

Nordea

Nordea Kredit Realkreditaktieselskab **Annual Report 2024**

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We are part of a universal bank with a 200-year history of supporting and growing the Nordic economies – enabling dreams and aspirations for a greater good.

Every day, we work to support our customers' financial development, delivering best-in-class omnichannel customer experiences and driving sustainable change.

The Nordea share is listed on the Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm exchanges.

Read more about us at nordea.com.

Financial summary

Key financial figures (DKKm)

	2024	2023	Change %	2022	2021
Income statement					
Total operating income	3,134	3,240	-3	2,828	2,704
Total operating expenses	-1,620	-1,685	-4	-1,424	-1,367
Profit before impairment losses on loans and receivables	1,514	1,554	-3	1,404	1,338
Impairment losses on loans and receivables	-86	-19	353	-27	82
Profit before tax	1,428	1,535	-7	1,377	1,419
Net profit for the year	1,059	1,149	-8	1,075	1,107
Balance sheet					
Receivables from credit institutions and central banks	37,894	31,998	18	39,264	48,523
Loan and receivables at fair value	391,360	390,669	0	385,887	432,280
Loans and receivables at nominal value ¹	412,940	421,030	-2	433,757	436,116
Debt to credit institutions and central banks	8,955	8,117	10	9,503	14,260
Bonds in issue at fair value	400,934	394,356	2	389,737	441,234
Equity	22,267	22,356	0	22,280	22,311
Total assets	436,886	429,937	2	425,506	481,015

Ratios and key figures

	2024	2023	2022	2021
Return on equity, %	4.7	5.1	4.8	4.9
Cost/income ratio	51.7	52.0	50.4	50.5
Write-down ratio, basis points	2.2	0.5	0.7	-1.9
Common equity tier 1 capital ratio ²	20.1	28.5	28.4	24.7
Tier 1 capital ratio ²	20.1	28.5	28.4	24.7
Total capital ratio ²	21.6	30.7	30.5	26.6
Own funds, DKKm	21,802	22,206	22,178	22,076
Tier 1 capital, DKKm	20,252	20,654	20,628	20,526
Risk exposure amount, DKKm ³	100,964	72,419	72,751	83,099
Average number of employees (full-time equivalents)	95	108	116	118

¹ After adjustment for provisions for loan losses.

² Decreased due to the implementation of new IRB retail models during the third quarter of 2024.

³ Increased due to the implementation of new IRB retail models during the third quarter of 2024.

Management's report

Nordea Kredit Realkreditaktieselskab is a wholly owned subsidiary of Nordea Bank Abp. Nordea Kredit Realkreditaktieselskab is domiciled in Copenhagen and its business registration number is 15134275.

Throughout this report the term "Nordea Kredit" refers to Nordea Kredit Realkreditaktieselskab, "Nordea" refers to the Nordea Bank Abp Group and "Nordea Bank" refers to the parent company Nordea Bank Abp. The figures in brackets refer to 2023.

Modest lending activity in 2024

Overall lending activity for change of ownership, remortgaging and top-up loans showed a continued modest level in 2024.

However, as interest rates moved downwards in the second half of the year, activity picked up – especially in the fourth quarter which accounted for almost 38% of gross lending in 2024.

Total lending at nominal value was DKK 413bn (DKK 421bn) at end-2024. The slowly decreasing portfolio in the first three quarters of the year was mainly a result of the modest lending activity for change of ownership and top-up lending for household customers. In the fourth quarter lending volumes increased slightly.

The loan to value (LTV) ratio for owner-occupied dwellings and holiday homes was 52% (52%) while the average LTV ratio for all property types was also unchanged at 49% (49%) by end-2024. The continued historically low average LTVs were supported by an overall positive trend in house prices.

Arrears increased slightly through the year but were still at a very low level by end-2024.

By end-2024 Nordea Kredit's lending book was still solid.

Financial review 2024

Profit before tax amounted to DKK 1,428m (DKK 1,535m). Profit before tax was in line with expectations.

Operating income

Net interest income decreased by 2% to DKK 3,953m (DKK 4,043m). Administration margins decreased to DKK 3,261m (DKK 3,412m) following lower lending volumes and average margins, driven by lower LTV ratios for the loans remortgaged.

Fee and commission income was down by 11% to DKK 375m (DKK 420m), mainly driven by lower lending activity for household and agricultural customers.

Fee and commission expenses decreased to DKK 1,185m (DKK 1,194m) mainly related to lower lending activity.

Staff and administrative expenses

Total staff and administrative expenses decreased by 4% to DKK 1,620m (DKK 1,685m) mainly due to lower fees for sales and distribution services provided by Nordea Bank and a lower resolution fee.

Staff costs decreased by 9% to DKK 102m (DKK 112m) as general salary increases were more than offset by a lower average number of full-time equivalent employees of 95 (108) mostly driven by increased outsourcing to Nordea Bank e.g. outsourcing of legal services and selected loan offer

production tasks to harvest synergies and increase operational stability.

Impairment losses on loans and receivables

Impairment losses on loans and receivables increased to DKK 86m (DKK 19m) mainly following increased model and individually calculated provisions in stage 3. During the fourth quarter of 2024 new enhanced provisioning models were introduced for the retail portfolio. This did not have a significant impact on the loan loss provisions.

Realised loan losses were at a low level in 2024. Even though the macroeconomic outlook improved during 2024, the management judgement was kept at the same level of DKK 306m at end-2024 (DKK 307m) due to continued elevated macroeconomic uncertainty.

Overall, the loan portfolio of Nordea Kredit is well diversified with robust collateral.

The write-down ratio of the loan portfolio increased to 2.2bp (0.5bp).

Tax

Income tax expense was DKK 369m (DKK 386m) and the effective tax rate was 25.8% (25.1%) following the increased tax rate for financial institutions in 2024.

Net profit for the year

Net profit for the year amounted to DKK 1,059m (DKK 1,149m), corresponding to a return on equity in 2024 of 4.7% (5.1%).

Assets

Total assets increased by 2% to DKK 437bn (DKK 430bn).

Receivables from credit institutions and central banks, mainly consisting of deposits with Nordea Bank, increased to DKK 38bn (DKK 32bn).

Loans and receivables at fair value amounted to DKK 391bn (DKK 391bn). Total lending at nominal value after loan losses decreased by 2% to DKK 413bn (DKK 421bn) mainly as a result of the low activity level.

Table 1. Lending at nominal value by property category

DKKbn	2024	2023	Change %
Owner-occupied dwellings and holiday homes	287	293	-2%
Commercial properties	94	95	-1%
Agricultural properties	32	33	-3%
Total	413	421	-2%

The quality of the loan portfolio continued to be strong in 2024. Accumulated loan loss provisions increased to DKK 583m (DKK 522m).

The first loss guarantees from Nordea Bank cover 25% of loans totalling DKK 410bn (DKK 417bn). The share of the total loans covered by the loss guarantees was 99% (99%). The loss guarantee significantly reduces the credit risk and hence the loan losses at Nordea Kredit.

Assets held temporarily decreased and consisted of 4 repossessed properties (9) by the end of 2024 with a carrying amount of DKK 1m (DKK 5m).

Debt

Debt to credit institutions and central banks, mainly consisting of short-term funding from Nordea Bank and senior non-preferred loans, amounted to DKK 9bn (DKK 8bn).

Bonds in issue at fair value totalled DKK 401bn (DKK 394bn) after offsetting the portfolio of own bonds of DKK 5bn (DKK 6bn). Bonds in issue at fair value increased as the decrease in bonds in issue at nominal value was offset by the change in the fair value adjustment.

Equity

Shareholders' equity amounted to DKK 22bn (DKK 22bn) at the end of 2024.

It is proposed to distribute the net profit of DKK 1,059m as dividend to the parent company Nordea Bank Abp. The proposed dividend payment is equivalent to DKK 62 (DKK 67) per share.

Capital adequacy

At year-end the risk exposure amount (REA) of Nordea Kredit was up by 39% to DKK 101.0bn (DKK 72.4bn). The common equity tier 1 (CET1) ratio decreased to 20.1% (28.5%) due to the increase in REA. The total capital ratio decreased to 21.6% (30.7%) at end-2024 affected by increased REA. The increase in REA was mainly driven by the implementation of new IRB retail models approved by the authorities during the third quarter of 2024.

At year-end 2024 the leverage ratio decreased to 4.6% (4.8%), thus meeting the minimum requirement of 3%.

Debt buffer

The debt buffer requirement was DKK 7.8bn at end-2024 (DKK 7.8bn). Nordea Kredit met the debt buffer requirement with excess CET1 capital, tier 2 capital and unsecured senior debt.

Individual solvency needs

Under Danish legislation Nordea Kredit must publish its adequate capital base as well as its individual solvency need on a quarterly basis. Information about individual solvency needs is available on www.nordea.com/en/investors/individual-solvency-need.

The property market

The economy

Despite experiencing several years of high inflation and significant interest rate hikes, the global economy managed to avoid slipping into a recession in 2024. This outcome is largely attributed to central banks' ability to swiftly control inflation while keeping unemployment at relatively low levels.

However, economic conditions vary significantly across regions. For instance, the US has experienced relatively strong growth, while economic activity in Europe has been subdued. Denmark, in contrast, has seen higher growth than many other European nations, which has contributed to historically high employment levels.

The Danish economy is expected to remain robust in the coming years, characterised by high activity and strong employment figures. This positive outlook is driven by anticipated lower interest rates, which are likely to boost demand both domestically and in key export markets. Additionally, a solid increase in real wages is expected to

pave the way for stronger private consumption. Geopolitical tensions and trade disputes between major economies could impact global trade, inflation and interest rates. Nevertheless, the Danish economy is well positioned to withstand significant setbacks, and the housing market is considered to be in a stable and balanced state.

The housing market

In 2024 Danish households experienced an increase in purchasing power, with real wages approaching or surpassing pre-inflation levels for many. In addition, households remain financially resilient, which supports their ability to secure credit for home purchases and service existing debt. The share of homeowners defaulting on their loans has remained low.

House prices in Denmark rose overall in 2024, driven by declining interest rates, a strong labour market and real wage growth. Transaction volumes also increased, reflecting a market that largely adjusted to previous interest rate hikes. Additionally, the recent housing tax reform is believed to have had a positive impact on property prices.

Lower interest rates and rising household incomes are expected to further bolster the housing market in 2025. House prices are projected to rise by approximately 4–5% in 2025. However, this forecast is subject to uncertainty.

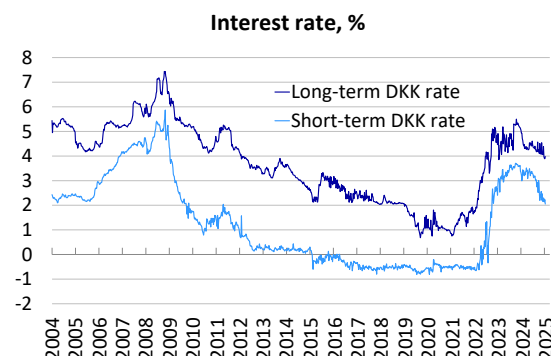
Interest rates

Since early 2022 central banks have been striving to curb inflationary pressures. As of early 2025, the signs indicate that they are nearing success. In both the US and Europe, inflation is approaching the target rate of around 2%, and if the trend continues it will prompt central banks to shift towards a more accommodative monetary policy.

In 2024 the US Federal Reserve reduced its federal funds target rate from 5.50–5.25% to 4.50–4.25%, while the European Central Bank (ECB) lowered its deposit facility rate from 4% to 3%. Both the Federal Reserve and the ECB anticipate further rate cuts in 2025 although there remains significant uncertainty about the pace and extent of these adjustments.

Declining benchmark rates have also affected mortgage rates. At the beginning of 2024 the effective interest rate on a 30-year fixed-rate mortgage stood at approximately 4.3%, decreasing to around 4.0% by year-end. Shorter-term mortgage rates followed a similar trend, with the F3 and F5 rates decreasing from around 2.7% at the start of 2024 to approximately 2.3% and 2.4%, respectively, by year-end. As a result, borrowing conditions for homebuyers eased slightly, and many homeowners benefited from lower monthly mortgage payments.

Figure 1. Interest rates



Residential rental properties

Residential rental properties continue to be the favourite property type of professional housing investors. However, we did not see the large transactions that characterised the market in previous years.

The vacancy rate has again found a natural level. This means that the large number of newly built residential rental properties, which in recent years caused vacancies in the major cities to increase, have almost been absorbed by the market. With the high level of construction costs, construction activity is at the low end of the scale.

The yield requirement was more or less unchanged in 2024.

Office properties

In 2024 the office property market continued the significant decline in transaction activity witnessed in 2023. The market is still affected by higher interest rates and, among other things, also by the uncertainty surrounding the number of employees working from home.

There is still a trend towards large differences in the office market between newer, modern, well-located properties and older properties or properties with less good locations.

We continue to see an increase in the required yield.

Retail properties

Retail property transaction activity was at a very low level in 2024.

The market for smaller properties is characterised by consumers' changing shopping habits, while we continue to see interest in well-located grocery stores. Customers are choosing not to shop in smaller stores, where the selection is often limited. The smaller stores are therefore forced to close.

Rising vacancy rates have put pressure on rent levels, resulting in lower prices also in the larger cities. Higher vacancies are seen especially in side streets, but have also begun to appear in main streets.

Industrial and logistics properties

Activity within industrial and logistics properties also fell in 2024, but not as significantly as for some of the other property types.

There has been a slight increase in the vacancy rate, but it is still at a low level. There have been minor increases in the yield requirements. Logistics properties with solid tenants and long leases are particularly in demand.

Agricultural properties

The agricultural sector's earnings have been reduced in recent years by rising interest costs and smaller harvests due to bad weather conditions the last two years. The decline follows a period of very good results and debt reduction, and the sector has therefore generally been able to handle the decline. Earnings are particularly supported by livestock farming with high milk prices and in pig production especially by high piglet prices. Conversely, crop production was hit by the weather conditions, and earnings were at an unsatisfactory level. Earnings are expected to increase in 2025 following the falling interest rates and an expected "normal" harvest year.

The green tripartite agreement has been politically adopted, but the implementation is still pending. There is uncertainty about how the requirement for especially reductions in

nitrogen emissions will affect the agricultural sector. Major changes will be implemented and the schedule is tight. It is assessed that it is manageable for the sector in general, but some individual properties and some geographical areas will be hit relatively harder than others by the changes.

Trading activity within agricultural properties has been good for several years, with rising prices of land due to good earnings in most sectors and demand for land for other purposes, for example energy projects and nature projects. The implementation of the green tripartite agreement adds some uncertainty to the market about future production conditions, which may affect prices. However, according to the agreement large agricultural areas must be converted to forest and nature areas, which will reduce the supply of agricultural land for agricultural purposes, and this is expected to counteract the negative consequences of the implementation.

Nordea Kredit's lending

The loan portfolio

Total lending at nominal value after loan losses amounted to DKK 413bn by end-2024 (DKK 421bn).

The lower lending volume in 2024 was primarily caused by decreased lending for owner-occupied dwellings and holiday homes.

Although activity was relatively modest during 2024, activity increased in the second half of the year due to the positive trend in the housing market as well as increased top-up lending and remortgaging. Developments towards year-end were supported by falling interest rates.

Total gross new lending in 2024 amounted to DKK 46bn (DKK 52bn), of which DKK 31bn (DKK 37bn) was for owner-occupied dwellings and holiday homes.

Even though many customers refinanced their adjustable-rate mortgage loans to a higher interest rate level during 2024, the lending book was still strong. Approximately 13% of household customers still paid an interest rate close to 0% on their adjustable-rate mortgage loans by end-2024.

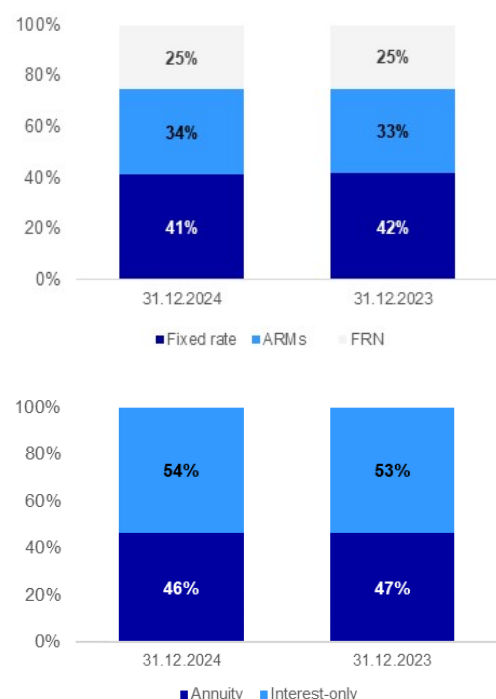
Household as well as corporate customers reduced their use of fixed-rate loans slightly during 2024. By end-2024 41% (42%) of Nordea Kredit's lending portfolio was fixed-rate loans.

Corporate customers in general preferred floating-rate products (Cibor6 and Cibor6 Green) and to lesser extent adjustable-rate mortgages and fixed-rate loans.

Interest-only loans in total accounted for a slightly increased share of 54% (53%) of the lending portfolio by end-2024.

Nordea's focus on supporting the green transition was reflected in Nordea Kredit's lending portfolio. The outstanding volume of green mortgage loans offered within Nordea's Green Funding Framework to finance corporate properties for example residential rental properties with EPC A/B ratings and green energy plants reached DKK 17bn (DKK 16bn) at end-2024, equivalent to a market share of approximately 18% (19%) for green bonds denominated in Danish kroner.

Figure 2. Total loan portfolio by loan type



Supplementary collateral for loans financed through covered mortgage bonds

Mortgage institutions issuing loans based on covered bonds (SDROs) must provide supplementary collateral out of their own funds if the statutory LTV limit for the individual property has been exceeded.

The supplementary collateral required based on the LTV ratios for the individual loans in capital centre 2 (SDRO bonds) was DKK 2bn at end-2024 (DKK 3bn).

Funding

Bond issuance

Nordea Kredit adheres to the specific balance principle and exclusively match-funds its lending by the issuance of bonds.

2024 was characterised by falling market yields, continued dampened issuance and lower market volatility. This meant better sentiment in the Danish bond market. The better sentiment was also supported by the fact that foreign accounts stopped selling low-coupon covered bonds on an almost daily basis which was the case in both 2022 and 2023.

During 2024 the market expected yields to continue falling, and many borrowers were waiting for the 3.5% 30-year callable bonds to open for issuance and use the possibility to remortgage out of higher-coupon loans. The 3.5% bonds opened at the start of the fourth quarter 2024 and loan remortgaging started to pick up as anticipated.

Throughout most of 2024 the coupons of floating-rate bonds were significantly higher than those of 3-year and 5-year non-callables. The high coupon fixing in floating-rate bonds meant that borrowers preferred the 5-year non-callable bonds where the effective interest rate decreased to around 2.5%.

Nordea Kredit tap-issued DKK 48bn in 2024. This was slightly less than in 2023 and low in a historical perspective. Like other market participants, Nordea Kredit saw less covered

bond issuance in 2024 partly due to borrowers choosing bank loan products instead.

Of the tap issuance, 41% was in callable bonds, 24% in floating-rate bonds and 36% in non-callable bonds. Compared to Nordea Kredit's issuance split in 2023, this was 9% points less in callables, 6% points less in floating-rate bonds, but up 15% points in non-callables.

Foreign investors reduced their total holding from 28.7% in November 2023 to 27.6% in November 2024. This includes the effect of foreign accounts buying high-coupon callable bonds and selling low-coupon bonds.

At end-2024 the total outstanding nominal value of bonds, before offsetting the portfolio of own bonds, amounted to DKK 428bn (DKK 431bn). Of this amount, mortgage bonds accounted for DKK 1bn (DKK 1bn) and covered mortgage bonds accounted for DKK 427bn (DKK 430bn). At end-2024 the fair value of the total outstanding volume of bonds was DKK 401bn (DKK 394bn) after offsetting the portfolio of own bonds.

Refinancing of adjustable-rate mortgages

Adjustable-rate mortgage loans (F1–F5) are refinanced as of January, April and October and funded by issuance of bullet bonds. Adjustable-rate mortgage loans for DKK 3bn, DKK 10bn and DKK 14bn were refinanced as of January 2024, April 2024 and October 2024, respectively.

Refinancing auctions during 2024 resulted in lower interest rates for customers. For example the interest rate for adjustable-rate mortgage loans with refinancing in October 2024 was fixed at 2.6% for a 30-year annuity loan with reset every three years (F3) compared to 3.7% in October 2023.

Refinancing of floating-rate mortgages

The July 2024 refinancing of floating-rate loans based on Cbor6 and Cbor6 Green amounted to DKK 25.1bn, of which Cbor6 and Cbor6 Green bonds accounted for DKK 17.6bn and DKK 7.5bn, respectively.

Nordea Kredit's refinancing auctions – of both adjustable-rate and floating-rate loans – were successfully conducted with fine investor sentiment.

Rating

The mortgage bonds issued by Nordea Kredit are rated by the rating agency Standard & Poor's. All bonds have been assigned the highest rating of AAA.

Risk and capital management

Risk management

Nordea Kredit is exposed to credit risk on borrowers as well as operational risk because of Nordea Kredit's activities. Furthermore, Nordea Kredit is exposed to liquidity risk and market risk in the form of interest rate risk and modest currency risk related to its mortgage loans and the investment of capital.

Risk management is described in Note 26 Risk and liquidity management.

Capital management

Nordea Kredit strives to be efficient in its use of capital and therefore actively manages its balance sheet with respect to assets, liabilities and risk categories. Nordea Kredit reports risk exposure amounts according to applicable external

regulations in the form of the Capital Requirements Directive IV (CRD IV)/the Capital Requirements Regulation (CRR), which stipulate the limits for the minimum capital (the capital requirement).

Nordea Kredit has approval to report its capital requirement in accordance with the advanced internal ratings-based (AIRB) approach for large enterprises. The internal ratings-based (IRB) approach is approved for credit institutions and commitments with retail customers in line with Nordea Bank. Rating and scoring are key components in credit risk management. Common to both the rating and scoring models is the ability to predict defaults and rank Nordea Kredit's customers. While the rating models are used for corporate customers, scoring models are used for personal customers and small corporate customers.

The most important parameters when quantifying the credit risk are the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The parameters are used for calculation of risk exposure amounts. In general, historical losses and defaults are used to calibrate the PDs assigned to each rating grade. LGD is measured taking into account the collateral type and the counterparty's balance sheet components. Scoring models are pure statistical methods to predict the probability of customer default. Nordea Kredit collaborates with Nordea Bank in utilising bespoke behavioural scoring models developed on internal data to support both the credit approval process and the risk management process.

As a complement to the ordinary credit risk quantification, comprehensive stress testing is performed at least annually in accordance with current requirements (Internal Capital Adequacy Assessment Process, ICAAP), after which capital requirements are measured.

Supervisory diamond

The supervisory diamond for mortgage institutions consists of five specific benchmarks that mortgage institutions in general should not exceed. The five benchmarks comprise risk areas identified by the Danish Financial Supervisory Authority.

Nordea Kredit complied with all the benchmarks of the supervisory diamond for mortgage institutions throughout 2024.

Table 2. The supervisory diamond

	2024	Limit
1. Lending growth		
Owner-occupied dwellings and holiday homes	-2%	15%
Residential rental properties	2%	15%
Agriculture	-3%	15%
Other	-4%	15%
2. Borrower's interest rate risk¹	11%	25%
3. Interest-only lending²	5%	10%
4. Short-term funding³		
Annually	13%	25%
Quarterly	1%	12.5%
5. Large exposures⁴	42%	100%

¹ Loans for owner-occupied dwellings and holiday homes and residential rental properties where the LTV ratio exceeds 75% of the lending limit and the interest rate is fixed for less than two years are limited to 25%.

² Interest-only lending for owner-occupied dwellings and holiday homes where the LTV ratio exceeds 75% of the lending limit is limited to 10%.

³ Yearly/quarterly refinancing is limited to 25%/12.5% of the total portfolio.

⁴ The 20 largest exposures less CRR deductions are limited to 100% of CET1.

New capital regulation

Regulation on capital requirements

This section highlights recent news and updates on regulatory developments and capital requirements, mainly related to the Bank Recovery and Resolution Directive (BRRD), the Capital Requirements Directive (CRD), the Capital Requirements Regulation (CRR) and the Danish Financial Business Act. In general it addresses news that is deemed relevant from a Nordea Kredit perspective.

On 26 April 2024 the Danish Minister for Industry, Business and Financial Affairs decided to activate a sector-specific systemic risk buffer (SyRB) based on a recommendation from the Systemic Risk Council in Denmark. The SyRB was valid from 30 June 2024 for exposures to real estate companies with a specific industry code. In addition, the exposure covered by real estate collateral up to an LTV ratio of 15% is exempted.

On 9 July 2024 Nordea Kredit received approval from the authorities for new retail IRB models. The new IRB retail models were implemented in September 2024.

Nordea Kredit was identified as a systemically important financial institution (SIFI) in January 2017 and is subject to a 1.5% other systemically important institutions (O-SII) requirement. The requirement was confirmed on 19 December 2024.

EU implementation of finalised Basel III framework ("Basel IV")

The Basel IV package has been implemented into the EU Capital Requirements Regulation (CRR) with effect from 1 January 2025. This change is referred to as CRR3.

On credit risk, the CRR3 includes revisions to the IRB approach, where restrictions on the use of the IRB approach for certain exposures are implemented, as well as to the standardised approach. For operational risk, the three existing approaches will be removed and replaced by one standardised approach to be used by all banks.

The output floor is to be set at 72.5% of the standardised approaches on an aggregate level, meaning that the capital requirement will be floored at 72.5% of the total pillar 1 REA calculated with the standardised approaches for credit, market and operational risk. The floor is phased in, starting with 50% from 1 January 2025 to be fully implemented at 72.5% from 1 January 2030. For the calculation of the REA for the output floor, there are transitional rules until end-2032. However, some transitional arrangements, among other things related to the risk weight for residential real estate exposure, need approval by the Danish Parliament and are expected to come into force during the first half of 2025.

Reporting on internal control and risk management regarding financial reporting

Control environment

The systems for internal control and risk management of financial reporting at Nordea Kredit are designed to provide reasonable assurance about the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, applicable laws and regulations as well as other requirements for companies with listed bonds. The internal control and risk management activities are included in Nordea Kredit's planning and resource allocation processes.

Internal control is based on a control environment which includes the following elements: values and management culture, an organisational structure with clear roles and responsibilities and an independent evaluation process. The documentation of the internal control framework consists of internal business procedures and Standard Operating Procedures (SOPs) supported by the Nordea Group directives.

To further support internal controls and guidelines, Nordea Kredit has a risk management function headed by a Chief Risk Officer (CRO) who is responsible for ensuring that the overall risk control at Nordea Kredit is conducted adequately. The CRO independently reports directly to the Board of Directors. Furthermore, Nordea Kredit has established a compliance function headed by a Chief Compliance Officer (CCO) who is responsible for independently monitoring, providing advice and assurance, and reporting of compliance risks.

Monitoring

The Executive Management of Nordea Kredit reports on an ongoing basis to the Board of Directors and the Board Audit Committee on significant matters affecting the internal control in relation to financial reports.

Nordea Kredit's internal audit function reviews the company's processes, to test and report whether these are in accordance with the objectives set out by management. This review includes an assessment of the reliability of procedures, controls and financial reporting as well as compliance with legislation and regulations. The internal audit function annually issues a conclusion to the Board of Directors on the overall effectiveness of the governance, risk management and internal controls of Nordea Kredit.

The Board Audit Committee of Nordea Kredit assists the Board of Directors in fulfilling its oversight responsibilities, for instance by monitoring the financial reporting process and system and providing recommendations to ensure its reliability, monitoring the effectiveness of the internal controls and risk management systems, in relation to the financial reporting process, monitoring the effectiveness of the internal audit function and keeping itself informed as to the statutory audit of the annual accounts, informing the Board of Directors of the outcome of the statutory audit and explaining how the statutory audit contributed to the reliability of financial reporting. Finally, the Board Audit Committee reviews and monitors the impartiality and independence of external auditors in accordance with section 24 of the Danish Act on Approved Auditors and Audit Firms, and in particular the provision of additional services to Nordea Kredit, and in conjunction therewith, pays special attention to whether the auditor provides Nordea Kredit with services other than auditing services. The external auditors present the results of their audits of Nordea Kredit's annual report to the Board of Directors and the Board Audit Committee.

Preventing financial crime

Nordea Kredit complies with Nordea's policies and measures to prevent financial crime based on international standards, EU regulation and local legislation. Nordea Kredit is committed to complying with applicable laws, regulations and best practice and has established policies, procedures and controls to mitigate and manage the risks of being used for financial crime activities.

Nordea Kredit conducts an annual risk assessment – built on the Nordea framework – to ascertain any specific financial crime risks arising from Nordea Kredit's business model and activities and take appropriate actions to mitigate such risks.

Sustainability

In accordance with the sustainability-related responsibility of the Nordea Group, Nordea Kredit is committed to sustainable business and development by combining financial performance with environmental and social responsibility as well as sound governance practices.

At the core of our operations is the development and provision of sustainable financing solutions that broadly cover transition financing and the financing of sustainable activities and projects (<https://www.nordea.com/en/sustainability/our-products-with-sustainable-focus>).

Nordea Kredit offers green mortgage loans to finance corporate properties that fulfil the criteria of the Nordea Green Funding Framework.

In the Nordea Kredit Debt Investor Report that can be found on www.nordea.com, the portfolio's CO2 emission, EPC distribution and green lending portfolio are elaborated.

Environmental, social and corporate governance (ESG)

Nordea defines ESG risk as the risk of negative financial and non-financial impacts stemming from the actual or potential impacts of ESG factors in the short, medium, long and very long terms. These risks manifest across existing risk categories, and impacts from ESG factors may be direct or indirect, through third parties and counterparties. It is important for Nordea to integrate ESG assessments into our risk management frameworks.

In accordance with section 151 of the Danish Financial Supervisory Authority's Executive Order on Financial Reports for Credit Institutions and Investment Firms etc. (the Executive Order), information on Nordea's sustainability can be found under the sustainability reporting in the annual report for Nordea (www.nordea.com/en/investors/group-annual-reports).

Data ethics policy

The Nordea Group Board of Directors has approved the Group Board Directive on Code of Conduct, the Group Board Directive on Data Governance and the Group Board Directive on Data Privacy. These Group directives include the Nordea Group's policy for data ethics. The Group policies have been adopted by the Board of Directors of Nordea Kredit and are applicable for all employees of the Nordea Group. Processing of data at Nordea Kredit is a part of the core business.

Nordea Kredit complies with applicable law and strives to process, treat and analyse all data in a fair and transparent manner and with a strong ethical mindset. We respect customers' privacy:

- We collect and process personal and customer data fairly, lawfully and transparently for legitimate business purposes.
- We respect individuals' right to be in control of what data they share with us and for what purposes with the limitations legal requirements set on us.
- We only disclose personal and customer data to those authorised to receive it internally at Nordea and externally, for example third parties we collaborate with.
- Our commitment to privacy remains also after relationships with stakeholders end.

The policy for data ethics covers the processing of data through its journey across the Nordea Group. Essential data, automated data processing and modelling are subject to governance and measured continuously to ensure a high level of data security and ensure compliance with the ethical guidelines.

The daily activities concerning data ethics are carried out in the local Nordea Kredit business areas. The reporting on data ethics is the responsibility of a number of functions at Nordea Kredit, including Compliance and Data Management.

Changes to the Board of Directors

At the beginning of 2024 the Board of Directors consisted of Mads Skovlund Pedersen (Chair), Anne Rømer (Vice Chair and external member), Anita Ina Nielsen, Thomas Vedel Kristensen, Anders Frank-Læssøe, Anders Holkmann Olsen, Helene Bløcher, Tina Sandvik and Peder Birkebæk Bach.

On 31 January 2025 Mads Skovlund Pedersen, Thomas Vedel Kristensen and Peder Birkebæk Bach left the Board of Directors. Christian Ulrik Johannessen was elected to the Board of Directors from 1 February 2025. Anders Holkmann Olsen was elected Chair of the Board of Directors from 1 February 2025.

After the changes the Board of Directors consists of Anders Holkmann Olsen (Chair), Anne Rømer (Vice Chair and external member), Anita Ina Nielsen, Anders Frank-Læssøe, Helene Bløcher, Tina Sandvik and Christian Ulrik Johannessen.

Changes to the Executive Management

On 28 February 2025 Deputy Chief Executive Officer Claus Greve retired from Nordea Kredit. Kasper Lykke Møller Ingemann was appointed as Deputy Chief Executive Officer from 1 March 2025. After the changes the Executive Management consists of Morten Boni (Chief Executive Officer) and Kasper Lykke Møller Ingemann (Deputy Chief Executive Officer).

Further information regarding members of the Board of Directors and the Executive Management is available on page 46.

Balanced gender composition

The Nordea Kredit Board of Directors has endorsed the Nordea Group Board Policy to meet the objective of having a fair, equal and balanced representation of gender and other diversifying factors on the Board collectively and throughout the organisation.

In 2024 Nordea Kredit had gender balance on the Board of Directors. In relation to the other leadership levels, Nordea Kredit has restructured parts of the organisation resulting in a gender imbalance among the top two leadership levels combined. Consequently, in addition to the Nordea Group Diversity Policy, the Nordea Kredit Board had approved a diversity policy to promote gender balance for the top two leadership levels combined. This diversity policy sets the target of having at least 40% representation of each gender at the top two leadership levels combined by the end of 2025.

Table 3. Gender balance¹

	2024	2023
Board of Directors		
Total members	9	9
Women	44%	44%
Men	56%	56%
Top two leadership levels combined		
Total members	8	9
Women	25%	33%
Men	75%	67%

¹ In accordance with the guidance on target figure and policy for gender distribution of management and reporting issued by the Danish Business Authority, there was gender balance if no gender was represented by less than 33% when there were 9 members and 37.5% when there were 8 members.

To further foster diversity and enhance competencies at all levels of the organisation, we are focusing on recruitment, promotion and retention of a diversified and competent workforce. Such ambitions are also part of our Diversity Policy.

Subsequent events

In accordance with an approval from Danish Financial Supervisory Authority, Nordea Kredit will repay the subordinated loan of DKK 1.55bn on 31 March 2025. Before the end of March 2025, Nordea Kredit will issue a new Tier 2 capital instrument in the form of a subordinated loan of DKK 1.55bn provided by Nordea Bank Abp.

Beside the above no events have occurred after the balance sheet date which may affect the assessment of the annual report.

Outlook for 2025

Profit before tax for 2025 is expected to increase slightly as total operating expenses driven by sales and distribution fees are expected to decrease more than total operating income.

Volumes are expected to increase in 2025, but administration margins are expected to continue to decrease slightly.

The return on own funds is expected to decrease driven by falling interest rates during 2025 and the full-year effect from the senior debt issued in August 2024.

Nordea Kredit is well provisioned but due to macroeconomic uncertainty, loan losses are expected to increase slightly.

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Income statement

	Note	2024	2023
DKKm			
Interest income		13,963	12,987
Interest expenses		-10,010	-8,944
Net interest income	2	3,953	4,043
Fee and commission income	3	375	420
Fee and commission expenses	3	-1,185	-1,194
Net interest and fee income		3,143	3,269
Value adjustments	4	-9	-30
Other operating income		1	0
Staff and administrative expenses	5	-1,620	-1,685
Depreciation of tangible assets		0	0
Other operating expenses		0	-1
Impairment losses on loans and receivables	6	-86	-19
Profit from equity investment in associated undertaking	7	-1	1
Profit before tax		1,428	1,535
Tax	8	-369	-386
Net profit for the year		1,059	1,149
Attributable to			
Proposed dividends to the shareholders		1,059	1,149
Transfer to equity reserves		0	0

Statement of comprehensive income

	2024	2023
DKKm		
Net profit for the year	1,059	1,149
Other comprehensive income, net of tax	-	-
Total comprehensive income	1,059	1,149
Attributable to		
Proposed dividends to the shareholders	1,059	1,149
Transfer to equity reserves	0	0
Total	1,059	1,149

Balance sheet

	Note	31 Dec 2024	31 Dec 2023
DKKm			
Assets			
Cash in hand and demand deposits with central banks		7,257	7,017
Receivables from credit institutions and central banks	10	37,894	31,998
Loans and receivables at fair value	11	391,360	390,669
Loans and receivables at amortised cost		0	0
Investment in associated undertaking	12	21	22
Tangible assets		0	0
Deferred tax assets	8	5	3
Current tax assets	8	-	76
Assets held temporarily	13	1	5
Other assets	14	343	138
Prepaid expenses		5	9
Total assets		436,886	429,937
Debt			
Debt to credit institutions and central banks	15	8,955	8,117
Bonds in issue at fair value	16	400,934	394,356
Current tax liabilities	8	9	-
Other liabilities	17	3,171	3,557
Deferred income		1	0
Total debt		413,069	406,030
Subordinated debt			
Subordinated debt	18	1,550	1,550
Equity			
Share capital		1,717	1,717
Other reserves		20	23
Retained earnings		19,471	19,467
Proposed dividends		1,059	1,149
Total equity		22,267	22,356
Total equity and debt		436,886	429,937
Contingent liabilities			
Guarantees etc.		0	0
Credit commitments		1,857	1,037
Total contingent liabilities		1,857	1,037

Statement of changes in equity

DKKm	Share capital ¹	Other reserves ²	Retained earnings	Proposed dividends	Total equity
Balance at 1 Jan 2024	1,717	23	19,467	1,149	22,356
Net profit for the year	-	-3	1,062	-	1,059
Other comprehensive income, net of tax	-	-	-	-	-
Share-based payments	-	-	1	-	1
Dividends paid	-	-	-	-1,149	-1,149
Proposed dividends	-	-	-1,059	1,059	-
Balance at 31 Dec 2024	1,717	20	19,471	1,059	22,267

DKKm	Share capital ¹	Other reserves ²	Retained earnings	Proposed dividends	Total equity
Balance at 1 Jan 2023	1,717	24	19,464	1,075	22,280
Net profit for the year	-	-1	1,150	-	1,149
Other comprehensive income, net of tax	-	-	-	-	-
Share-based payments	-	-	2	-	2
Dividends paid	-	-	-	-1,075	-1,075
Proposed dividends	-	-	-1,149	1,149	-
Balance at 31 Dec 2023	1,717	23	19,467	1,149	22,356

¹ Total shares registered were 17,172,500 of DKK 100 each all fully owned by Nordea Bank Abp, Helsinki, Finland.

All issued shares are fully paid. All shares are of the same class and hold equal rights.

² Reserve for net revaluation according to the equity method.

Nordea Kredit is consolidated into the group annual report for the parent company Nordea Bank Abp, Satamaradankatu 5, Helsinki, Finland which is available on www.nordea.com/en/investors/group-annual-reports.

5-year overview

Income statement

DKKm	2024	2023	2022	2021	2020
Net interest income	3,953	4,043	3,517	3,324	3,211
Net interest and fee income	3,143	3,269	2,840	2,694	2,722
Value adjustments	-9	-30	-17	1	10
Other operating income	1	0	4	8	6
Staff and administrative expenses	-1,620	-1,685	-1,424	-1,367	-608
Impairment losses on loans and receivables	-86	-19	-27	82	-491
Profit from equity investment in associated undertaking	-1	1	1	2	1
Profit before tax	1,428	1,535	1,377	1,419	1,640
Tax	-369	-386	-302	-312	-361
Net profit for the year	1,059	1,149	1,075	1,107	1,279

Balance sheet

DKKm	2024	2023	2022	2021	2020
Receivables from credit institutions and central banks	37,894	31,998	39,264	48,523	49,948
Loans and receivables at fair value	391,360	390,669	385,887	432,280	417,553
Loans and receivables at nominal value ¹	412,940	421,030	433,757	436,116	409,222
Other assets	7,632	7,270	355	211	435
Total assets	436,886	429,937	425,506	481,015	467,936
Debt to credit institutions and central banks	8,955	8,117	9,503	14,260	4,998
Bonds in issue at fair value	400,934	394,356	389,737	441,234	435,055
Other liabilities etc.	4,731	5,107	3,985	3,210	5,402
Equity	22,267	22,356	22,280	22,311	22,481
Total equity and debt	436,886	429,937	425,506	481,015	467,936

Ratios and key figures

	2024	2023	2022	2021	2020
Return on equity, %	4.7	5.1	4.8	4.9	5.7
Cost/income ratio ²	51.7	52.0	50.4	50.5	22.2
Write-down ratio, basis points	2.2	0.5	0.7	-1.9	11.7
Loans/equity ratio	17.6	17.5	17.3	19.4	18.6
Lending growth for the year, %	-1.9	-2.9	-0.5	6.6	2.7
Common equity tier 1 capital ratio ³	20.1	28.5	28.4	24.7	25.0
Tier 1 capital ratio ³	20.1	28.5	28.4	24.7	25.0
Total capital ratio ³	21.6	30.7	30.5	26.6	29.6
Own funds, DKKbn	21.8	22.2	22.2	22.1	24.4
Tier 1 capital, DKKbn	20.3	20.7	20.6	20.5	20.7
Risk exposure amount, DKKbn ⁴	101.0	72.4	72.8	83.1	82.6
Number of employees (full-time equivalents) ⁵	92	103	115	118	116
Average number of employees (full-time equivalents)	95	108	116	118	116

¹ After adjustment for provisions for loan losses.

² Cost/income ratio increased due to an update in 2021 of the transfer pricing method applied by Nordea to group internal sales and distribution services provided by Nordea Bank.

³ Decreased due to the implementation of new IRB retail models during the third quarter of 2024.

⁴ Increased due to the implementation of new IRB retail models during the third quarter of 2024.

⁵ At the end of the year.

The Danish Financial Supervisory Authority's ratio system is shown in note 24.

Glossary

The following definitions apply for ratios and key figures.

Common equity tier 1 capital ratio

Common equity tier 1 capital ratio is calculated as common equity tier 1 capital as a percentage of risk exposure amount.

Cost/income ratio

Total operating expenses divided by total operating income.

Lending growth

The change in loans and receivables at nominal value during the year divided by loans and receivables at nominal value beginning of the year.

Leverage ratio

The leverage ratio is the institution's capital as tier 1 capital net after deductions divided by that institution's total leverage ratio exposure and expressed as a percentage.

Loans/equity ratio

Loans and receivables at fair value divided by equity end of the year.

Operating income

Total of net interest and fee income, value adjustments, other operating income and profit from equity investment in associated undertaking.

Operating expenses

Total of staff and administrative expenses and depreciation.

Own funds

Own funds include the sum of the tier 1 capital and the supplementary capital consisting of subordinated loans, after deduction of the potential deduction for expected shortfall and other items.

Return on equity

Net profit for the year as a percentage of average equity for the year. Average equity is including net profit for the year and dividend until paid.

Risk exposure amount (REA)

Total assets and off-balance sheet items valued on the basis of the credit and market risks, as well as operational risks in accordance with regulations governing capital adequacy, excluding carrying amount of shares which have been deducted from the capital base and intangible assets.

Tier 1 capital

The tier 1 capital of an institution consists of the sum of the common equity tier 1 capital and additional tier 1 capital of the institution. Common equity tier 1 capital includes shareholders' equity excluding proposed dividend, deferred tax assets and the full expected shortfall deduction (the negative difference between expected losses and provisions).

Tier 1 capital ratio

Tier 1 capital as a percentage of risk exposure amount.

Total capital ratio

Own funds as a percentage of risk exposure amount.

Write-down ratio

Impairment losses on loans and receivables during the year as a percentage of the closing balance of loans and receivables before impairment losses on loans and receivables.

Notes to the financial statements

Note 1 Accounting policies

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1. Basis for presentation

The annual report for Nordea Kredit is prepared in accordance with the Danish Financial Business Act, including the Danish Financial Supervisory Authority's Executive Order on Financial Reports for Credit Institutions and Investment Firms etc. (the Executive Order).

The accounting policies, methods of computation and presentations are unchanged from last year.

All figures are rounded to the nearest million Danish kroner (DKK), unless otherwise specified. The totals stated are calculated on the basis of actual figures prior to rounding. Therefore the sum of individual figures and the stated totals may differ slightly. Figures rounded to zero are reported as "0". If a figure is zero it is reported as "-".

If there are discrepancies between the PDF and xHTML versions of the annual report, the xHTML version is the official annual report.

2. Critical judgements and estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires, in some cases, the use of judgements and estimates by management. Actual outcomes can later, to some extent, differ from the estimates and the assumptions made.

In this section a description is made of:

- the sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, and
- the judgements made when applying accounting policies (apart from those involving estimations) that have the most significant impact on the amounts recognised in the financial statements.

Critical judgements and estimates are in particular associated with:

- the fair value measurement of certain financial instruments, and
- measurement of loans and receivables at fair value due to changes in credit risk.

If there are significant changes to critical judgements and estimation uncertainties, a description and the potential financial effect will be included in the relevant notes and the Management's report.

Fair value measurement of certain financial instruments

Nordea Kredit's accounting policy for determining the fair value of financial instruments is described in section 6 "Determination of fair value of financial instruments".

Critical judgements that have a significant impact on the recognised amounts for financial instruments are exercised when determining fair value of financial instruments that lack quoted prices or recently observed market prices. Those judgements relate to the following areas:

- The choice of valuation techniques.
- The determination of when quoted prices fail to represent fair value (including the judgement of whether markets are active).
- The construction of fair value adjustments in order to incorporate relevant risk factors such as credit risk, model risk and liquidity risk.
- The judgement of which market parameters are observable.

The critical judgements required when determining fair value of financial instruments that lack quoted prices or recently observed market prices also introduce a high degree of estimation uncertainty.

In all of these instances, decisions are based upon professional judgement in accordance with Nordea's accounting and valuation policies that are adopted by the Board of Directors of Nordea Kredit.

Measurement of loans and receivables at fair value due to changes in credit risk

Nordea Kredit's accounting policy for measurement of loans and receivables at fair value due to changes in credit risk is described in section 9 "Loans and receivables at fair value".

Management is required to exercise critical judgements and estimates when calculating changes in credit risk. The credit risk is calculated based on the impairment rules for loans at amortised cost with relevant fair value adjustments. The credit risk is recognised in the balance sheet as loan impairment allowances.

When calculating allowances for individually impaired loans, judgement is exercised to estimate the value of the collateral received and the timing of the sale of the property.

Judgement is exercised in the choice of modelling approaches covering parameters used when calculating the expected losses, such as the expected lifetime, as well as in the assessment of whether the parameters based on historical experience are relevant for estimating future losses. Judgement is exercised in the modelling approach for the coverage of the first loss guarantee as it will depend on the composition of future defaults.

The statistical models used to calculate provisions are based on macroeconomic scenarios, which requires management to exercise judgement when identifying such scenarios and when assigning the likelihood of the different scenarios occurring. Judgement is also exercised in the assessment of to what extent the parameters for the different scenarios, based on historical experience, are relevant for estimating future losses. Adjustments are made to the model-calculated provisions if the historical data does not adequately reflect management's view on the expected credit losses. The estimation of post-model adjustments requires management to exercise critical judgements.

3. Recognition of operating income and impairment

Interest income and expense are calculated and recognised based on the effective interest rate method or, if considered appropriate, based on a method that results in an interest income or interest expense that is a reasonable approximation of using the effective interest rate method as basis for the calculation.

Interest income and expenses from financial instruments are classified as "Net interest income".

Negative interest income is presented as part of interest expenses and negative interest expenses are presented as part of interest income.

Net fee and commission income

Nordea Kredit earns commission income from different services provided to customers. The recognition of commission income depends on the purpose for which the fees are received. Fee income is recognised either when or as performance obligations are satisfied.

Fees categorised as loan processing, brokerage, refinancing fees and pay-out fees plus other fee and commission income are recognised at a point of time.

Expenses for bought financial guarantees are amortised over the duration of the instruments. Other commission expenses are transaction based and recognised in the period when the services are received.

Value adjustments

Realised and unrealised gains and losses on financial instruments measured at fair value through profit and loss are recognised in the item "Value adjustments".

Realised and unrealised gains and losses derive from:

- interest-bearing securities and other interest-related instruments
- other financial instruments, and
- foreign exchange gains/losses.

Other operating income

Net gains from divestments of shares in associated undertakings and net gains on sale of tangible assets as well as other operating income, not related to any other income line, are generally recognised when it is probable that the benefits associated with the transaction will flow to Nordea Kredit and if the significant risks and rewards have been transferred to the buyer (generally when the transactions are finalised).

Impairment losses on loans and receivables

Changes in the credit risk on loans and receivables at fair value on the balance sheet are reported as "Impairment losses on loans and receivables". Nordea Kredit's accounting policies for the calculation of changes in the credit risk on loans and receivables at fair value can be found in section 9 "Loans and receivables at fair value".

Profit from equity investment in associated undertaking

The profit from equity investment in associated undertaking is defined as the post-acquisition change in Nordea Kredit's share of net assets in the associated undertaking. Nordea Kredit's share of profit is accounted for in "Profit from equity investment in associated undertaking" and placed under equity, "Other reserves". Profits from equity investment in associated undertaking are reported in the income statement post-taxes. Consequently, the tax expense related to these profits is excluded from the income tax expense for Nordea Kredit.

The change in Nordea Kredit's share of the net assets is generally based on reporting from the associated undertaking.

4. Recognition and derecognition of financial instruments on the balance sheet

Derivative instruments, quoted securities, foreign exchange spot transactions and other financial instruments are recognised on and derecognised from the balance sheet on the settlement date.

Financial assets are derecognised from the balance sheet when the contractual rights to the cash flows from the financial asset expire or are transferred to another party. The rights to the cash flows normally expire or are transferred when the counterparty has performed by for example repaying a loan to Nordea Kredit, that is, on the settlement date.

Financial liabilities are derecognised from the balance sheet when the liability is extinguished.

For further information, see the section "Repurchase and reverse repurchase agreements" within section 8 "Financial instruments".

5. Translation of assets and liabilities denominated in foreign currencies

The functional currency of Nordea Kredit is Danish kroner. Foreign currency is defined as any currency other than the functional currency of Nordea Kredit. Foreign currency transactions are recorded at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Unrealised translation differences on unsettled foreign currency monetary assets and liabilities are recognised in the income statement in the item "Value adjustments".

6. Determination of fair value of financial instruments

Fair value is defined as the price that at the measurement date would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market conditions in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The existence of published price quotations in an active market is the best evidence of fair value and when they exist they are used to measure financial assets and financial liabilities.

An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The absolute level for liquidity and volume required for a market to be labelled active vary with the instrument classes. For some classes low price volatility is seen, also for those instruments within the class where the trade frequency is high. For instruments in such a class the liquidity requirements are lower and correspondingly, the age limit for the prices used for establishing fair value is higher. The trade frequency and volume are monitored regularly in order to assess if markets are active or non-active. Nordea Kredit is predominantly using published price quotations to establish fair value for interest-bearing securities and bonds in issue.

If quoted prices for a financial instrument fail to represent actual and regularly occurring market transactions or if quoted prices are not available, fair value is established by using an appropriate valuation technique. The adequacy of the valuation technique, including an assessment of whether to use quoted prices or theoretical prices, is monitored on a regular basis.

Valuation techniques can range from simple discounted cash flow analysis to complex option pricing models. Valuation models are designed to apply observable market prices and rates as input whenever possible, but can also make use of unobservable model parameters. The adequacy of the valuation model is assessed by measuring its capability to hit market prices. This is done by comparison of calculated prices to relevant benchmark data, for example quoted prices from an exchange, the counterparty's valuations, price data from consensus services etc.

Nordea Kredit is predominantly using valuation techniques to establish fair value for items disclosed under the following balance sheet items:

- loans and receivables at fair value are described in section 9
- interest-bearing securities (when quoted prices in an active market are not available)
- bonds in issue at fair value.

For financial instruments where fair value is estimated by a valuation technique, it is investigated whether the variables used in the valuation model are predominantly based on data from observable markets. By data from observable markets, Nordea Kredit considers data that can be

collected from generally available external sources and where these data are judged to represent realistic market prices. If non-observable data have a significant impact on the valuation, the instrument cannot be recognised initially at the fair value estimated by the valuation technique and any upfront gains are thereby deferred and amortised through the income statement over the contractual life of the instrument. The deferred upfront gains are subsequently released to income if the non-observable data become observable.

The valuation models applied by Nordea Kredit are consistent with accepted economic methodologies for pricing financial instruments and incorporate the factors that market participants consider when setting a price.

7. Cash in hand and demand deposits with central banks

Cash in hand and demand deposits with central banks consist of cash and balances with central banks, where the following conditions are fulfilled:

- the central bank is domiciled in Denmark
- the balance is readily available at any time.

8. Financial instruments

Each financial instrument has been classified into one of the following categories: amortised cost, fair value through profit and loss or fair value through other comprehensive income. The classification of a financial instrument is dependent on the business model for the portfolio in which the instrument is included and on whether the cash flows are solely payments of principal and interest (SPPI).

Financial assets with cash flows that are not solely payments of principal and interest (SPPI) are measured at fair value through profit and loss. All other assets are classified based on the business model.

All financial assets and liabilities are initially measured at fair value. The classification of financial instruments into different categories forms the basis for how each instrument is subsequently measured on the balance sheet and how changes in its value are recognised.

Mortgage loans and the related bonds issued are classified at fair value through profit and loss according to the Executive Order.

Repurchase and reverse repurchase agreements

Securities delivered under repurchase agreements and securities received under reverse repurchase agreements are not derecognised from or recognised on the balance sheet.

Cash received under repurchase agreements is recognised on the balance sheet as "Debt to credit institutions and central banks". Cash delivered under reverse repurchase agreements is recognised on the balance sheet as "Receivables from credit institutions and central banks".

Derivatives

All derivatives are recognised on the balance sheet and measured at fair value. Derivatives with total positive fair values, including any accrued interest, are recognised as assets in the item "Other assets" on the asset side. Derivatives with total negative fair values, including any accrued interest, are recognised as liabilities in the item "Other liabilities" on the liability side.

Realised and unrealised gains and losses from derivatives are recognised in the income statement in the item "Value adjustments".

Offsetting of financial assets and liabilities

Nordea Kredit offsets financial assets and liabilities on the balance sheet if there is a legal right to offset, in the ordinary course of business and in case of default, bankruptcy and insolvency of Nordea Kredit and the counterparties, and if the intent is to settle the items net or realise the asset and settle the liability simultaneously.

9. Loans and receivables at fair value

Recognition and presentation

Financial instruments classified into the category "Loans and receivables at fair value" are measured at fair value. The fair value of loans and receivables is based on the fair value of the underlying bonds issued adjusted for changes in the credit risk on the customers. Changes in the credit risk are measured based on the impairment rules for loans at amortised cost with relevant fair value adjustments.

Loans and receivables at fair value are recognised gross with an offsetting allowance for changes in the credit risk. The allowance account is disclosed net on the face of the balance sheet, but the allowance account is disclosed separately in the notes. Changes in the allowance account are recognised in the income statement and classified as "Impairment losses on loans and receivables".

If the change in the credit risk is regarded as final, it is reported as a realised loss and the carrying amount of the loan and the related allowance for changes in the fair value of credit risk are derecognised. An impairment loss is regarded as final when the collateral is sold in either an agreed sale or a forced sale.

Changes in credit risk

Nordea Kredit classifies all exposures into stages on an individual basis. Stage 1 includes assets where there has been no significant increase in credit risk, stage 2 includes assets where there has been a significant increase in credit risk and stage 3 includes credit-impaired assets. Nordea Kredit monitors whether there are indicators of exposures being credit impaired (stage 3) by identifying events that have a detrimental impact on the estimated future cash flows (loss event). Nordea Kredit applies the same definition of default as the Capital Requirements Regulation. More information on the identification of loss events can be found in Note 26 "Risk and liquidity management". Exposures without individually calculated allowances will be covered by the model-based impairment calculation.

For credit-impaired exposures impairment tested on an individual basis, the carrying amount of the exposure is compared with the sum of the net present value of the collaterals and the first loss guarantee. If the carrying amount is higher, the difference is recognised as an impairment loss.

For credit-impaired exposures with impairment not calculated on an individual basis, the impairment loss is measured using the model described below but based on the fact that the exposures are already credit impaired.

Model-based calculation of changes in credit risk

For exposures not impairment tested on an individual basis, a statistical model is used for calculating impairment

losses. The provisions are calculated as the exposure at default times the change in probability of default (PD) times the loss given default. In stage 3 the expected loss is calculated based on the actual probability of default.

Changes in credit risk are measured based on a distribution of loans and receivables into three groups depending on the stage of credit deterioration:

- Stage 1 includes loans and receivables where management has assessed that there has not been a significant increase in credit risk since initial recognition. The assessment covers the coming 12 months' expected loss.
- Stage 2 includes loans and receivables with a significant increase in credit risk, but which are not credit impaired. The provision is based on the lifetime expected loss. In addition, customers with forbearance measures and customers with payments more than 30 days past due are also transferred to stage 2, unless already identified as credit impaired (stage 3). There has been a significant increase in credit risk in the following situations:
 - An increase in PD of 100% for the expected maturity for the exposure and an increase in the 12-month PD of 0.5% point for exposures when the 12-month PD at initial recognition was less than 1%.
 - An increase in PD of 100% for the expected maturity for the exposure or an increase in the 12-month PD of 2% points for exposures when the 12-month PD at initial recognition was 1% or higher.
- Stage 3 includes credit-impaired loans and receivables.

When calculating the expected loss, the calculation is based on probability-weighted forward-looking information. Nordea Kredit applies three macroeconomic scenarios to address the non-linearity in expected credit losses. The different scenarios are used to adjust the relevant parameters for calculating expected losses and a probability-weighted average of the expected losses under each scenario is recognised as a provision.

Besides the model-based impairments, management judgements are made to include impairments related to risks that are not captured by the impairment model.

Assets held temporarily

At Nordea Kredit the item "Assets held temporarily" consists of repossessed properties.

Assets taken over are measured at the lower of the carrying amount at the time of classification and the fair value less expected costs to sell. Any change in value is presented in the income statement under "Impairment losses on loans and receivables".

10. Taxes

The item "Tax" in the income statement comprises current and deferred income tax. The tax expense is recognised in the income statement.

Current tax is the expected tax expense on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when the legal right to offset exists and Nordea Kredit intends to either settle the tax asset and the tax liability net or to recover the asset and settle the liability simultaneously. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

11. Employee benefits

All forms of consideration given by Nordea Kredit to its employees as compensation for services performed are employee benefits. Short-term benefits are to be settled within 12 months after the reporting period when the services have been performed. Post-employment benefits are benefits payable after the termination of the employment. Termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy.

Short-term benefits

Short-term benefits consist mainly of fixed and variable salary. Both fixed and variable salaries are expensed in the period when the employees have performed services to Nordea Kredit. More information can be found in Note 5 "Staff and administrative expenses".

Post-employment benefits

Pension plans

All pensions at Nordea Kredit are based on defined contribution arrangements that hold no pension liability for Nordea Kredit. Nordea Kredit also contributes to public pension systems.

12. Equity

Other reserves

Other reserves comprise income and expenses, net after tax effects which are reported in equity through other comprehensive income. These reserves include reserve for Nordea Kredit's share of earnings in associated undertakings under the equity method.

Retained earnings

Retained earnings comprise undistributed profits from previous years.

13. Related-party transactions

Nordea Kredit defines related parties as

- the parent company Nordea Bank Abp
- other undertakings of the Nordea Group
- associated undertakings
- members of the Board of Directors and the Executive Management
- members of the parent company's Board of Directors and Executive Management
- other related parties.

All transactions with related parties are made on an arm's length basis.

Other undertakings of the Nordea Group

Other undertakings of the Nordea Group consist of subsidiaries of Nordea Bank Abp.

Intragroup transactions between legal entities are performed according to the arm's length principle in compliance with the Danish Financial Supervisory Authority transfer pricing requirements.

Associated undertakings

Further information on the associated undertakings is found in Note 12 "Investment in associated undertaking".

Members of the Board of Directors and the Executive Management

For information about compensation, pensions and other transactions with members of the Board of Directors and the Executive Management, see Note 5 "Staff and administrative expenses".

Other related parties

Other related parties comprise close family members of members of the Board of Directors and the Executive Management. Other related parties also include companies controlled by members of the Board of Directors and the Executive Management of Nordea Kredit as well as companies controlled by close family members of the members of the Board of Directors and the Executive Management.

Information concerning transactions between Nordea Kredit and other related parties is found in Note 22 "Related-party transactions".

Note 2 Net interest income

DKKm	2024	2023
Interest income		
Receivables from credit institutions and central banks	1,129	1,007
Loans and receivables at fair value	9,565	8,560
Administration margins	3,261	3,412
Other interest income	8	8
Total interest income	13,963	12,987
Interest expenses		
Debt to credit institutions and central banks	-331	-316
Bonds in issue at fair value	-9,584	-8,539
Subordinated debt	-95	-89
Other interest expenses	0	-
Total interest expenses	-10,010	-8,944
Net interest income	3,953	4,043

Note 3 Net fee and commission income

DKKm	2024	2023
Loan processing fees	75	90
Brokerage	48	57
Refinancing fees and pay-out fees	226	218
Other fee and commission income	25	55
Fee and commission income	375	420
Guarantee commissions etc. payable to Nordea Bank	-1,021	-1,017
Brokerage payable to Nordea Bank	-45	-54
Other fee and commission expenses	-120	-123
Fee and commission expenses	-1,185	-1,194
Net fee and commission income	-811	-774

Note 4 Value adjustments

DKKm	2024	2023
Mortgage loans	11,489	20,290
Bonds	0	0
Foreign exchange gains/losses	0	0
Interest rate derivatives	-4	-3
Bonds in issue ¹	-11,494	-20,318
Total	-9	-30

¹ Including value adjustments on own positions.

Note 5 Staff and administrative expenses

DKKm	2024	2023
Salaries and remuneration (specification below)	-78	-87
Pension costs (specification below)	-8	-9
Social insurance contributions	-15	-16
Administrative expenses	-1,518	-1,572
Total	-1,620	-1,685
Average number of employees	95	108

DKKm	2024	2023
Salaries and remuneration¹		
To the Board of Directors:		
- Board and Audit Committee fee	0	0
To the Executive Management:		
- Fixed salary and benefits	-4	-4
- Performance-related compensation ²	-2	-2
To the employees that have significant influence on Nordea Kredit's risk profile:		
- Fixed salary and benefits	-5	-4
- Performance-related compensation	-	-
Total	-11	-11
To other employees	-67	-76
Total	-78	-87

¹ Nordea Kredit's remuneration policy including the remuneration policy for the Board of Directors, the Executive Management and employees that have significant influence on Nordea Kredit's risk profile is available in Danish on www.nordea.dk/privat/produkter/boliglaan/nordea-kredit.html#tab=Lonforhold.

² Performance-related compensation consists of the Nordea Incentive Plan (NIP).

DKKm	2024	2023
Pension costs		
Defined contribution plans:		
- Executive Management	-1	-1
- Employees that have significant influence on Nordea Kredit's risk profile	-1	-1
- Other employees	-7	-8
Total	-8	-9
Compensation including pension		
Board of Directors ¹	0	0
Executive Management ²	-6	-7
Employees that have significant influence on Nordea Kredit's risk profile ³	-5	-5
Total	-12	-12

¹ The Board of Directors included nine individuals (nine) at the end of the year.

² The Executive Management included two individuals (two) at the end of the year.

³ Other employees that had significant influence on Nordea Kredit's risk profile included four individuals (four) at the end of the year.

Nordea Incentive Programme (NIP 2024) for the executive managers of Nordea Kredit has a one-year performance period and includes pre-determined performance goals and targets at Group, business area/Group function (BA/GF) and individual level. The impact on long-term results was considered when determining the targets.

Performance goals at Group level included financial goals measuring return on equity, income and cost/income ratio as well as non-financial goals measuring employee engagement, customer focus and ESG goals which support Nordea in fulfilling sustainability and climate objectives. BA/GF goals included BA/GF-specific financial and non-financial goals. At individual level, performance was measured in relation to the individually agreed goals and targets including risk, compliance and conduct. The weighting of Group, BA/GF and individual goals is determined individually. The overall ambition for 2024 was to deliver on Nordea's strategic priorities. Any awards were determined based on achievement in relation to the agreed goals and targets following appropriate risk adjustments.

The outcome from NIP 2024 will be paid in equal portions of cash and Nordea shares, and will be subject to forfeiture clauses. 40% of the confirmed outcome of the NIP 2024 will be delivered in equal portions of cash and Nordea shares in 2025. The remaining 60% of NIP 2024 outcome is deferred for annual pro rata delivery over a five-year period, meaning that a significant portion of the outcome remains to be delivered at the time of the award. No dividends are paid during the deferral period. Nordea shares will be subject to 12 months' retention when delivered to the executive managers. The maximum outcome of the NIP 2024 was 70% of annual fixed base salary (but the actual outcome can never exceed 50% of fixed remuneration).

The estimated expense for the 2024 NIP is recognised in the income statement for 2024.

Note 6 Impairment losses on loans and receivables

DKKm	2024	2023
Stage 1		
New and increased impairment charges	-22	-5
Reversals of impairment charges	6	3
Impairment losses on loans and receivables, non-credit impaired	-16	-2
Stage 2		
New and increased impairment charges	-87	-160
Reversals of impairment charges	93	155
Impairment losses on loans and receivables, non-credit impaired	6	-4
Stage 3, credit impaired		
Realised loan losses	-23	-18
Decrease in impairment charges to cover realised loan losses	19	13
Recoveries on previous realised loan losses	2	3
New and increased impairment charges	-173	-51
Reversals of impairment charges	97	40
Impairment losses on loans and receivables, credit impaired	-77	-13
Impairment losses on loans and receivables	-86	-19

Note 7 Profit from equity investment in associated undertaking

DKKm	2024	2023
Profit from equity investment in associated undertaking	-1	1
Total	-1	1

Note 8 Tax

Income tax expense

DKKm	2024	2023
Current tax	-371	-387
Deferred tax	3	0
Adjustment relating to prior years	0	1
Total	-369	-386

Profit before tax	1,428	1,535
Tax calculated at a tax rate of 26%/25.2%	-371	-387
Tax-exempt income	3	0
Non-deductible expenses	0	0
Adjustment related to prior years	0	1
Tax charge	-369	-386

Average effective tax rate	25.8%	25.1%
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Deferred tax

DKKm	Deferred tax assets		Deferred tax liabilities	
	2024	2023	2024	2023
Deferred tax related to:				
Provisions	5	3	-	-
Total	5	3	-	-

DKKm	2024	2023
Movements in deferred tax assets/liabilities, net are as follows:		
Amount at beginning of year (net)	3	3
Deferred tax in the income statement	3	0
Amount at end of year (net)	5	3

Current tax assets	-	76
Current tax liabilities	9	-

Nordea Kredit is jointly taxed with the Danish companies and branches of Nordea. The companies and branches included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends and interest. At 31 December 2024, the net taxes receivable from the Danish Tax Agency by the companies and branches included in the joint taxation amounted to DKK 392m (net taxes receivable DKK 232m). Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends etc. may entail that the companies' assets/liabilities will increase. The Danish Nordea entities as a whole are not liable to others.

In terms of payroll tax and VAT, Nordea Kredit is registered jointly with Nordea Danmark, filial af Nordea Bank Abp, Finland and with the majority of the Danish subsidiary undertakings of Nordea and these companies are jointly and severally liable for such taxes.

Note 9 Commitments with the Board of Directors and the Executive Management

Loans for the members of Nordea Kredit's Executive Management and Board of Directors and related parties:

DKKm	31 Dec 2024	31 Dec 2023
Loans etc.		
Executive Management	-	-
Board of Directors	19	22

Interest income on these loans to members of Nordea Kredit's Executive Management and Board of Directors amounted to DKK 0.2m (DKK 0.5m) at end-2024.

Loans to members of Nordea Kredit's Executive Management and Board of Directors consist of mortgage loans on terms based on market conditions. At the end of 2024 interest on the mortgage loans was payable at the rate of -0.1–2.3% of which the administration fee was 0.5–1.2% following normal customer terms. Loans to related parties of the Executive Management and the Board of Directors are granted on the same terms.

There were no loans to members of the Executive Management and the Board of Directors of the parent company Nordea Bank in the current or previous financial year.

Nordea Kredit has not pledged any assets or provided other collateral or committed to contingent liabilities on behalf of any member of the Executive Management and the Board of Directors and related parties.

Note 10 Receivables from credit institutions and central banks

DKKm	31 Dec 2024	31 Dec 2023
Receivables from credit institutions	37,894	31,998
Total¹	37,894	31,998
Of which purchase and resale transactions	36,218	30,226

¹ Carrying amount is a fair approximation to fair value.

Note 11 Loans and receivables at fair value

DKKm	31 Dec 2024	31 Dec 2023
Mortgage loans, nominal value		
Value at beginning of year	421,553	434,277
New loans (gross new lending)	46,468	51,765
Foreign exchange revaluations	2	7
Redemptions and prepayments	-45,431	-56,047
Net new lending for the year	1,038	-4,275
Scheduled principal payments	-9,068	-8,449
Mortgage loan portfolio at end of year	413,523	421,553
Mortgage loans, fair value		
Nominal value	413,523	421,553
Adjustment for interest rate risk etc.	-21,708	-30,463
Adjustment for credit risk	-583	-522
Mortgage loan portfolio	391,232	390,568
Mortgage arrears (see below)	128	101
Loans and receivables at fair value	391,360	390,669

Note 11 Loans and receivables at fair value, continued

DKKm	Stage 1 ^{1,2}	Stage 2 ²	Stage 3 ²	Total
Movements of allowance account for credit risk value changes				
Balance at 1 January 2024	72	227	223	522
Changes due to origination	-	-	-	-
Transfer between stages	0	-15	31	16
Changes due to changes in credit risk (net)	42	123	118	284
Changes due to repayments	-27	-114	-79	-220
Write-off through decrease in allowance account	-	-	-19	-19
Other changes	-	-	-	-
Balance at 31 December 2024	88	221	275	583

DKKm	Stage 1 ^{1,2}	Stage 2 ²	Stage 3 ²	Total
Movements of allowance account for credit risk value changes				
Balance at 1 January 2023	70	223	228	520
Changes due to origination	-	-	-	-
Transfer between stages	0	11	16	28
Changes due to changes in credit risk (net)	3	8	7	18
Changes due to repayments	-1	-15	-14	-30
Write-off through decrease in allowance account	-	-	-13	-13
Other changes	-	-	0	0
Balance at 31 December 2023	72	227	223	522

¹ Stage 1 includes loans and receivables where management has assessed that there has not been a significant increase in credit risk since initial recognition. In stage 1 a portfolio approach is used.

² The management judgement was split as follows: DKK 88m (DKK 66m) in stage 1, DKK 171m (DKK 128m) in stage 2 and DKK 47m (DKK 113m) in stage 3.

Individually assessed loans and receivables at fair value in stage 3 with no adjustment for credit risk due to full coverage from the value of the mortgaged property and the first loss guarantee from Nordea Bank amount to DKK 1bn (DKK 1bn).

DKKm	31 Dec 2024	31 Dec 2023
Mortgage arrears		
Mortgage arrears before provisions	101	80
Execution levied against debtors' properties before provisions	27	21
Total	128	101
Mortgage arrears mid-January following year	54	43

DKKm	31 Dec 2024	31 Dec 2023
Age distribution of mortgage loans in arrears before provisions		
More than 3 months and up to 6 months	666	551
More than 6 months and up to 1 year	228	178
More than 1 year	350	259
Total	1,244	987

Percentage	31 Dec 2024	31 Dec 2023
Mortgage loan portfolio by property category (nominal value)		
Owner-occupied dwellings	65	66
Holiday homes	4	4
Subsidised housing	0	0
Private rental property	13	12
Commercial property	3	3
Office and retail property	7	7
Agricultural property etc.	8	8
Property for social, cultural and educational purposes	0	0
Other property	0	0
Total	100	100

For additional information on credit risks see Note 26.

Note 12 Investment in associated undertaking

DKKm	31 Dec 2024	31 Dec 2023
Acquisition value at beginning of year	1	1
Purchase/sales during the year	-	0
Acquisition value at end of year	1	1
Revaluation at beginning of year	21	23
Revaluation during the year	-1	-2
Total revaluation at end of year	20	21
Total	21	22

Financial information as of the latest public financial statements:

Reporting date	Company name	Domicile	Business activity	Voting power of holding (%) ¹	Equity (DKKm)	Net profit for the year (DKKm)
31 Dec 2023	e-nettet A/S	Copenhagen	Development of software solutions for the financial industry	17	124	0
31 Dec 2022	e-nettet A/S	Copenhagen	Development of software solutions for the financial industry	17	124	2

¹ Investment in associated undertaking includes undertakings that Nordea Kredit does not control, but in which Nordea Kredit exercises significant influence.

Note 13 Assets held temporarily

DKKm	31 Dec 2024	31 Dec 2023
Reposessed properties	1	5
Total	1	5

Note 14 Other assets

DKKm	31 Dec 2024	31 Dec 2023
Interest receivable	53	33
Derivatives	46	51
Other assets ¹	244	54
Total	343	138

¹ Other assets include short-term receivables related to remortgaging activity.

Note 15 Debt to credit institutions and central banks

DKKm	31 Dec 2024	31 Dec 2023
Debt to credit institutions	8,955	8,117
Total¹	8,955	8,117
Of which sale and repurchase transactions	2,205	2,039
Of which senior non-preferred loan ²	6,750	3,750

¹ Carrying amount is a fair approximation to fair value.

² For additional information see Note 20.

Note 16 Bonds in issue at fair value

DKKm	31 Dec 2024	31 Dec 2023
Bonds in issue at beginning of year (nominal value)	431,161	445,133
Bonds issued during the year	127,548	122,133
Exchange differences	2	7
Scheduled payments and notified prepayments	-30,678	-35,064
Redemptions and other prepayments	-99,853	-101,048
Bonds in issue at end of year at nominal value	428,180	431,161
Adjustment at fair value	-21,820	-30,650
Own bonds at fair value offset	-5,426	-6,156
Bonds in issue at end of year at fair value	400,934	394,356
Of which pre-issued (nominal value)	2,240	2,060
Drawn for redemption at next payment date (nominal value)	7,017	2,045

Changes in fair value of financial liabilities attributable to changes in credit risk

The financial liabilities designated at fair value through profit and loss are bonds issued, DKK 401bn (DKK 394bn). For the bonds issued a change in the liability's credit risk and price will have a corresponding effect on the value of the loan.

The fair value of bonds issued increased in 2024 by approximately DKK 0.3bn (increase of approximately DKK 0.7bn) due to changes in own credit risk. The cumulative change since designation was a decrease of approximately DKK 3.3bn (decrease of approximately DKK 3.6bn). The calculation method of the estimated fair value changes attributable to changes in market conditions is based on relevant benchmark interest rates, which are the average yield on Danish and German government bonds and for adjustable rates, the swap rate. The calculation method is subject to uncertainty related to a number of assumptions and estimates.

Note 17 Other liabilities

DKKm	31 Dec 2024	31 Dec 2023
Interest payable on bonds in issue	2,816	2,760
Other interest and commissions payable	46	489
Other	309	308
Total	3,171	3,557

Note 18 Subordinated debt

DKKm	31 Dec 2024	31 Dec 2023
Other subordinated debt	1,550	1,550
Total¹	1,550	1,550
Interest	-95	-89
Cost of increase in and repayments of subordinated debt	-	-
Total	-95	-89

¹ Carrying amount is a fair approximation to fair value.

Subordinated debt is subordinated to other liabilities.

Year of issue/ maturity	Call date	Nominal value DKKm	Carrying amount DKKm	Interest rate (coupon)
2020/2030	31 March 2025	1,550	1,550	Cibor 3M + interest rate premium 2.36%

Subordinated debt is subordinated to other liabilities.

Pursuant to the Danish Financial Business Act repayment of subordinated debt may neither take place at the initiative of the lender nor without the approval of the Danish Financial Supervisory Authority.

In accordance with an approval from Danish Financial Supervisory Authority, Nordea Kredit will repay the subordinated loan of DKK 1.55bn on 31 March 2025. Before the end of March 2025, Nordea Kredit will issue a new Tier 2 capital instrument in the form of a subordinated loan of DKK 1.55bn provided by Nordea Bank Abp.

Note 19 Capital adequacy

Summary of items included in own funds

DKKm	31 Dec 2024	31 Dec 2023
Calculation of own funds		
Equity	22,267	22,356
Proposed/actual dividend	-1,059	-1,149
Common equity tier 1 capital before regulatory adjustments	21,208	21,207
IRB provisions shortfall (-)	-924	-280
Other items, net	-32	-273
Total regulatory adjustments to common equity tier 1 capital	-956	-553
Common equity tier 1 capital (net after deduction)	20,252	20,654
Tier 1 capital (net after deduction)	20,252	20,654
Tier 2 capital before regulatory adjustments	1,550	1,550
IRB provisions excess (+)	-	3
Total regulatory adjustments to tier 2 capital	-	3
Tier 2 capital	1,550	1,553
Own funds (net after deduction)	21,802	22,206

Minimum capital requirement and risk exposure amount (REA)

	31 Dec 2024	31 Dec 2024	31 Dec 2023	31 Dec 2023
DKKm	Minimum capital requirement	REA	Minimum capital requirement	REA
Credit risk	7,704	96,306	5,439	67,990
- of which counterparty credit risk	50	628	1	16
IRB	6,591	82,382	4,950	61,873
- corporate	1,818	22,720	1,870	23,376
- advanced	1,818	22,720	1,870	23,376
- retail	4,741	59,259	3,055	38,181
- secured by immovable property collateral	4,686	58,571	3,026	37,821
- other retail	55	688	29	361
- other	32	402	25	315
Standardised	1,114	13,924	489	6,117
- central governments or central banks	1	13	1	6
- institutions	1,106	13,825	482	6,019
- secured by mortgages on immovable properties	5	65	6	70
- equity	2	21	2	22
Market risk	-	-	-	-
Operational risk	373	4,658	352	4,400
Standardised	373	4,658	352	4,400
Additional risk exposure amount related to Swedish RW floor due to Article 458 CRR	-	-	2	30
Total	8,077	100,964	5,794	72,419

Note 19 Capital adequacy, continued

	31 Dec 2024	31 Dec 2023
Capital ratios (%)		
Common equity tier 1 capital ratio	20.1	28.5
Tier 1 capital ratio	20.1	28.5
Total capital ratio	21.6	30.7
	31 Dec 2024	31 Dec 2023
Leverage ratio¹		
Tier 1 capital, DKKm	20,252	20,654
Leverage ratio exposure, DKKm	436,789	429,910
Leverage ratio, %	4.6	4.8

Note 20 Debt buffer

Composition of instruments that are applicable for meeting the debt buffer requirement

Instrument, DKKm	Type	Curr.	31 Dec 2024	31 Dec 2023	Issued	Maturity	Call
Excess CET1 capital ¹	CET1 capital	DKK	2,564	7,756	-	-	-
10Y subordinated unsecured loan, provided by Nordea Bank	Tier 2 capital	DKK	1,550	1,550	31/03/2020	31/03/2030	31/03/2025
5Y senior non-preferred loan, provided by Nordea Bank	Unsecured senior debt	DKK	2,250	2,250	20/08/2021	20/08/2026	-
5Y senior non-preferred loan, provided by Nordea Bank	Unsecured senior debt	DKK	1,500	1,500	31/03/2022	31/03/2027	-
5Y senior non-preferred loan, provided by Nordea Bank	Unsecured senior debt	DKK	3,000	-	23/08/2024	23/08/2029	-
Total			10,864	13,056			

¹ Excess CET1 capital is determined in accordance with section 268d of the Danish Financial Business Act no 1013 of 21 August 2024.

Debt buffer requirement

DKKm	31 Dec 2024	31 Dec 2023
Debt buffer requirement	7,827	7,813

Note 21 Maturity analysis for selected assets and liabilities

Remaining maturity

31 Dec 2024, DKKm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Receivables from credit institutions and central banks	1,675	36,218	-	-	-	37,894
Loans and receivables at fair value	101	2,050	6,460	42,767	339,982	391,360
Debt to credit institutions and central banks	-	2,205	-	6,750	-	8,955
Bonds in issue at fair value	-	7,275	59,923	186,656	147,079	400,934
31 Dec 2023, DKKm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Receivables from credit institutions and central banks	1,772	30,226	-	-	-	31,998
Loans and receivables at fair value	80	2,113	6,773	42,587	339,115	390,669
Debt to credit institutions and central banks	2,328	2,039	-	3,750	-	8,117
Bonds in issue at fair value	-	7,192	59,312	182,605	145,247	394,356

Mortgage loans are match-funded and are undertaken on the basis of the specific balance principle. Most of the loans are long-term loans and therefore categorised as >5 years in the maturity analysis. Some loans, for example ARMs, are funded by bonds with a shorter maturity than the loans. These loans need to be refinanced during their term to maturity. This represents a refinancing risk if Nordea Kredit is unable to sell the adequate volume of bonds to refinance the loans.

Note 22 Related-party transactions

The information below is presented from a Nordea Kredit perspective, meaning that the information shows the effect from related-party transactions on the Nordea Kredit figures.

DKKm	2024	2023
Operating items		
Interest income:		
Receivables from credit institutions and central banks	1,129	1,007
Interest expenses:		
Interest on debt to credit institutions	-331	-316
Interest on subordinated debt	-95	-89
Fee and commission income:		
Other fee and commission income	1	1
Fee and commission expenses:		
Guarantee commissions etc.	-1,021	-1,017
Brokerage	-45	-54
Value adjustments:		
Interest rate derivatives	-4	-3
Other operating income	0	0
Staff and administrative expenses:		
IT expenses	-42	-45
Other administrative expenses	-1,407	-1,448
Rent expenses	-10	-13
Internal audit expenses	-3	-3
Profit from equity investment in associated undertaking	-1	1
Assets		
Receivables from credit institutions	37,894	31,998
Interest receivable from credit institutions	44	20
Investment in associated undertaking	21	22
Other assets	89	51
- of which derivatives	46	51
Debt		
Debt to credit institutions	8,955	8,117
Bonds in issue at fair value	9,328	12,191
Interest payable	46	29
IT expenses payable	11	11
Other liabilities	8	460
Subordinated debt	1,550	1,550
Guarantees		
Nordea Bank provides on an ongoing basis guarantees to cover the first loss of the principal of mortgage loans	115,033	115,372
Nordea Bank has provided guarantees relating to registration with the Land Registry, loans disbursed ahead of building start as well as other statutory guarantees	7,293	6,979

The main part of the transactions is between Nordea Kredit and Nordea Bank.

The mortgage loans originated by Nordea Kredit are disbursed through Nordea Bank.

Nordea Bank acted as an intermediary for a number of securities and financial instruments transactions during the year. Intragroup transactions are provided on market terms.

A Liquidity Transfer and Support Agreement has been signed between Nordea Bank Abp and the specialised mortgage lending entities being Nordea Kredit Realkreditaktieselskab, Nordea Eiendomskreditt AS, Nordea Hypotek AB and Nordea Mortgage Bank Plc. The agreement ensures that Nordea Kredit has sufficient cash resources to comply with the liquidity coverage ratio (LCR) requirement on an ongoing basis and to meet its payment obligations in respect of outstanding covered bonds in a timely manner. Nordea Kredit is thereby also required to provide liquidity support to the other entities in the agreement, however only to the extent that it would not in any way result in Nordea Kredit breaching any of its own central obligations.

As part of the normal business other entities in the Nordea Group on an ongoing basis held a portfolio of bonds issued by Nordea Kredit.

Note 22 Related-party transactions, continued

Compensation and loans to Board of Directors and Executive Management

Compensation to the Board of Directors and the Executive Management is specified in Note 5.

Loans to the Board of Directors and the Executive Management and related parties are specified in Note 9.

Related parties

Related parties are the parent company, other Nordea companies, associated undertakings and other related parties. Other related parties are companies controlled by the Board of Directors and the Executive Management of Nordea Kredit as well as companies controlled by related parties to the Board of Directors and the Executive Management.

Note 23 Segment reporting

Nordea Kredit's activity consists of sale of mortgage loans in Denmark.

Note 24 The Danish Financial Supervisory Authority's ratio system

	2024	2023	2022	2021	2020
Total capital ratio ¹	21.6	30.7	30.5	26.6	29.6
Tier 1 capital ratio ¹	20.1	28.5	28.4	24.7	25.0
Pre-tax return on equity, %	6.4	6.9	6.2	6.3	7.3
Post-tax return on equity, %	4.7	5.1	4.8	4.9	5.7
Income/cost ratio	1.8	1.9	1.9	2.1	2.5
Foreign exchange exposure as % of tier 1 capital	1.1	1.0	1.3	1.1	1.6
Loans/equity ratio	17.6	17.5	17.3	19.4	18.6
Lending growth for the year, %	-1.9	-2.9	-0.5	6.6	2.7
Impairment ratio for the year	0.0	0.0	0.0	0	0.0
Return on assets, %	0.2	0.3	0.2	0.2	0.3

¹ Decreased due to the implementation of new IRB retail models during the third quarter of 2024.

The key figures have been computed in accordance with the Danish Financial Supervisory Authority's definitions, see the Executive Order on Financial Reports for Credit Institutions and Investment Firms etc.

Note 25 Series financial statements

DKKm	Note	Capital centre 2	Capital centre 1 (General Capital Centre)	Total
Income statement for 2024				
Income from lending		3,262	6	3,268
Interest, net		644	35	678
Administrative expenses, net		-2,306	-127	-2,433
Provisions for loan losses		-79	-8	-86
Tax		-381	12	-369
Total		1,140	-82	1,059

Balance sheet, 31 Dec 2024

Assets				
Mortgage loans		390,905	460	391,365
Other assets		49,442	1,531	50,974
Total assets	1	440,347	1,992	442,339
Liabilities and equity				
Bonds in issue	2	408,462	714	409,176
Other liabilities		10,857	39	10,896
Equity	3	21,029	1,238	22,267
Total liabilities and equity		440,347	1,992	442,339

Note 1 Balance sheet, series financial statements

Balance sheet total, Nordea Kredit's annual financial statements	436,886
Own bonds, not offset in series financial statements	5,426
Accrued interest	27
Balance sheet total, series financial statements	442,339

Note 2 Bonds in issue, series financial statements

Bonds in issue, Nordea Kredit's annual financial statements	400,934
Own bonds, not offset in series financial statements	5,426
Deferred income	2,816
Bonds in issue, series financial statements	409,176

Note 3 Equity

Movements in capital, net	-	-	-
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Background to series financial statements

Pursuant to the Danish Financial Supervisory Authority's Executive Order no 872 of 20 November 1995 on series financial statements in mortgage credit institutions, special series financial statements must be prepared for series with series reserve funds.

The series financial statements have been prepared on the basis of Nordea Kredit Realkreditaktieselskab's annual report for 2024.

Complete series financial statements for the individual series are available from Nordea Kredit.

Note 26 Risk and liquidity management

Maintaining risk awareness in the organisation is engrained in Nordea Kredit's business strategies. Nordea Kredit has defined clear risk, liquidity and capital management frameworks, including policies and instructions for different risk types, capital adequacy and capital structure.

Management principles and control

The Board of Directors of Nordea Kredit has the responsibility for limiting and monitoring risk exposures as well as for approving the setting of target capital ratios and the individual solvency need and deciding on the risk appetite. Risk is measured and reported according to common principles and policies approved by the Board of Directors of Nordea Kredit.

In accordance with the Danish Financial Business Act, the Board of Directors has established a Board Risk Committee (BRIC). BRIC assists the Board of Directors in fulfilling its oversight responsibilities concerning the management and control of risk, risk frameworks as well as controls and processes associated with Nordea Kredit's operations. Furthermore, BRIC assesses the identified risk takers in regards to remuneration.

The Executive Management has the responsibility for ensuring that the risk strategy and risk management decided by the Board of Directors are implemented, that the necessary practical measures are taken and that risks are monitored and limited.

In accordance with the Danish Executive Order on Management and Control of Banks etc., Nordea Kredit has appointed a Chief Risk Officer (CRO). The CRO is appointed by the Executive Management of Nordea Kredit and functionally reports to the Executive Management of Nordea Kredit. The CRO is the overall manager with specific responsibility for the risk management function at Nordea Kredit – including the responsibility for ensuring that an overall risk assessment is provided, ensuring coordination of risk control activities and ensuring adequate risk management practice within Nordea Kredit. The CRO independently reports directly to the Executive Management, BRIC and the Board of Directors of Nordea Kredit at least on a quarterly basis.

The Charter for the CRO of Nordea Kredit defines the role, responsibilities, tasks and mandate of the CRO and forms part of Nordea Kredit's risk management framework. The CRO mainly operates through established functions for risk management at Nordea such as Group Risk, Group Credit Management and Group Finance.

It is the responsibility of the CRO to ensure that the overall risk at Nordea Kredit is conducted adequately. The CRO must provide a complete view of the whole range of risks at Nordea Kredit to the relevant governing bodies and ensure that all risks at Nordea Kredit are monitored.

In accordance with the Danish Executive Order on Management and Control of Banks etc., Nordea Kredit has appointed a Chief Compliance Officer (CCO). The CCO is appointed by the Executive Management of Nordea Kredit and functionally reports to the Executive Management of Nordea Kredit. The CCO has the overall functional responsibility for the compliance function at Nordea Kredit – including the responsibility for monitoring compliance which is based on collecting information and providing independent assessments of the compliance risks. Furthermore, the compliance function advises and supports the first line of defence on ways to effectively and efficiently manage compliance obligations. The CCO independently reports directly to the Executive Management, BRIC and the Board of Directors of Nordea Kredit at least on a quarterly basis.

The Charter for the CCO of Nordea Kredit defines the role and responsibilities of the CCO and forms part of Nordea Kredit's internal control framework. The Nordea Kredit compliance function utilises the functional framework within Group Compliance. This means that the methodology and standard processes applied by Group Compliance are – to the extent possible – also applied by Nordea Kredit.

Risk management

Nordea Kredit is exposed to credit risk on borrowers as well as operational risk because of Nordea Kredit's activities. Furthermore, Nordea Kredit is exposed to liquidity risk and market risk in the form of interest rate risk and modest currency risk related to its mortgage loans and the investment of capital.

The reporting of risk is conducted on a daily basis for liquidity risk and market risk and on a quarterly basis for credit risk and operational risk. Reporting on the risk profile, the risk appetite, capital adequacy – including the individual solvency need (ISN) – and liquidity adequacy is presented to the Board of Directors, BRIC and the Executive Management on a quarterly basis.

Additional information on risk and capital management is presented in the Capital and Risk Management Report 2024 in accordance with the CRR, which is based on the Basel III framework issued by the Basel Committee on Banking Supervision. The report is available on www.nordea.com/en/investors/capital-and-risk-reports-pillar-3.

Note 26 Risk and liquidity management, continued

Credit risk management

The credit approval process follows directives and guidelines for Nordea and Local Governance Rules on Credit Risk for Nordea Kredit. Within the powers to act granted by the Board of Directors of Nordea Kredit, internal credit risk limits are approved by credit decision-making bodies on different levels in the Nordea organisation constituting the maximum risk appetite on the customer in question. The risk categorisation and the exposure of the customer determine at what level the decision will be made. The customer responsible units take individual credit decisions with a primary focus on the customer's creditworthiness based on mandates and instructions from Nordea Kredit. Furthermore, individual credit decisions for mortgage loans with a primary focus on the property are made within Nordea Kredit.

The assessment and monitoring of credit risks lies with the customer responsible unit. Customers are risk categorised by a rating or score in accordance with Nordea's rating and scoring guidelines. The rating and scoring of customers aims to predict their probability of default and to consequently rank them according to their respective default risk. Rating and scoring of customers are used as integrated parts of the credit risk management and decision-making process.

Representatives from the credit organisation approve the rating independently.

Credit risk

Credit risk is defined as the potential for loss due to the inability of Nordea Kredit's customers to repay their loans. If the customer is unable to repay the loan, Nordea Kredit's credit risk depends on the value of the property received as collateral and coverage by the first loss guarantee issued by Nordea Bank. Nordea Kredit's credit risk is therefore affected by the general price trends on the property market.

Nordea Kredit's maximum exposure to credit risk consists of the following balance sheet line items:

Maximum exposure to credit risk

DKKm	31 Dec 2024	31 Dec 2023
Demand deposits with central banks	7,257	7,017
Receivables from credit institutions and central banks ¹	37,894	31,998
Loans and receivables at fair value	391,360	390,669
Loans and receivables at amortised cost	0	0
Other asset items	354	231
Guarantees etc.	0	0
Loan commitments	1,857	1,037
Total	438,722	430,952

¹ The maximum credit risk on receivables from credit institutions is secured by own securities in connection with purchase and resale transactions.

Concentration risk

Nordea Kredit has a well-diversified lending portfolio in respect of single customer groups and industry segments. The diversification of concentration risks is stipulated in Nordea Kredit's Risk Appetite framework and limits adverse concentration risk developments.

Collateral

Mortgage loans are collateralised by the mortgaged properties in accordance with Danish mortgage legislation. The credit risk is therefore significantly reduced by the value of the mortgaged property. The value of the mortgaged properties is monitored on a quarterly basis and properties are continuously up for review of the valuation based on criteria decided on a quarterly basis.

To further reduce the credit risk of Nordea Kredit and to align incentives, loss guarantees are provided by Nordea Bank covering a significant part of the principal of mortgage loans disbursed. If a customer defaults, the realised loss is calculated and the guarantee is settled by Nordea Bank. The first loss guarantees amounted to DKK 115,033m (DKK 115,372m) at end-2024. The share of the loans covered by the first loss guarantees was 99% (99%).

Furthermore, in connection with the disbursement of loans, Nordea Bank provides statutory guarantees relating to registration with the Land Registry. At end-2024 the guarantee amounted to DKK 7,293m (DKK 6,979m).

Note 26 Risk and liquidity management, continued

Loan to value

Loan to value (LTV) shows the current ratio between the fair value of a loan and the market value of the mortgaged property.

The average LTVs on loans for owner-occupied dwellings and holiday homes and for commercial properties remained at the same level as in 2023, with 52% and 41%, respectively. The average LTV for agricultural properties decreased by 1% point to 42%.

Mortgage loans by loan to value (LTV) and property category

Owner-occupied dwellings and holiday homes	Commercial properties		Agricultural properties		Total	
	2024	2023	2024	2023	2024	2023
(%)						
0–40%	25%	24%	46%	47%	41%	40%
40–60%	42%	43%	35%	35%	48%	48%
60–80%	28%	27%	18%	16%	10%	11%
>80%	5%	6%	1%	1%	1%	1%
Total fair value, DKKbn	271	270	90	89	31	32
Weighted average LTV	52%	52%	41%	41%	42%	43%

Further information regarding LTV figures can be found in the quarterly debt investor presentations and the European Covered Bond Council (ECBC) Harmonised Transparency Template. Both reports are available at www.nordea.com/en/investors/debt-and-rating/nordea-kredit-covered-bonds.

Measurement of changes in credit risk

The change in credit risk is measured as part of the fair value of the mortgage loans. The change in credit risk is measured based on the impairment rules for loans at amortised cost with relevant fair value adjustments.

All mortgages are tested for changes in underlying credit risk. The mortgage loans are divided into three groups depending on the stage of credit deterioration. Stage 1 includes mortgage loans where it has been assessed that there has not been a significant increase in credit risk since the initial recognition of the mortgage loan. Stage 2 includes mortgage loans where there has been a significant increase in credit risk and stage 3 includes credit-impaired mortgage loans. All mortgage loans are assessed individually for staging. Mortgage loans in stage 3 are assessed for changes in credit risk either on an individual basis or by using a statistical model. Mortgage loans in stage 1 and stage 2 are assessed for changes in credit risk by using a statistical model. Impairment assessment applies three forward-looking and weighted scenarios.

The quality of credit exposures is continuously reviewed throughout the process of identifying and mitigating changes in credit risk. Weak and credit-impaired mortgage loans are closely monitored and reviewed at least on a quarterly basis regarding a possible need for provisions.

Calculation of provisions regarding changes in credit risk

A change in the credit risk is recognised as a provision if based on credit events and observable data, a negative impact is likely on the customer's expected future cash flow to the extent that full repayment is unlikely (pledged properties and guarantees received considered). The size of the provision is equal to the estimated loss, which is the difference between the carrying amount of the outstanding exposure and the discounted value of the expected future cash flow, including the value of pledged properties and guarantees received.

The calculation of provisions regarding changes in credit risk is executed quarterly. One important driver for provisions is the trigger for transferring mortgage loans from stage 1 to stage 2. For mortgage loans recognised from 1 January 2018 changes to the lifetime probability of default are used as the trigger. In addition, customers with forbearance measures and customers with payments more than 30 days past due are also transferred to stage 2. In stage 1, the provisions are based on changes to the 12-month expected loss. In stage 2, the provisions are based on changes to the lifetime expected loss except from weak stage 2 loans. For weak stage 2 loans and loans in stage 3, the provisions equal the lifetime expected loss. The output is complemented with an analysis process to ensure adequate provisioning.

Note 26 Risk and liquidity management, continued

Credit impaired (stage 3)

Customers with exposures that are past due more than 90 days, customers in bankruptcy or considered unlikely to pay are regarded as credit impaired. If a customer recovers from being credit impaired, the customer is seen as cured.

Typically, this situation occurs if the customer succeeds in ensuring a balance between income and expenses. In order to be cured the recovery should include the customer's total liabilities with Nordea. The customer will be kept in stage 3 for a penalty period to ensure sufficient recovery.

Forbearance

Forbearance refers to eased terms or restructuring of credit terms and conditions due to the borrower experiencing financial difficulties. The intention of granting forbearance for a limited period of time is to ensure full repayment of the outstanding debt. Examples of eased terms are changes in the amortisation profile or reduced administration margins. Forbearance is undertaken on an individual basis, according to internal guidelines, and followed by impairment testing. Loan loss provisions are recognised if necessary. Customers with forbearance measures are transferred to stage 2, unless already identified as credit impaired (stage 3).

Sensitivity

The loan loss provisions are sensitive to rating migration even if triggers for a significant increase in credit risk or credit-impaired loans are not reached. The impact on provisions from a one-notch downgrade on all exposures will be an increase in provisions of DKK 103m (DKK 89m at end-2023). It includes both the impact of the higher risk for all exposures and the impact of transferring exposures that reach the trigger from stage 1 to stage 2. It also includes the impact from the exposures with one rating grade above default becoming default. This figure is based on calculations with the statistical model rather than individual estimates, as would be the case in reality for part of the defaulted loans.

Sensitivities

DKKm	31 Dec 2024	31 Dec 2023
Recognised provisions	583	522
Impact on provisions if one notch downgrade	103	89

Forward-looking information

Forward-looking information is used for both assessing significant increases in credit risk and calculating expected credit losses. Nordea Kredit uses three macroeconomic scenarios: a baseline scenario, a favourable scenario and an adverse scenario. At the end of 2024 the scenarios were weighted into the final expected credit losses (ECL) as follows: baseline 60%, adverse 20% and favourable 20% (baseline 50%, adverse 40% and favourable 10% at the end of 2023).

The macroeconomic scenarios reflect Nordea's view of how the Danish economy might develop in light of continued geopolitical uncertainty, weak growth in major European economies and lingering effects of the surge in inflation and energy prices seen in recent years. When developing the scenarios and determining the relative weighting between the scenarios, Nordea takes into account projections made by the central bank and Nordea Research.

The baseline scenario foresees a soft landing in the Danish economy with unemployment largely unchanged in the coming years. Denmark will see relatively high growth driven by the pharmaceutical sector and the reopening of North Sea oil and gas fields. The stronger growth outlook is supported by weaker inflation and lower interest rates. A modest recovery in home prices is expected to continue over the coming years supported by rising household purchasing power. The risks around the baseline forecast are tilted to the downside, with the upside scenario deviating less from the baseline than the adverse scenario.

Nordea's two alternative macroeconomic scenarios cover a range of plausible risk factors which may cause growth to deviate from the baseline scenario. A further escalation of the conflict in the Middle East may lead to a significant rise in energy prices well into 2025. This could trigger a European and a Danish recession as firms postpone investments, exports slow down and households cut spending due to weakening labour markets. Central banks may in addition regard the inflationary impulse as temporary and continue cutting interest rates, with rates moving lower than in the baseline scenario in 2026. Normalising inflation and lower interest rates, on the other hand, may lead to a stronger recovery than assumed in the baseline scenario.

Note 26 Risk and liquidity management, continued

The table below presents the applied scenarios and recognised loan loss provisions.

Scenarios and provisions 2024

		2025	2026	2027	Probability weight	Model-based provisions, DKKm	Adjustment, model-based provisions, DKKm	Individual provisions, DKKm	Total provisions, DKKm
Favourable scenario	GDP growth, %	3.6%	1.8%	1.7%	20%				
	Unemployment, %	2.5%	2.5%	2.4%					
	Home prices, %	5.0%	3.8%	2.0%					
Baseline scenario	GDP growth, %	2.3%	1.5%	1.5%	60%	242	306 ¹	35	583
	Unemployment, %	2.9%	2.9%	2.9%					
	Home prices, %	3.2%	3.2%	2.0%					
Adverse scenario	GDP growth, %	-0.7%	0.8%	1.5%	20%				
	Unemployment, %	4.6%	4.7%	4.7%					
	Home prices, %	-4.3%	1.1%	2.0%					

¹ The management judgement was split as follows: DKK 88m in stage 1, DKK 171m in stage 2 and DKK 47m in stage 3.

Scenarios and provisions 2023

		2024	2025	2026	Probability weight	Model-based provisions, DKKm	Adjustment, model-based provisions, DKKm	Individual provisions, DKKm	Total provisions, DKKm
Favourable scenario	GDP growth, %	2.1%	1.7%	1.7%	10%				
	Unemployment, %	2.8%	2.8%	2.8%					
	Home prices, %	1.9%	2.8%	3.2%					
Baseline scenario	GDP growth, %	1.0%	1.3%	1.4%	50%	188	307 ¹	27	522
	Unemployment, %	3.2%	3.4%	3.4%					
	Home prices, %	0.7%	2.1%	2.5%					
Adverse scenario	GDP growth, %	-0.9%	0.3%	0.7%	40%				
	Unemployment, %	3.9%	4.5%	4.7%					
	Home prices, %	-2.6%	-0.1%	0.8%					

¹ The management judgement was split as follows: DKK 66m in stage 1, DKK 128m in stage 2 and DKK 113m in stage 3.

The sensitivity of the applied scenarios to the model-calculated ECL reflects Nordea Kredit's business model and credit risk management. The high collateralisation and additional first loss guarantee from Nordea Bank are to a high extent expected to absorb losses from deterioration in credit quality. Nordea Kredit has a management judgement to cover credit losses not captured by the impairment model of DKK 256m. Furthermore, Nordea Kredit has a management judgement for expected losses on loans in stage 1 covering rating migration not yet identified in the rating/scoring models of DKK 46m and a management judgement for expected losses on loans to agricultural customers of DKK 4m.

Rating and scoring distribution

One way of assessing credit quality is through analysis of the distribution across rating grades for rated corporate customers as well as risk grades for scored household and small business customers, that is, retail exposures.

The overall credit quality is solid with strongly rated customers.

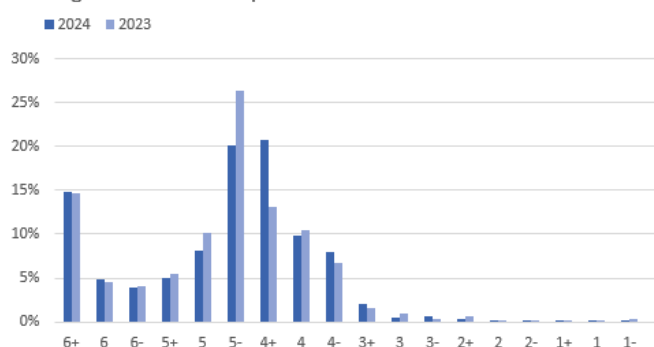
The average credit quality deteriorated in 2024 as 8% of corporate customers migrated upwards (2023: 29%) while 11% (2023: 19%) were downrated. 96% (96%) of the corporate exposure was rated 4- or higher with an average rating for the portfolio of 5-.

Retail customers showed a distribution that was biased towards the higher risk grades. 97% (98%) of the retail exposure was rated C- or higher, which indicates a probability of default of 1% or lower. Defaulted loans are not included in the rating/scoring distributions.

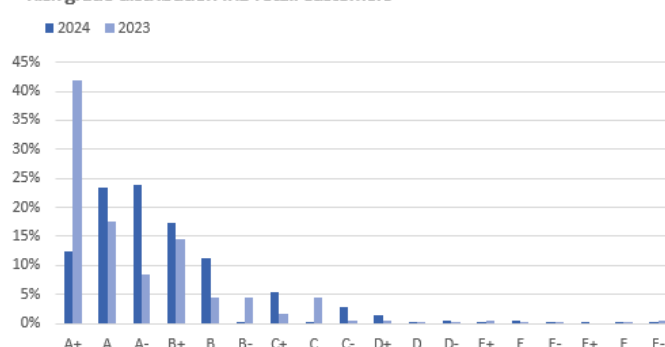
During 2024 Nordea Kredit implemented new IRB retail models, improving risk parameter calculations, which slightly shifted the scoring composition downwards, while the underlying credit quality did not deteriorate.

Note 26 Risk and liquidity management, continued

Rating distribution IRB corporate customers¹



Risk grade distribution IRB retail customers²



¹ Rating grades 4- and better are comparable to investment grade as defined by external agencies such as Moody's and Standard & Poor's. Rating grades 2+ to 1- are considered as weak and require special attention.

² Scoring grades A+ to F are non-default. The best score is A+.

The table below presents loans and receivables at fair value (gross carrying amount) broken down by rating/scoring distributions plus stages 1, 2 and 3:

DKKm, 31 Dec 2024

	Stage 1	Stage 2	Stage 3	Total
6 / A	166	0	0	166
5 / B	125	0	0	125
4 / C	79	1	0	80
3 / D	10	2	0	12
2 / E	1	3	0	4
1 / F	0	1	0	1
0 (credit impaired)	0	0	3	3
Unrated customers	0	0	0	0
Total	381	7	4	392

DKKm, 31 Dec 2023

	Stage 1	Stage 2	Stage 3	Total
6 / A	237	0	0	238
5 / B	75	0	0	76
4 / C	61	1	0	62
3 / D	4	2	0	6
2 / E	0	3	0	3
1 / F	0	3	0	3
0 (credit impaired)	0	0	2	3
Unrated customers	0	0	0	0
Total	378	10	3	391

Market and liquidity risks

Market risk is the risk of loss on Nordea Kredit's positions as a result of changes in market rates and parameters that affect the market values or net interest income flows. Liquidity risk is the risk that Nordea Kredit can only meet its liquidity commitments at an unsustainably high price or, ultimately, is unable to meet its obligations as they come due.

The business model of Nordea Kredit is to provide mortgage loans match-funded by covered bond issuance. Consequently, Nordea Kredit's market risk exposure is limited to the following three sources: (i) capital and liquidity investments in reverse repos generate risk to its net interest income (NII) in case of falling interest rates; (ii) adherence to the specific balance principle generates interest rate risk, primarily from cash flow mismatches stemming from the early redemption of loans; (iii) the income from administration margins on bonds denominated in euros generates some currency risk, as the income is not immediately exchanged to Danish kroner.

Nordea Kredit is exposed to liquidity risk from the funding of loans, the refinancing of maturing adjustable-rate mortgage (ARM) bonds and floating-rate notes (FRN) bonds, as well as the supplementary collateral and statutory overcollateralisation requirements requirement in the SDRO issuing cover pool (capital centre 2). Furthermore, the credit risk on borrowers can create a liquidity risk if a borrower cannot pay according to agreed terms, while Nordea Kredit is obliged to pay the investor.

Note 26 Risk and liquidity management, continued

Interest rate risk

In accordance with the Danish Executive Order on Bond Issuance, the Balance Principle and Risk Management adherence to the specific balance principle stipulates that the interest rate risk resulting from payment differences between incoming payments on loans and outgoing payments on mortgage bonds must not exceed 1% of own funds, or DKK 218m at end-2024 (2023: DKK 222m). In addition, the interest rate risk on capital and liquidity investments must not exceed 8% of own funds, or DKK 1,744m (2023: DKK 1,777m).

Nordea Kredit operates with interest rate risk significantly below both of the above-mentioned limits.

Interest rate risk

	31 Dec 2024	31 Dec 2023
DKKm		
IR risk related to capital and liquidity investments ¹	14	13
IR risk related to cash flow mismatches ²	3	1

¹ IR risk related to capital and liquidity investments measures the interest rate risk on the capital and liquidity investments as a parallel shift in interest rates of +/- 100bp, where the total interest rate risk is the numerical sum of interest rate risk across all currencies. For Nordea Kredit only DKK is relevant.

² IR risk related to cash flow mismatches measures the interest rate risk stemming from payment differences as the most adverse potential loss based on six predetermined scenarios in accordance with the requirements in section 26(2) of the Danish Executive Order on Bond Issuance, the Balance Principle and Risk Management.

Currency risk

At end-2024 the currency risk amounted to DKK 0.3m (2023: DKK 0.3m) with effect on profit before tax and equity and relates solely to exposures in euros.

Currency risk

DKKm	Total risk	Max	Min
31 Dec 2024	0	0	0
31 Dec 2023	0	0	0

Liquidity coverage ratio (LCR)

The common European LCR requirement for Nordea Kredit is 100% of net liquidity outflows over a 30-calendar day stress period, as specified by the Delegated Act. In addition, Nordea Kredit has an LCR pillar 2 add-on. This is a Danish liquidity requirement for all mortgage companies in Denmark and implemented to capture entity-specific liquidity risk. Nordea Kredit reports both an LCR DA and an LCR including the pillar 2 add-on. The latter will always be the most restrictive and thus binding requirement. At the end of 2024 the LCR DA was 270% and the LCR including the pillar 2 add-on was 214%.

Operational risk

Operational risk is defined at Nordea as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, and includes legal risk. Operational risk is inherent in all activities within the organisation, in outsourced activities and in all interactions with external parties.

Nordea Kredit has as its own second line of defence a risk management function (CRO), where operational risk is also monitored. The flow of risk-related information is presented directly to the Board of Directors and initially passes through BRIC. The operational risks are monitored through regular risk assessment procedures and systematic quality and risk-focused management of changes.

Compliance risk

Compliance risk is defined as the risk of failing to comply with applicable laws, regulations, standards, supervisory requirements and related internal rules governing Nordea Kredit's activities.

Managing compliance risks is part of management's responsibilities. The compliance risks are monitored by Nordea Kredit's compliance function. The flow of risk-related information is presented directly to the Board of Directors and initially passes through the Executive Management and BRIC. The compliance risks are monitored through compliance assessment procedures.

Proposed distribution of earnings

According to the company's balance sheet, the following amount is available for distribution by the Annual General Meeting:

DKKm	
Retained earnings	19,471
Net profit for the year	1,059
Total	20,530

The Board of Directors proposes that the retained earnings including profit for 2024 is distributed as follows:

DKKm	
Retained earnings	19,471
Proposed dividends to the shareholders	1,059
Total	20,530

The company's distributable earnings amount to DKK 20,530m. After the proposed distribution of earnings, the company's unrestricted shareholders' equity amounts to DKK 19,471m.

Statement by the Board of Directors and the Executive Management

The Board of Directors and the Executive Management have considered and adopted the annual report of Nordea Kredit Realkreditaktieselskab for the financial year 2024.

The annual report has been prepared in accordance with the requirements of the law, including the Danish Financial Business Act and the Danish Financial Supervisory Authority's Executive Order on Financial Reports for Credit Institutions and Investment Firms etc.

It is our opinion that the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January–31 December 2024.

Further, in our opinion, the Management's report provides a fair review of the development in the company's operations and financial matters, the results of the company's operations and financial position and describes the material risks and uncertainties affecting the company.

In our opinion, the annual report of Nordea Kredit Realkreditaktieselskab for the financial year 1 January–31 December 2024 identified as [nordeakredit-2024-12-31-en.xhtml](#) is prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend to the Annual General Meeting that the annual report should be adopted.

Copenhagen, 27 March 2025

Board of Directors

Anders Holkmann Olsen
(Chair)

Anne Rømer
(Vice Chair)

Anita Ina Nielsen

Anders Frank-Læssøe

Helene Bløcher

Tina Helen Sandvik

Christian Ulrik Johannesen

Executive Management

Morten Boni
(Chief Executive Officer)

Kasper Lykke Møller Ingemann
(Deputy Chief Executive Officer)

Independent auditors' reports

To the shareholder of Nordea Kredit Realkreditaktieselskab

Report on the audit of the Financial Statements

Our opinion

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January to 31 December 2024 in accordance with the Danish Financial Business Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

The Financial Statements of Nordea Kredit Realkreditaktieselskab for the financial year 1 January to 31 December 2024 comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, 5-year overview and notes to the financial statements, including material accounting policy information ("Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 Nordea Kredit Realkreditaktieselskab 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.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

We were first appointed auditors of Nordea Kredit Realkreditaktieselskab on 27 February 2015 for the financial year 2015. We have been reappointed annually by shareholder resolution for a total period of uninterrupted engagement of ten years including 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 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment of loans and receivables at fair value</p> <p>Loans and receivables are measured at fair value. The fair value of loans and receivables is based on the fair value of the underlying bonds issued adjusted for changes in the credit risk on the customers. Changes in the credit risk are measured based on the impairment rules for loans at amortised cost with relevant fair value adjustments.</p> <p>Accounting for loans to customers at fair value is complex and requires subjective judgements over both the timing of the recognition of impairment and the estimation of the size of any such provision for impairment in accordance with the Accounting Executive Order ("Regnskabsbekendtgørelsen"). We refer to the accounting policies section 2.</p> <p>The Company makes provisions for expected losses both on an individual basis in terms of individual provisions and on a model-based basis.</p> <p>As a result of the geopolitical and macroeconomic situation and outlook for the Company's customers, Management has recognised a substantial provision for expected credit losses based on an accounting estimate ("management judgement"). The consequences of the geopolitical and macroeconomic situation and outlook for the Company's customers are to a material extent not known and as a result hereof there is an increased estimation uncertainty related to the size of the provision for expected losses on loans.</p> <p>We focused on loan impairment provisions, as the accounting estimate is by nature complex and influenced by subjectivity and thus to a large extent associated with estimation uncertainty.</p> <p>Important areas within impairment of loans to customers relate to:</p> <ul style="list-style-type: none"> • Identification of credit impaired loans (stage 3) or loans with material weaknesses (stage 2), including completeness of the customer accounts that are included in the impairment calculation. • Customer risk assessment, including internal rating and valuation of collaterals held related to real estate and third-party guarantees. • The model-based impairments in stages 1, 2 and 3 including Management's assessment of the model variables. • Significant assumptions and judgements made by Management as the variables in the model underlying the calculation of model-based impairments and individual provisions including management judgements related to the impact of the geopolitical and macroeconomic situation and outlook for the Company's customers. <p>The principles for impairments of loans and receivables at fair value are described in note 1 section 2 Critical accounting estimates and estimation uncertainty, note 11 Loans and receivables at fair value to the Financial Statements and note 26 Risk and liquidity management.</p>	<p>We performed risk assessment procedures with the purpose of achieving an understanding of it-systems, business procedures and relevant controls regarding measurement of fair value and the calculation of provisions for expected losses on loans. In respect of controls, we assessed whether they were designed and implemented effectively to address the risk of material misstatement.</p> <p>For selected controls, on which we planned to rely on, we tested whether these controls had been performed on a consistent basis. We assessed and tested relevant internal controls over:</p> <ul style="list-style-type: none"> • Individually assessed loan impairment calculations (stage 3 and stage 2 with weaknesses) • Existence and valuation of collaterals held • Model-based assessed loan impairment calculations • Internal rating and stage classification <p>We performed detailed testing on a sample of loans to ascertain whether we concur with the risk assessment as expressed by the internal rating and stage classification.</p> <p>We tested the impairment calculation on a sample of impaired loans, including assessment of expected future cash flow, fair value of collaterals (real estate) and various outcome of the financial position of the customer (scenarios).</p> <p>We examined a sample of loans, which had not been identified by Management as impaired.</p> <p>We assessed and challenged the appropriateness of the Company's validation of the model and relevant parameters in the model-based impairment model.</p> <p>We assessed and challenged the basis for the accounting estimates ("management judgement") related to the provisioning for expected losses as a result of the geopolitical and macroeconomic situation and outlook and other management judgements.</p> <p>We also assessed whether the matters that may have an influence on provisions for expected losses on loans have been appropriate disclosed.</p>

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Business Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Business Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Business Act, and 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 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 unless Management either intends to liquidate the 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 about 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 the 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 these Financial Statements.

As part of an audit in accordance with ISAs and the 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 override 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 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 and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 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 Financial Statements, we performed procedures to express an opinion on whether the annual report of Nordea Kredit Realkreditaktieselskab for the financial year 1 January to 31 December 2024 with the file name nordeakredit-2024-12-31-en.xhtml 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.

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.

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 procedures consist of testing whether the annual report is prepared in XHTML format.

In our opinion, the annual report of Nordea Kredit Realkreditaktieselskab for the financial year 1 January to 31 December 2024 with the file name nordeakredit-2024-12-31-en.xhtml is prepared, in all material respects, in compliance with the ESEF Regulation.

Hellerup, 27 March 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Business registration no 33 77 12 31

Per Rolf Larssen
State Authorised Public Accountant
mne24822

Peter Nissen
State Authorised Public Accountant
mne33260

Management and Board of Directors of Nordea Kredit

Board of Directors

Anders Holkmann Olsen (Chair)

Internal assignments:

Country Branch Manager, Nordea Danmark and Group General Counsel, Asset & Wealth Management and Nordea Danmark
Chair of the Board of Directors of Fionia Asset Company A/S
Chair of the Board of Directors of Ejendomsselskabet Vestre Stationsvej 7, Odense A/S
Member of the Board of Directors of Nordea Life Holding AB

External assignments:

Member of the Board of Directors of Karl Pedersen og Hustrus Industrifond

Anne Rømer (Vice Chair and external member)

Internal assignments:

None

External assignments:

Chief Financial Officer, GSV Materieludlejning A/S

Anita Ina Nielsen

Internal assignments:

Country AML Responsible, Nordea Danmark

External assignments:

None

Anders Frank-Læssøe

Internal assignments:

Group Treasurer, Group Treasury, Nordea Bank Abp

External assignments:

None

Helene Bløcher

Internal assignments:

Head of Business Banking, Nordea Danmark
Member of the Board of Directors of Nordea Finans Danmark A/S
Member of the Board of Directors of Nordea Pension, Livsforsikringsselskab A/S
Member of the Board of Directors of Nordea Pension Holding Danmark A/S

External assignments:

Substitute Member of the Board of Directors of FR I AF 16. SEPTEMBER 2015 A/S

Tina Helen Sandvik

Internal assignments:

Head of Products and Development, Nordea Bank Abp
Member of the Board of Directors of Nordea Eiendomskreditt AS
Vice Chair of the Board of Directors of Nordea Mortgage Bank Plc
Member of the Board of Directors of Nordea Hypotek AB (publ)

External assignments:

None

Christian Ulrik Johannessen

Internal assignments:

Head of Personal Banking, Nordea Danmark
Vice Chair of the Board of Directors of Danbolig A/S

External assignments:

None

Executive Management of Nordea Kredit

Morten Boni

Internal assignments:

Chief Executive Officer

External assignments:

Member of the Board of Directors of e-nettet A/S
Member of the Board of Directors of the Association of Danish Mortgage Banks

Kasper Lykke Møller Ingemann

Internal assignments:

Deputy Chief Executive Officer

External assignments:

Member of the Board of Directors of the Association of Danish Mortgage Banks

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