

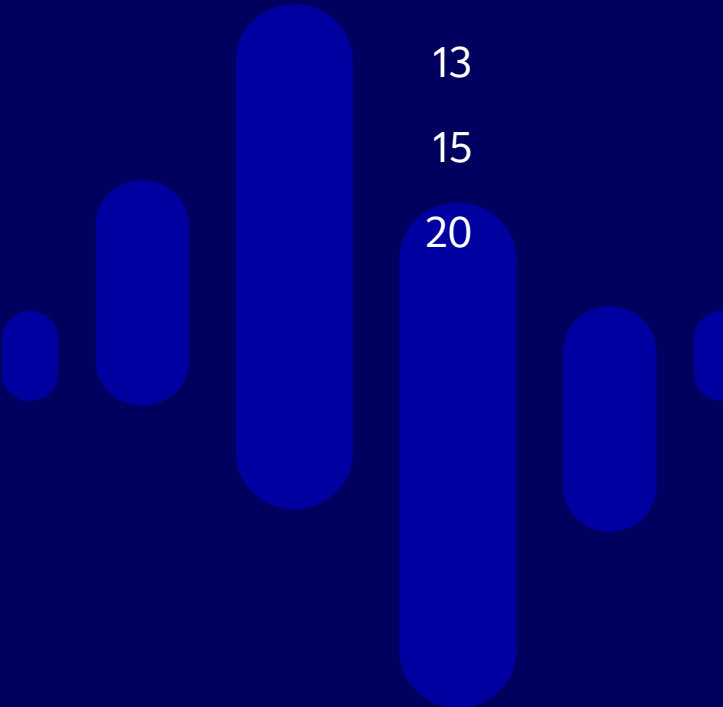


Nordea

Q4 2024 Debt investor presentation
Nordea Eiendomskreditt Covered Bonds

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1. In brief

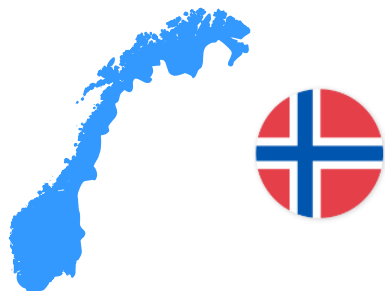


Covered bonds

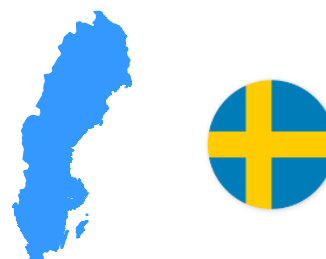
Nordea covered bond operations

Four aligned covered bond issuers with complementary roles

Nordea Eiendoms kreditt



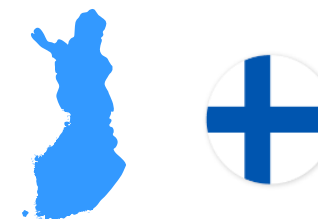
Nordea Hypotek



Nordea Kredit



Nordea Mortgage Bank



Legislation	Norwegian	Swedish	Danish	Finnish
Cover pool assets	Norwegian residential mortgages	Swedish residential mortgages primarily	Danish residential & commercial mortgages	Finnish residential mortgages primarily
Cover pool size	EUR 36.3bn (eq.)	EUR 62.2bn (eq.)	Balance principle	Pool 1: EUR 12.2bn Pool 2: EUR 14.5bn
Covered bonds outstanding	EUR 22.9bn (eq.)	EUR 31.4bn (eq.)	EUR 57.8bn (eq.)*	Pool 1: EUR 10.4bn Pool 2: EUR 10.8bn
OC	59%	98%	8%*	Pool 1: 18% / Pool 2: 34%
Issuance currencies	NOK	SEK	DKK, EUR	EUR
Rating (Moody's / S&P)	Aaa / -	Aaa / -	- / AAA	Aaa / -
Outstanding green covered bonds	EUR 1.8bn	EUR 1.6bn	EUR 2.2bn	EUR 2.0bn

- Covered bonds are an integral part of Nordea's long term funding operations
- Issuance in Scandinavian and international currencies
- All Nordea covered bond issuance entities (MCIs) refer to Nordea's updated 2023 [Nordea green funding framework](#)



¹⁾ The figures in Nordea Kredit only include capital centre 2 (SDRO). Nordea Kredit no longer reports for CC1 (RO), as this capital centre only accounts for a minor part (<0.5%) of the outstanding volume of loans and bonds

Nordea Eiendoms kreditt – overview

Q4 2024



100% owned subsidiary of Nordea Bank Abp - the largest Nordic financial institution



The purpose of the Issuer is to acquire and provide residential mortgage loans and finance its activities mainly through issuance of covered bonds



Financial Undertakings Act (Act. No. 17 of 10 April 2015, Norwegian: Finansforetaksloven), which was recently amended on 8 July 2022 to implement the European Covered Bond Directive



Cost-effective loan origination and service through Nordea Bank's nationwide Norwegian branch network and internet

MOODY'S

Covered bonds rated Aaa by Moody's

2. Cover pool characteristics



Cover pool key characteristics

Q4 2024

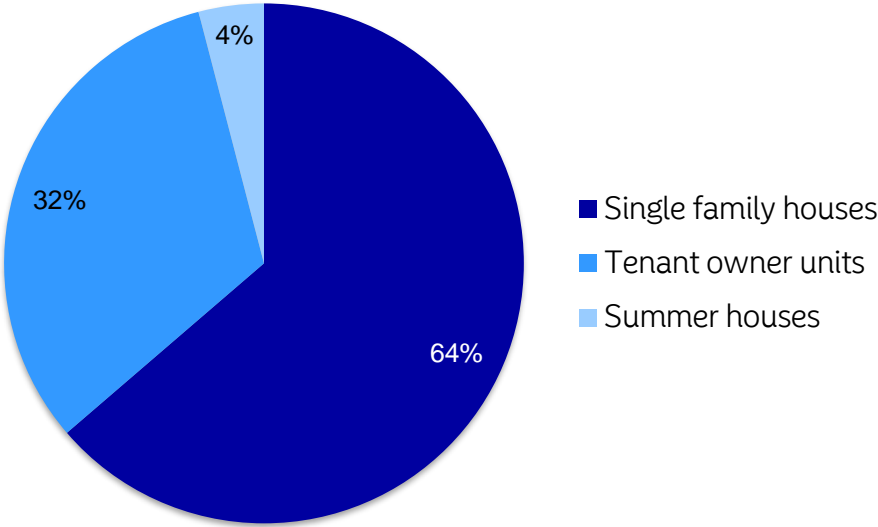
Cover pool summary

Loans in cover pool	NOK 428.1bn
Outstanding covered bonds	NOK 269.3bn
Cover pool content	Mortgage loans secured by Norwegian residential collateral
Geographic distribution	Throughout Norway with concentration to urban areas
Asset distribution	100% residential
Weighted average LTV	54.8% (indexed)
Average loans size	NOK 2.4m
Over collateralization, OC	59.0%
Rate type	Floating 94.7%, Fixed 5.3%
Amortization	Bullet/interest only 33.6%, Amortizing 66.4%
Pool type	Dynamic
Loans originated by	Nordea Eiendomskreditt

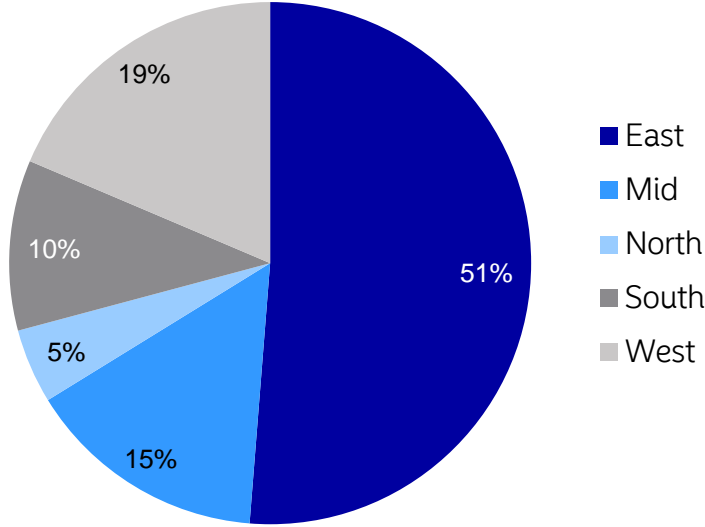
Cover pool key characteristics (2)

Q4 2024

Cover pool balance by loan category



Cover pool balance by region



3. Asset quality

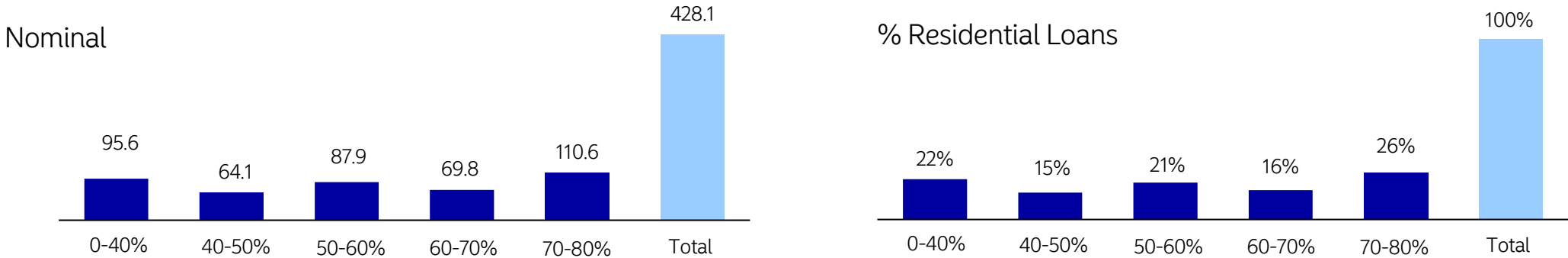


Continuous distribution where each loan can exist in multiple buckets

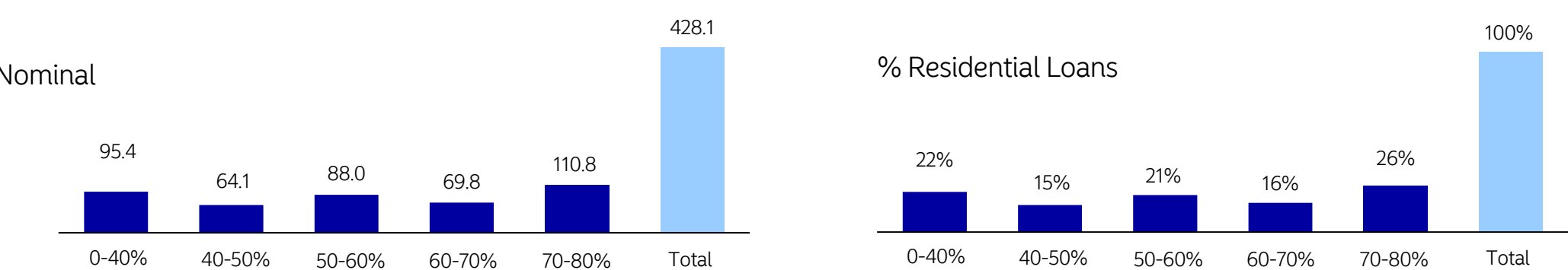
Loan To Value (LTV)*

Q4 2024

Weighted Average LTV – Indexed – 54.8%

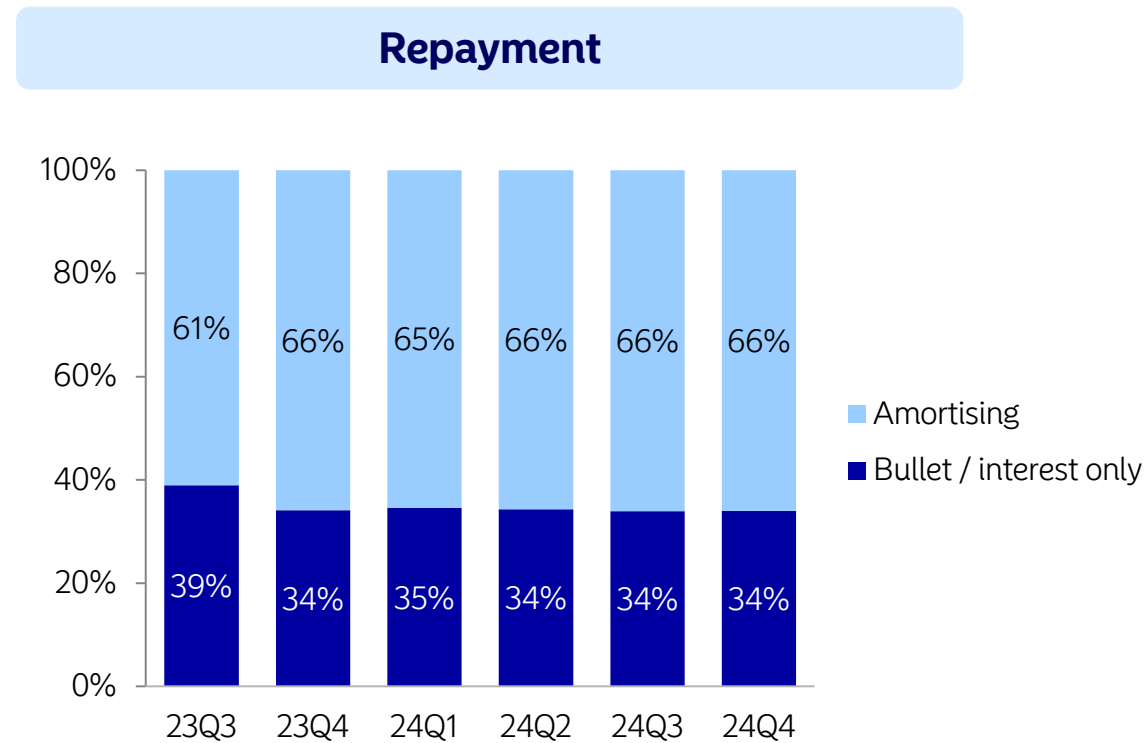
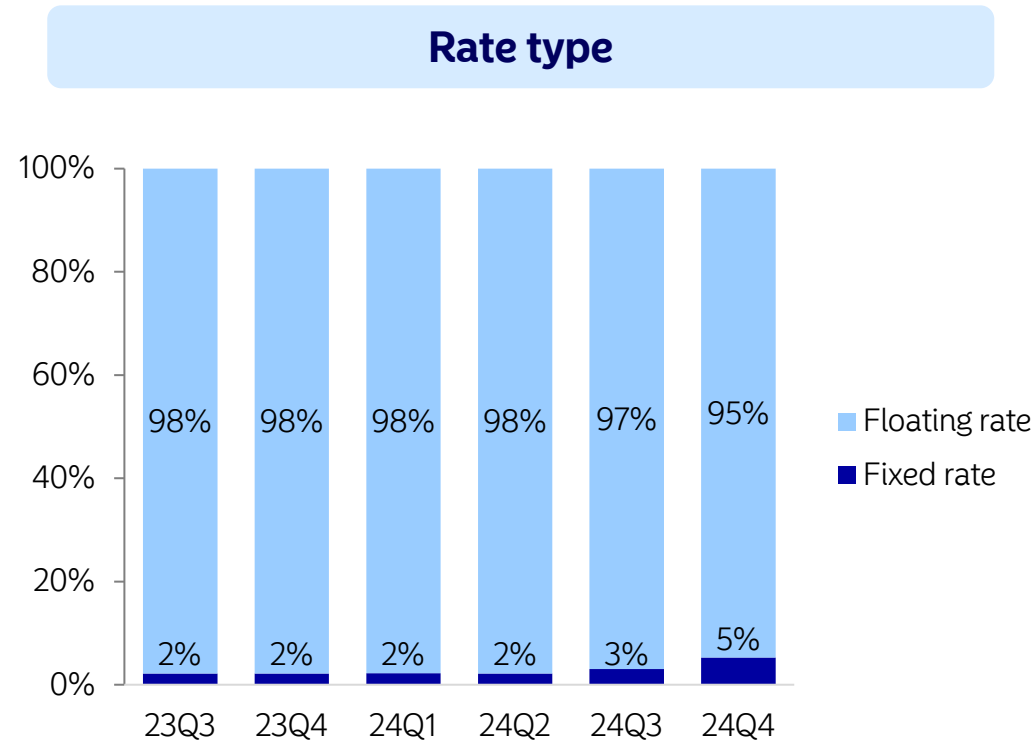


Weighted Average LTV – Unindexed – 54.9%



Loan structure

Q4 2024



Underwriting criteria

Regulation

Mortgages are regulated in "Utlånsforskriften" which sets requirements on borrowers' debt to income, rent sensitivity, instalments and loan to value

Repayment ability

- Nordea's credit decision is based on the customers repayment ability and collateral is always taken
- Repayment ability is stress tested towards 3 % increase on interest rate on all debt (regulated in "Utlånsforskriften")
- Retail customers are scored on monthly basis

Payment history

Credit bureau check is always conducted, and internal/external payment remarks are assessed

Collateral

- Nordea accepts three sources of real estate valuations:
 - a) Written statement from independent external authorized valuer
 - b) eTakst from Real Estate Agent
 - c) Use of statistical market value delivered by "Eiendomsverdi" (used by most banks and real estate agents in Norway)
- Information from Norwegian official property register in order to secure correct real estate ownership and priority

4. Covered bond framework



Norwegian covered bond framework

Legal framework

- Financial Undertakings Act (Act. No. 17 of 10 April 2015, Norwegian: Finansforetaksloven), which was recently amended on 8 July 2022 to implement the European Covered Bond Directive

Registration and independent inspector

- A mortgage credit institution shall for each cover pool establish a register of loans, cover assets, derivative contracts and covered bonds
- The institution shall appoint an independent inspector for the purpose of monitoring the register and compliance with matching cover requirements

Limit on LTV ratio – based on the current value

- 80% for residential property (however, 60% in case of vacation property)
- 60% for other real estate

Matching cover requirements

- The value of the cover pool shall at all times exceed the value of covered bonds by minimum 5% with a preferential claim over the pool for bondholders and derivative counterparties

Liquidity requirements

- The mortgage credit institution shall ensure that the payment flows from the cover pool enable the mortgage credit institution to honour its payment obligations towards holders of covered bonds and derivative counterparties at any and all times

Liquidity buffer requirements

- The cover pool must include a liquidity buffer in an amount covering the net liquidity outflow during the next following period of 180 days
- For covered bonds with an extendable maturity, the extended maturity date may be used when calculating the net liquidity outflow

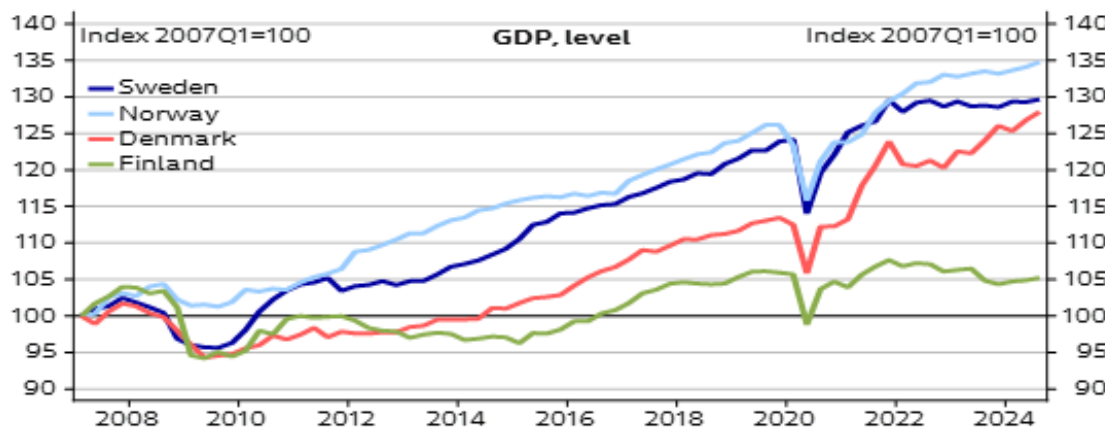
5. Macroeconomy



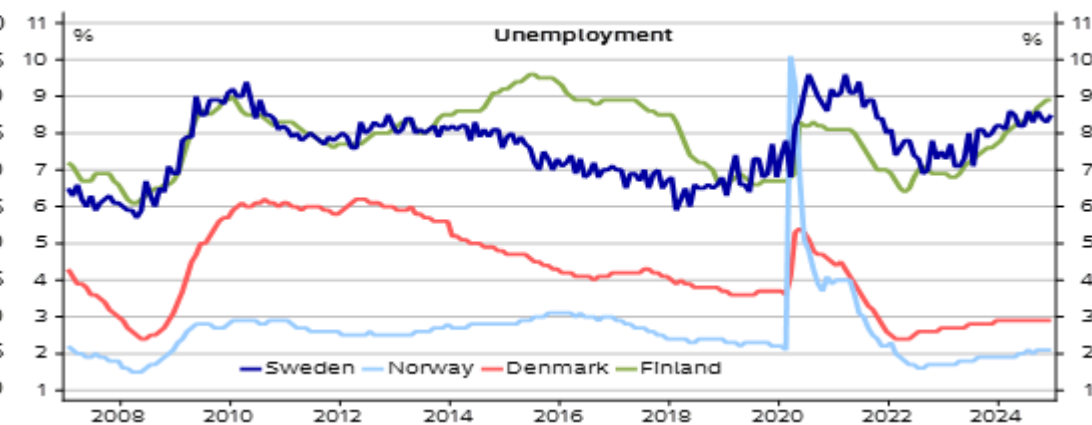
Nordic economic development

Better outlook ahead

GDP



Unemployment rate



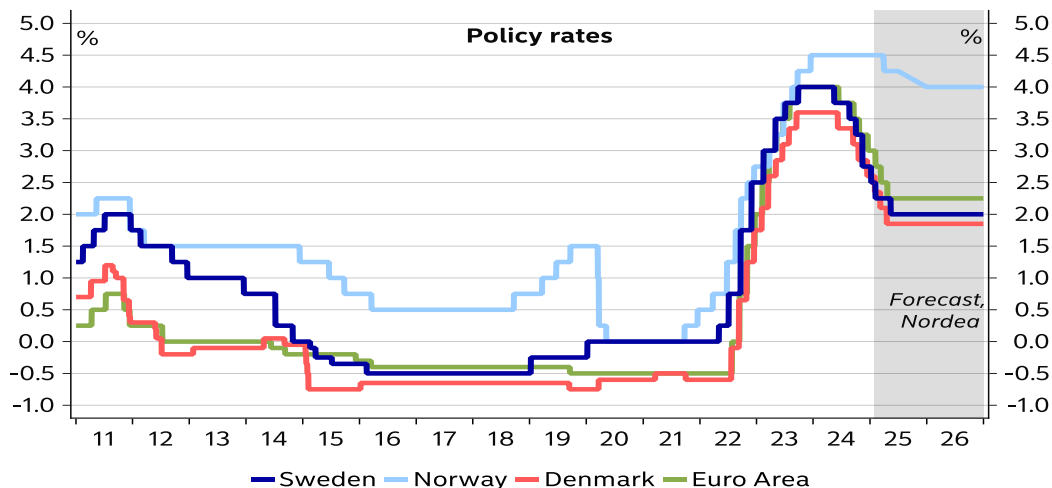
- The Nordic economies have shown mixed trends on the back of surging inflation and higher interest rates
- Lower interest rates are expected to support economic activity going forward. GDP-growth in the Nordics will be positive in 2025 and 2026, according to Nordea's forecast
- Labour markets are still under pressure but are expected to stabilise soon

GDP, % y/y, Economic Outlook January 2025

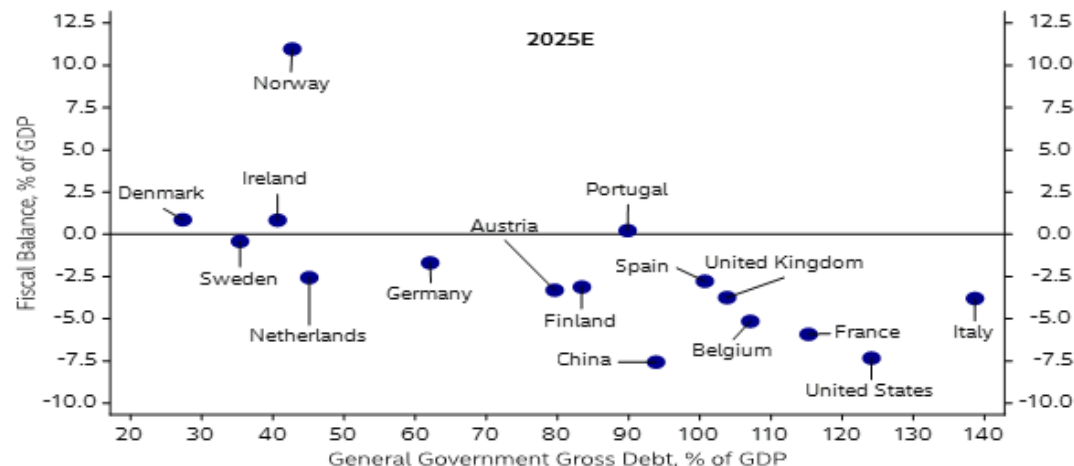
Country	2023	2024E	2025E	2026E
Denmark	2.5	2.9	2.8	1.7
Finland	-1.2	-0.5	1.0	2.0
Norway (mainland)	0.7	1.0	1.8	1.8
Sweden	0.0	0.6	1.6	2.6

Less restrictive monetary policy

Policy rates



Public balance/debt, % of GDP, 2025E (IMF)

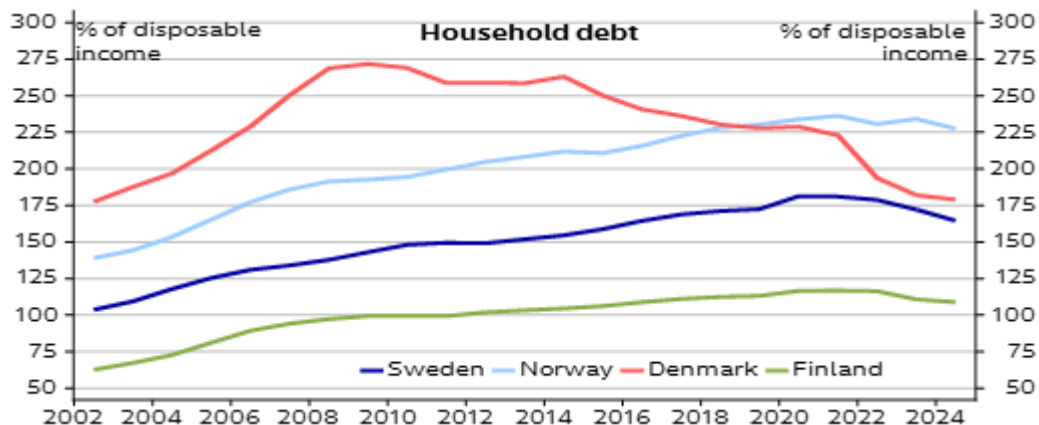


- The ECB and Danmarks Nationalbank lowered their policy rates by 0.25 percentage points in December
- The Riksbank is expected to cut the policy rate one more time before the summer, bringing down the policy rate to 2.00%
- The ECB is expected to lower rates by 0.25 percentage points at each meeting, until they reach 2.25% in April
- Norges Bank is expected to cut the policy rate in March by 0.25 percentage points down to 4.25%, according to Nordea's forecast. An additional rate cut is expected during the autumn, bringing down the policy rate to 4.00% by year-end
- The central banks are expected to stay on hold in 2026, leaving their policy rates unchanged, according to Nordea's forecast
- Solid public finances will help most of the Nordic governments to support the economic recovery ahead

Households

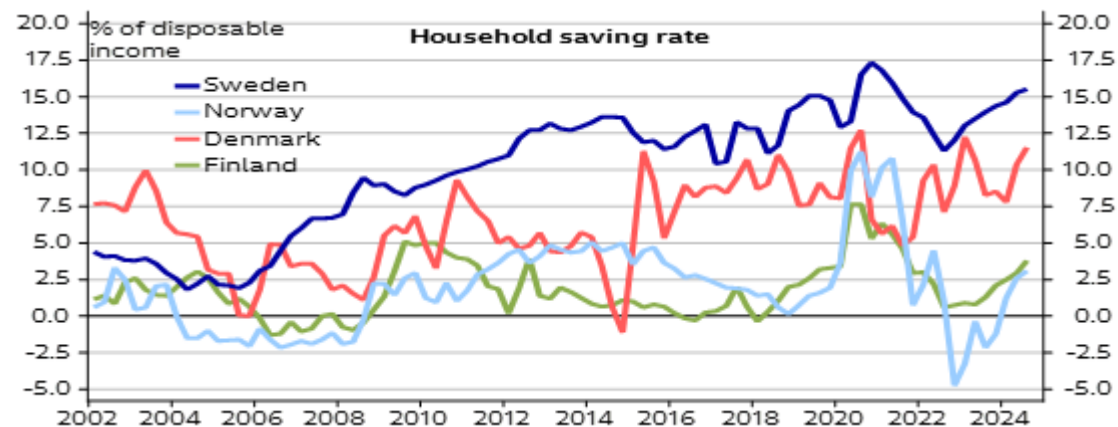
Increasing purchasing power

Household debt

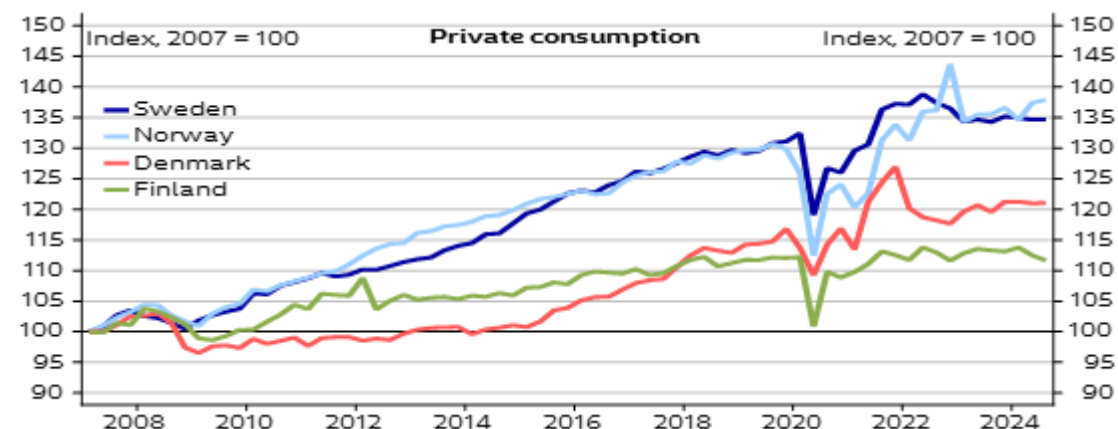


- Households' purchasing power and consumption are expected to improve as real disposable income continues to increase
- Consumer confidence have risen from very low levels but remains subdued, indicating caution among households
- Households' debt ratios have decreased whilst the savings rates have increased

Household savings

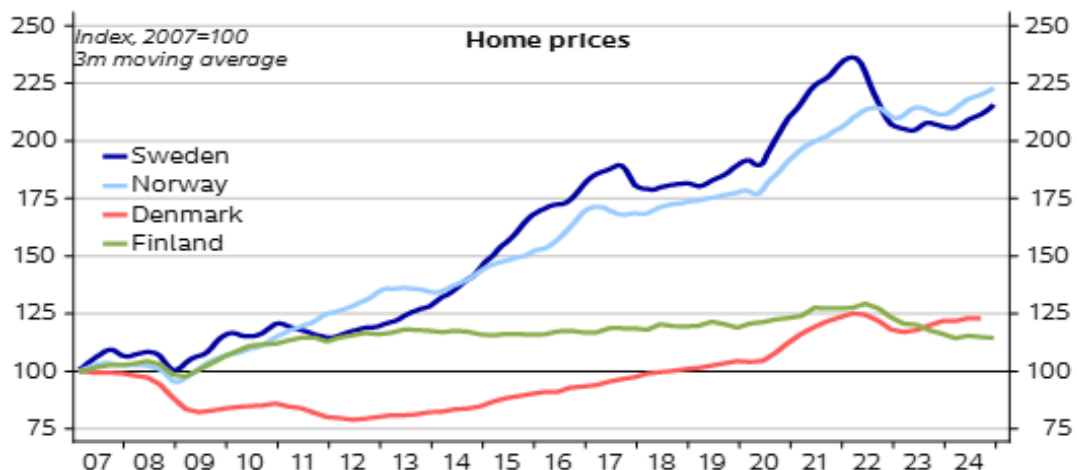


Private consumption

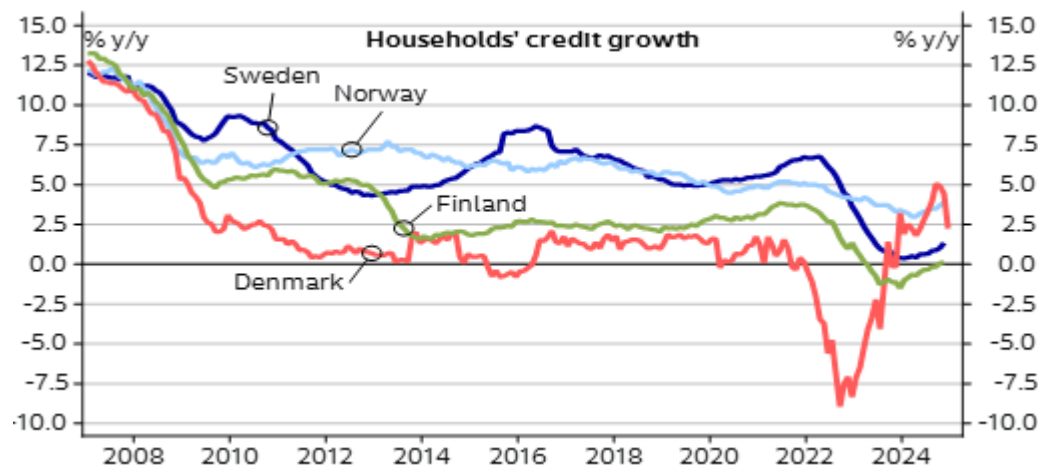


Increased activity

Home prices



Households' credit growth



- Home prices have stabilised and modestly started to increase in most of the Nordic countries. Norwegian home prices have developed better than their Nordic counterparts and rose by 6.4% in 2024
- Monetary policy has become less restrictive in most of the Nordics which should support a recovery in home prices
- Transaction volumes are picking up from low levels. However, imbalances remain, and the higher-than-normal supply of homes suggests the markets can absorb a higher demand without sharp price increases
- Households' credit growth have turned positive in all the Nordic countries. Credit growth is expected to increase as central banks continue to lower their policy rates

6. Further information



Nordea Eiendoms kreditt – outstanding benchmark covered bonds

Q4 2024

Breakdown by ISIN				
ISIN	Currency	Amount (EURm)	Maturity	Coupon
NO0010873334	NOK	34,418	19/03/2025	FRN
NO0010885353	NOK	15,000	27/05/2025	FRN
NO0010893282	NOK	35,000	16/09/2025	FRN
NO0010981301	NOK	27,400	18/03/2026	FRN
NO0010852650	NOK	6,000	22/05/2026	2.170%
NO0011017725	NOK	15,000	08/06/2026	FRN
NO0011151771*	NOK	7,000	17/09/2026	FRN
NO0012513532	NOK	26,050	17/03/2027	FRN
NO0012757675	NOK	8,000	23/08/2027	FRN
NO0012829763	NOK	27,700	02/02/2028	FRN
NO0013072991*	NOK	7,000	22/11/2028	FRN
NO0013134684	NOK	26,450	23/02/2029	FRN
NO0013334169	NOK	7,000	17/09/2029	FRN
NO0012720988	NOK	8,250	12/10/2029	4.000%
NO0013389460*	NOK	7,000	07/11/2029	FRN

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