

# Nykredit Group

Investor presentation

December 2025

**Nykredit**



# Nykredit Group key highlights

## Denmark´s largest lender

- AAA country with strong fiscal balances and low unemployment
- 46% market share on mortgage lending

## Resilient, low-risk business model

- Main focus is lending to homeowners/SME's as well as wealth management
- 90% of the loan book is prime mortgage loans – of which 81% residential

## Strong distribution network

- 580 branches across partners and Nykredit
- Risk sharing via 38 partner banks

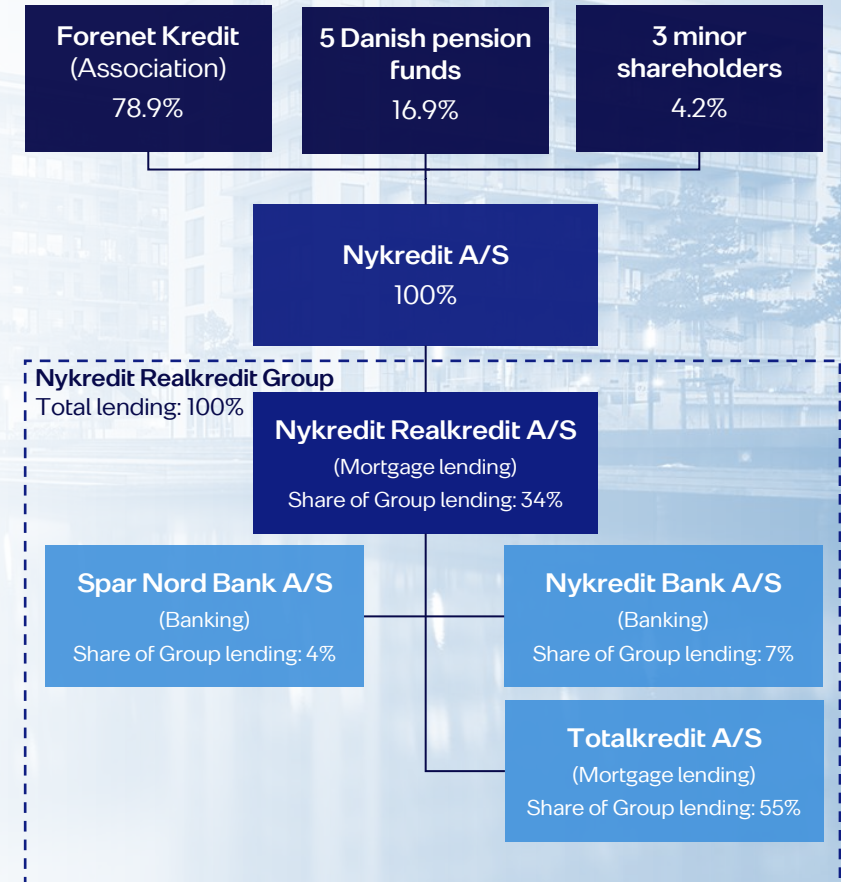
## Mutual ownership provides competitive edge

- Customer association owning 80% of the Group
- The association supports the business with capital and customer benefits

## Robust funding model

- Mortgage lending funded entirely by covered bonds
- ~75% of issued bonds placed domestically

## Group structure



# Key takeaways

## Strong results

- Successful acquisition of Spar Nord and integration process progressing according to plan
- Highly satisfactory profit after tax of DKK 9.4bn resulting in RoE of 11.5%

## Business growth

- Continued organic growth in both mortgage and bank lending – and across both Nykredit, Totalkredit and Spar Nord
- Spar Nord acquisition is on track and leads to significant increase in market share on bank lending

## Credit quality

- Customers remain financially robust – and the Danish housing market is in excellent condition
- Impairment charges of DKK 332m (~2bp) reflect IFRS9 adjustment for Spar Nord's loan portfolio, a few individual impairment provisions on large commercial customers as well as macro review and PMAs in Totalkredit

## Costs

- Cost/income ratio of 36.8%, and 33.1% excluding Spar Nord and related one-offs

## Guidance

- Guidance for profit after tax for 2025 revised upwards to DKK 11.75–12.25bn

# Agenda

- **Nykredit Group business update**
- Nykredit/Spar Nord and other consolidation in the Danish banking sector
- Ownership and capital
- Danish housing market and credit performance
- Covered bonds
- Liquidity and funding
- Corporate responsibility

# Highlights of Q1-Q3 2025



## Acquisition of Spar Nord

- Acquisition of Spar Nord completed
- Integration of Spar Nord is on track and we see strong business momentum across both Nykredit, Totalkredit and Spar Nord
- A strong cooperation with partner banks remains a key priority



## Very satisfactory results for Q1-Q3 2025

- Profit after tax of DKK 9.4bn delivering 11.5% ROE
- Growth in NII, NFI and Wealth Management income
- Significant rise in market share of bank lending to 14% driven primarily by Spar Nord
- Volume growth and increased market share in mortgage lending



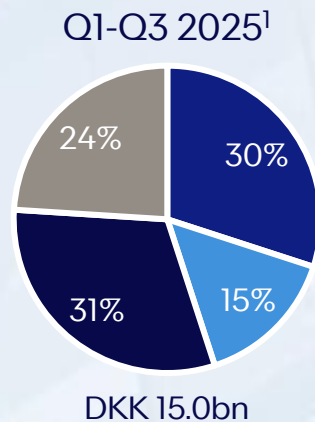
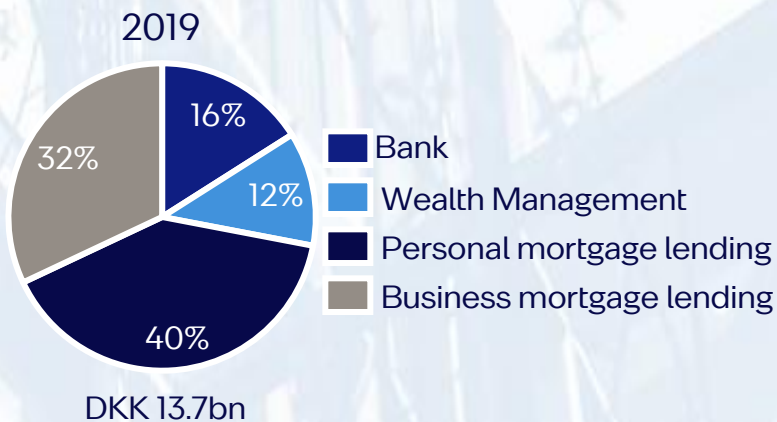
## Strong capitalisation and credit quality

- Credit quality remains strong across the board reflecting strong Danish macro backdrop
- Impairment provisions remain low
- 17.4% CET1 ratio post Spar Nord acquisition is 140bp above our capital policy target




# Continued volume growth – both organically and from Spar Nord acquisition

- Strong business performance and increasing market shares across both mortgage and bank lending
- Volume growth (excl Spar Nord) driven by all segments:
  - Mortgage lending to retail customers – especially through Totalkredit partner banks – and also to SME and large corporate customers
  - Bank lending to retail, SME and large corporate customers

## Core income composition



## Volume growth and market shares

	Volume growth Q3 '25 vs Q3 '24	Market share Q3 '25 vs Q3 '24
 Mortgage lending	+4.8% +70bn ↑	46.0% +0.8% ↑
 Bank lending	+76.7% +77bn Excl Spar Nord: +10.9% ↑	14.0% +5.9% Excl Spar Nord: +0.5% ↑
 Assets under Management	+8.3% +43bn Excl Spar Nord: -12bn ↑	19.0% <sup>2</sup> -0.1% ↓

<sup>1</sup> Spar Nord included from June 2025.

<sup>2</sup> Retail mutual funds. Assets under Management from the Spar Nord acquisition are included in the volume growth, but not in the market share (since they are not with Nykredit Asset Management or Sparinvest).

# Group income statement Q1-Q3 2025

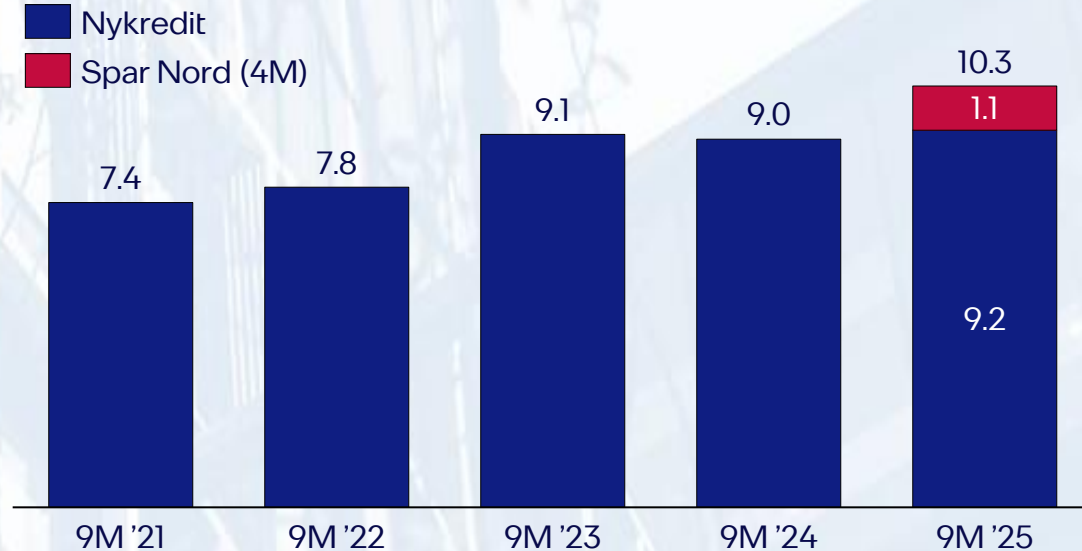
DKKm	Q1-Q3 024	Q1-Q3 2025 <sup>1</sup>	Change	
Net interest income	8,992	10,295	14%	Increase due to growth in mortgage and bank lending and inclusion of Spar Nord. Volume growth offsetting effect of lower interest rates.
Net fee income	2,011	2,426	21%	Increase due to high activity levels, especially in mortgage lending, and the inclusion of Spar Nord
Wealth management income	2,004	2,235	12%	Increase driven primarily by Asset Management income in relation to Spar Nord
Capitalisation and customer benefits	1,421	193	-86%	Decline driven by higher funding costs and lower interest income on equity capital
Trading and investment portfolio	1,802	3,390	88%	Positive value adjustments of strategic bank equities (incl Spar Nord) as well as spread tightening on bonds
<b>Total income</b>	<b>16,228</b>	<b>18,539</b>	<b>14%</b>	
Costs	5,040	6,816	35%	Increase driven by operating costs in Spar Nord costs and Spar Nord restructuring costs (DKK 871m)
Impairment charges	-141	332		Impairment charges remain at a low level at DKK 332m and related to several factors (a few large business, inclusion of Spar Nord, etc.)
Legacy derivatives	102	74	-28%	
<b>Profit before tax</b>	<b>11,431</b>	<b>11,465</b>	<b>0%</b>	
<b>Profit after tax</b>	<b>8,958</b>	<b>9,393</b>	<b>5%</b>	Delivering 11.5% ROE

<sup>1</sup> Spar Nord only included from June 2025. <sup>2</sup> Nykredit Group excluding Spar Nord and related one-offs (pro forma).

# Increasing Net Interest Income despite lower interest rates

- NII is up by DKK 1.3bn relative to Q1-Q3 2024, of which DKK 1.1bn is from inclusion of Spar Nord
- Excluding Spar Nord, NII is up by 2% due to continued volume growth – and despite lower deposit margins
- Nykredit's NII sensitivity is structurally low as mortgage lending with stable margins makes up approx 90% of Nykredit's loan portfolio

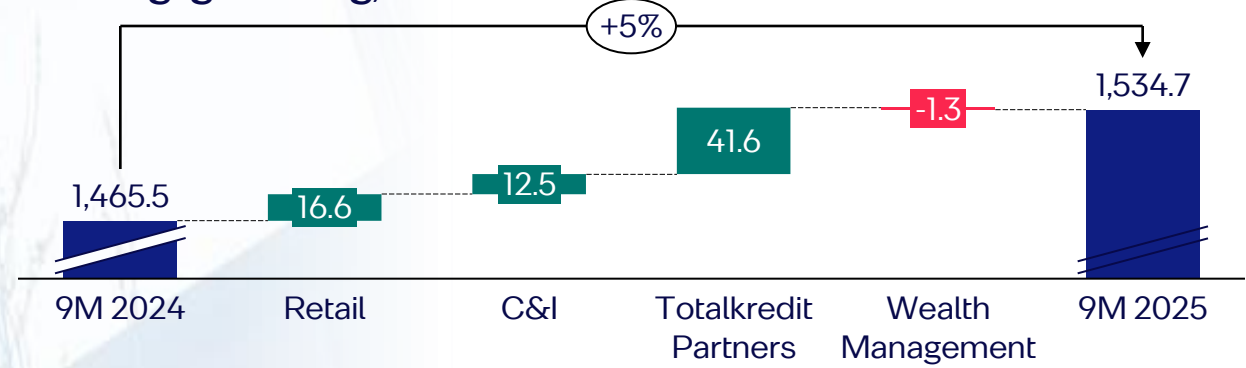
## Net Interest Income, DKKbn



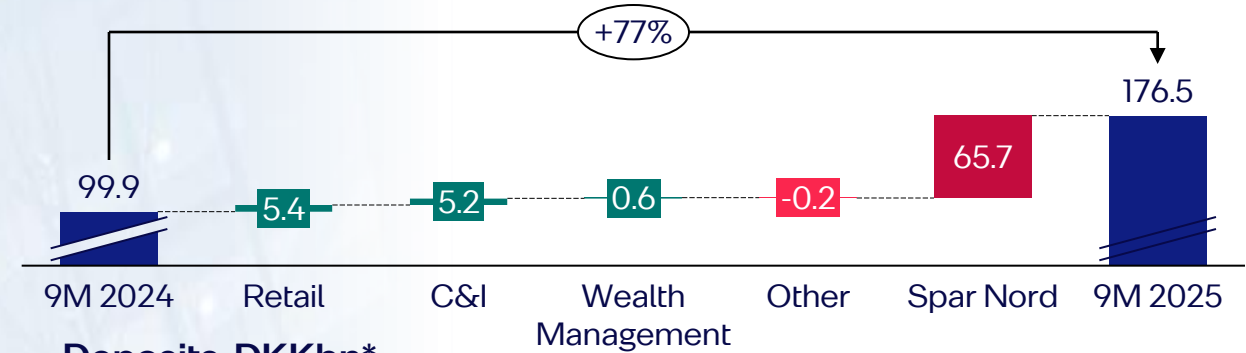
<sup>1</sup> Nominal values.

**Nykredit**

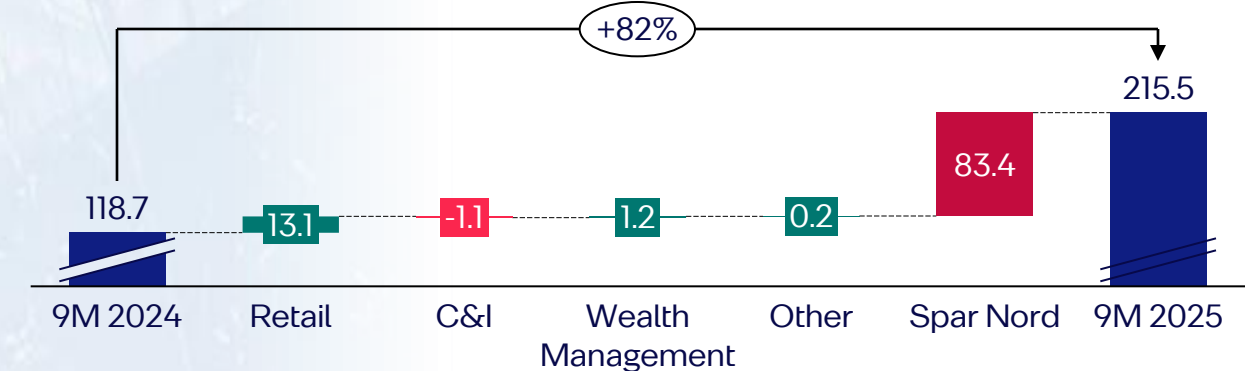
## Mortgage lending, DKKbn<sup>1</sup>



## Bank lending, DKKbn\*



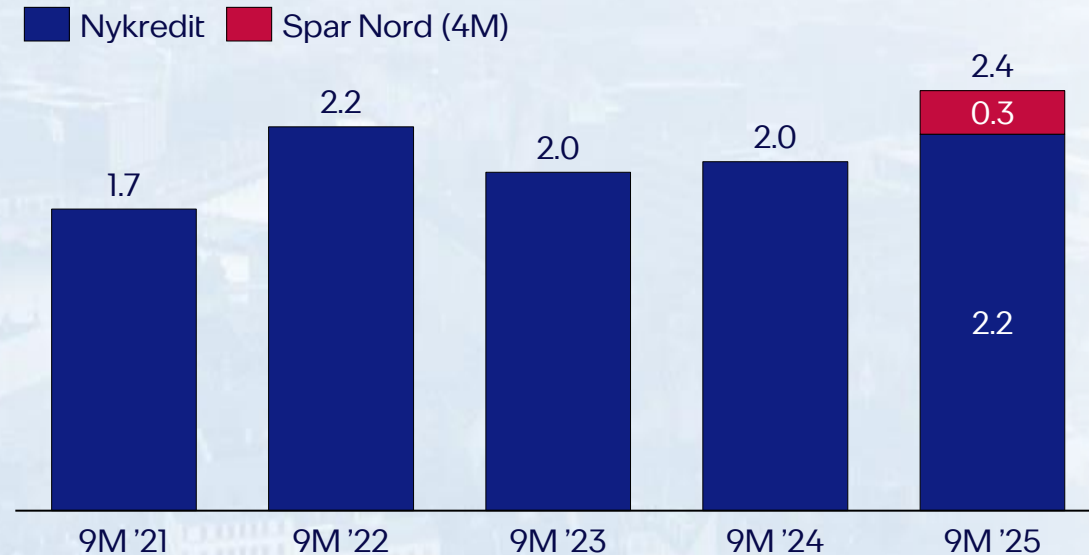
## Deposits, DKKbn\*



# Increasing Net Fee Income due to higher mortgage activity

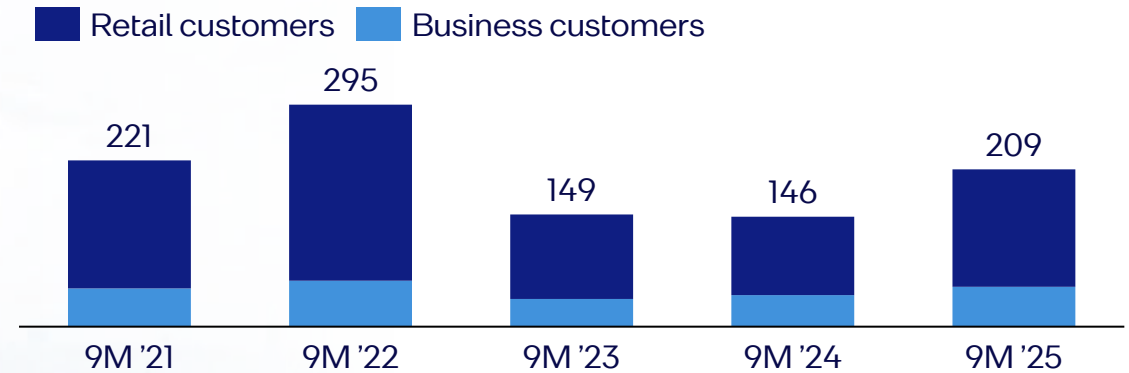
- NFI is up 20% relative to Q1-Q3 2024, of which 12% is from inclusion of Spar Nord
- Excluding Spar Nord, NFI is up 8% driven by higher mortgage activity
- Gross new mortgage lending was up 43% compared to Q1-Q3 2024

## Net Fee Income, DKKbn

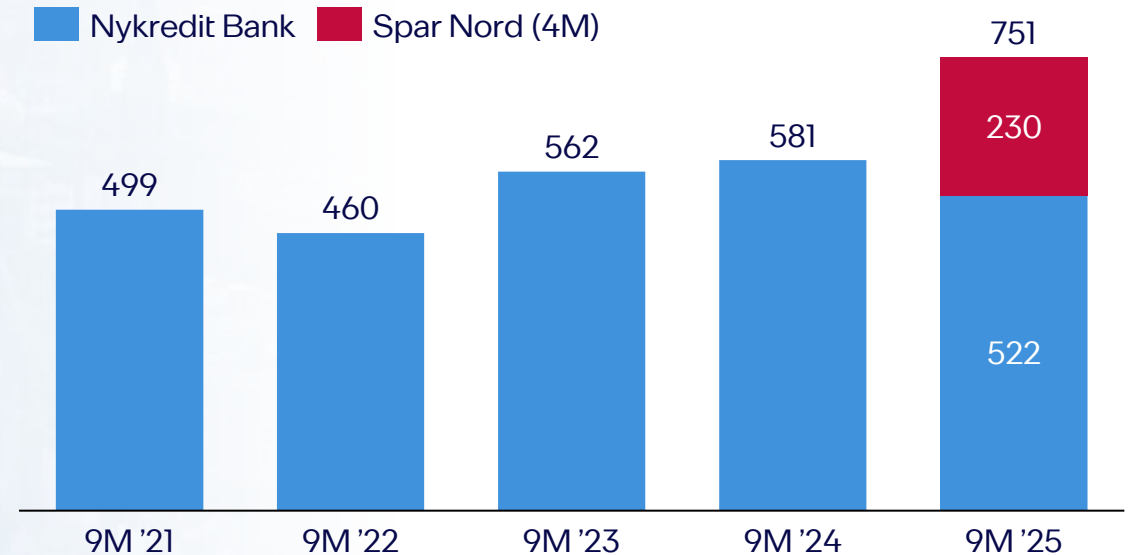


<sup>1</sup> Nominal values.

## Gross new mortgage lending, DKKbn<sup>1</sup>



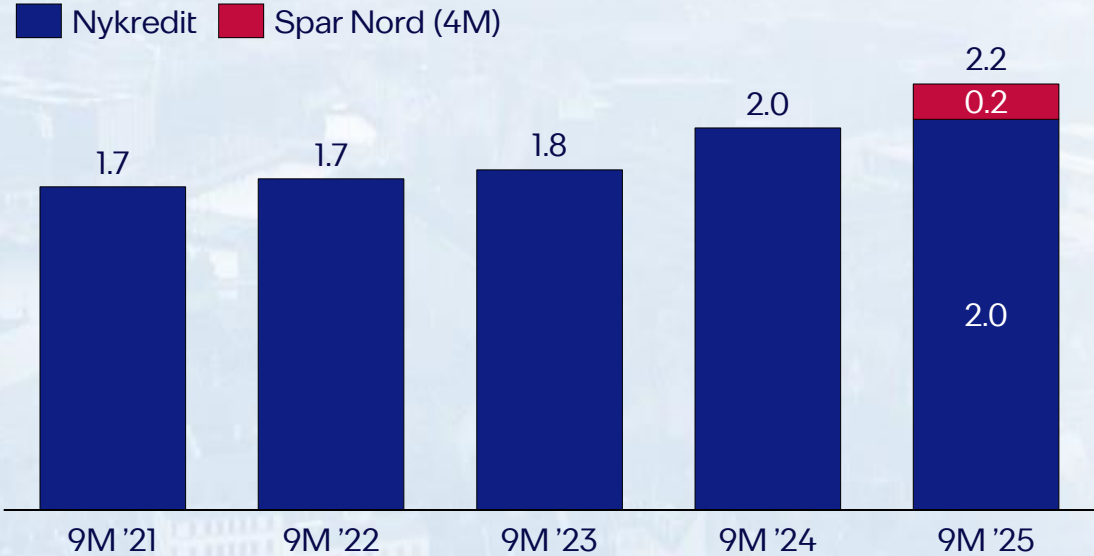
## Net Fee Income from banking activities, DKKm



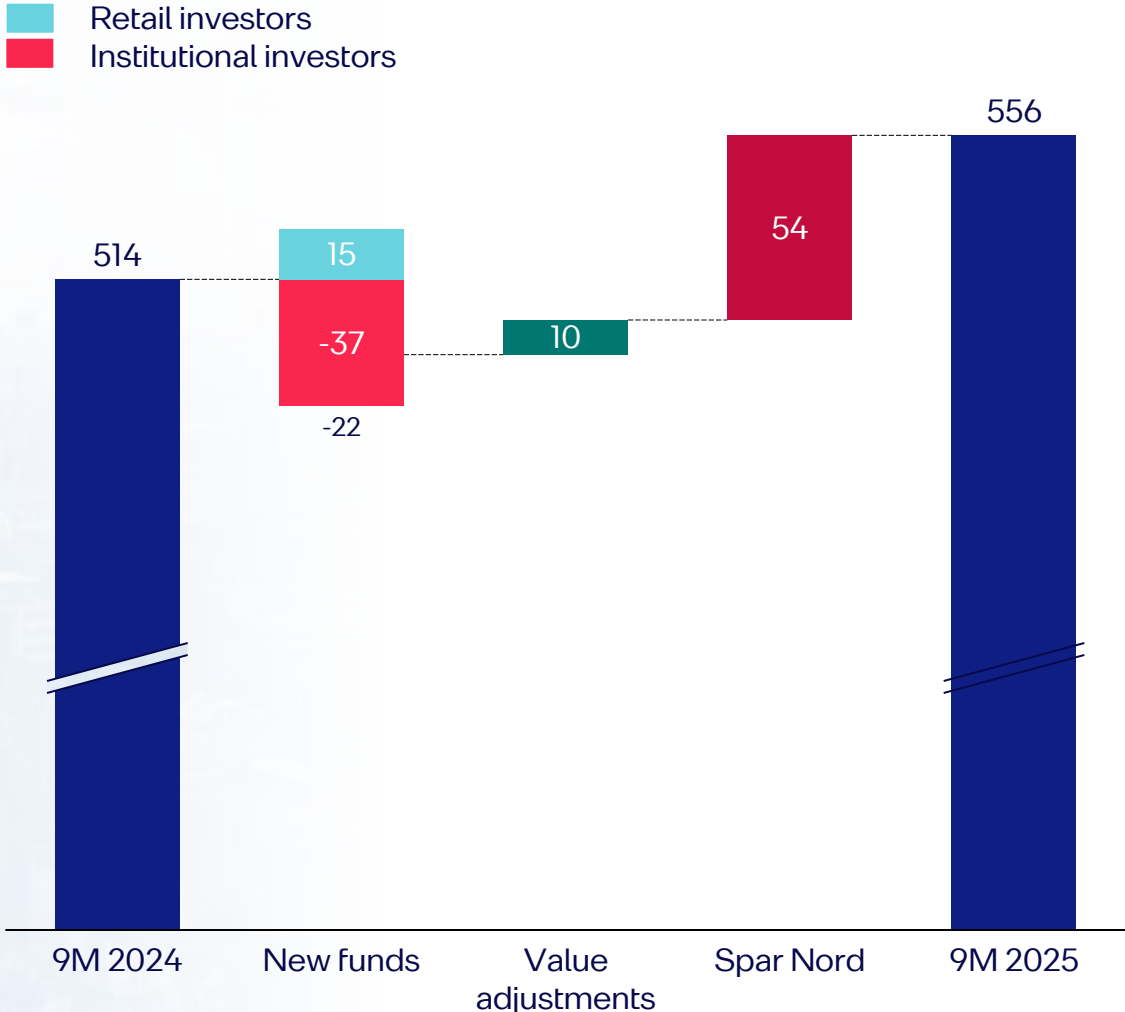
# Increasing Wealth Management Income

- Wealth Management Income is up 12% relative to Q1-Q3 2024, of which 9% is from inclusion of Spar Nord
- AuM is up 8%, of which 11% is from inclusion of Spar Nord
- Excluding Spar Nord, Wealth Management Income is up 2% despite decreasing AuM of -2%
- Net inflows of DKK 15bn from retail investors, net outflows of DKK 37bn from institutional investors, and positive value adjustments of DKK 10bn

## Wealth Management Income, DKKbn



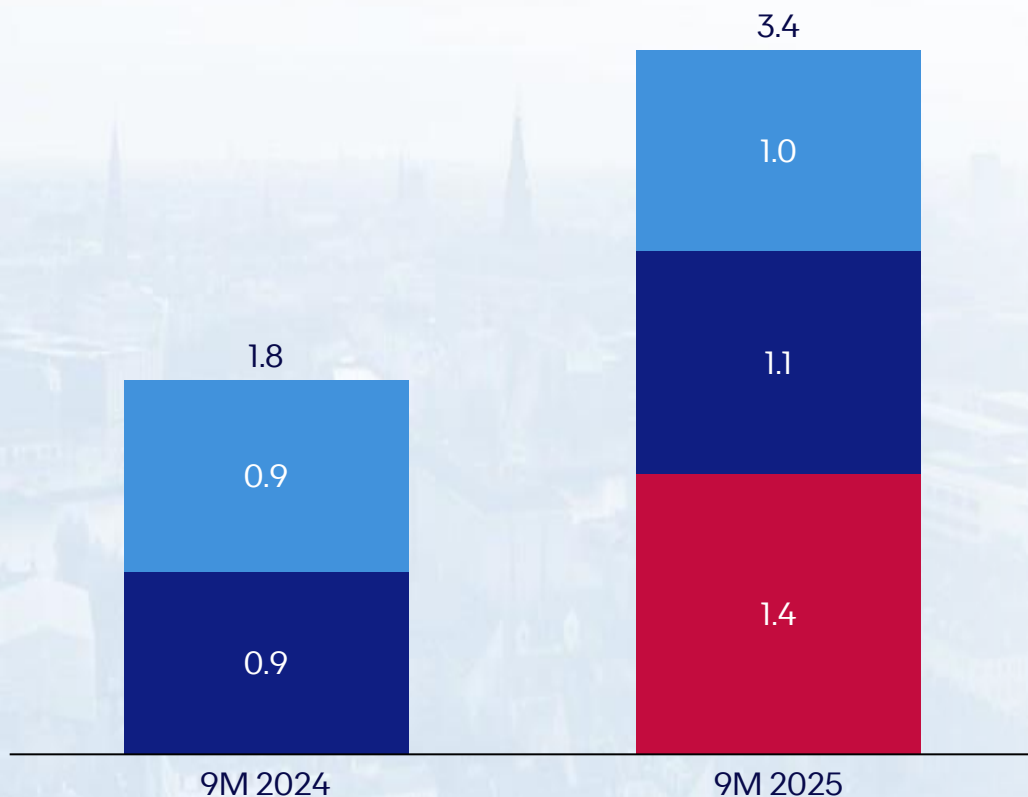
## Assets under Management, DKKbn



# Very high trading and investment portfolio income due to extraordinary value adjustment of Spar Nord shares

## Trading and investment portfolio income, DKKbn

- Income from portfolio of bank equities
- Other investment portfolio income
- Extraordinary value adjustment of Spar Nord shares

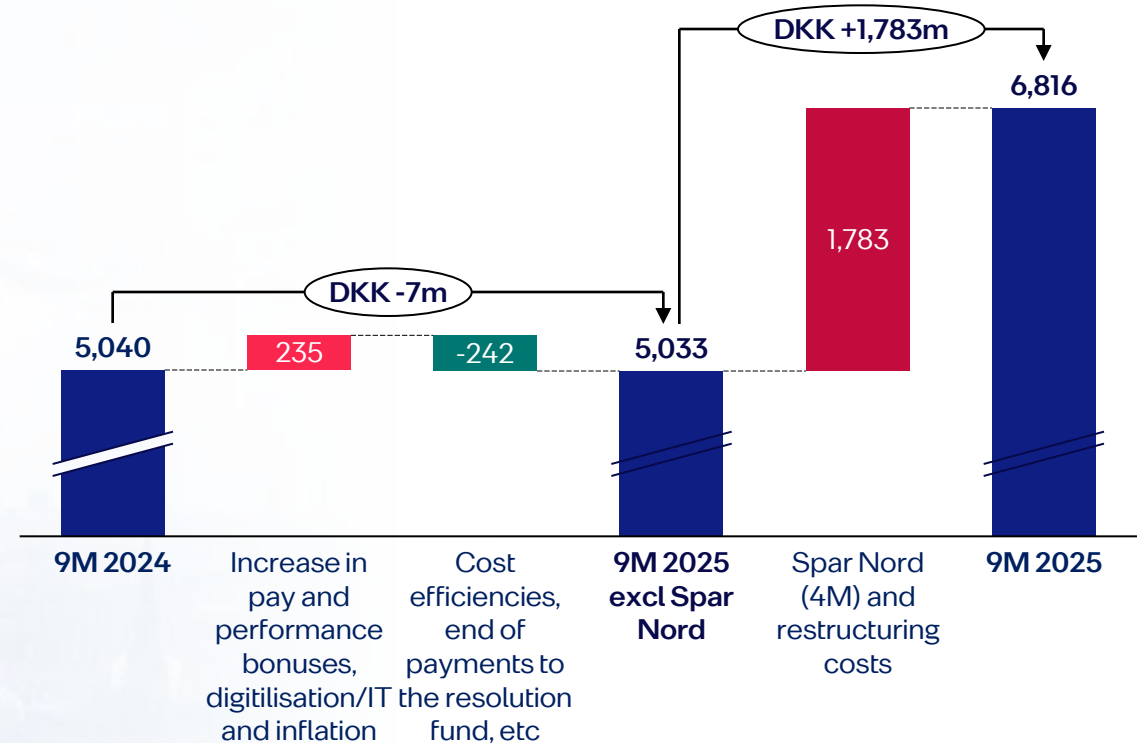


- Trading and investment portfolio income amounted to DKK 3.4bn in Q1-Q3 2025
- Income from portfolio of bank equities of DKK 1.0bn driven by positive value adjustments
- Other investment portfolio income of DKK 1.1bn driven by lower credit spreads on bond portfolio and income from Spar Nord as an associated company
- Income from extraordinary value adjustment of Spar Nord shares of DKK 1.4bn

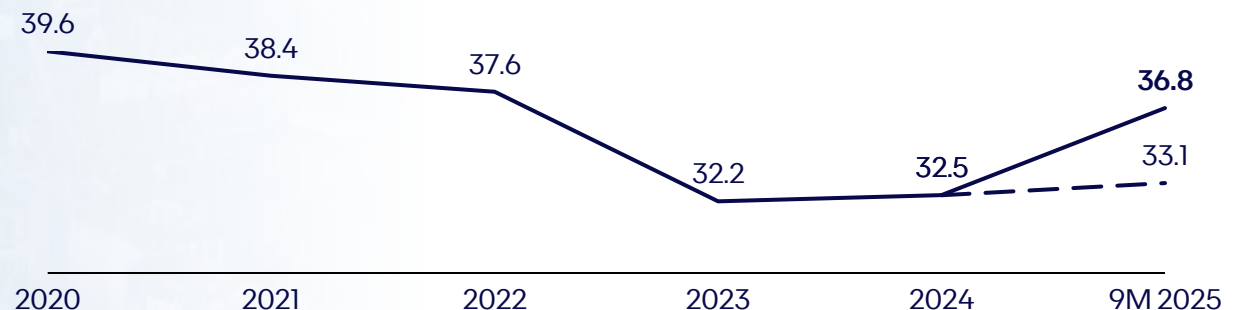
# Continued strong focus on costs

- Excluding Spar Nord costs as well as transaction and integration costs, Nykredit's costs were DKK 5,033m in Q1-Q3 2025 – down DKK 7m compared to Q1-Q3 2024
- Increase in pay and performance bonuses, digitilisation/IT costs and inflation was more than offset by cost efficiencies, end of payments to the resolution fund, etc
- Spar Nord costs (including transaction and integration costs) amounted to DKK 1,783m
- The average number of full-time employees increased by 1,686 to 5,568 primarily due to the acquisition of Spar Nord
- Cost/income ratio of 36.8% and well below Nykredit's target of 40%
- Excluding Spar Nord and related one-offs, Nykredit's cost/income ratio in Q1-Q3 2025 was 33.1%

Change in costs from 9M 2024 to 9M 2025, DKKm



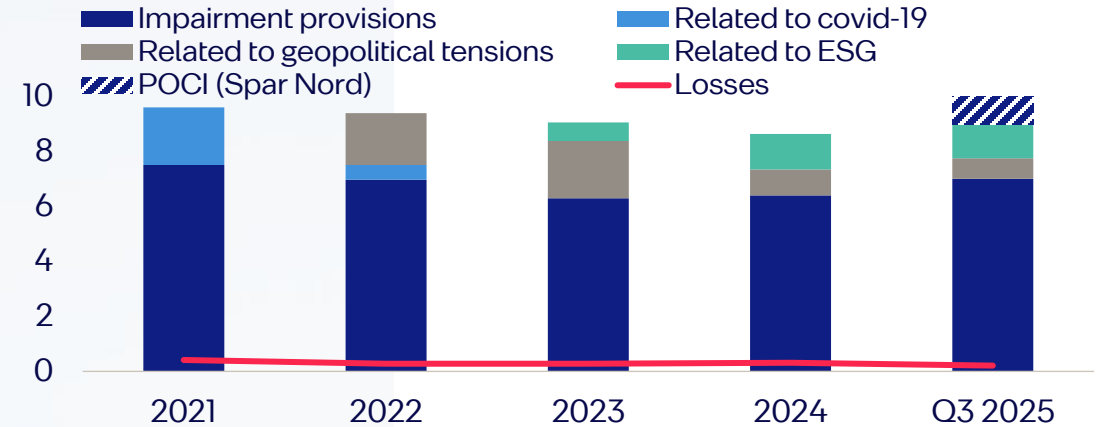
Cost/income ratio, %



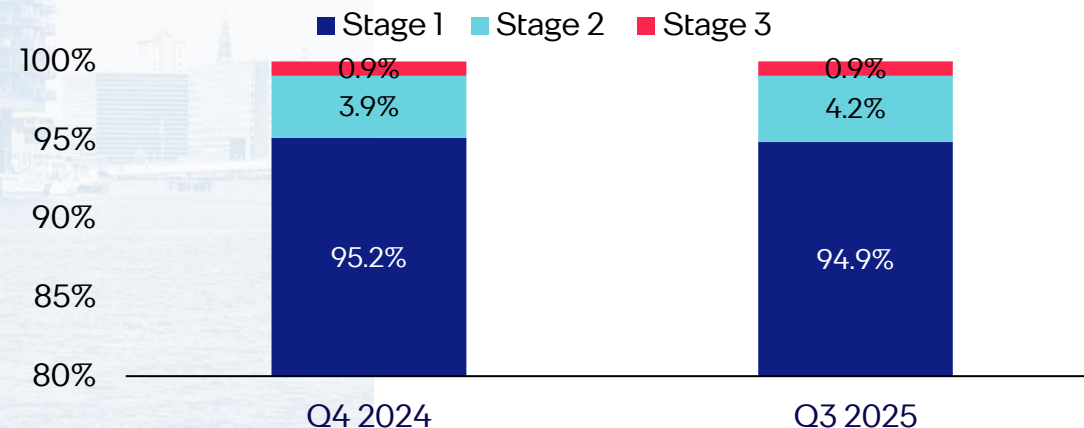
# Strong buffer for potential headwind

- Virtually no losses incurred in the past four years
- Total loan impairment provisions amounted to DKK 9.2bn at Q3 2025, an increase of DKK 0.4bn from end-2024
- Provisions for geopolitical tensions and macroeconomic uncertainty were reduced by DKK 0.2bn to DKK 0.7bn
  - The impacts from high interest rates and inflation in recent years are now fully reflected in the models
- Provisions related to ESG amounted to DKK 1.2bn at Q3 2025 buffering against potential losses from carbon taxes, the Energy Performance of Buildings Directive (EPBD), and extreme weather. This is a small decrease compared to end-2024 (DKK 1.3bn)
- POCI account<sup>1</sup> from Spar Nord acquisition amounts to DKK 1.4bn at Q3 2025
- Stable distribution of loan portfolio across stages – of which almost 95% in stage 1 and less than 1.0% in stage 3

**Nykredit Group's total loan impairment provisions, DKKbn**



**Nykredit Group's loan portfolio by stages<sup>2</sup>**



<sup>1</sup> POCI = Purchased or Originated Credit-Impaired assets. <sup>2</sup> At H1 2025, "Stage 3" includes POCI lending from Spar Nord acquisition.

# Agenda

- Nykredit Group business update
- **Nykredit/Spar Nord and other consolidation in the Danish banking sector**
- Ownership and capital
- Danish housing market and credit performance
- Covered bonds
- Liquidity and funding
- Corporate responsibility

# Successful acquisition of Spar Nord and integration on track



**Nykredit**



Denmark's 3<sup>rd</sup> largest bank created  
14% market share and growth  
in H1 2025



Uninterrupted growth in business  
volumes across Nykredit, Totalkredit  
and Spar Nord despite uncertainty



More diversified customer base  
Improved loan-to deposits ratio and  
higher share of retail deposits



A mutually-owned alternative to listed  
banks  
The majority of Spar Nord's customers  
are already enjoying ForeningsFordele  
(customer benefits)

# The Spar Nord integration process is on track

## Transaction



The acquisition of Spar Nord has been completed and the bank is now a fully owned subsidiary of Nykredit Realkredit

## Management changes



Spar Nord's Board of Directors has been changed to equal Nykredit's Executive Board plus employee representatives

Spar Nord's CEO Mr Lasse Nyby has retired and been elected Deputy Chairman of the Board in Nykredit

Spar Nord's managing director Martin Kudsk has been appointed Group Managing Director in Nykredit and co-head of Banking

## Synergies



The level of synergies is expected to be in line with similar domestic M&A transactions and to be fully realised in 2027

## Integration of Spar Nord



Spar Nord is expected to be legally merged with Nykredit Bank in the spring of 2026 with IT integration during Easter of 2026

## Timeline



**28 May 2025**

Completion and settlement of tender offer



**24 June 2025**

Extraordinary GM appointing new Board of Directors and senior management in Spar Nord



**23 July 2025**

Compulsory acquisition of remaining shares and delisting of Spar Nord



**13 August 2025**

First consolidated accounts for Nykredit Group including Spar Nord



**Easter 2026**

Spar Nord and Nykredit Bank IT integration



**Spring 2026**

Legal merger between Spar Nord and Nykredit Bank

# Our strategic focus on partnerships remain as strong as ever



**Satisfied and loyal full-service customers** through a strong wealth management setup offering a more attractive and broader product portfolio



**The customer-owned and responsible financial provider**, giving priority to corporate responsibility on an equal basis with the strategy's other objectives



**A solid Totalkredit alliance** through even stronger relationships with several small and medium-sized Totalkredit partner banks



**Joint development and scaling benefits** strengthen Nykredit and our Totalkredit partner banks



# The Danish banking sector and Nykredit in a Scandinavian context



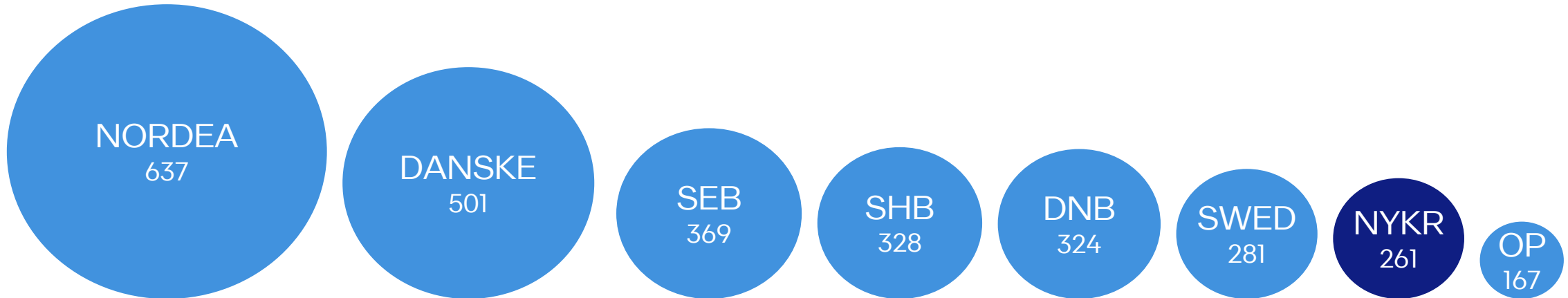
- Creating Denmark's 3<sup>rd</sup> largest bank in May 2025
  - DKK 176bn bank lending (14% market share)
  - DKK 1,475bn mortgage lending (46% market share)
- Denmark's largest lender



- Creating Denmark's 5<sup>th</sup> largest bank in December 2025
  - DKK 137bn bank lending (11% market share)
  - DKK 235bn mortgage origination (of which 196bn to Nykredit)

## Other topics

- Consolidation among smaller banks on an on-going basis
- Danske Bank and Nordea operate on proprietary IT platforms.
- All other banks use either BEC, Bankdata or Netcompany platform – potential consolidation of these is a recurring topic



Group assets as of Q2 2025 (EURbn).

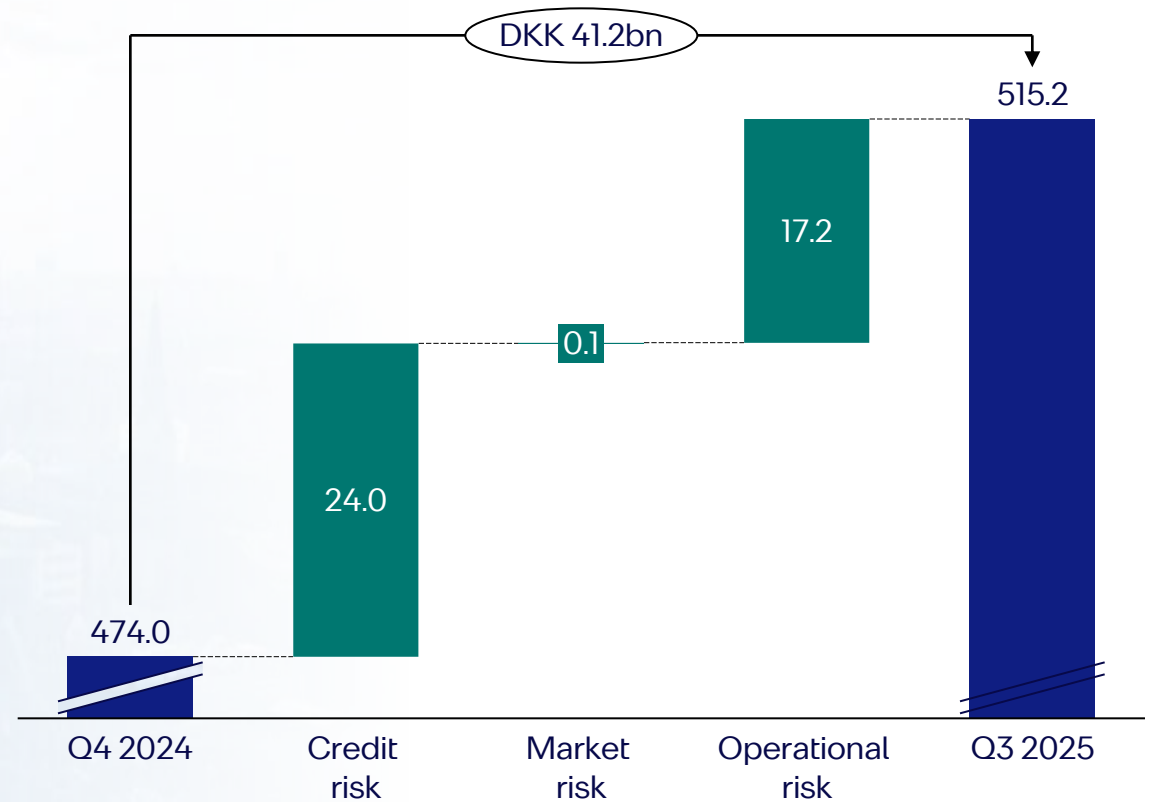
# Agenda

- Nykredit Group business update
- Nykredit/Spar Nord and other consolidation in the Danish banking sector
- **Ownership and capital**
- Danish housing market and credit performance
- Covered bonds
- Liquidity and funding
- Corporate responsibility

# Increasing risk exposures due to Spar Nord acquisition

- In Q1-Q3 2025, the risk exposure amount increased by DKK 41.2bn or 8.7% mainly due to the Spar Nord acquisition
- Credit risk increased due to the Spar Nord acquisition. The increase was partly offset by the removal of Spar Nord shares from Nykredit's strategic bank equities and from the implementation of CRR3
- Market risk was stable. The increase due to the Spar Nord acquisition was offset by reduced interest rate risk in Nykredit
- Operational risk increased due to the Spar Nord acquisition, implementation of CRR3 as well as yearly update of calculation
- Basel IV REA impact estimate
  - No material impact expected from implementation of FRTB
  - In 2033 (post transitional arrangements), Nykredit expects increase in risk exposure amounts of less than 10% due to Basel IV output floors<sup>1</sup>
  - Expected effect can be absorbed with current capitalisation

Risk Exposure Amount (REA), DKKbn

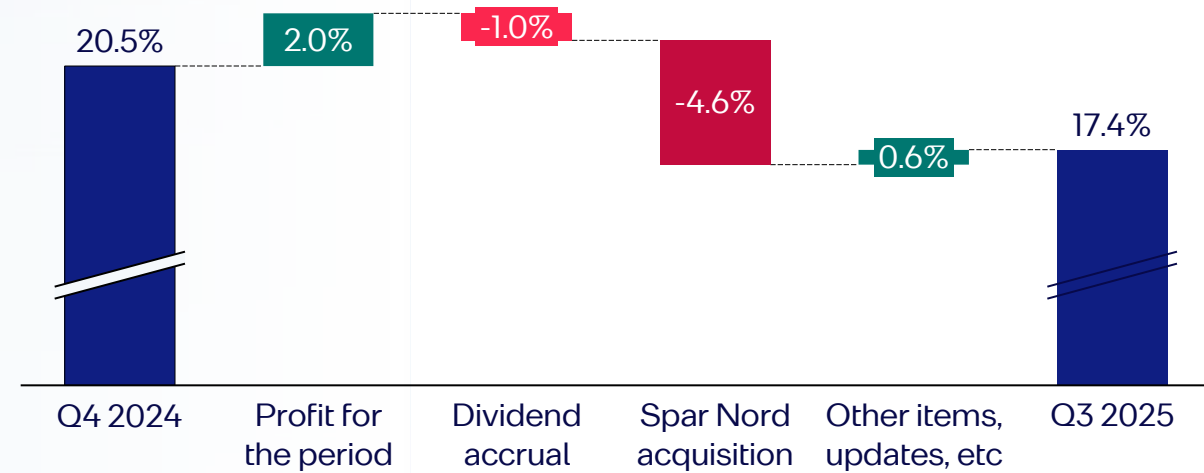


<sup>1</sup> The calculation is based on Nykredit's current lending portfolio and business mix.

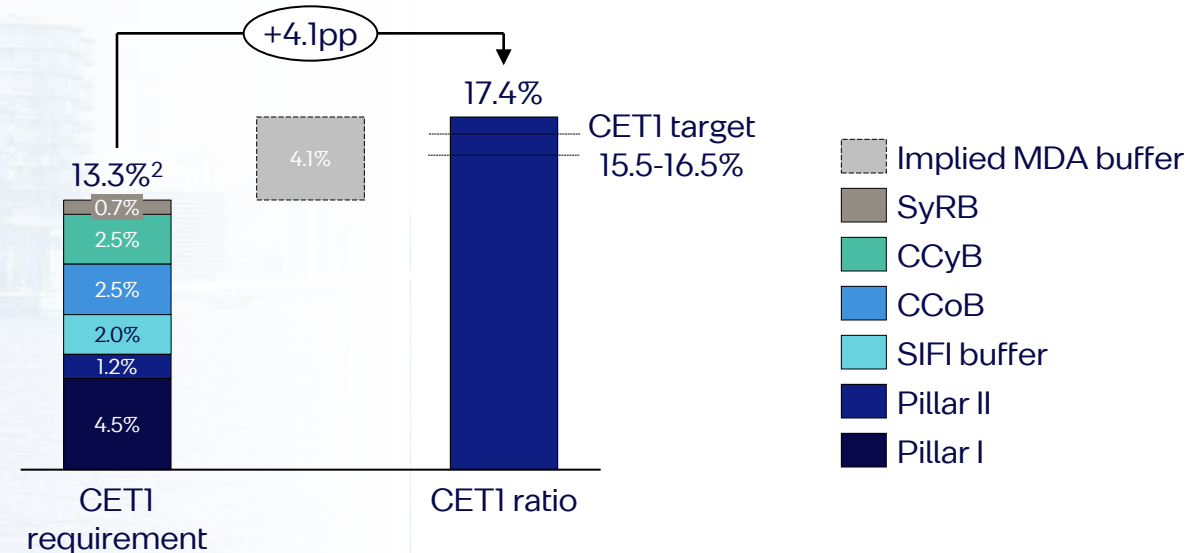
# Nykredit maintains strong capitalisation

- In Q1-Q3 2025, Nykredit's CET1 capital ratio declined to 17.4% from 20.5% primarily due to the acquisition of Spar Nord
  - Goodwill and other intangible assets from the cash acquisition came to DKK 10.3bn as of Q3 2025
  - Spar Nord has risk exposure amounts totalling DKK 66bn
- Nykredit maintains a strong capitalisation, with a CET1 capital ratio 140bp above capital policy targets and 410bp above CET1 requirement
  - Nykredit's capital policy targets include a stress buffer for a severe downturn macro scenario
  - Capital commitments from owners correspond to a potential further CET1 buffer of approx. 570bp
- Expected REA effect from Basel IV output floors (in 2033, post transitional arrangements) below +10%<sup>1</sup>
  - Expected effect can be absorbed with current capitalisation
- Under current regulatory and economic conditions, Nykredit forecasts a CET1-ratio of above 18% within a 2-year horizon

## CET1 capital ratio



## CET1 capital requirement and ratio Q3 2025

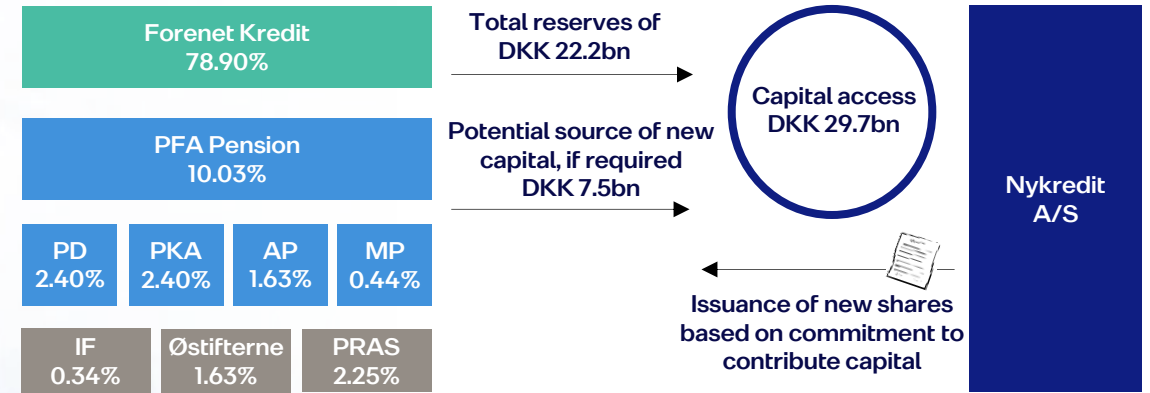


<sup>1</sup> The calculation is based on Nykredit's current lending portfolio and business mix. <sup>2</sup> MDA trigger level.

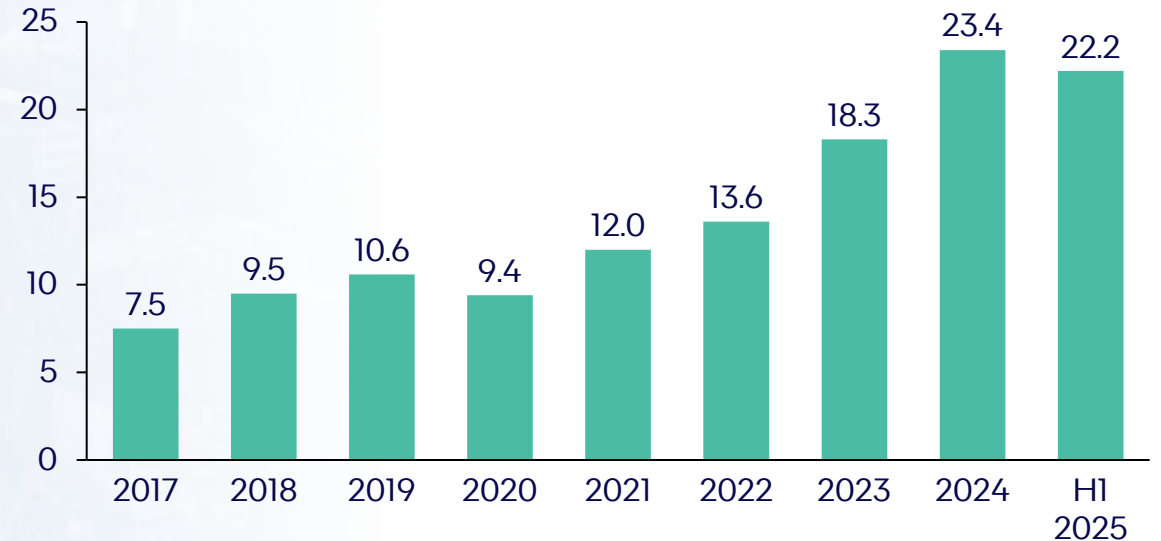
# Nykredit has access to significant capital injections

- Nykredit has access to additional capital from its owners
  - The mutual majority owner Forenet Kredit has total capital reserves of DKK 22.2bn at H1 2025
  - Forenet Kredit is fully committed to support Nykredit
  - Five Danish pension funds (with a 16.9% combined ownership share) have committed to contributing capital if needed, in total of DKK 7.5bn

## Ownership structure and capital access, H1 2025



## Total reserves of Forenet Kredit (DKKbn)



# Agenda

- Nykredit Group business update
- Nykredit/Spar Nord and other consolidation in the Danish banking sector
- Ownership and capital
- **Danish housing market and credit performance**
- Covered bonds
- Liquidity and funding
- Corporate responsibility

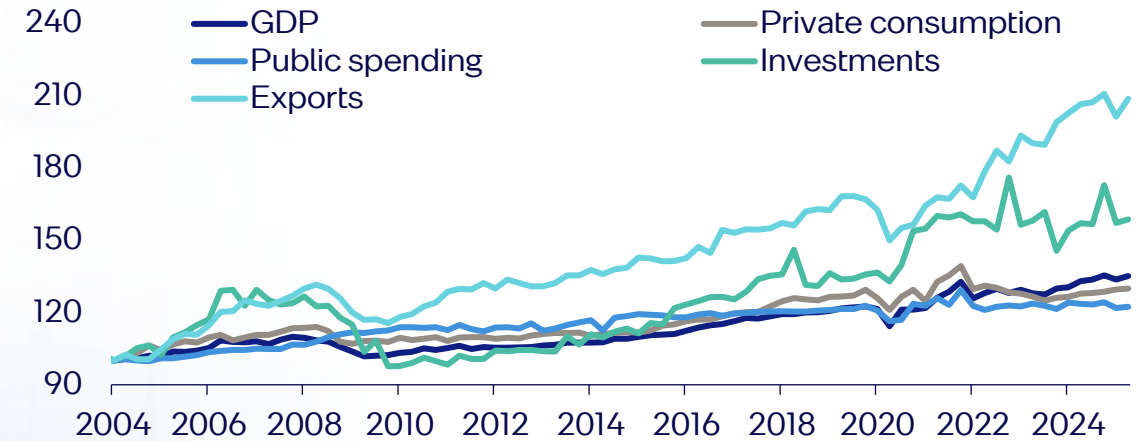
# Danish economy is resilient, supported by strong employment

- The Danish economy has showed strong growth since covid
- Growth in real wages and exports supports the Danish economy
- Unemployment rate remains low at 2.9% in September 2025
- Inflation is under control and stands at 2.3% in September 2025
- GDP growth of 3.5% in 2024, and 1-2% expected in 2025
- Public finances are very robust – both from a historical and international perspective

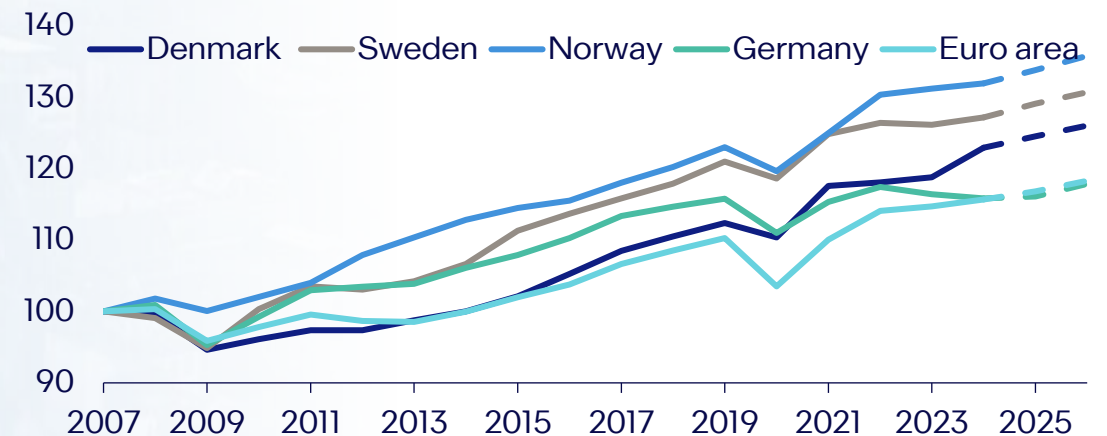
## Unemployment rate (FTE, seasonally adjusted)



## Components of GDP growth, Denmark, 2004 = 100



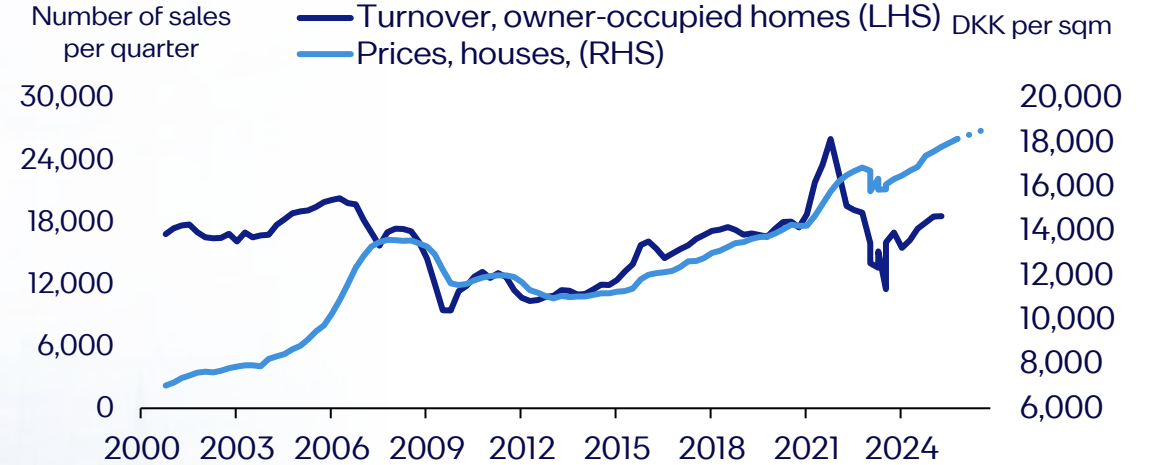
## GDP by country, 2007 = 100



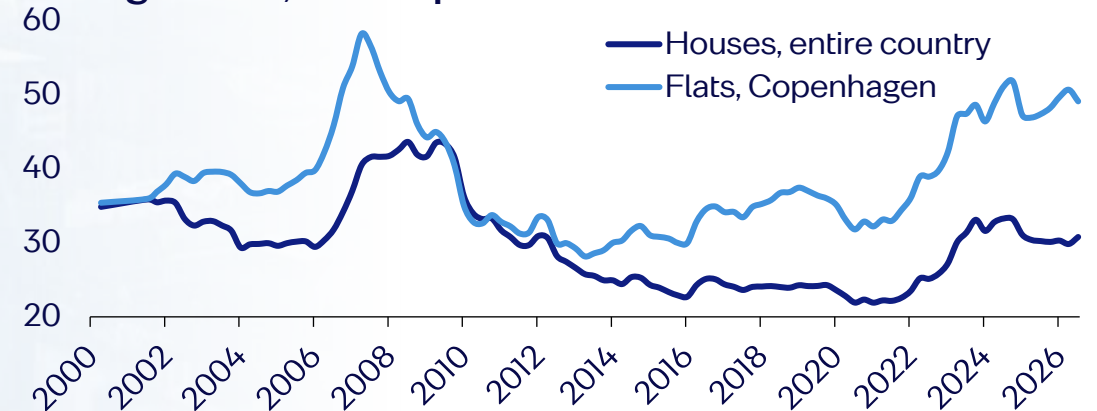
# Strong Danish housing market underpins volume growth and earnings

- The Danish housing market is in excellent condition
  - House prices are up approx 5% from H1 2024 to H1 2025, and flats approx 7%
  - Sales activity has increased steadily since end-2022 in all Denmark and is back at pre-covid levels
- Lower interest rates, low unemployment and inflation together with continued progress in real wages provide a strong foundation for the housing market, with prospects for further price increases
  - Nykredit expect house prices on national level to increase with approx 4% through 2025, and flats with approx 9%
- Stable housing burden around 30% for houses, as house price increases are offset by lower interest rates and rising wages

## Home sales per quarter and price development



## Housing burden, % of disposable income



# Personal loan portfolio is robust

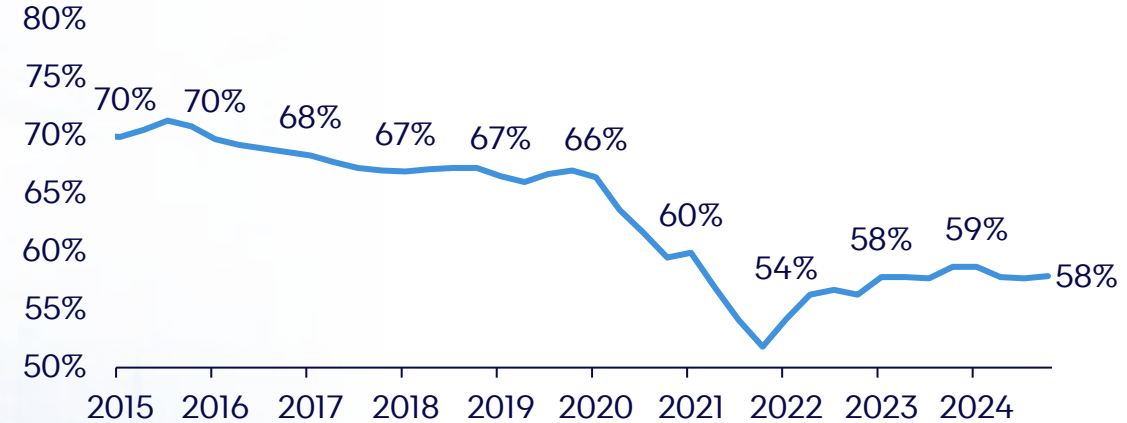


- Credit quality is generally high
- LTV levels remain low, arrears are historically low and forced sales are few

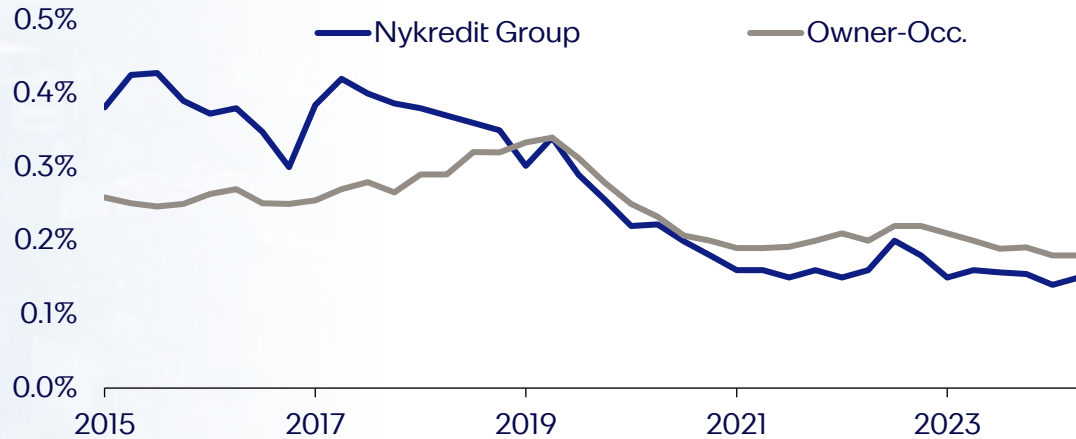


- Purchasing power has been restored due to strong income growth and inflation levels around 2%
- Unemployment remains very low at 2.9%

### Average LTV (owner-occupied)



### 75-day mortgage arrears at latest due date



# Business loan portfolio is robust



- The resilient Danish economy and strong competitiveness benefit Danish businesses
- The creditworthiness of the portfolio remains strong, and LTV levels are low



- The portfolio is well-diversified across sectors, the largest sectors being rental properties and agriculture

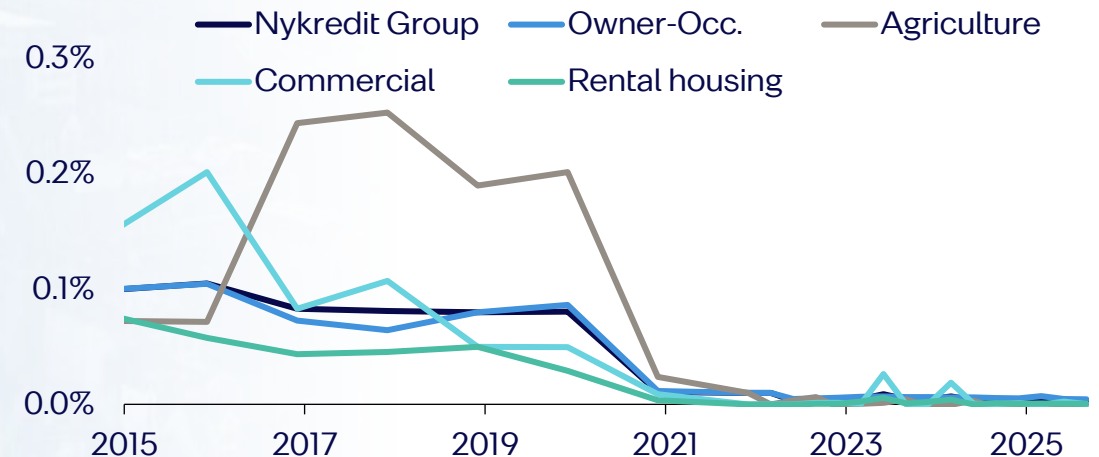


- Tariffs and potential trade wars add uncertainty, but potential effects are expected to be manageable
- Also, high attention to sectors within construction and manufacturing as well as hotels and restaurants (though only 3.6% of total lending)

## Average business sector LTVs

	2021	Q3 2025
Private rental	57%	56%
Office and retail	49%	49%
Industry and trades	44%	50%
Agriculture	60%	54%

## Incurred losses on mortgage lending as a % of debt



# Macro prudential measures

## FSA mortgage underwriting guidelines

- Restrictions on new lending for households:
  - If opting for variable-rate loans and interest-only loans
  - If debt-to-income ratio exceeds 4
  - If owning multiple homes
  - If disposable income is below a threshold
  - And if LTV is above 60%
- Restrictions for rental properties and project development:
  - The property must generate positive liquidity
  - Must have capacity to withstand an increase in vacancy rates, lower rental income, higher interest rates etc
  - Must have sufficient down payment
  - Credit institutions must be particularly cautious when financing new property projects

## Regulatory capital buffers

- A countercyclical buffer (CCyB) of 2.5% CET1 has been effective since March 2023
- A Systemic Risk Buffer (SyRB) of 7% of exposures to real estate companies has been effective since 30 June 2023

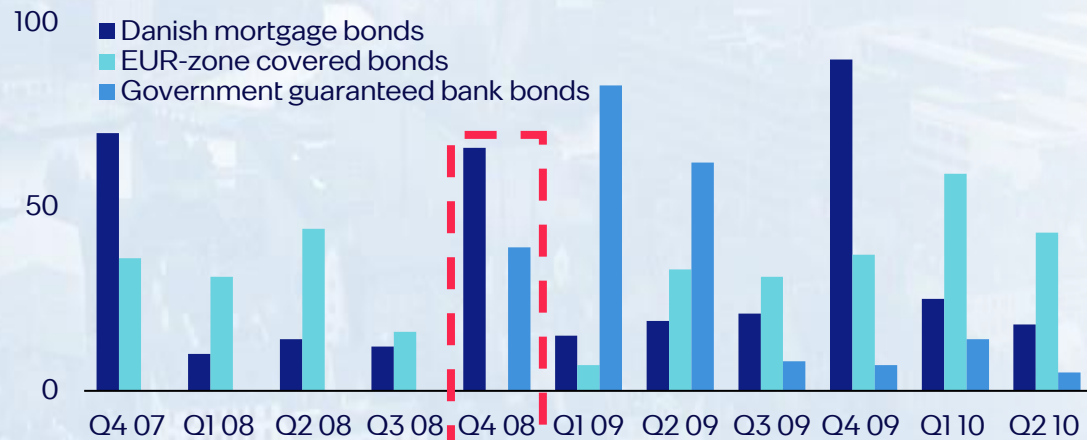
# Agenda

- Nykredit Group business update
- Nykredit/Spar Nord and other consolidation in the Danish banking sector
- Ownership and capital
- Danish housing market and credit performance
- **Covered bonds**
- Liquidity and funding
- Corporate responsibility

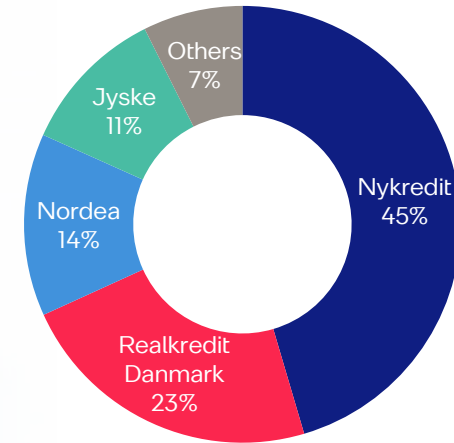
# The Danish covered bond market

- 210 years of an impeccable track record
- Strong commitment from large domestic investor community
- Liquidity on par with Danish government bonds
- Very transparent market that clears daily due to tap issuance and active primary dealer, issuers, investors and analysts
- All new bonds are issued into the secondary market = no need for syndication and no pipeline risk
- The Danish covered bond market remained open for issuance and trading every day during the Global Financial Crisis
- Nykredit is the leading issuer with a 45% market share

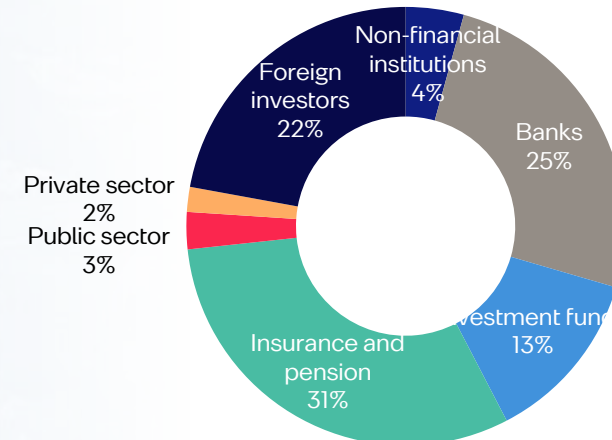
## Exceptionally robust market access (EURbn)



## Danish covered bond issuers (EUR 438bn)

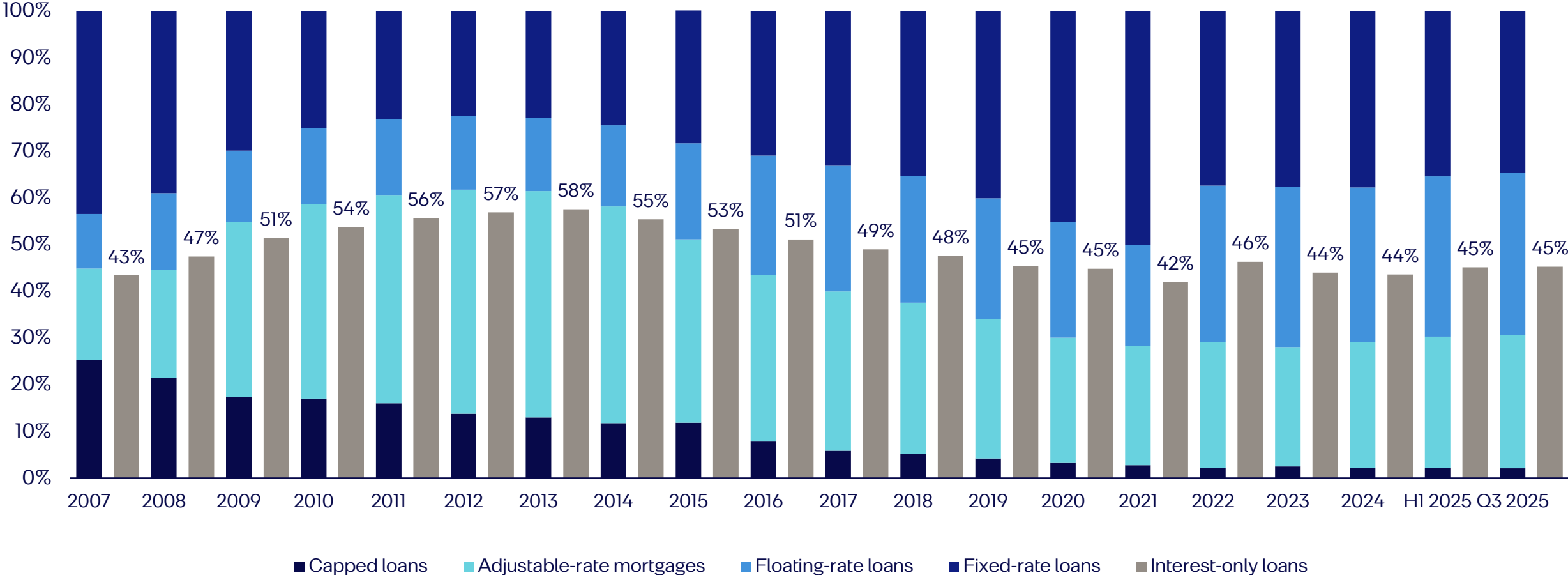


## Diversified investor base in Danish covered bonds



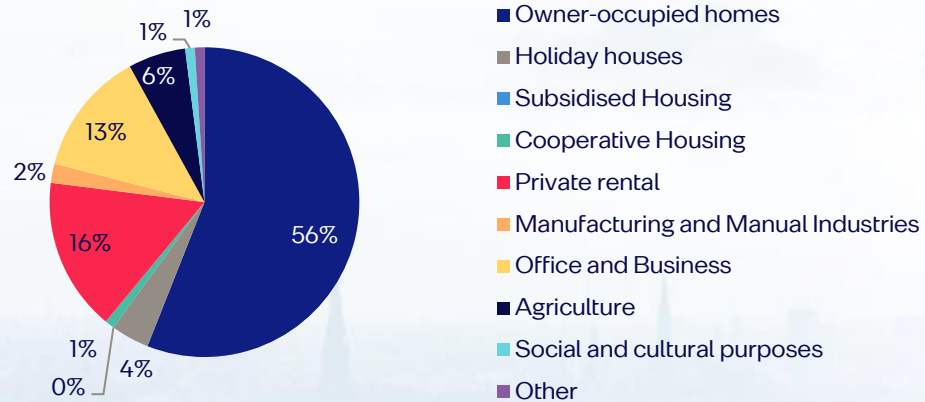
# Fixed-rate mortgage loans make up the majority of the loan stock

Mortgage stock by loan type



# Mortgage cover pool H composition

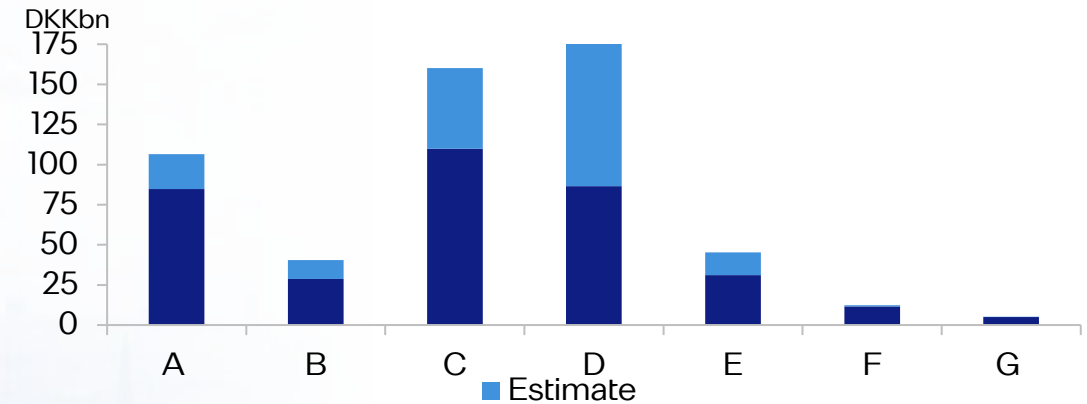
## Mortgage loans in cover pool H



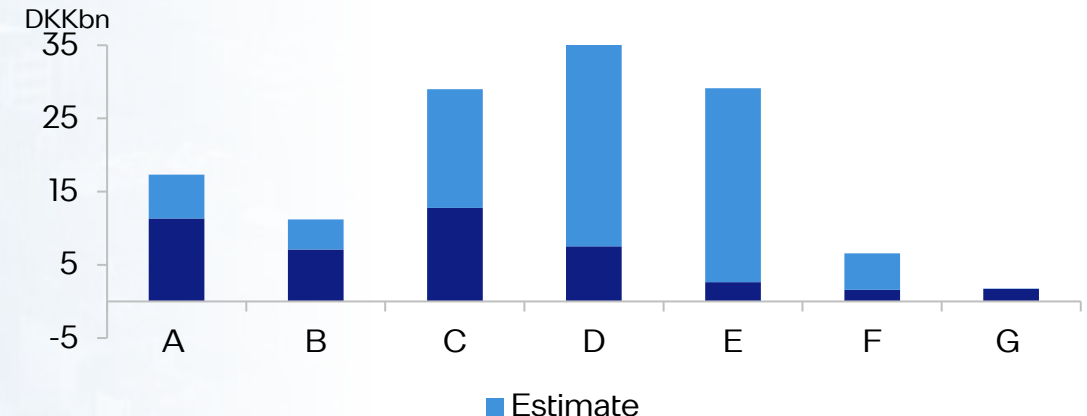
## Cover pool H – European Covered Bonds (Premium)

Nominal value of outstanding covered bonds	DKK 843.0 bn
Actual over collateralisation	3.0%
Interest rate profile	
• Fixed coupon	0.0%
• Floating coupon	96.9%
• Other	3.1%
Currency denomination profile	
• DKK	92.4%
• EUR	3.5%
• SEK	4.0%
WAL assets/liabilities (years)	27.2/4.1
CRR/CBD compliance	Yes/Yes
Average LTV	58.4%

## Energy Performance Certificate – Residential properties

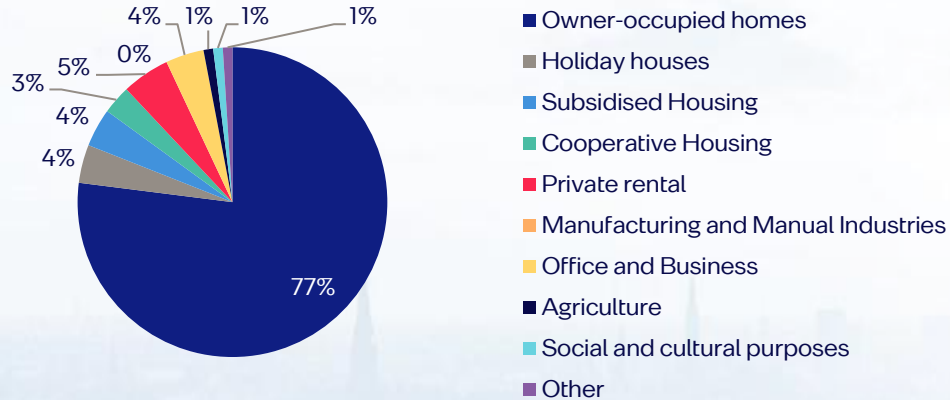


## Energy Performance Certificate – Commercial properties



# Mortgage cover pool E composition

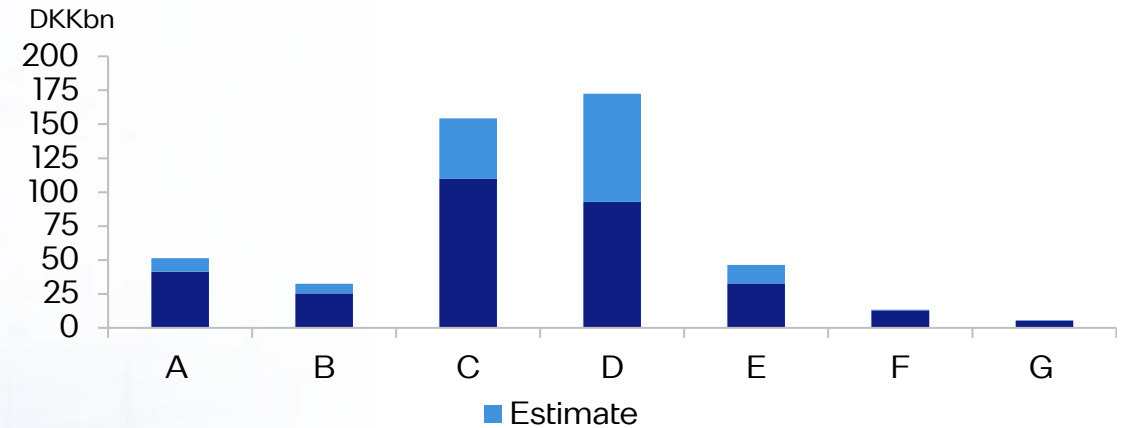
## Mortgage loans in cover pool E



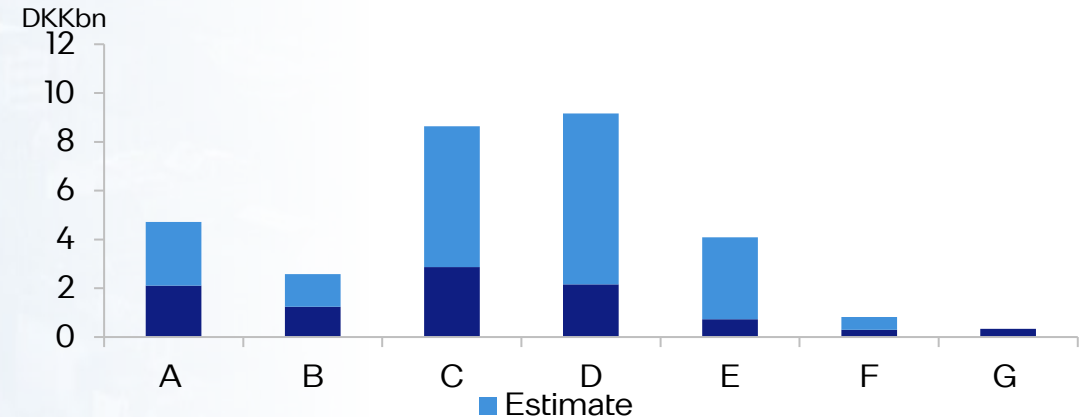
## Cover pool E – European Covered Bonds (Premium)

Nominal value of outstanding covered bonds	DKK 549.9 bn
Actual over collateralisation	3.8%
Interest rate profile	
• Fixed coupon	99.8%
• Floating coupon	0.1%
• Other	0.0%
Currency denomination profile	
• DKK	100%
• EUR	0%
• SEK	0%
WAL assets/liabilities (years)	28.1/28.1
CRR/CBD compliance	Yes/Yes
Average LTV	57.2%

## Energy Performance Certificate – Residential properties



## Energy Performance Certificate – Commercial properties

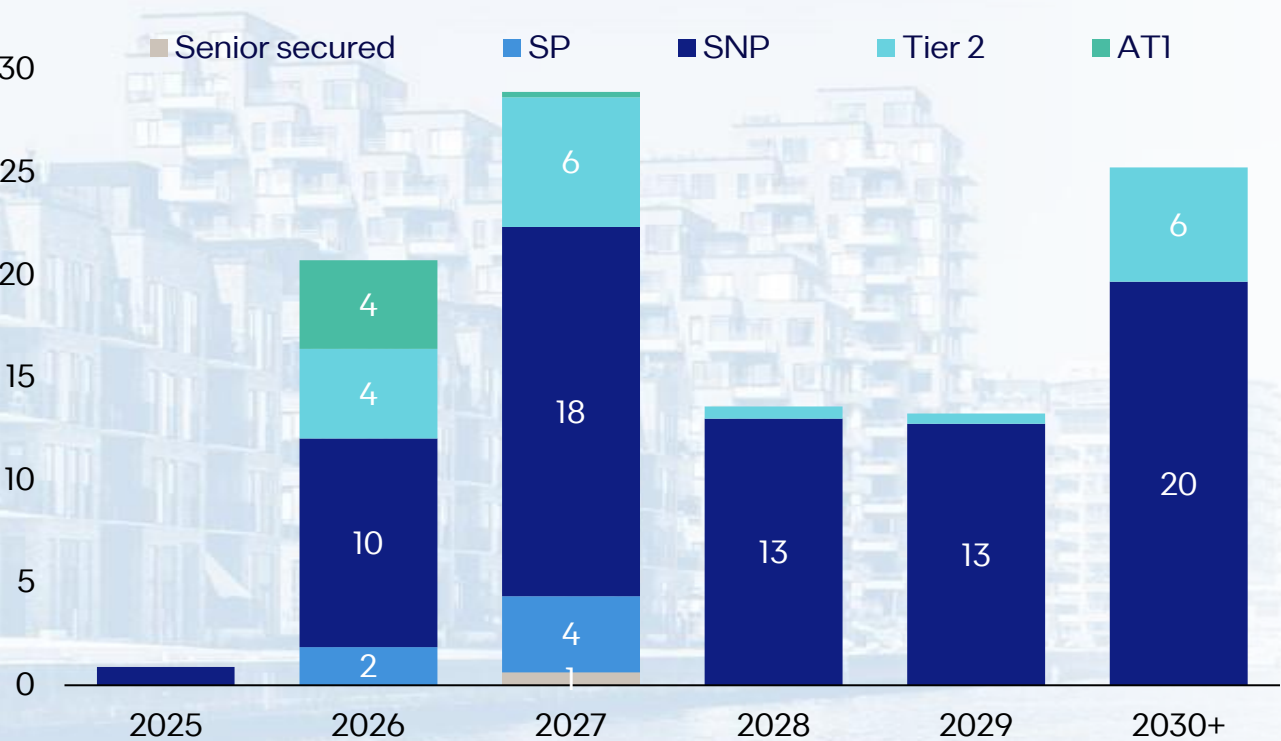


# Agenda

- Nykredit Group business update
- Nykredit/Spar Nord and other consolidation in the Danish banking sector
- Ownership and capital
- Danish housing market and credit performance
- Covered bonds
- **Liquidity and funding**
- Corporate responsibility

# Funding of the Spar Nord transaction entailed additional issuance

Maturity profile of outstanding debt and capital instruments<sup>1</sup>, DKKbn



<sup>1</sup> Including debt and capital instruments issued by Spar Nord. For instruments with call date (including AT1 and Tier 2), first call date is used.

## Funding plan 2025 and 2026

In January 2025, as a result of the Spar Nord transaction, Nykredit issued Tier 2 (EUR 750m) and Senior Non-Preferred (2 x EUR 750m) worth a total of **DKK 16.8bn**

In October 2025, Nykredit issued further Senior Non-Preferred (EUR 750m) worth of **DKK 5.6bn**

Including the above issuances, Nykredit has completed its benchmark funding plan for 2025.

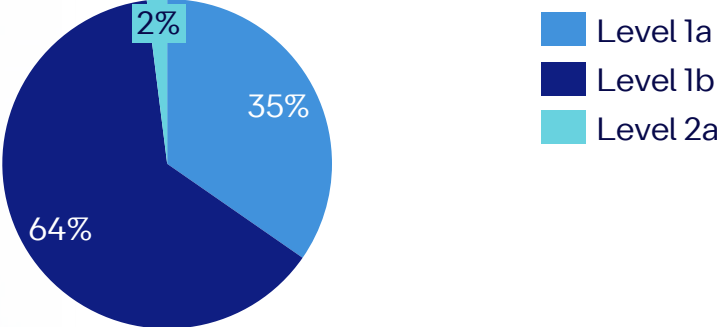
## Senior debt funding plan towards end-2026

**DKK 15-20bn**  
(EUR 2-3bn equivalent)

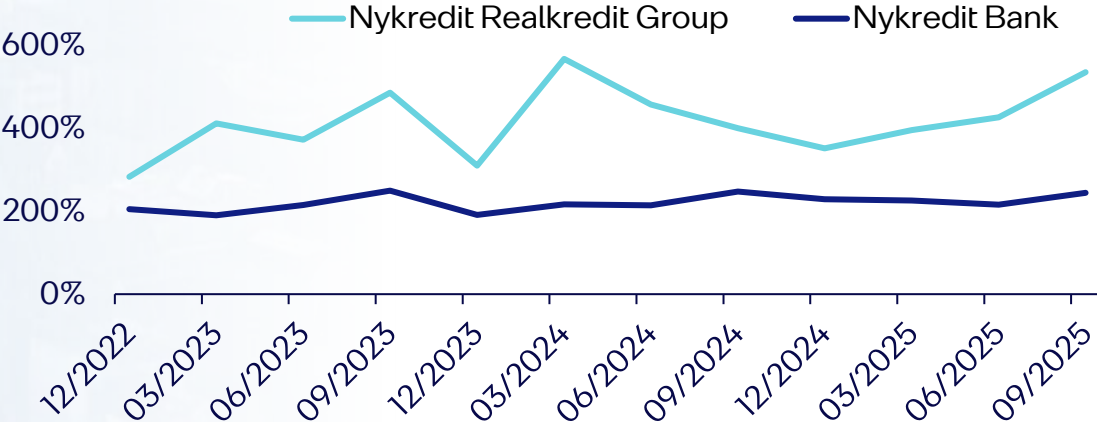
# Very strong liquidity position

- Well diversified LCR buffer of DKK 147bn
  - 35% in government bonds, central bank cash and reserves
  - 64% in highly liquid covered bonds
- Robust liquidity position
  - Liquidity coverage ratio (LCR)
    - 536% Nykredit Group
    - 245% Nykredit Bank
    - 374% Spar Nord Bank
  - Net Stable Funding Ratio (NSFR): 139%

Liquid assets by LCR level, DKK 147bn (Q3 2025)



Liquidity Coverage Ratio, %



# Credit and ESG ratings




## Nykredit's credit ratings

	<b>S&amp;P Global</b>	<b>FitchRatings</b>
Covered bonds	AAA	-
Senior preferred debt	A+	AA-
Short-term debt	A-1	F1
Issuer rating	A+	A+
Outlook	Stable	Stable
Senior non-preferred	BBB+	A+
Tier 2	BBB	A-
Additional Tier 1	BB+	BBB

## Spar Nord's credit rating

	<b>MOODY'S</b>
Senior unsecured	A1
Bank deposits	A1

## Nykredit's ESG ratings

	Score	Range
<b>MSCI</b> 	AAA	CCC-AAA
 SUSTAINALYTICS	11.8	100 - 0
	B	D- to A+

## Spar Nord's ESG ratings

	Score	Range
<b>MSCI</b> 	BBB	CCC-AAA
 SUSTAINALYTICS	20.8	100 - 0

# Agenda

- Nykredit Group business update
- Nykredit/Spar Nord and other consolidation in the Danish banking sector
- Ownership and capital
- Danish housing market and credit performance
- Covered bonds
- Liquidity and funding
- **Corporate responsibility**

# Nykredit's corporate responsibility strategy

A customer-owned Nykredit – present all over Denmark

## Priority



### Climate

Mitigation & adaptation



### Agriculture

Aquatic environment, nature and food security



### Security

Contingency planning & security of supply

## Foundation



Diversity and inclusion



Responsible products and advisory services



ESG risk management and due diligence



Initiatives to combat financial crime









IT security



Conduct management

# Targeting Net Zero emissions in 2050 – and approved by SBTi



		Nykredit Group's climate targets					
		Net zero by 2050					
Emissions target in 2030							
	<u>Owner-occupied dwellings</u>	<u>Real estate: Housing, Office and Retail</u>	<u>Agriculture</u>	<u>Businesses and Energy</u>	<u>Investments</u>	<u>Own operations</u>	
	70% emissions reduction	70% emissions reduction	45-55% emissions reduction	Maintaining emissions from electricity and heat production below 10	60% emissions reduction	85% emissions reduction	
	(kgCO <sub>2</sub> e/m <sup>2</sup> /year)	(kgCO <sub>2</sub> e/m <sup>2</sup> /year)	(tCO <sub>2</sub> e/DKKm)	(kgCO <sub>2</sub> e/MWh)	(tCO <sub>2</sub> e/DKKm)	(CO <sub>2</sub> e)	
Supporting targets	<u>Oil and gas-fired boilers</u>	<u>Transition plans</u>		<u>Industry and transport</u>	<u>Equities and bonds</u>	<u>Energy consumption and heating</u>	
	85% of owner-occupied dwellings will have another heat source than oil and gas-fired boilers in 2025	Nykredit will set targets for the number of real estate customers and agricultural customers that must have green transition plans in place		75% of emissions from large industrial and transport companies must be covered by SBTi-approved targets by 2028	All investments in equities and credit bonds must be, or be about to be, in line with the 1.75°C goal by 2028	The total MWh consumption must be reduced by 25% relative to the 2017 level by end-2025	
	<u>Electric cars</u>				Emissions from mortgage bonds must be reduced by 44% relative to the level in 2022 by 2028	By 2030, no Nykredit location may be heated directly using fossil fuels	
	50% of new car loans must be for electric cars by 2023-2025						

# Appendix



# The Danish economy

## Danish economy - key figures

	2020	2021	2022	2023	2024	2025F	2026F
Real GDP growth (2020 chained volume)	-1,8%	6,5%	0,4%	0,6%	3,5%	1,3%	1,2%
Inflation	0,4%	1,9%	7,7%	3,3%	1,4%	1,8%	0,5%
Public balance as % of nominal GDP	-0,4%	3,6%	3,4%	3,1%	4,5%	1,8%	0,4%
Gross unemployment as % of labour force	4,7%	3,7%	2,7%	2,9%	3,0%	3,0%	3,2%
Balance of payment as % of nominal GDP	7,2%	8,5%	11,2%	11,0%	12,2%		
Government EMU-debt in % of GDP	42,9%	40,5%	33,3%	33,8%	30,5%		

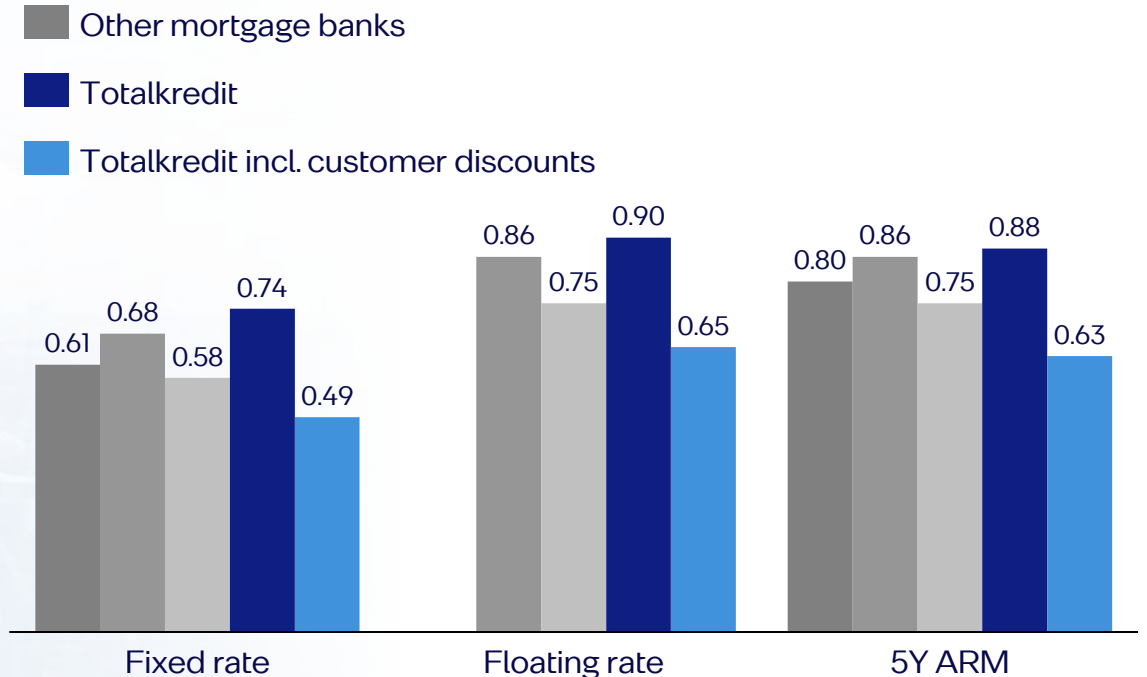


Source: [www.statistikbanken.dk](http://www.statistikbanken.dk) & Nykredit Markets

# Our customer benefit program is the main driver of Nykredit's competitive edge

- On 15 January 2025 Nykredit increased customer discounts for all private customers to 25bp from 20bp
- In response Realkredit Danmark and Nordea Kredit has lowered margins – but only for new customers with certain loan types
- The increase in customer discounts is a result of Nykredit's strong stable earnings and unique mutual ownership model
  - Nykredit's customer discounts to personal customers are now guaranteed until end-2028
- The customer discounts programme is sponsored by Nykredit's majority owner Forenet Kredit:
  - Secures our customers the cheapest loans...
  - ...while Nykredit maintains the highest profitability in the market

## Totalkredit has the lowest net prices on virtually all loan types\*



**93.5% of Totalkredit's gross lending since January 2024 has had the lowest margins in the market with the 25bp discount**

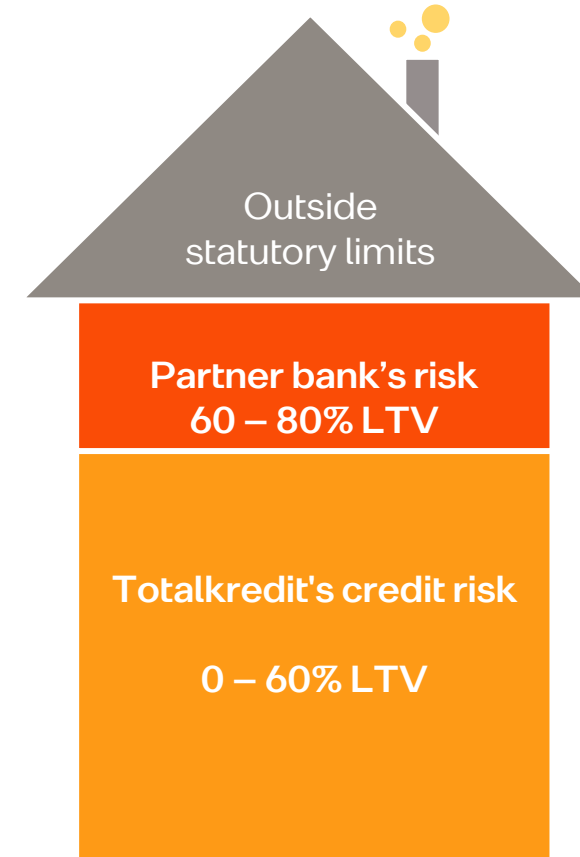
\*Margins for loans to owner-occupied dwellings, Fully amortizing with 0-80% LTV

# Risk sharing model in Totalkredit




## Partner banks cover part of the loan-losses in Totalkredit

- Lending originated by partner banks are covered by a risk sharing model and covers
  - Owner-occupied dwellings
  - Summer houses
  - Commercial real estate
- Partner banks bear the credit risk of the highest LTV-part of the loan
  - The general rule is that the partner bank will cover an amount equal to a quarter of the loan
  - The amount is fixed at disbursement and remains constant until maturity of the loan
  - Hence for an 80% LTV loan the credit risk from 60-80% LTV is covered by the partner bank
  - For certain loans the banks cover a larger part of the credit risk
- Risk sharing is based on Nykredit's right to set-off loan losses against commissions paid by Totalkredit to the partner bank
- The partner bank receives commissions equal to approx. 50% of margin income covering as compensations for covering credit risk and serving the customer

## Risk sharing model for an 80% LTV retail mortgage loan



# Nykredit benchmark transactions

Instrument	ISIN	Currency	Amount (m)	Interest type	Issue date	Maturity date	Call date	Green
AT1	DK0030352471	EUR	500	Adjust	15-okt-20	Perp	15-apr-26	
Tier 2	DK0030487996	EUR	500	Fixed	28-apr-21	28-jul-31	28-apr-26	
Tier 2	DK0030507694	EUR	500	Adjust	29-sep-22	29-dec-32	29-sep-27	
Tier 2	DK0030523113	EUR	750	Fixed	24-jan-25	24-apr-35	24-apr-30	
Tier 2	NO0012724113	NOK	1550	Floating	18-okt-22	18-okt-32	18-okt-27	
Tier 2	DK0030513585	DKK	950	Floating	26-okt-22	26-okt-32	26-okt-27	
Tier 2	DK0030486675	SEK	1000	Floating	31-mar-21	31-mar-31	31-mar-26	
SNP	DK0030523030	EUR	750	Fixed	24-jan-25	24-jul-30	-	
SNP	DK0030522818	EUR	750	Floating	24-jan-25	24-jan-27	-	
SNP	DK0030512421	EUR	750	Fixed	21-nov-23	19-jan-29	-	
SNP	DK0030045703	EUR	750	Fixed	20-feb-23	17-jul-28	-	
SNP	DK0030484548	EUR	750	Fixed	24-feb-21	17-jan-28	-	
SNP	DK0030467105	EUR	750	Fixed	23-nov-20	13-jan-26	-	
SNP	DK0009526998	EUR	750	Fixed	20-jan-20	20-jan-27	-	
SNP	DK0030523386	EUR	500	Fixed	21-nov-24	10-jan-30	-	
SNP	DK0030551247	EUR	750	Fixed	09-okt-25	12-jan-33	-	
SNP	DK0030467295	EUR	500	Fixed	30-sep-24	10-jul-31	-	
SNP	DK0030394986	EUR	500	Fixed	27-mar-24	09-jul-29	-	
SNP	DK0030393665	EUR	500	Fixed	27-feb-24	05-jul-27	-	
SNP	DK0030393319	EUR	300	Floating	27-feb-24	27-feb-26	-	
SNP	DK0030522149	SEK	1650	Floating	10-okt-24	10-okt-28	-	
SNP	DK0030513155	SEK	1500	Floating	06-dec-23	06-dec-27	-	
SNP	NO0012428459	NOK	1500	Fixed	03-feb-22	03-nov-26	-	
SNP	DK0030398110	SEK	600	Floating	16-apr-24	16-apr-29	-	
SNP	DK0030451539	SEK	400	Floating	22-apr-24	02-jun-28	-	
SP	DK0030506886	EUR	500	Fixed	29-mar-22	12-jul-27	-	

# Disclaimer

The information in this material (hereinafter the "Information") has been compiled by Nykredit Realkredit A/S (hereinafter "Nykredit") for informational purposes only. The Information is primarily based on information accessible to the public.

The Information is believed to be reliable. However, Nykredit does not guarantee the timeliness, sequence, accuracy, correctness, adequacy, or completeness of the Information or opinions contained therein, nor does Nykredit make any representations or warranties of any kind, whether express or implied. Further, labelling certain securities as "Green Bonds" does not, directly or indirectly imply any representation or warranty of any kind that these securities will satisfy the expectation or perception of any third party, as to what a "Green Bond"-label entails, neither at issuance or in future.

The Information does not constitute an offer to sell or the solicitation of an offer to buy any securities mentioned in the Information.

Nykredit makes no representation or warranties and gives no advice concerning the appropriate legal treatment, regulatory treatment, accounting treatment or possible tax consequences in connection with an investment in securities mentioned in the Information. Before proceeding with any such investment investors should determine, without reliance upon Nykredit, the economic risk and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of such an investment and that investors are able to assume these risks. Investors should conduct their own analysis, using such assumptions as they deem appropriate in making an investment decision. Nykredit does not accept any liability for any loss, howsoever arising, directly or indirectly from the issue of the Information or its contents including transactions made based on information therein.

The Information contains certain tables and other statistical analyses (the "Statistical Information") which have been prepared in reliance upon information accessible to the public. Numerous assumptions were used in preparing the Statistical Information, which may not be reflected herein. As such, no assurance can be given as to the Statistical Information's accuracy, appropriateness or completeness in any particular context, nor as to whether the Statistical Information and or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice. Calculations and presentations are based on ordinary econometric and financial tools and methods as well as publicly available sources.

Assessments and recommendations, if any, made in the Information may involve substantial risks. Such risks, including a sensitivity analysis based on relevant assumptions, have been described in the Information.

Nykredit and/or other companies of the Nykredit Group are financial institutions and banks that trade in securities. Any company in the Nykredit Group may buy, sell or hold positions in the securities mentioned in the Information, just as these companies may be involved in activities involving companies mentioned herein.

The Information is being directed at you solely in your capacity as a relevant person for your information and may not be reproduced or redistributed or passed on to any other person or published in whole or in part, for any purpose, without the prior written consent of Nykredit. Relevant persons are persons who have professional experience in matters relating to investments in securities mentioned in the Information and to whom the Information may be lawfully communicated.

The Information may not be acted on or relied on by persons who are not relevant persons.

Nykredit – Sundkrogsgade 25 – DK-2150 Nordhavn, Copenhagen - Tel +45 44 55 18 00

# Investor Relations contacts



**Morten Bækmand Nielsen**

Head of Investor Relations

Tel.: +45 44 55 15 21

Mobile: +45 23 39 41 68

Email: [mobn@nykredit.dk](mailto:mobn@nykredit.dk)

[www.nykredit.com/IR](http://www.nykredit.com/IR)

Email: [investor\\_relations@nykredit.dk](mailto:investor_relations@nykredit.dk)



**Peter Zangenberg Hyllested**

Chief Analyst

Tel.: +45 44 55 20 25

Mobile: +45 23 67 24 46

Email: [pezh@nykredit.dk](mailto:pezh@nykredit.dk)