,204</b>	<b>49,483</b>	<b>12,683</b>	<b>24,606</b>	<b>21,730</b>	<b>15,656</b>	<b>150,363</b>

<b>2023</b>							
<b>Rating category</b>	Manufactur- ing and construction	Credit and finance	Property management and trade etc	Transport, trade and ac- commodation	Other trade and public	Personal customers	Total
10	6,456	15,154	4,102	7,645	3,850	2,761	39,968
9	3,712	1,597	1,879	2,333	2,508	2,530	14,559
8	5,224	906	1,680	2,622	5,278	1,954	17,664
7	1,550	1,074	1,632	4,527	4,227	1,476	14,486
6	1,077	2,111	1,822	1,128	2,350	3,406	11,894
5	695	3,163	802	606	1,438	604	7,308
4	675	4,164	306	179	783	334	6,441
3	280	4,693	130	524	493	260	6,380
2	26	7,704	158	87	74	172	8,221
1	413	691	263	150	189	120	1,826
0	57	8	29	59	56	198	407
Exposures in default	659	56	217	756	322	383	2,393
<b>Total</b>	<b>20,825</b>	<b>41,321</b>	<b>13,021</b>	<b>20,615</b>	<b>21,567</b>	<b>14,198</b>	<b>131,547</b>

# Notes

Nykredit Realkredit Group

## Risk exposure amount for credit risk

Nykredit's total REA for credit risk excluding counterparty risk was DKK 405 billion at end-2024 (2023: DKK 366 billion).

REA for credit risk is mainly calculated using the IRB approach and primarily comprises exposures to business and personal customers. REA calculated using the standardised approach primarily comprises credit institution and sovereign exposures.

### Nykredit Realkredit Group

#### Risk exposure amount – credit risk

DKK million	2024	2023
Standardised approach	14,935	14,899
IRB approach	297,520	272,407
Equities	12,261	11,730
Other <sup>1</sup>	80,543	67,070
<b>Total credit risk exposure</b>	<b>405,260</b>	<b>366,106</b>

<sup>1</sup> Including capital held for upcoming regulatory requirements applying to IRB models.

## Security

Nykredit's main type of security provided for loans is mortgages on real estate. The security value is reassessed regularly relative to market trends.

In addition to mortgages on real estate, Nykredit accepts guarantees issued by public authorities or banks as security for loans. Guarantees issued by public authorities mitigate credit risk – mainly relating to mortgage lending for public housing.

The bank guarantees comprise guarantees for the registration of mortgages free from any adverse endorsements barring registration, guarantees for interim loans in connection with new building and loss guarantees.

Totalcredit and the partner banks share the risk on loans arranged via the individual partner banks, which provide security by way of a right of set-off and guarantees to Totalcredit. This security provides an incentive for the partner banks to carry out a thorough and comprehensive assessment of customer creditworthiness and the property value. Nykredit has the approval of the Danish FSA to apply a statistical model in the valuation of certain owner-occupied dwellings with no physical inspection.

#### Statutory LTV limits for mortgage lending by property category

Owner-occupied dwellings for all-year habitation	80 <sup>1</sup>
Private cooperative housing	80 <sup>1</sup>
Private residential rental properties	80 <sup>1</sup>
Public housing	80 <sup>1</sup>
Youth housing	80 <sup>1</sup>
Senior housing	80 <sup>1</sup>
Properties used for social, cultural or educational purposes	60 <sup>1</sup>
Holiday homes	75 <sup>1</sup>
Agricultural and forestry properties, market gardens, etc2	60 <sup>1</sup>
Office and retail properties	60 <sup>1</sup>
Industry and trades properties	60 <sup>1</sup>
Utilities	60 <sup>1</sup>
Other properties – including undeveloped land	40 <sup>1</sup>

<sup>1</sup> Some loan types offered for residential properties are subject to a lower LTV limit than 80%, but no additional security is required unless the LTV ratio subsequently exceeds 80%.

<sup>2</sup> The LTV limit may be extended up to 70% against additional security for the part in excess of 60%.

DKK million

	2024				2023			
	Public sector	Personal customers	Business customers	Total	Public sector	Personal customers	Business customers	Total
Bank lending								
Unsecured lending	314	3,375	58,432	62,121	257	3,183	52,302	55,742
Lending secured by way of legal charge or other collateral security:								
Fully secured	2	6,401	50,364	56,766	0	5,757	39,623	45,381
Partially secured	1	5,844	22,573	28,418	16	5,226	21,975	27,218
<b>Total lending after impairment</b>	<b>317</b>	<b>15,619</b>	<b>131,369</b>	<b>147,305</b>	<b>274</b>	<b>14,166</b>	<b>113,900</b>	<b>128,340</b>

# Notes

Nykredit Realkredit Group

## Loan-to-value ratios (LTVs)

The LTV ratio expresses the debt outstanding relative to the property value. At the time of granting, a mortgage loan must not exceed a certain proportion of the value of the mortgaged property pursuant to Danish legislation. After disbursement of a loan, the LTV ratio will change with the amortisation of the loan and/or as a result of changes in the market value of the property or the underlying covered bonds.

At end-2024, the LTV level of the Group's total loan portfolio was 54.0%, up 1 percentage points on end-2023. The tables "Debt outstanding relative to estimated property values" show the LTVs of Nykredit's mortgage lending by property type.

Nykredit closely monitors the development in LTV ratios. To ensure sustainable credit and capital policies in the long term, scenario analyses and stress tests are used to assess the effect of significant price decreases in the housing market.

### Nykredit Realkredit Group

#### Debt outstanding relative to estimated property values

DKK million	LTV (loan-to-value) <sup>2</sup>						LTV	
	0-40	40-60	60-80	80-90	90-100	>100	Total	average, %
Owner-occupied dwellings	629,853	185,986	70,447	3,275	270	274	890,105	59
Private rental <sup>1</sup>	133,120	38,984	10,684	428	128	152	183,497	56
Industry and trades	18,198	4,333	343	22	14	22	22,932	50
Office and retail	119,888	27,463	1,848	203	151	130	149,684	49
Agricultural property	59,836	17,799	2,953	78	37	75	80,779	55
Public housing	-	-	-	-	-	-	82,308	-
Other	12,495	2,136	388	54	41	30	15,144	46
<b>Total 2024</b>	<b>973,390</b>	<b>276,702</b>	<b>86,664</b>	<b>4,060</b>	<b>643</b>	<b>683</b>	<b>1,424,450</b>	<b>54</b>
<b>Total 2023</b>	<b>937,357</b>	<b>258,530</b>	<b>74,124</b>	<b>3,625</b>	<b>634</b>	<b>707</b>	<b>1,354,987</b>	<b>53</b>

<sup>1</sup> Including cooperative housing.

<sup>2</sup> Determined as the top part of the debt outstanding relative to estimated property values.

Note: The figures are actual LTV ratios including any co-financed costs. Public authority guarantees reduce the credit risk relating to subsidised housing, which forms part of lending to the public housing segment. For this reason, LTVs of public housing offer no relevant risk data and have been excluded. In the table, debt outstanding is distributed continuously by LTV category. Loans with security covering for example between 0% and 60% of the mortgageable value are distributed with two thirds of the debt outstanding in the LTV range 0-40% and one third in the LTV range 40-60%.

### Nykredit Realkredit Group

#### Debt outstanding relative to estimated property values

%	LTV (loan-to-value) <sup>2</sup>					
	0-40	40-60	60-80	80-90	90-100	>100
Owner-occupied dwellings	71	21	8	0	0	0
Private rental <sup>1</sup>	73	21	6	0	0	0
Industry and trades	79	19	1	0	0	0
Office and retail	80	18	1	0	0	0
Agricultural property	74	22	4	0	0	0
Public housing	-	-	-	-	-	-
Other	83	14	3	0	0	0
<b>Total 2024</b>	<b>73</b>	<b>21</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total 2023</b>	<b>73.5</b>	<b>20.3</b>	<b>5.8</b>	<b>0.3</b>	<b>0.0</b>	<b>0.1</b>

<sup>1</sup> Including cooperative housing.

<sup>2</sup> Determined as the top part of the debt outstanding relative to estimated property values.

Note: The figures are actual LTV ratios including any co-financed costs. Public authority guarantees reduce the credit risk relating to subsidised housing, which forms part of lending to the public housing segment. For this reason, LTVs of public housing offer no relevant risk data and have been excluded. In the table, debt outstanding is distributed continuously by LTV category. Loans with security covering for example between 0% and 60% of the mortgageable value are distributed with two thirds of the debt outstanding in the LTV range 0-40% and one third in the LTV range 40-60%.

# Notes

Nykredit Realkredit Group

## Counterparty risk

Nykredit applies financial instruments, such as interest rate derivatives and repurchase agreements (repo transactions), for serving customers. Liquidity and market risks are also managed internally by Nykredit using financial instruments.

The market value of a derivative changes in line with changes in the underlying market prices, such as interest rates and exchange rates. This may lead to market values in favour of either Nykredit or its counterparties.

In some cases, a counterparty is unable or unwilling to meet its obligations under the derivatives contract (default). This is known as counterparty risk. The counterparty risk exposure is affected by the market value of the financial instruments and the probability of customer default. Thus, counterparty risk involves both market and credit risk.

Nykredit mitigates its counterparty risk through financial netting agreements as well as agreements on financial collateral. The contractual framework is based on market standards such as ISDA or CSA agreements. Nykredit uses central counterparties (CCPs) for professional derivatives clearing. Swaps and repo transactions are cleared.

Derivatives are subject to value adjustment in the Financial Statements. Value adjustments are affected by several factors, including the level of long-term interest rates, credit spreads, funding spreads, the maturities of contracts as well as customers' creditworthiness.

REA for counterparty risk was DKK 8.5 billion at end-2024. REA derives from exposures to derivatives and repo transactions. Most derivatives are cleared through a central counterparty (CCP), and counterparty risk relating to derivatives is therefore reduced considerably.

## Value adjustment of derivatives

Nykredit makes fair value adjustment of derivatives in accordance with the International Financial Reporting Standards (IFRS), which provide for CVA and FVA for accounting purposes. This includes individual value adjustments of customers showing objective evidence of credit impairment, CVA based on customers' current credit quality as well as management judgement.

The Danish FSA has encouraged the adoption of a prudent approach to the assessment of customers with swap contracts. This means that swap contracts with customers showing objective evidence of credit impairment (exposures in default) are value adjusted in full, whether or not these customers still make timely payments to Nykredit.

## Market risk

Nykredit assumes various market risks through its business activities. Market risk is the risk of loss as a result of movements in financial markets and includes interest rate, yield spread, foreign exchange, equity price and volatility risks.

All Nykredit's market risk positions are assigned to the trading book or the banking book, depending on the purpose of the relevant position. Portfolios with positions held for trading are placed in the trading book and mainly consist of covered bonds and corporate bonds. Positions forming part of Nykredit's lending business and other business-related assets, which primarily consist of investments in a number of regional banks with which Nykredit has business relationships, are placed in the banking book. In addition, the banking book comprises small holdings of corporate bonds and short-dated bonds from the liquidity portfolio.

In determining REA for market risk, Nykredit uses a combination of market risk models and the standardised approach, and the risk exposures are furthermore divided into general risk and specific risk. General risk means risk affecting financial markets in general, and specific risk is the risk related to one individual issuer of securities.

Nykredit's market risk relates mainly to the management of equity and liquidity reserves. In addition, Nykredit Bank and Nykredit Realkredit incur market risk when trading bonds, swaps and other financial products. Investments are mainly made in Danish and European covered bonds as well as government bonds. Moreover, investments are made in corporate bonds issued by financial undertakings.

Nykredit's market risk is determined for two purposes:

- Day-to-day management of all positions involving market risk
- Determination of REA for market risk for use in the determination of Nykredit's capital adequacy.

Market risk is generally managed based on the Board of Directors' market risk policy and the accompanying guidelines, which include specific limits to the different types of risk in the trading book as well as the banking book.

The main principle of the policy is that the probability of losses from market risk exposures exceeding Nykredit's budgeted earnings must be low. This is monitored daily, for instance by calculating and reporting estimated losses in selected stress scenarios that may occur in the trading book or the banking book.

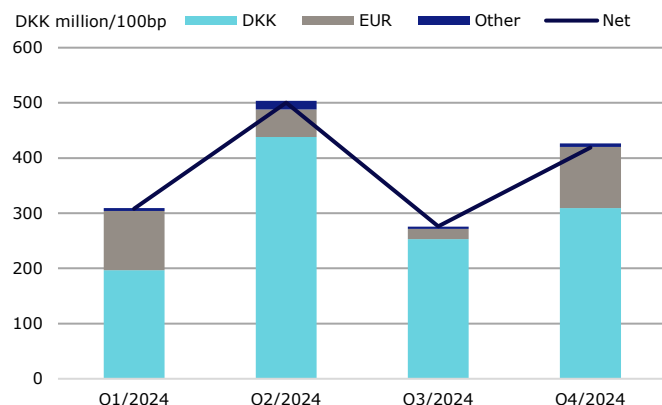
In addition to the market risk policy, Nykredit's Board of Directors has laid down guidelines for market risk in the trading and banking books, respectively, which are used in day-to-day market risk management. In accordance with these guidelines, the Executive Board delegates specific risk limits for the different types of market risk to the Group companies through the Asset/Liability Committee.

Compliance with the risk limits set out in the guidelines is monitored daily and independently of the acting entities. Any breaches are reported to the Asset/Liability Committee, the Board of Directors of Nykredit or other Boards of Directors depending on the nature of such breach.

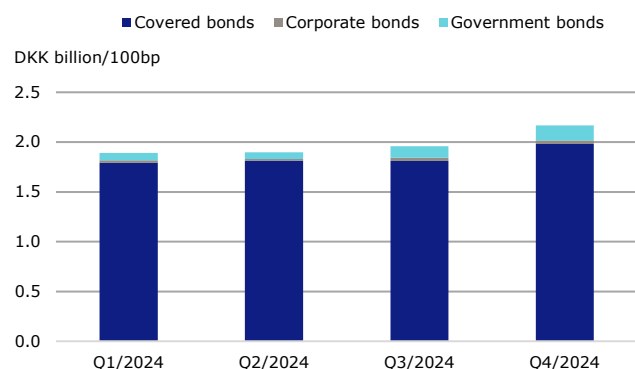
# Notes

## Nykredit Realkredit Group

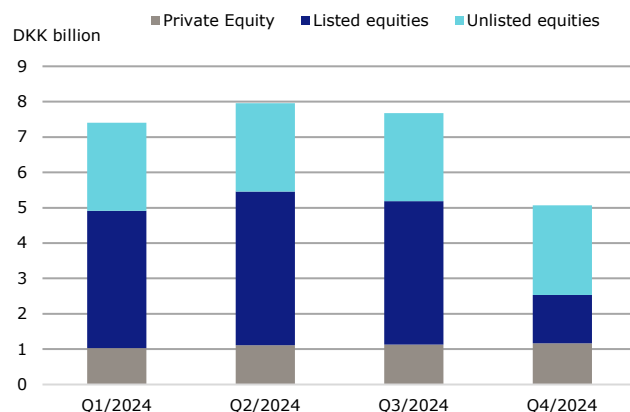
### Nykredit Realkredit Group Interest rate risk, trading book



### Nykredit Realkredit Group Yield spread risk, trading book



### Nykredit Realkredit Group Market value of equity portfolios, banking book



### Day-to-day market risk management

Nykredit's day-to-day determination, management and reporting of market risk take place by combining statistical models, stress tests, key figures and various subjective assessments.

Traditional risk measures, such as interest rate, yield spread, equity price, foreign exchange and volatility risks, are monitored using sensitivity tests. They are used to calculate the effect on the value of a portfolio in case of changing market conditions. This could be a rise or fall in interest rates, yield spreads, equity prices or volatilities. Calculations are only made for one type of risk at a time.

Traditional risk measures do not indicate how likely a particular event is to occur, but exclusively how much the event, viewed in isolation, would affect the value of a portfolio. In the day-to-day management of the market risk of Nykredit's trading book, Nykredit therefore uses Value-at-Risk models for calculating one overall risk metric covering most of the trading book positions. Value-at-Risk captures Nykredit's maximum potential losses in one day at a probability of 99%. The model allows for the effect and probability of several risks occurring at the same time.

### Interest rate risk

Interest rate risk is the risk of loss as a result of interest rate changes. Nykredit's interest rate risk is measured as the change in the market value of Nykredit's portfolios that would result from a general interest rate increase of 1 percentage point in respect of interest-bearing assets.

Nykredit's interest rate exposure was DKK 686 million at end-2024, of which DKK 419 million in the trading book and DKK 267 million in the banking book.

It is Nykredit's policy to measure bond portfolios (assets) primarily at fair value, whereby value adjustments are recognised in profit or loss on a continuing basis. However, Nykredit has a bond portfolio in which proceeds from Nykredit's self-issued bonds are invested. This is calculated at amortised cost, but is hedged using interest rate swaps which are adjusted to fair value.

Nykredit's self-issued bonds are generally recognised in the financial statements at amortised cost and are therefore not value adjusted. The interest rate risk of the issues is fully hedged using interest rate derivatives. This ensures that changes in interest rates do not result in large unrealised value adjustments. However, this does not apply to covered bonds in issue, which, together with the mortgage loans they fund, are carried at fair value.

See notes 27 and 40 for the volume of the bond portfolios and bonds issued by Nykredit carried at amortised cost.

### Yield spread risk

Yield spread risk is the risk of loss as a result of spreads between individual bonds and general interest rate levels widening by 1 percentage point. In historical terms, spread widening of 1 percentage point is less frequent than a general interest rate rise of 1 percentage point.



# Notes

## Nykredit Realkredit Group

At end-2024, the yield spread risk on the Group's total portfolio of covered bonds was DKK 3.4 billion. Of this amount, the yield spread risk was DKK 2.2 billion in the trading book and DKK 1.2 billion in the banking book.

### Equity price risk

Equity price risk is the risk of loss as a result of changes in equity prices, and it is expressed by the aggregate market value of Nykredit's equity portfolios. The Group's equity price exposure including private equity portfolios amounted to DKK 5.1 billion at end-2024.

The aggregate equity price risk includes both the trading book and the banking book, the latter containing sizeable strategic equity and private equity positions. The net equity price exposure was DKK 12 million in the trading book and DKK 5.1 billion in the banking book.

Interest rate risk in the banking book (IRRBB) Two regulatory metrics are used to manage IRRBB: Economic Value of Equity (EVE) and Net Interest Income (NII), expressing potential losses in terms of value adjustments and earnings impact, respectively, as a result of different interest rate change scenarios. At end-2024, EVE came to a potential loss of DKK 201 million, and NII was a potential loss of DKK 562 million, both under the parallel down interest rate shock scenario where yield curves are reduced by 2% at all points.

### Other market risks

Besides the market risks addressed above, Nykredit is exposed to foreign exchange risk and volatility risk on selected instruments, such as options. These risks only make up a minor part of the total market risk exposure.

Nykredit hedges its foreign exchange risk and only has minor tactical foreign exchange positions held to achieve a gain.

Nykredit's volatility risk mainly relates to investments in, for example, callable covered bonds with implied call options, as these bonds may be prepaid. Interest rate expectations will affect market values and may lead to gains as well as losses. However, the risk is limited and stems mainly from the portfolio of Danish callable covered bonds, but also from other interest rate and equity derivatives.

### Risk exposure amount for market risk

Nykredit Realkredit A/S and Nykredit Bank A/S have the approval of the Danish FSA to apply their individual VaR models in determining REA for general market risk in their trading books. The confidence level of the VaR models is 99%, and the time horizon for calculating statutory REA is 10 days. The model results are backtested on a daily basis against actual realised returns on the trading portfolios to ensure that the model results are reliable and correct at any time.

The VaR models are based on historical financial market data on relevant risk factors. As the current conditions in financial markets do not always correspond to the historical conditions (for instance during a financial crisis), the additional risk exposures resulting from stressed VaR are added to risk exposures resulting from the ordinary VaR calculation.

Total REA for market risk is determined as the sum of the different risk measures, comprising general risk from the VaR model, as well as specific risk and general risk under the standardised approach. Nykredit's total REA from VaR amounted to DKK 3.4 billion at end-2024, while stressed VaR amounted to DKK 15.1 billion. Total REA for market risk came to DKK 26.4 billion at end-2024.

### Nykredit Realkredit Group

#### Risk exposure amount – market risk

DKK million	2024	2023
Internal models (VaR)	18,434	19,350
Standardised approach	7,980	8,630
<b>Total market risk exposure</b>	<b>26,414</b>	<b>27,980</b>

# Notes

Nykredit Realkredit Group

## Liquidity risk

Nykredit's liquidity risk is the risk that Nykredit is unable to fulfil its financial obligations and meet regulatory requirements and rating criteria in the short, medium and long term. Liquidity risk is also the risk of funding shortages, preventing Nykredit from pursuing the adopted business model, or the risk that Nykredit's costs of raising liquidity become prohibitive.

The composition of liquidity and funding is much affected by regulatory requirements and rating criteria. Nykredit therefore has a strong focus on existing and future requirements, including the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Minimum Requirement for own funds and Eligible Liabilities (MREL), Additional Loss-Absorbing Capacity (ALAC), debt buffer and Supervisory Diamond benchmarks.

To mitigate its liquidity risks, Nykredit has a stock of liquid assets ensuring that Nykredit has a buffer for cash flows driven by customer behaviour, loan arrears, current costs and maturing market funding. In addition, the stock of liquid assets ensures Nykredit's compliance with statutory liquidity requirements, including the LCR, the NSFR and the requirement of Danish mortgage legislation for supplementary collateral in case of falling property prices in connection with covered bond (SDO) issuance, and fulfilment of credit rating agencies' criteria as a precondition for maintaining the high ratings.

Nykredit's liquid assets are mainly placed in liquid Danish and other European government and covered bonds. These securities are eligible as collateral in the repo market and with central banks and are directly applicable for raising liquidity.

## Liquidity policy and liquidity management guidelines

Nykredit's Board of Directors' liquidity policy defines Nykredit's overall risk appetite in terms of liquidity risk and funding structure.

One aim of the liquidity policy is to ensure that Nykredit's funding and liquidity management supports the mortgage lending business and ensures competitive prices for customers and Nykredit, regardless of the market conditions. Furthermore, the liquidity management framework must sustain Nykredit's ability to maintain high credit ratings and its status as issuer of covered bonds (SDOs).

In addition to the liquidity policy, Nykredit's Board of Directors has laid down guidelines on the day-to-day liquidity management. In accordance with the guidelines provided by the Board of Directors, the Executive Board delegates limits for liquidity management to the Group companies through the Asset/Liability Committee.

The guidelines provide limits for Nykredit's day-to-day liquidity management and for short-, medium- and long-term management. Limits have also been set for the composition of the stock of liquid assets, the LCR, the NSFR, stress tests, the use and diversification of funding sources, leverage and rating criteria.

Nykredit annually prepares a report on the Internal Liquidity Adequacy Assessment Process (ILAAP), which is submitted to the Boards of Directors of Nykredit Realkredit, Totalkredit and Nykredit Bank for their approval and to the Danish FSA for its assessment.

The Board of Directors and Nykredit's Asset/Liability Committee oversee the liquidity of the Group companies. The individual Group companies manage the day-to-day liquidity risk.

The Board of Directors has considered and approved the liquidity contingency plan for responding to situations such as a liquidity crisis or situations where Nykredit is unable to comply with the liquidity policy and the liquidity management guidelines laid down by the Board of Directors. The liquidity contingency plan must be endorsed by the Asset/Liability Committee, which also decides whether to initiate the plan. The liquidity contingency plan is considered and approved by the Board of Directors at least once a year.

## Liquidity Coverage Ratio (LCR)

The regulatory LCR requirement is used to assess Nykredit's short-term liquidity risk. The LCR reflects the ratio of liquid assets to net cash outflows over a 30-day period and must be at least 100%. Under this requirement, Nykredit must hold an adequate stock of liquid assets to withstand a liquidity stress for a period of 30 days.

At end-2024, Nykredit's LCR was 454%, and the excess liquidity coverage was DKK 81.9 billion. The aggregate LCR Pillar I and II of Nykredit's mortgage banks was 274%, while Nykredit Bank's LCR was 229%.

Liquid assets used to comply with the requirement of supplementary collateral in Nykredit Realkredit and Totalkredit are considered to be encumbered and consequently ineligible for the purpose of LCR determination.

The Danish FSA has granted Nykredit permission not to include mortgage lending and its funding in the calculation of LCR for Nykredit Realkredit and Totalkredit. The permission was motivated by the fact that match funding limits liquidity risk in relation to mortgage lending and its funding. However, Nykredit must comply with an LCR requirement consisting of both Pillar I and Pillar II. The Pillar II requirement will cover the risk of a potential liquidity need resulting from remortgaging cases where borrowers have terminated an existing loan for prepayment but have not raised a new loan. The requirement should also allow for liquidity risk related to borrowers in arrears and risk related to refinancing.

The Danish FSA has introduced an additional liquidity requirement concerning foreign currencies. Under this requirement, an LCR-like requirement must be met in respect of significant currencies except for SEK and NOK. The currency requirement contributes to ensuring a suitable currency match between liquid assets and cash flows. This requirement, which for Nykredit only concerns EUR, applies to the Nykredit Realkredit Group. The LCR in foreign currencies must be 100% or more. At end-2024, Nykredit's LCR in EUR was 399%.

## Net Stable Funding Ratio (NSFR)

The regulatory requirement of NSFR, among other things, is used to assess Nykredit's long-term liquidity risk. The purpose of the requirement is to ensure that credit institutions apply sufficiently stable, long-term funding when issuing loans. The NSFR is the ratio of an institution's amount of available stable funding to the amount of its required stable funding. To meet the NSFR requirement, this ratio must be at least 100%. The level of stable funding is calculated by weighting assets according to their liquidity and maturity. Funding with times-to-maturity of more than one year is considered more stable than other types of funding. At end-2024, the NSFR was 142% compared with 147% at end-2023.

# Notes

Nykredit Realkredit Group

## NON-FINANCIAL RISKS

Nykredit is exposed to a number of risks arising from internal or external factors that affect the core tasks, processes and regulatory obligations of the business. These risks are referred to as non-financial risks and can be divided into operational risk, IT risk, conduct risk, model risk, data quality risk and compliance risk.

Nykredit monitors and manages non-financial risks as part of its day-to-day operations, keeping non-financial risks low relative to the Group's financial risks. The responsibility for the day-to-day management of non-financial risks is decentralised and lies with the individual business divisions, which may change and reduce non-financial risks as part of their day-to-day work.

A number of policies of importance to the Group's non-financial risk management set the limits for the underlying risk appetite. The Boards of Directors of Nykredit receive quarterly reports on the non-financial risk outlook, including compliance with relevant policies.

### Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems or from external events.

As part of operational risk management, Nykredit is continuously working on identifying significant operational risks. Operational risks are mapped by each business division identifying and assessing its own significant risks on an ongoing basis. Nykredit's risk function holds regular risk meetings with selected business divisions for the purpose of reviewing the divisions' operational risks, and it is assessed whether the risks are adequately managed through controls and other risk-mitigating actions. The business divisions are selected according to a risk-based approach so that divisions with the most significant operational risks are reviewed more often. A minimum of one annual risk meeting will be held for each business division, however.

Moreover, all operational risk events, including operational risk gain events, potential operational loss/gain events and events that did not lead to a loss/gain (near-miss events), are systematically recorded, categorised and reported for the purpose of identifying loss sources and building experience for sharing across the organisation.

### Capital requirement for operational risk

Nykredit determines the capital requirement for operational risk using the basic indicator approach. This means that the capital requirement is calculated as 15% of average gross earnings of the past three years. REA for operational risk was DKK 34.5 billion in 2024.

### Prevention of money laundering, terrorist financing and breaches of financial sanctions

Nykredit is continuously working to strengthen processes, monitoring and controls throughout the Group as an effective safeguard against misuse of the Group's products and services for purposes of money laundering, terrorist financing or breach of financial sanctions.

Activities in this area are based on Nykredit's policy for the area, and responsibility for them has been broadly delegated across the Group. A member of the Group Executive Board has been charged with delegating and ensuring managerial responsibility and focus on measures to prevent money laundering, terrorist financing and breaches of financial sanctions throughout the Group. The Executive Boards of the other Group companies have each appointed a Chief AML Officer at the executive level. The Nykredit Group also has a Chief Compliance Officer and an AML Responsible Officer covering all relevant Group companies.

### Compliance risk

Compliance risk means the risk that legal or regulatory sanctions are imposed on Nykredit or that Nykredit suffers financial losses or reputational damage caused by non-compliance with legislation, market standards or internal rules.

The compliance function is charged with monitoring, assessing and reporting on the adequacy and efficiency of Nykredit's methods and procedures to ensure legal compliance. Each year Compliance performs a risk assessment, identifying the areas to be reviewed in the year to come. Compliance regularly reviews identified compliance risks until mitigated and monitors and assesses the management of any new risks.

### IT risk

As a digital company, Nykredit is dependent on its IT solutions for customers and staff being user-friendly, reliable and secure. A breakdown of systems owing to eg cybercrime may cause a financial loss as a result of reputational consequences or loss of business.

IT risk is the risk of a threat exploiting a vulnerability in an IT system or a weakness in a process that supports IT security. Threats can be external or internal and include intentional harmful actions, inappropriate behaviour and human or technical errors.

Cyberthreats against Nykredit and general society are high. It requires a constant effort to avoid incidents. Throughout 2024, Nykredit remained focused on maintaining and further developing a high protection level, including use of advanced security software, enhanced network protection, awareness campaigns, emergency preparedness exercises and optimised processes for efficient handling of security incidents.

Nykredit has outsourced most of the operation of its IT systems, and appropriate processes have been established for follow-up and reporting from suppliers. Furthermore, the IT security area is monitored constantly, and Nykredit participates actively in a wide Danish and international network on IT security through Finance Denmark. An IT security policy has been prepared as well as emergency response plans and business contingency plans.

# Notes

DKK million

Nykredit Realkredit Group

## 57. HEDGE ACCOUNTING

The interest rate risk etc relating to fixed-rate assets and liabilities has been hedged on a current basis. The hedge comprises the following items:

	Nykredit Realkredit A/S			Nykredit Realkredit Group		
	Nominal/ amortised value	Carrying amount	Fair value adjustment for account- ing purposes Accumulated	Nominal/ amortised value	Carrying amount	Fair value adjustment for account- ing purposes Accumulated
<b>2024</b>						
<b>Assets</b>						
Loans, advances and other receivables at amortised cost (interest rate risk)	-	-	-	101	100	(1)
Bonds at amortised cost	1,835	1,724	(111)	1,835	1,724	(111)
<b>Liabilities</b>						
Deposits and other payables (interest rate risk)	-	-	-	75	76	(2)
Bonds in issue at amortised cost (interest rate risk)	50,739	50,003	736	50,739	50,003	736
Subordinated debt (interest rate risk)	7,630	7,529	102	7,630	7,529	102
<b>Derivative financial instruments</b>						
Interest rate swaps, loans, advances and other receivables (net)	-	-	-	43	1	1
Interest rate swaps, bonds at amortised cost	1,835	113	113	1,835	113	113
Interest rate swaps, deposits and other payables (net)	-	-	-	75	2	2
Interest rate swaps, bonds in issue at amortised cost	50,739	(736)	(736)	50,739	(736)	(736)
Interest rate swaps, subordinated debt	7,630	(102)	(102)	7,630	(102)	(102)
Gain/loss for the year on hedging instruments		1,346			1,346	
Gain/loss for the year on hedged items		(1,345)			(1,345)	
<b>Net gain/loss through profit or loss (ineffectiveness for the year)</b>		<b>1</b>			<b>1</b>	
<b>Maturity</b>	Up to 1 year	1-5 years	Over 5 years	Up to 1 year	1-5 years	Over 5 years
Swaps hedging interest rate risk of financial assets	-	113	-	-	114	(0)
Swaps hedging interest rate risk of financial liabilities	(93)	(695)	(50)	(93)	(693)	(50)

Interest rate swaps and credit derivatives are included in the balance sheet items "Other assets" (positive market value) or "Other liabilities" (negative market value).

It is Nykredit's strategy to apply derivative financial instruments to hedge the interest rate risk of fixed-rate financial assets and liabilities, except for the interest rate risk of short-term loans, advances and deposits and to hedge close to 100%. This enables the Group to manage the level of its aggregate interest rate sensitivity taking into consideration the expected interest rate development. Thus, cash flows have been changed from a fixed interest payment to a variable interest payment. The average fixed rate of derivatives hedging financial assets and liabilities, respectively, is 0.37% or 2.78%.

The financial assets and liabilities that qualify as eligible hedged items are monitored on a current basis. These items may be included either as individual items or portfolios of assets and liabilities. Both are used for hedge accounting. Nykredit Bank's fixed-rate loans and fixed-rate deposits are grouped into portfolios. These include portfolios of loans, advances, deposits and other payables of a uniform risk level and are hedged using derivative financial instruments with similar characteristics (such as interest rate). For bonds in issue measured at amortised cost in Nykredit Realkredit A/S, hedging is carried out at the time of issuance using interest rate swaps with the same interest rate and maturity profile.

Hedge effectiveness is monitored regularly. Effectiveness tests monitor that movements in market values of the hedged item and the hedging instrument are within a range of 80-125%. The most significant hedges (bonds in issue and subordinated debt) are nearly 100% effective. The hedges are not generally changed, but if the effectiveness test indicates undesired ineffectiveness or that a better hedge may be attained, hedge adjustments are made. Ineffectiveness may typically arise in periods when market values are very low compared with the size of the portfolios. Moreover, ineffectiveness may arise in case of eg unexpected market movements or in case a counterparty terminates or prepays a hedged financial instrument. In this case, the swap portfolio hedging the deposits and loans and advances in question will be adjusted. Changes at the swap counterparty may also lead to some ineffectiveness.

According to reporting provisions, loans, advances and deposits must generally be measured at amortised cost, while derivative financial instruments are measured at fair value. To obtain accounting symmetry between hedging and hedged transactions, adjustment for accounting purposes of the financial assets and liabilities that form part of an effective hedge accounting has been allowed. The fair value adjustment exclusively concerns the hedged part (eg the interest rate exposure). Reference is made to notes 53 and 54 which show offsetting and maturities relating to derivative financial instruments as well as "Hedge accounting" in accounting policies.

# Notes

DKK million

Nykredit Realkredit Group

## 57. HEDGE ACCOUNTING (CONTINUED)

	Nykredit Realkredit A/S			Nykredit Realkredit Group		
	Nominal/ amortised value	Carrying amount	Fair value adjustment for account- ing purposes Accumulated	Nominal/ amortised value	Carrying amount	Fair value adjustment for account- ing purposes Accumulated
<b>2023</b>						
<b>Assets</b>						
Loans, advances and other receivables at amortised cost (interest rate risk)	-	-	-	119	117	(2)
Bonds at amortised cost	1,833	1,676	(157)	1,833	1,676	(157)
<b>Liabilities</b>						
Deposits and other payables (interest rate risk)	-	-	-	79	81	(2)
Bonds in issue at amortised cost (interest rate risk)	51,520	49,662	1,858	51,520	49,662	1,858
Subordinated debt (interest rate risk)	7,625	7,376	250	7,625	7,376	250
<b>Derivative financial instruments</b>						
Interest rate swaps, loans, advances and other receivables (net)	-	-	-	71	2	2
Interest rate swaps, bonds at amortised cost	1,833	160	160	1,833	160	160
Interest rate swaps, loans and advances as well as deposits and other payables (net)	-	-	-	75	2	2
Interest rate swaps, bonds in issue at amortised cost	51,520	(1,858)	(1,858)	51,520	(1,858)	(1,858)
Interest rate swaps, subordinated debt	7,625	(250)	(250)	7,625	(250)	(250)
Gain/loss for the year on hedging instruments		2,176			2,174	
Gain/loss for the year on hedged items		(2,173)			(2,172)	
<b>Net gain/loss through profit or loss (ineffectiveness for the year)</b>		<b>3</b>			<b>3</b>	

# Notes

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Nykredit Realkredit Group

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## 57. HEDGE ACCOUNTING (CONTINUED)

### Interest Rate Benchmark Reform (amendment to IFRS 9, IAS 39 and IFRS 7)

In 2024 the Nykredit Group continued the process of transitioning and phasing-out of a number of interest rate benchmarks.

The transition has not had a significant earnings impact. The transition has generally had two effects: market value changes as a consequence of the new risk-free rates (RFRs) and settlement of compensation with counterparties. The effects have generally offset each other, which has resulted in a low earnings impact.

The Danish T/N DKK rate will be discontinued on 1 January 2026. The transition is expected to proceed like the EONIA transition.

Otherwise, the transition has not had a noticeable impact on the Group's hedging of interest rate risk for accounting purposes.

# Notes

DKK million

Nykredit Realkredit Group

## 57. HEDGE ACCOUNTING (CONTINUED)

Hedging derivative	Nominal value	Carrying amount, assets	Carrying amount, liabilities	P&L effect (hedge ineffectiveness)
<b>Interest rate swaps, end-2024</b>				
Cibor		43		
Euribor		65,781		
Nibor		944		
Stibor		376		
<b>Total 2024</b>	<b>67,145</b>	<b>1,824</b>	<b>57,608</b>	<b>1</b>
<b>Total 2023</b>	<b>61,125</b>	<b>1,793</b>	<b>57,119</b>	<b>3</b>
<b>Swaps: Carrying amount by time-to-maturity</b>		2024	2023	
Up to 1 year		(93)	(100)	
Over 1 year and up to 5 years		(579)	(1,970)	
Over 5 years		(51)	126	
<b>Total</b>		<b>(723)</b>	<b>(1,944)</b>	



# Notes

DKK million

Nykredit Realkredit Group

## 58. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

	Financial items at amortised cost 2024	Financial items at fair value 2024	Financial items at amortised cost 2023	Financial items at fair value 2023
<b>Assets</b>				
Cash balances and receivables from credit institutions and central banks	69,451	-	68,061	-
Loans, advances and other receivables at fair value <sup>1</sup>	-	1,424,807	-	1,355,312
Loans and advances etc	147,565	-	128,645	-
Bonds	-	90,779	-	94,486
Positive market value of derivatives	-	6,326	-	6,663
Interest and administration margin income etc receivable	0	2,922	3	2,928
<b>Total</b>	<b>217,017</b>	<b>1,524,835</b>	<b>196,710</b>	<b>1,459,389</b>
<b>Liabilities</b>				
Payables to credit institutions and central banks	13,994	-	12,591	-
Deposits and other payables	124,592	-	119,825	-
Bonds in issue at fair value <sup>2</sup>	-	1,398,913	-	1,334,909
Bonds in issue at amortised cost	76,590	-	62,360	-
Other non-derivative financial liabilities at fair value	-	6,702	-	7,139
Subordinated debt	10,472	-	10,394	-
Negative market value of derivatives	-	5,601	-	8,817
Interest etc payable	739	13,719	798	13,350
<b>Total</b>	<b>226,387</b>	<b>1,424,935</b>	<b>205,968</b>	<b>1,364,215</b>

<sup>1</sup> Loans, advances and other receivables at fair value include mortgage lending measured at fair value using the fair value option.

<sup>2</sup> Bonds in issue at fair value include bonds in issue funding mortgage lending. Bonds in issue are measured at fair value using the fair value option.

# Notes

			DKK million	
Nykredit Realkredit A/S			Nykredit Realkredit Group	
2023	2024		2024	2023
		59. CURRENCY EXPOSURE		
		By main currency, net		
(134)	(71)	USD	(71)	(131)
(0)	1	GBP	1	2
(8)	4	SEK	6	(3)
(0)	(1)	NOK	(0)	3
0	0	CHF	0	0
0	0	CAD	0	(0)
138	133	JPY	134	138
53	69	EUR	561	69
0	0	Other	1	3
49	136	Total	632	81
-	-	Exchange Rate Indicator 1	5	5

Exchange Rate Indicator 1 is determined as the sum of the highest numerical value of assets (long position) or net payables. Exchange Rate Indicator 1 shows the overall foreign exchange risk.

# Notes

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Nykredit Realkredit Group

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## 60. EVENTS SINCE THE BALANCE SHEET DATE

No events have occurred in the period up to the presentation of the Annual Report for 2024 which materially affect the Group's financial position.

# Notes

Nykredit Realkredit Group

## 61. FINANCIAL RATIOS, DEFINITIONS

### Financial ratios

Return on equity before tax, %

Return on equity after tax, %

Income/cost ratio

Foreign exchange position, %

Loans and advances/equity (loan gearing)

Growth in loans and advances for the year, %

Impairment charges for the year, %

Return on capital employed, %

### Financial ratios - capital and capital adequacy

Total capital ratio, %

Tier 1 capital ratio, %

Common Equity Tier 1 capital ratio, %

Financial ratios are based on the Danish FSA's definitions and guidelines.

### Other financial ratios on page 8 and in note 5

Profit (loss) for the year as % pa of average equity\*

Cost/income ratio (C/I), %

Business profit (loss) as % pa of average equity\*

\* Equity is calculated based on the five-quarter average.

### Definition

The sum of profit (loss) before tax divided by average equity.

The sum of profit (loss) after tax divided by average equity.

Total income divided by total costs less tax.

Exchange Rate Indicator 1 at year-end divided by Tier 1 capital including Additional Tier 1 capital less deductions at year-end.

The sum of loans and advances at fair value and loans and advances at amortised cost divided by equity at year-end.

Loans and advances at nominal value at year-end divided by loans and advances at nominal value at the beginning of the year.

Provisions for loan impairment and guarantees for the year divided by the sum of loans and advances at fair value, arrears and outlays, loans and advances at amortised cost, guarantees and provisions at year-end.

Profit (loss) after tax for the year divided by total assets.

### Definition

Own funds divided by the risk exposure amount.

Tier 1 capital (including Additional Tier 1 capital) divided by the risk exposure amount.

Common Equity Tier 1 capital (excluding Additional Tier 1 capital) divided by the risk exposure amount.

### Definition

Profit (loss) for the year less interest expenses for Additional Tier 1 capital divided by average equity excluding Additional Tier 1 capital and minority interests.

Costs divided by income

Business profit (loss) divided by average equity

# Notes

DKK million

Nykredit Realkredit Group

	2024	2023	2022	2021	2020
<b>62. FIVE-YEAR FINANCIAL HIGHLIGHTS</b>					
<b>SUMMARY INCOME STATEMENT</b>					
Net interest income	15,185	15,736	12,203	11,291	11,237
Net fee income etc	833	371	279	324	118
<b>Net interest and fee income</b>	<b>16,019</b>	<b>16,107</b>	<b>12,483</b>	<b>11,615</b>	<b>11,355</b>
Value adjustments	3,669	2,856	3,680	3,573	2,050
Other operating income	1,836	1,492	1,582	1,765	1,409
Staff and administrative expenses	6,431	6,022	5,791	5,661	5,290
Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets	293	276	294	444	294
Other operating expenses	233	256	235	236	176
Impairment charges for loans, advances and receivables etc	(248)	(177)	(80)	(115)	2,272
Profit from investments in associates and Group enterprises	5	6	9	7	8
<b>Profit before tax</b>	<b>14,821</b>	<b>14,083</b>	<b>11,514</b>	<b>10,734</b>	<b>6,791</b>
Tax	3,088	3,191	2,060	1,863	1,118
<b>Profit for the year</b>	<b>11,733</b>	<b>10,892</b>	<b>9,454</b>	<b>8,870</b>	<b>5,673</b>
<b>SUMMARY BALANCE SHEET, YEAR-END</b>	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
<b>Assets</b>					
Cash balances and receivables from credit institutions and central banks	69,451	68,061	61,242	45,294	59,361
Mortgage loans at fair value	1,424,450	1,354,987	1,292,119	1,382,551	1,350,630
Bank loans excluding reverse repurchase lending	103,279	94,375	86,735	74,513	71,146
Bonds and equities etc	97,899	103,631	100,117	91,956	113,140
Remaining assets	77,959	60,550	59,917	79,158	71,491
<b>Total assets</b>	<b>1,773,038</b>	<b>1,681,605</b>	<b>1,600,129</b>	<b>1,673,473</b>	<b>1,665,767</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	13,994	12,591	27,851	14,917	14,611
Deposits and other payables	133,715	123,998	113,657	100,076	97,987
Bonds in issue at fair value	1,398,913	1,334,909	1,254,959	1,362,926	1,366,709
Subordinated debt	10,472	10,394	10,136	10,737	10,893
Remaining liabilities	110,960	98,707	96,697	91,226	85,792
Equity	104,984	101,006	96,829	93,591	89,774
<b>Total liabilities and equity</b>	<b>1,773,038</b>	<b>1,681,605</b>	<b>1,600,129</b>	<b>1,673,473</b>	<b>1,665,767</b>
<b>OFF-BALANCE SHEET ITEMS</b>					
Contingent liabilities	12,459	6,932	8,393	8,987	9,121
Other commitments	21,212	24,209	23,986	23,087	20,762
<b>FINANCIAL RATIOS<sup>1</sup></b>					
Total capital ratio, %	23.4	23.7	23.3	24.7	24.3
Tier 1 capital ratio, %	21.3	21.2	20.4	21.5	21.1
Return on equity before tax, %	14.5	14.2	12.1	11.7	7.8
Return on equity after tax, %	11.4	11.0	9.9	9.7	6.5
Income/cost ratio	3.21	3.21	2.85	2.72	1.85
Foreign exchange position, %	0.0	0.0	0.0	0.0	0.0
Loans and advances/equity (loan gearing)	15.0	14.7	14.6	16.1	16.3
Growth in loans and advances for the year, %	3.4	1.2	3.5	5.2	4.9
Impairment charges for the year, %	(0.02)	(0.01)	(0.01)	(0.01)	0.15
Return on capital employed, %	0.66	0.65	0.59	0.53	0.34

<sup>1</sup> Financial ratios are based on the Danish FSA's definitions and guidelines. Definitions appear from note 61.

# Notes

DKK million

Nykredit Realkredit A/S

	2024	2023	2022	2021	2020
<b>62. FIVE-YEAR FINANCIAL HIGHLIGHTS (CONTINUED)</b>					
<b>SUMMARY INCOME STATEMENT</b>					
Net interest income	4,011	4,156	4,036	3,927	4,031
Net fee income etc	1,344	1,001	566	594	678
<b>Net interest and fee income</b>	<b>5,356</b>	<b>5,157</b>	<b>4,602</b>	<b>4,520</b>	<b>4,709</b>
Value adjustments	2,493	1,425	1,500	1,740	778
Other operating income	2,500	1,981	1,783	1,481	1,339
Staff and administrative expenses	4,092	3,375	3,194	3,112	2,874
Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets	251	234	253	408	253
Other operating expenses	193	224	203	202	138
Impairment charges for loans, advances and receivables etc	(205)	(347)	(506)	(157)	1,407
Profit from investments in associates and Group enterprises	6,808	6,948	5,476	5,339	3,828
<b>Profit before tax</b>	<b>12,825</b>	<b>12,024</b>	<b>10,217</b>	<b>9,515</b>	<b>5,981</b>
Tax	1,204	1,197	824	690	329
<b>Profit for the year</b>	<b>11,622</b>	<b>10,828</b>	<b>9,393</b>	<b>8,825</b>	<b>5,652</b>
<b>SUMMARY BALANCE SHEET, YEAR-END</b>					
	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
<b>Assets</b>					
Cash balances and receivables from credit institutions and central banks	38,651	49,295	38,328	43,062	46,914
Mortgage loans at fair value	556,213	536,656	517,965	529,970	535,665
Funding of Totalkredit mortgage lending	-	855,252	811,577	902,631	876,618
Bonds and equities etc	46,514	41,024	43,503	35,370	47,244
Remaining assets	1,044,663	91,311	81,132	79,431	68,754
<b>Total assets</b>	<b>1,686,042</b>	<b>1,573,537</b>	<b>1,492,504</b>	<b>1,590,464</b>	<b>1,575,194</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	4,014	10,716	10,107	2,879	1,458
Deposits and other payables	-	-	-	-	7,200
Bonds in issue	1,483,287	1,378,493	1,312,732	1,419,027	1,408,672
Subordinated debt	10,472	10,394	10,136	10,737	10,896
Remaining liabilities	83,447	73,040	62,814	64,320	57,290
Equity	104,821	100,893	96,715	93,501	89,678
<b>Total liabilities and equity</b>	<b>1,686,042</b>	<b>1,573,537</b>	<b>1,492,504</b>	<b>1,590,464</b>	<b>1,575,194</b>
<b>OFF-BALANCE SHEET ITEMS</b>					
Other commitments	8,968	10,202	11,323	8,615	9,514
<b>FINANCIAL RATIOS<sup>1</sup></b>					
Total capital ratio, %	18.4	18.2	18.5	18.5	19.6
Tier 1 capital ratio, %	16.7	16.4	16.2	16.1	17.1
Return on equity before tax, %	12.5	12.2	10.7	10.4	6.9
Return on equity after tax, %	11.3	11.0	9.9	9.6	6.5
Income/cost ratio	3.96	4.45	4.25	3.67	2.28
Foreign exchange position, %	-	-	-	-	-
Loans and advances/equity (loan gearing)	5.3	5.3	5.4	5.7	6.0
Growth in loans and advances for the year, %	2.6	1.7	5.2	0.4	0.1
Impairment charges for the year, %	(0.04)	(0.07)	(0.10)	(0.03)	0.26
Return on capital employed, %	0.69	0.69	0.63	0.55	0.36

<sup>1</sup> Financial ratios are based on the Danish FSA's definitions and guidelines. Definitions appear from note 61.

# Notes

DKK million

Nykredit Realkredit Group

## 63. GROUP STRUCTURE

### Name and registered office

	Ownership interest as %, 31 December 2024	Profit for 2024	Equity, 31 December 2024	Number of staff in 2024	Profit (loss) for 2023	Equity, 31 December 2023	Number of staff in 2023
Nykredit Realkredit A/S (Parent), Copenhagen, a)	-	11,622	104,821	2,607	10,828	100,893	2,667
Totalkredit A/S, Copenhagen, a)	100	3,388	43,638	227	3,549	40,536	248
Nykredit Bank A/S, Copenhagen, b)	100	3,346	40,089	767	3,303	36,696	754
Nykredit Portefølje Administration A/S, Copenhagen, f)	100	154	857	122	166	903	132
Nykredit Leasing A/S, Gladsaxe, e)	100	75	1,328	61	119	1,254	61
Sparinvest Holdings SE, Luxembourg, g)	76	312	143	1	281	172	1
Nykredit Mægler A/S, Copenhagen, c)	100	36	186	37	51	180	35
Svanemølleholmen Invest A/S, h)	100	36	737	-	(0)	1	-
Kirstinehøj 17 A/S, Copenhagen, d)	100	1	16	-	0	16	-

All banks and mortgage providers subject to national financial supervisory authorities must comply with the statutory capital requirements. The capital requirements may limit intercompany facilities and dividend payments.

### Geographical distribution of activities

Denmark: Names and activities appear from the Group structure above

Luxembourg: Names and activities appear from the Group structure above

Number of staff	Revenue <sup>1</sup>	Profit before tax	Tax	Government aid received
3,860	64,445	14,521	3,011	-
40	607	300	77	-

<sup>1</sup> For companies preparing financial statements in accordance with the Danish Financial Business Act, revenue is defined as interest, fee and commission income and other operating income.

a) Mortgage bank

b) Bank

c) Estate agency business

d) Property company

e) Leasing business

f) Investment management company

g) Holding company, no independent activities

h) Investment company

Nykredit Realkredit A/S is wholly owned by and consolidated with Nykredit A/S for accounting purposes, which is consolidated with Forenet Kredit f.m.b.a. for accounting purposes. The financial statements of Forenet Kredit f.m.b.a. (in Danish) and Nykredit A/S are available from:

Nykredit Realkredit A/S  
Sundkrogsgade 25  
DK-2150 Nordhavn



# Notes

DKK million

Nykredit Realkredit Group

	Ownership interest as %, 31 December 2024	Revenue 2023	Profit (loss) for 2023	Assets, 31 December 2023	Liabilities, 31 December 2023	Equity, 31 December 2023	Nykredit's share of profit (loss) for 2023	Nykredit's share of equity value, 31 December 2023	Profit (loss) for 2022	Equity, 31 December 2022
<b>63. GROUP STRUCTURE (CONTINUED)</b>										
<b>Name and registered office</b>										
<b>Associates<sup>1</sup></b>										
Boligsiden A/S, Copenhagen, a)	23	5	(6)	16	5	11	(1)	3	(2)	17
Komplementarselskabet Core Property Management A/S, Copenhagen, b)	20	0	0	2	0	1	0	0	0	1
Core Property Management P/S, Copenhagen, a)	20	136	31	50	5	44	6	9	36	50
E-nettet A/S, Copenhagen, c)	16	237	0	227	103	124	0	20	2	124
&money ApS, Copenhagen, d)	25	-	(18)	23	8	15	(5)	4	(5)	21
<b>Material associates:</b>										
Spar Nord Bank, Aalborg e)										
Profit			2,420				-	-	1,415	-
Other comprehensive income			14						(17)	
Loans, advances and other receivables at amortised cost				69,366						
Cash and cash equivalents, bonds and shares				36,669						
Other assets				29,069						
Deposits and other payables					74,605					
Other liabilities					46,519					
<b>Total</b>	<b>28</b>	<b>6,367</b>	<b>2,434</b>	<b>135,104</b>	<b>121,124</b>	<b>13,979</b>	<b>-</b>	<b>-</b>	<b>1,398</b>	<b>12,469</b>
Dividends received	-									

<sup>1</sup> Recognised on the basis of the latest annual reports or interim reports as at 30 September if annual reports are not available.

In Q4/2024, Nykredit Realkredit initiated an acquisition programme with a view to acquiring all shares in Spar Nord Bank A/S.

Nykredit holds less than 20% of the shares in E-nettet A/S, but still exercises significant influence over the financial and operational conditions of the company as it has a representative on the board of directors. Consequently for accounting purposes the shareholding is treated as an associate.

- a) Property company
- b) Investment company
- c) IT provider
- d) IT company
- e) Bank

# Notes

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Nykredit Realkredit A/S

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## **SERIES FINANCIAL STATEMENTS**

Pursuant to the Danish Financial Supervisory Authority's Executive Order no 872 of 20 November 1995 on series financial statements of mortgage banks, mortgage banks are required to prepare separate series financial statements for series with series reserve funds, see section 25(1) of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act.

The Series Financial Statements have been printed at association level, see section 30(3) of the Executive Order.

Complete Series Financial Statements may be obtained from Nykredit Realkredit A/S.

The Series Financial Statements have been prepared on the basis of the Financial Statements 2024 of Nykredit Realkredit.

The distribution of profit for 2024 adopted by Nykredit Realkredit A/S's Board of Directors (see the Annual Report, page 169) has been included in the Series Financial Statements. The series' calculated share of profit for the year of Nykredit Realkredit A/S determined in accordance with the Executive Order has been taken to the general reserves of Nykredit Realkredit A/S.

# Notes

DKK million

Nykredit Realkredit A/S

Summary series financial statements at the level of the association and Nykredit Realkredit In General

2024	1	2	3	4	5	6
	KØK	FSK	LCR	HUM	SKRF	VESØ
<b>Income statement</b>						
Income from lending	0.3	0.3	0.0	0.0	0.0	0.0
Interest etc, net	1.6	0.2	0.1	0.1	0.0	0.0
Administrative expenses	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Write-offs and impairment charges for loans and advances	-	0.0	-	-	-	-
Tax	(0.4)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
<b>Profit</b>	<b>1.3</b>	<b>0.4</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>

**Balance sheet****Assets**

Mortgage loans etc	50.5	63.5	0.8	3.8	0.9	0.2
Remaining assets	26.7	5.7	1.7	1.2	0.7	0.6
<b>Total assets</b>	<b>77.2</b>	<b>69.2</b>	<b>2.5</b>	<b>5.0</b>	<b>1.6</b>	<b>0.8</b>

**Liabilities and equity**

Bonds in issue etc	57.9	63.5	1.1	4.2	1.2	0.5
Remaining liabilities	3.9	3.5	0.1	0.3	0.1	0.1
Equity	15.4	2.1	1.3	0.5	0.3	0.2
<b>Total liabilities and equity</b>	<b>77.2</b>	<b>69.2</b>	<b>2.5</b>	<b>5.0</b>	<b>1.6</b>	<b>0.8</b>

<b>Movements in capital, net</b>	(1.5)	(0.3)	(0.2)	(0.0)	(0.2)	(0.4)
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2024	7	8	9 Total
	HUSM	JLKR	(1-8)
<b>Income statement</b>			
Income from lending	0.0	0.0	0.8
Interest etc, net	0.1	0.0	2.2
Administrative expenses	(0.0)	(0.0)	(0.3)
Write-offs and impairment charges for loans and advances	-	-	0.0
Tax	(0.0)	(0.0)	(0.7)
<b>Profit</b>	<b>0.1</b>	<b>0.0</b>	<b>2.0</b>

**Balance sheet****Assets**

Mortgage loans etc	0.8	0.4	120.9
Remaining assets	1.1	0.4	38.1
<b>Total assets</b>	<b>1.8</b>	<b>0.9</b>	<b>159.0</b>

**Liabilities and equity**

Bonds in issue etc	0.9	0.5	129.9
Remaining liabilities	0.1	0.0	8.2
Equity	0.8	0.3	20.9
<b>Total liabilities and equity</b>	<b>1.8</b>	<b>0.9</b>	<b>159.0</b>

<b>Movements in capital, net</b>	(0.0)	(0.1)	-
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# Notes

DKK million

Nykredit Realkredit A/S

Summary series financial statements at the level of the association and Nykredit Realkredit In General

2024	10	11	12 Total	13	14 Total
	LRR	NYK	(10-11)	INST	(9,12,13)
<b>Income statement</b>					
Income from lending	62.6	3,807.2	3,869.8	1.1	3,871.7
Interest etc, net	35.4	4,956.0	4,991.4	5,067.1	10,060.7
Administrative expenses	(4.6)	(646.3)	(651.0)	(660.8)	(1,312.1)
Write-offs and impairment charges for loans and advances	(19.9)	220.9	200.9	4.0	205.0
Tax	(18.5)	(2,101.1)	(2,119.6)	916.8	(1,203.5)
<b>Profit</b>	<b>54.9</b>	<b>6,236.6</b>	<b>6,291.5</b>	<b>5,328.2</b>	<b>11,621.8</b>
<b>Balance sheet</b>					
<b>Assets</b>					
Mortgage loans etc	9,811.5	546,724.4	556,535.9	116.3	556,773.1
Remaining assets	1,387.5	1,123,394.1	1,124,781.6	68,352.5	1,193,172.2
<b>Total assets</b>	<b>11,199.0</b>	<b>1,670,118.5</b>	<b>1,681,317.5</b>	<b>68,468.8</b>	<b>1,749,945.4</b>
<b>Liabilities and equity</b>					
Bonds in issue etc	10,395.9	1,549,247.6	1,559,643.5	128.9	1,559,902.3
Remaining liabilities	569.4	84,914.2	85,483.6	3,481.2	88,972.9
Equity	233.7	35,956.7	36,190.5	64,858.7	101,070.1
<b>Total liabilities and equity</b>	<b>11,199.0</b>	<b>1,670,118.5</b>	<b>1,681,317.5</b>	<b>68,468.8</b>	<b>1,749,945.4</b>
<b>Movements in capital, net</b>	<b>(60.2)</b>	<b>(9,104.0)</b>	<b>-</b>	<b>12,089.8</b>	<b>-</b>

Series reserves totalled DKK 36.2 billion, see above, which is a difference of DKK 13.9 billion relative to "series reserves", see equity carried for accounting purposes (DKK 22.3 billion). This is a consequence of Nykredit Realkredit A/S, in the Series Financial Statements, being allowed to allocate capital from other equity items (for example, share capital and non-distributable reserves) to the individual series, as the value of such capital items could be used to cover the claims of "series creditors" as well as other creditors. In equity carried for accounting purposes, such items must be presented according to accounting principles. For example, "Reserves in subsidiaries" should reflect profit earned in subsidiaries recognised according to the equity method.

1 Københavns Kreditforening

2 Fyens Stifts Kreditforening

3 Landkreditkassen

4 Østifternes Husmandskreditforening

5 Sønderjyllands Kreditforening

6 Den vest- og sønderjydske Kreditforening

7 Jydsk Husmandskreditforening

8 Jydsk Landkreditforening

9 Total (1-8) Foreninger før 1972

10 LR Realkredit

11 Nykredit (including Capital Centres C, D, E, G, H, I &amp; J)

12 Total (10-11) Foreninger efter 1972

13 Nykredit Realkredit In General

14 Total (9, 12, 13) Nykredit Realkredit A/S

# Notes

DKK million

Notes

## 1. Assets, Series Financial Statements

Assets in Nykredit Realkredit A/S's Financial Statements, end-2024	1,686,041.5
Assets, Series Financial Statements	1,749,945.4
<b>Difference</b>	<b>(63,903.8)</b>

### Specified as follows:

Set-off of self-issued ROs, self-issued SDOs, self-issued senior secured debt and other self-issued securities	(63,151.1)
Set-off of interest receivable from self-issued bonds etc	(752.8)
<b>Total</b>	<b>(63,903.8)</b>

## 2. Equity, Series Financial Statements

Equity in Nykredit Realkredit A/S's Financial Statements, end-2024	104,820.8
Of which holders of Additional Tier 1 capital	(3,762.9)
Provisions for repayable reserves in pre-1972 series	12.2
<b>Equity, Series Financial Statements</b>	<b>101,070.1</b>

# Management Commentary (continued)

## Nykredit Realkredit Group

### Financial calendar for 2025

5 February	Publication of Annual Reports 2024 and announcements of Financial Statements of the Nykredit Group, the Nykredit Realkredit Group, Totalkredit A/S (in Danish only) and the Nykredit Bank Group.
20 March	Annual General Meeting of Totalkredit A/S.
20 March	Annual General Meeting of Nykredit Bank A/S.
20 March	Annual General Meeting of Nykredit A/S and Nykredit Realkredit A/S.
7 May	Publication of Q1 Interim Reports 2025 of the Nykredit Group and the Nykredit Realkredit Group.
12 August	Publication of H1 Interim Reports 2025 of the Nykredit Group, the Nykredit Realkredit Group, Totalkredit A/S (in Danish only) and the Nykredit Bank Group.
5 November	Publication of Q1-Q3 Interim Reports 2025 of the Nykredit Group and the Nykredit Realkredit Group.

# Management Commentary (continued)

## Nykredit Realkredit Group

### Directorships and executive positions

The Board of Directors and the Executive Board form the Nykredit Realkredit Group's Management.

#### The Board of Directors of Nykredit Realkredit A/S

The Board of Directors counts 12 members, of whom eight are elected by the Annual General Meeting for a term of one year and four are elected by and among the staff for a term of four years. The most recent election of staff-elected members took effect from March 2024.

The Board of Directors consists of a chair, a deputy chair and 10 members.

In terms of gender, the eight members of the Board of Directors elected by the Annual General Meeting consist of three women (37.5%) and five men (62.5%).

Three of the eight members of the Board of Directors elected by the Annual General Meeting are to be regarded as independent, corresponding to 37.5%.

The Board of Directors meets monthly, except in July, and holds a strategy seminar once a year.

Below, an account is given of the individual member's position, age, gender and years of service on the Board of Directors, meeting attendance, skills as well as directorships and executive positions in other Danish and foreign companies as well as major organisational responsibilities.

\* Joined in 2024

\*\* Left in 2024

\*\*\* Staff-elected member

#### Merete Eldrup, Chair Former Chief Executive Officer

Date of birth: 4 August 1963

Gender: Female

Joined the Board of Directors on 24 March 2010

Non-independent – more than 12 years on the Board of Directors

Board of Directors, meetings attended in 2024: 11/11

Chair of the Board Nomination Committee, meetings attended in 2024: 3/3

Chair of the Board Remuneration Committee, meetings attended in 2024: 3/3

Board expertise:

In-depth knowledge:

- Market conditions, customer relations and sales
- Organisation/HR and processes
- Politics, public administration and associations
- Risk management and credit matters
- Strategic matters
- Corporate governance
- Economics, finance and accounting

Expert knowledge:

- Digitisation, IT and processes
- Financial regulation

Chair of the board of directors of:

Nykredit A/S

Københavns Universitet

Egmont Fonden\*

Egmont International Holding A/S

Ejendomsselskabet Gothersgade 55 ApS

Ejendomsselskabet Vognmagergade 11 ApS

Member of the board of directors of:

Justitia

Greenland Airports International A/S

Nordic Ferry Infrastructure A/S

Member of the committee of representatives of:

Foreningen Realdania

# Management Commentary (continued)

## Nykredit Realkredit Group

### Preben Sunke, Deputy Chair Chief Executive

Date of birth: 13 January 1961

Gender: Male

Joined the Board of Directors on 25 March 2021

Non-independent in view of directorship in Forenet Kredit f.m.b.a.

Board of Directors, meetings attended in 2024: 11/11

Member of the Board Audit Committee, meetings attended in 2024: 5/6

Member of the Board Nomination Committee, meetings attended in 2024: 3/3

Member of the Board Remuneration Committee, meetings attended in 2024: 3/3

Board expertise:

In-depth knowledge:

- Capital markets, securities and funding
- Risk management and credit matters
- Strategic matters
- Corporate governance
- Economics, finance and accounting

Expert knowledge:

- Sector and real estate expertise
- Digitisation, IT and processes
- Financial regulation
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Politics, public administration and associations

Managing Director of:

Anpartsselskabet PS af 1/8-1998

Deputy chair of the board of directors of:

Nykredit A/S

Forenet Kredit f.m.b.a.

Member of the board of directors of:

Royal Greenland A/S

Other:

Expert assessor of the Danish Maritime and Commercial High Court

### Olav Bredgaard Brusen\*\*\* Deputy Chair of Finansforbundet i Nykredit

Date of birth: 8 May 1968

Gender: Male

Joined the Board of Directors on 16 March 2016

Board of Directors, meetings attended in 2024: 11/11

Board expertise:

Expert knowledge:

- Sector and real estate expertise
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Politics, public administration and associations

Member of the board of directors of:

Nykredit A/S

Member of the committee of representatives of:

Forenet Kredit f.m.b.a.

### John Christiansen Chief Executive Officer

Date of birth: 11 December 1964

Gender: Male

Joined the Board of Directors on 3 September 2021

Independent

Board of Directors, meetings attended in 2024: 9/11

Board expertise:

In-depth knowledge:

- Financial regulation
- Politics, public administration and associations
- Risk management and credit matters
- Strategic matters
- Corporate governance

Expert knowledge:

- Sector and real estate expertise
- Digitisation, IT and processes
- Capital markets, securities and funding
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Economics, finance and accounting

Chief Executive Officer of:

Lån & Spar Bank A/S

Chair of the board of directors of:

Lokale Pengeinstitutter

Lokale Pengeinstitutters Uddannelsesfond

PRAS A/S

Deputy chair of the board of directors of: SDC A/S

Member of the board of directors of:

Finans Danmark

FR I af 16. september 2015 A/S

Member of the committee of representatives of:

Det Private Beredskab (Finans Danmark)



# Management Commentary (continued)

## Nykredit Realkredit Group

### Michael Demsitz Former Chief Executive Officer

Date of birth: 1 February 1955

Gender: Male

Joined the Board of Directors on 31 March 2004

Non-independent in view of directorship in Forenet Kredit f.m.b.a.

Board of Directors, meetings attended in 2024: 11/11

Member of the Board Audit Committee, meetings attended in 2024: 5/6

Member of the Board Nomination Committee, meetings attended in 2024: 3/3

Board expertise:

In-depth knowledge:

- Sector and real estate expertise
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Politics, public administration and associations
- Strategic matters
- Corporate governance

Expert knowledge:

- Digitisation, IT and processes
- Risk management and credit matters
- Economics, finance and accounting

Chair of the board of directors of:

Forenet Kredit f.m.b.a.

Nykredits Fond

NAB, Nakskov Almene Boligselskab

The independent senior housing organisation Wallenberg-boligerne

Deputy chair of the board of directors of:  
The independent institution Deborah-centeret

Member of the board of directors of:  
Nykredit A/S

### Rasmus Fossing\*\*\* \* Political Secretary of Finansforbundet i Nykredit

Date of birth: 9 June 1982

Gender: Male

Joined the Board of Directors on 21 March 2024

Board of Directors, meetings attended in 2024: 8/11

Board expertise:

In-depth knowledge:

- Market conditions, customer relations and sales
- Expert knowledge:
- Sector and real estate expertise
- Politics, public administration and associations
- Organisation/HR and processes

Member of the board of directors of:

Nykredit A/S

Member of the committee of representatives of:

Forenet Kredit f.m.b.a.

### Kathrin Helene Hattens \*\*\* \* Director

Date of birth: 8 September 1975

Gender: Female

Joined the Board of Directors on 21 March 2024

Board of Directors, meetings attended in 2024: 7/11

Board expertise:

Expert knowledge:

- Digitisation, IT and processes
- Market conditions, customer relations and sales
- Politics, public administration and associations
- Organisation/HR and processes

Member of the board of directors of:

Nykredit A/S

Nykredit Bank A/S

# Management Commentary (continued)

## Nykredit Realkredit Group

### Per W. Hallgren Chief Executive Officer

Date of birth: 8 July 1962

Gender: Male

Joined the Board of Directors on 16 March 2016

Non-independent in view of directorship in Forenet Kredit f.m.b.a.

Board of Directors, meetings attended in 2024: 11/11

Member of the Board Nomination Committee, meetings attended in 2024: 3/3

Member of the Board Audit Committee, meetings attended in 2024: 6/6

Chair of the Board Risk Committee, meetings attended in 2024: 6/6

Member of the Board Remuneration Committee, meetings attended in 2024: 3/3

Board expertise:

In-depth knowledge:

- Sector and real estate expertise
- Market conditions, customer relations and sales
- Risk management and credit matters
- Strategic matters
- Corporate governance
- Economics, finance and accounting

Expert knowledge:

- Financial regulation
- Capital markets, securities and funding

Chief Executive Officer of:  
Jeudan A/S

Chair of the board of directors of:  
CEJ Ejendomsadministration A/S  
Center for politiske studier CEPOS

Jeudan I A/S

Jeudan II A/S

Jeudan III A/S

Jeudan IV A/S

Jeudan V A/S

Jeudan VI A/S

Jeudan VII A/S

Jeudan VIII A/S

Jeudan IX ApS

Jeudan X ApS

Jeudan XII ApS

Jeudan XIII ApS

Jeudan XIV ApS \*

Jeudan Projekt & Service A/S

DI Ejendom

CEJ Aarhus A/S

Member of the board of directors of:  
Forenet Kredit f.m.b.a.

Nykredit A/S

Erik Fjeldsøe Fonden

Foreningen Ofelia Plads

Real Care Association \*\*

Velkommen Hjem

### Jørgen Høholt Former Banking Executive

Date of birth: 9 December 1958

Gender: Male

Joined the Board of Directors on 26 March 2020

Independent

Board of Directors, meetings attended in 2024: 11/11

Chair of the Board Audit Committee,

meetings attended in 2024: 6/6

Member of the Board Risk Committee,

meetings attended in 2024: 6/6

Board expertise:

In-depth knowledge:

- Sector and real estate expertise
- Market conditions, customer relations and sales
- Risk management and credit matters
- Strategic matters
- Corporate governance
- Economics, finance and accounting

Expert knowledge:

- Financial regulation
- Capital markets, securities and funding
- Politics, public administration and associations

Chief Executive Officer of:  
Holmat ApS

Deputy chair of the board of directors of:

DKT Finance ApS

DKT Holdings ApS

DK Telekomunikation ApS

TDC Holding A/S

Member of the board of directors of:

Nykredit A/S

ATP Real Estate Partners I K/S

ATP Ejendomme A/S

Danmarks Eksport- og Investeringsfond

Norsad Finance Limited

Other:

Special Adviser to ATP

Senior Adviser to Investeringsfonden for Udviklingslande (IFU)

# Management Commentary (continued)

## Nykredit Realkredit Group

### Torsten Hagen Jørgensen\* Chief Executive Officer

Date of birth: 8 August 1965

Gender: Male

Joined the Board of Directors on 23

March 2024

Independent

Board of Directors, meetings attended in 2024: 10/11

Member of the Board Risk Committee, meetings attended in 2024: 5/6

Board expertise:

In-depth knowledge:

- Strategic matters
- Economics, finance and accounting
- Capital markets, securities and funding
- Financial regulation
- Corporate governance
- Digitisation, IT and processes
- Risk management and credit matters

Expert knowledge:

- Sector and real estate expertise
- Politics, public administration and associations
- Market conditions, customer relations and sales
- Organisation/HR and processes

Chief Executive Officer of:

Nets A/S

Nets Danmark A/S \*\*

Chair of the board of directors of:

Nets Holdco 1 ApS

Signaturgruppen A/S \*\*

Nets Danid A/S \*\*

Nets Card Processing A/S

Member of the board of directors of:

Nykredit A/S

EPI Company SE \*\*

### Peter Kofod \*\*\* \*

#### Senior Specialist

Date of birth: 9 January 1983

Gender: Male

Joined the Board of Directors on 21

March 2024

Board of Directors, meetings attended in

2024: 8/11

Board expertise:

Expert knowledge:

- Sector and real estate expertise
- Economics, finance and accounting
- Risk management and credit matters
- Politics, public administration and associations

### Vibeke Krag

#### Former Chief Executive Officer

Date of birth: 3 November 1962

Gender: Female

Joined the Board of Directors on 16

March 2017

Independent

Board of Directors, meetings attended in

2024: 10/11

Member of the Board Risk Committee,

meetings attended in 2024: 4/6

Board expertise:

In-depth knowledge:

- Digitisation, IT and processes
- Financial regulation
- Risk management and credit matters
- Corporate governance
- Economics, finance and accounting

Expert knowledge:

- Sector and real estate expertise
- Capital markets, securities and funding
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Strategic matters

Member of the board of directors of:

Nykredit A/S

Arbejdsmarkedets Fond for Udstationerede (AFU)

Arbejdsmarkedets Tillægspension (ATP)

Gjensidige Forsikring ASA

Heimstaden AB \*\*

Heimstaden Bostad AB (publ) \*\*

Lønmodtagernes Garantifond (LG)

Seniorpensionsenheden

Other:

Chair of the audit committee of Gjensidige Forsikring ASA

Faculty member, CBS Executive, bestyrelsesuddannelsen

Member of Konkurrencerådet

Member of Udpegningsorganet for Københavns Universitet

Editor of Erhvervsjuridisk tidsskrift, Karnov

# Management Commentary (continued)

## Nykredit Realkredit Group

### Mie Krog Chief Executive

Date of birth: 14 March 1968

Gender: Female

Joined the Board of Directors on 24 March 2022

Non-independent in view of directorship in Forenet Kredit f.m.b.a.

Board of Directors, meetings attended in 2024: 11/11

Board expertise:

In-depth knowledge:

- Digitisation, IT and processes
- Market conditions, customer relations and sales
- Organisation/HR and processes
- Strategic matters
- Corporate governance

Expert knowledge:

- Sector and real estate expertise
- Politics, public administration and associations
- Risk management and credit matters
- Economics, finance and accounting

Managing Director of:

Koldby ApS

Kentaur A/S \*

Chair of the board of directors of:

Kentaur A/S \*\*

Ruths Hotel A/S

Sinful ApS \*\*

Sinful BidCo A/S \*\*

Sinful HoldCo A/S \*\*

Aarhus Letbane I/S

Aarhus Letbane Ejendomme ApS

Member of the board of directors of:

Forenet Kredit f.m.b.a.

Nykredit Realkredit A/S

Norlys TV & Internet A/S

Norlys Digital A/S

### Inge Sand\*\*\*

#### Chair of Finansforbundet i Nykredit

Date of birth: 13 March 1965

Gender: Female

Joined the Board of Directors on 16 March 2016

Board of Directors, meetings attended in 2024: 10/11

Member of the Board Remuneration Committee, meetings attended in 2024: 3/3

Board expertise:

In-depth knowledge:

- Market conditions, customer relations and sales

Expert knowledge:

- Sector and real estate expertise
- Organisation/HR and processes
- Politics, public administration and associations
- Risk management and credit matters
- Economics, finance and accounting

Member of the board of directors of:

Nykredit A/S

Den Sociale Fond i Nykredit

Nykredits Fond

Finansforbundets hovedbestyrelse

Member of the committee of representatives of:

Forenet Kredit f.m.b.a.

#### Left on 21 March 2024:

Allan Kristiansen\*\*\*

Chief Relationship Manager

Kristina Andersen Skjold\*\*\*

Customer Adviser

# Management Commentary (continued)

## Nykredit Realkredit Group

### EXECUTIVE BOARD

The Group Executive Board consists of five members: One Group Chief Executive and four Group Managing Directors.

In terms of gender, the Executive Board consists of one woman (20%) and four men (80%).

Below, an account is given of the individual Executive Board member's position, age, years of service on the Executive Board and other executive positions, including in other companies as permitted by the Board of Directors pursuant to section 80 of the Danish Financial Business Act.

\* Joined in 2024

\*\* Left in 2024

\*\*\* Staff-elected member

Member of Investor Board for Danish SDG Investment Fund (Verdensmålsfonden)

#### **Tonny Thierry Andersen** Group Managing Director

Date of birth: 30 September 1964  
Gender: Male  
Joined the Executive Board on 1 June 2019

Managing Director of:  
Nykredit A/S

Member of the board of directors of:  
Nykredit Bank A/S

Investeringssfonden for Østlandene

#### **Anders Jensen** Group Managing Director

Date of birth: 20 January 1965  
Gender: Male  
Joined the Executive Board on 1 October 2014

Managing Director of:  
Nykredit A/S

Deputy chair of the board of directors of:  
Nykredit Bank A/S

Member of the board of directors of:  
Bokis A/S  
Foreningen Dansk Skoleskak  
Grænsefonden  
Niels Brock Copenhagen Business College  
Niels Brock International A/S \*\*  
Totalkredit A/S

#### **Michael Rasmussen** Group Chief Executive

Date of birth: 13 November 1964  
Gender: Male  
Joined the Executive Board on 1 September 2013

Managing Director of:  
Nykredit A/S

Chair of the board of directors of:  
Nykredit Bank A/S  
Totalkredit A/S  
Finans Danmark  
Investeringssfonden for Udviklingslande (IFU)  
Sparinvest Holdings SE  
Sund og Bælt Holding A/S

Deputy chair of the board of directors of:  
Copenhagen Business School Handelshøjskolen\*\*

Member of the board of directors of:  
FR I af 16. september 2015 A/S

#### **David Hellemann** Group Managing Director

Date of birth: 5 December 1970  
Gender: Male  
Joined the Executive Board on 1 September 2016

Managing Director of:  
Nykredit A/S

Chair of the board of directors of:  
BEC Financial Technologies AMBA  
Kirstinehøj 17 A/S  
Svanemølleholmen Invest A/S \*  
JN Data A/S \*\*

Deputy chair of the board of directors of:  
Totalkredit A/S  
JN Data A/S \*

Member of the board of directors of:  
Nykredit Bank A/S  
CBS Executive Fonden  
Landsdækkende Banker

Copenhagen Business School Handelshøjskolen

#### **Pernille Sindby** Group Managing Director

Date of birth: 20 October 1971  
Gender: Female  
Joined the Executive Board on 1 February 2024

Managing Director of:  
Nykredit A/S

Deputy chair of the board of directors of:  
Realkreditrådet\*\*

Member of the board of directors of:  
Sparinvest Holdings SE  
Totalkredit A/S Pensionsreguleringsfond \*\*

Nykredit Bank A/S \*  
Totalkredit A/S \*  
Nærpension forsikringsformidling A/S \*