Nordea

# Nordea Kredit Covered Bonds

Q2 2026 Debt Investor Presentation

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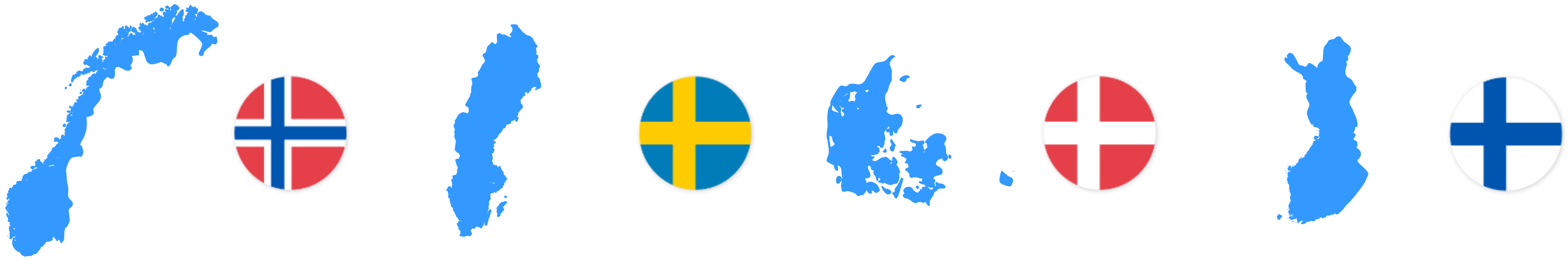
# 1. Nordea covered bond operations

Covered bonds

# Nordea covered bond operations

***Four aligned covered bond issuers with complementary roles***



| | Nordea Eiendomskreditt | 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 38.9bn (eq.) | EUR 70.1bn (eq.) | Balance principle | Pool 1: EUR 5.3bn<br>Pool 2: EUR 22.4bn |
| Covered bonds outstanding | EUR 22.7bn (eq.) | EUR 35.1bn (eq.) | EUR 56.8bn (eq.) [1] | Pool 1: EUR 4.6bn<br>Pool 2: EUR 18.0bn |
| OC | 71% | 99% | 7.4%[1] | Pool 1: 14% / Pool 2: 19% |
| Issuance currencies | NOK | SEK | DKK, EUR | EUR |
| Rating (Moody's / S&P) | Aaa/ - | Aaa / - | - / AAA | Aaa / - |
| Outstanding green covered bonds | EUR 2.6bn | EUR 2.3bn | EUR 2.3bn[1] | EUR 2.8bn |

- 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 2025 Nordea green funding framework

[1] The figures for 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

# 2. Nordea Kredit - in brief

# Nordea Kredit – in brief

- 100% owned subsidiary of Nordea Bank Abp - the largest Nordic financial institution
- Operates as a mortgage credit institution with the purpose of granting mortgage credit loans funded by issuing mortgage credit bonds (covered bonds)
- Founded in 1993 and supervised by the Danish FSA (DFSA, Finanstilsynet)
- All mortgage credit bonds (covered bonds) issued by Nordea Kredit are rated AAA by Standard & Poor's
- Full support from Nordea Bank Abp to ensure compliant daily liquidity management
- More information at nordeakredit.dk

| Key Figures and Ratios | Jan-Jun 2026 | Jan-Jun 2025 | Y/Y |
|---|---|---|---|
| Profit Before Tax, EURm | 145.2 | 130.4 | 11% |
| Cost-Income Ratio | 22.3% | 27.3% | -5.0pp |
| Capital Ratio[1] | 23.9% | 24.5% | -0.6pp |
| Tier 1 Capital Ratio[1,2] | 22.2% | 22.8% | -0.6pp |

1) Comparative figures have been restated for correction of the calculation of Loss Given Default (LGD), resulting in lower Risk Exposure Amount (REA) and higher capital ratios than previously reported.
2) Excluding profit for the period



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# 3. Cover pool key characteristics

# Cover pool key characteristics

Q2 2026

| | |
|---|---|
| **Outstanding covered bonds** | EUR 56.8bn |
| **Cover pool content** | Mortgage credit loans secured by mainly residential property (total: EUR 61.0bn including substitute assets)[1] |
| **Geographic distribution** | Throughout Denmark with concentration in urban areas |
| **Weighted average LTV (indexed)** | 47.9% |
| **Average residential loan size** | EUR 218,770 |
| **Over-collateralisation, OC** | 7.4% |
| **Interest rate type (bonds)** | Fixed coupon 74.3%[2], Floating rate 25.7% |
| **Amortization of underlying loans** | Interest-only 55.2%, Amortizing 44.8% |
| **Substitute assets** | EUR 5.3 bn |
| **Pool type** | Static |
| **Loans originated by** | Nordea Kredit CC2 |

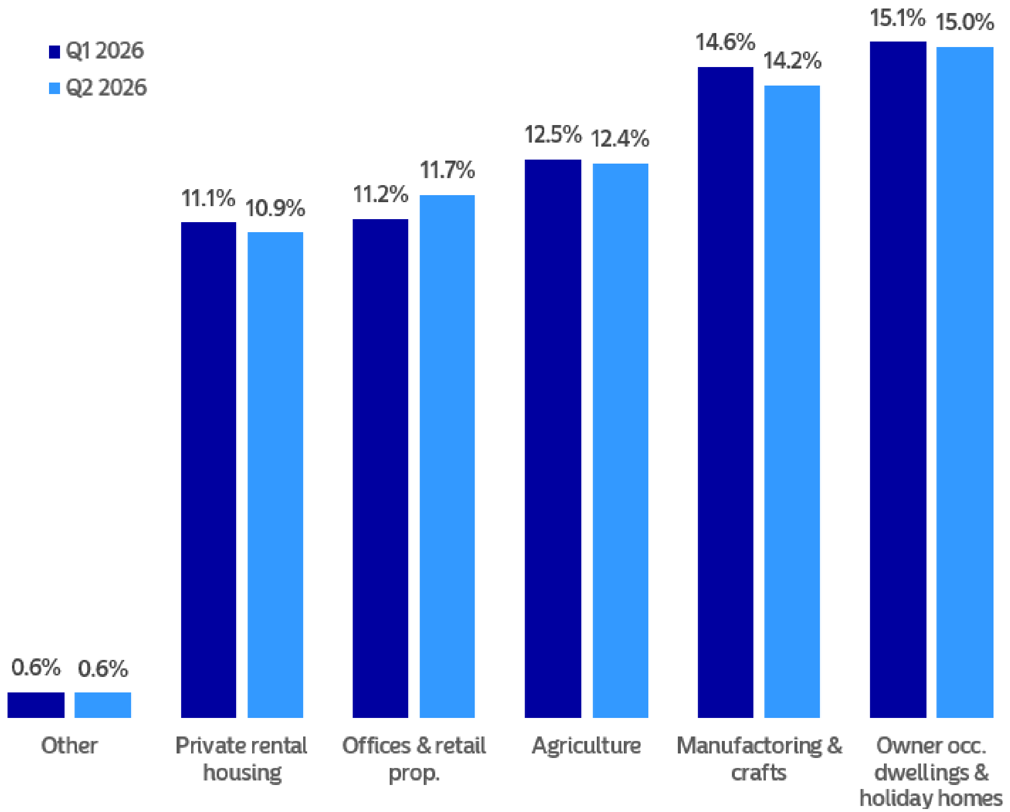
1) Note that substitute assets include pass-through funds that until passed on to investors are part of the collateral (in addition to the primary assets) for the outstanding covered bonds. Therefore, the over-collateralisation (OC) is comprised of only the remaining part of the substitute assets.

2) Including Bonds funding ARMs

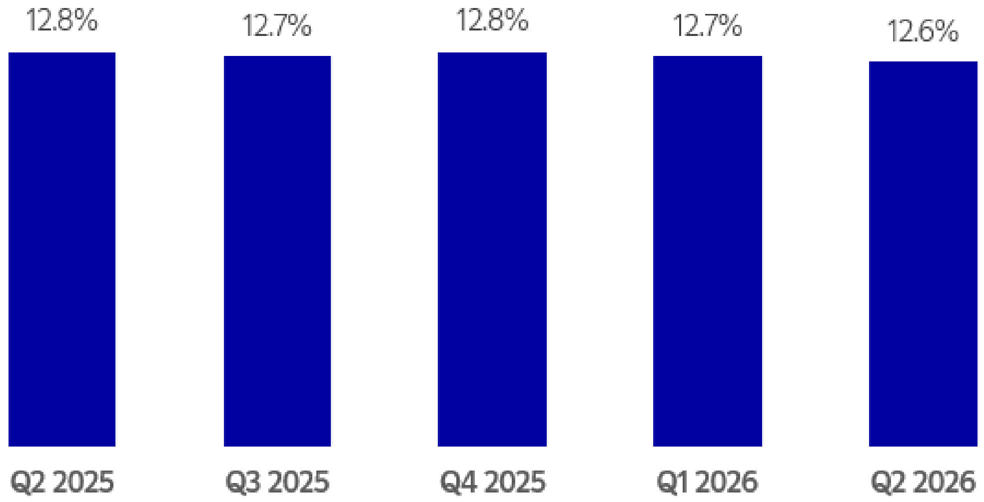
# Loan portfolio

## Q2 2026

### Market share[1] by property category




### Market share[1] – overall




1) Market share of the Danish mortgage credit market (Loan balance)



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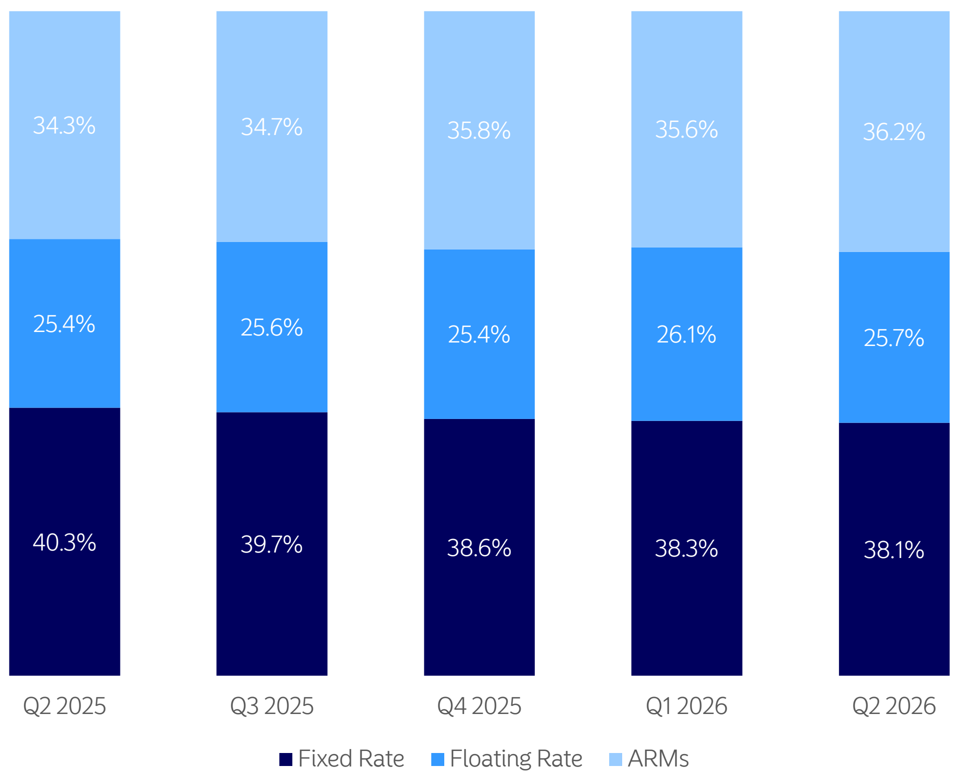
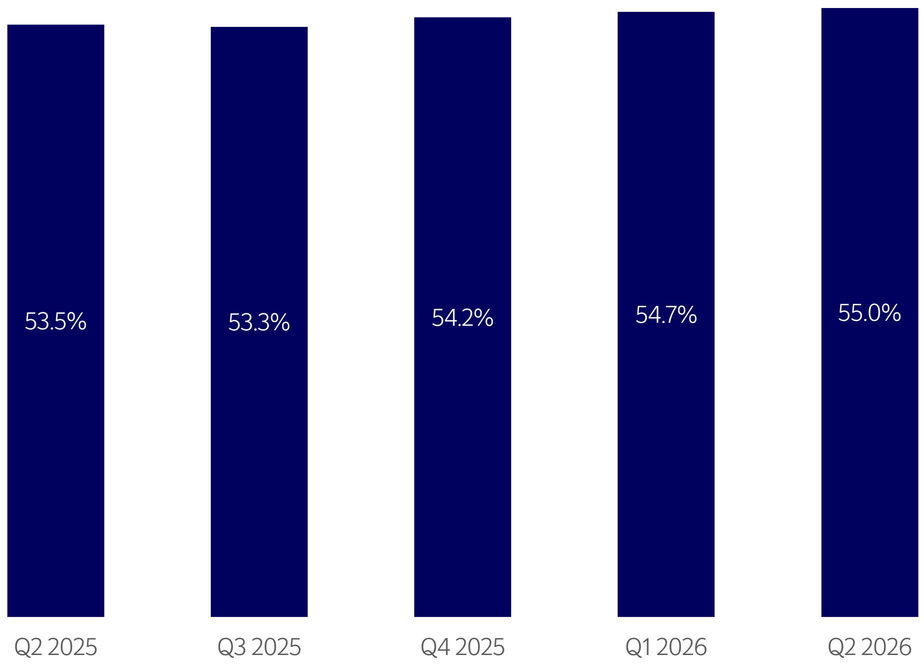
# Total loan portfolio (CC1 and CC2)

## Q2 2026

### Loan portfolio by loan type




### Share of interest-only loans




Note: In percent of the total loan balance



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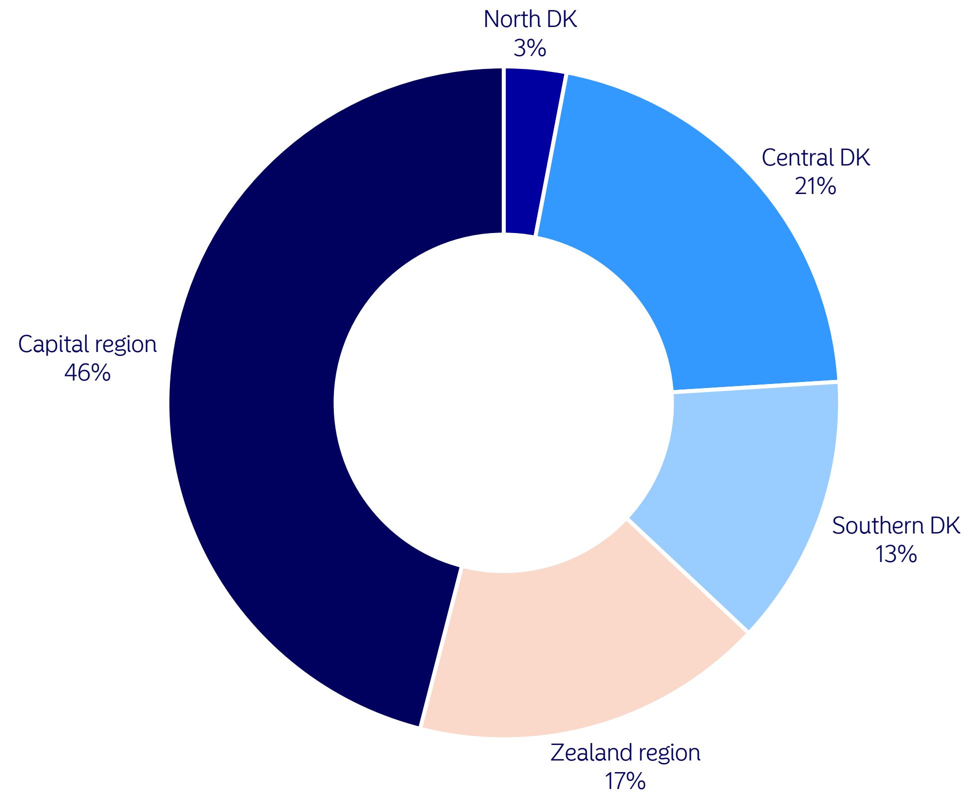
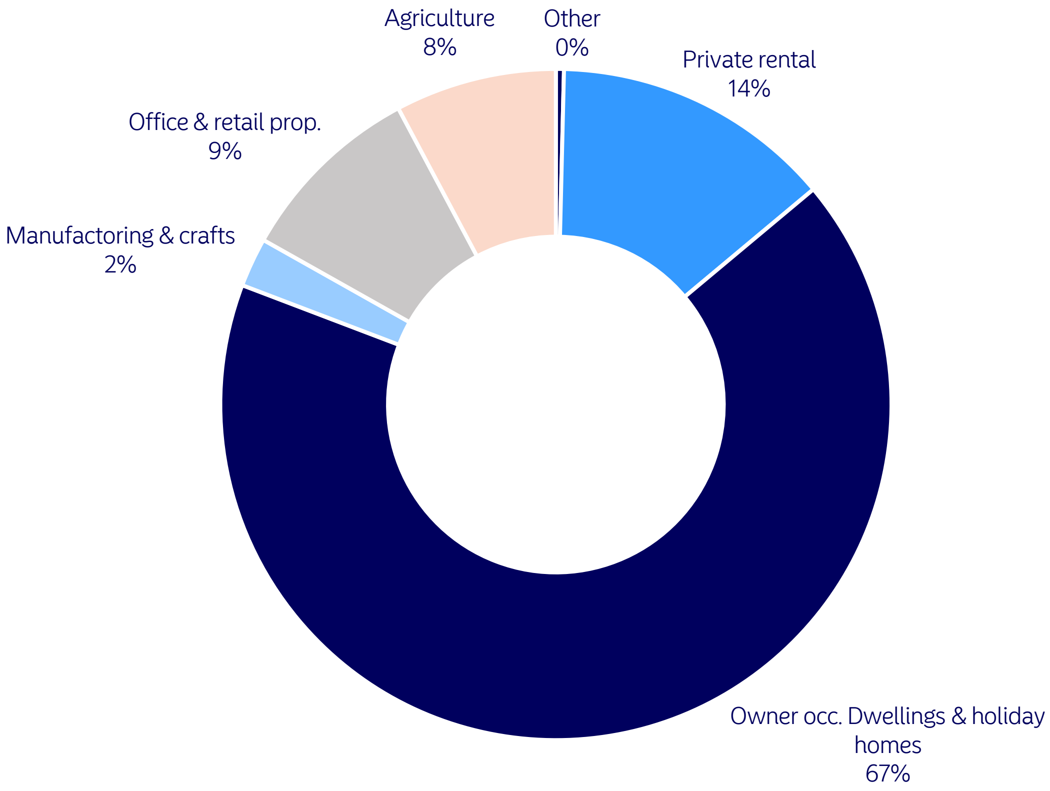
# Loan portfolio

## Q2 2026

### Loan balance by region




### Loan balance by property category



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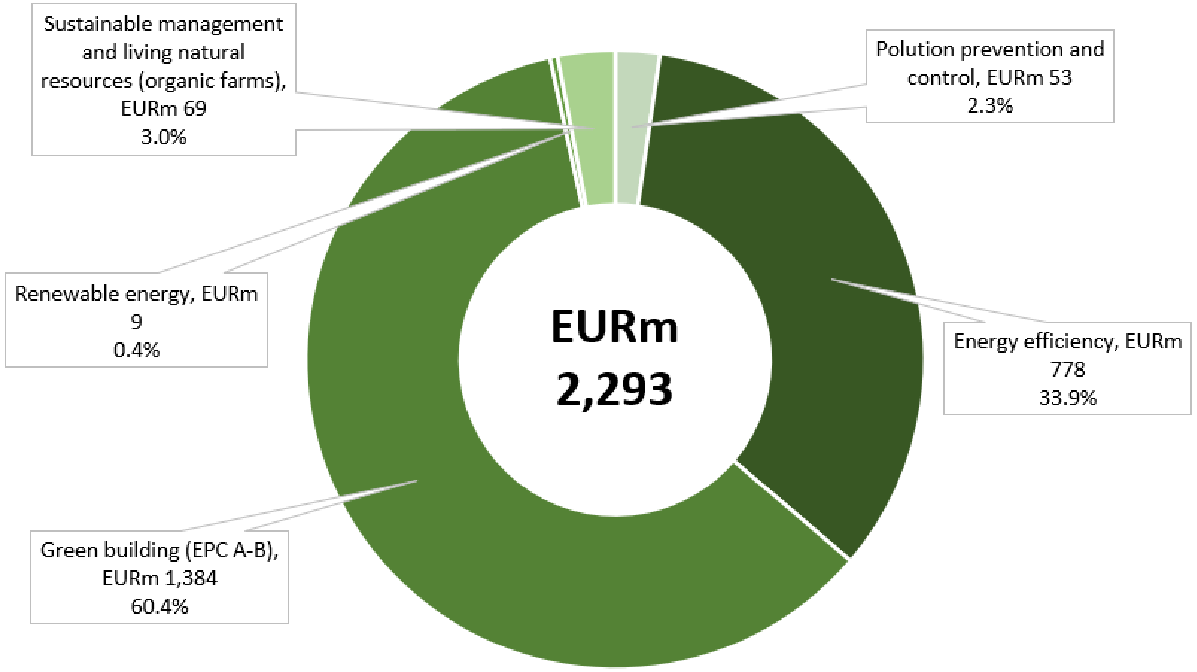
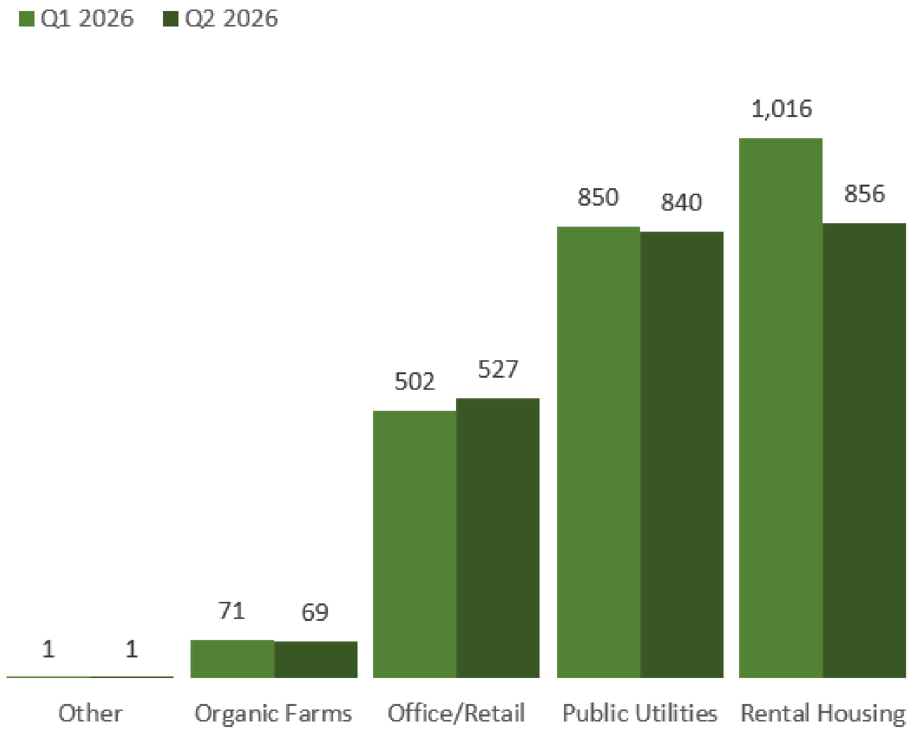
# Green Bonds

## Q2 2026

| Green lending by asset category | Green lending by property category - EURm |
|---|---|




Green mortgage loans in Nordea Kredit must meet the criteria set out in the Nordea Green Funding Framework.



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# Financed emissions – and portfolio by EPCs

## Q2 2026

| Type of property | Total volume DKKbn | Q1 | Coverage (volume) | Q1 | Financed emissions [1)] Total emission tCO2 | Q1 | Financed emission tCO2 | Q1 | Financed emission CO2/DKKbn | Q1 | Total emission CO2/sqm | Q1 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Owner. occ. dwellings | 254 | *254* | 98.9% | *98.7%* | 263,788 | 266,928 | 124,722 | *124,904* | 0.49 | *0.50* | 11 | *12* |
| Commercial residential | 52 | *53* | 95.2% | *94.7%* | 63,547 | 63,893 | 23,195 | *23,048* | 0.45 | *0.46* | 8 | *8* |
| Offices & retail prop. | 32 | *36* | 83.6% | *83.3%* | 84,675 | 85,833 | 31,650 | *31,885* | 0.98 | *1.05* | 12 | *13* |
| Other properties [2)] | 45 | *49* | 0.0% | *0.0%* | | | | | | | | |
| **Total** | **383** | *392* | **84.8%** | *84.5%* | **412,010** | *416,654* | **179,567** | *179,837* | | | | |

Notes
1) Calculations and portfolio as of end of June 2026.
2) Other properties include agriculture, manufacturing and manual industries etc.
3) Energy Performance Certificate (EPC): Theoretical calculation of the building´s energy consumption.

| Portfolio by EPCs [1, 3)] EPC | Volume DKKbn | Q1 |
|---|---|---|
| A2020 | 9 | *9* |
| A2015 | 28 | *27* |
| A2010 | 16 | *14* |
| B | 22 | *21* |
| C | 76 | *75* |
| D | 51 | *51* |
| E | 18 | *18* |
| F | 7 | *7* |
| G | 4 | *4* |
| N/A | 152 | *150* |
| **Total** | **383** | *376* |

**Disclaimer**

The information on CO2 emissions is presented on the basis of Finance Denmark's "Framework for Financed Emissions Accounting" and Nordea Kredit's "Approach for estimations of CO2-emissions for the lending portfolio of Nordea Kredit".

The reported information on CO2 emissions has been prepared by Nordea Kredit using publicly available information considered reliable – including e.g. The Building and Housing Register (heating source etc.) and The Danish Energy Agency (information on EPCs). However, Nordea Kredit has not independently verified the contents hereof.

Nordea Kredit has taken reasonable care to ensure that the information and data used are not misleading, however, no representation or warranty, should be placed on the accuracy or completeness of the information presented above.



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# 4. Asset quality

# Loan to value (LTV) – loans for residential and commercial properties

## Q2 2026

| Loan type<br>Weighted average LTV – indexed | Mortgage credit loans (residential)<br>51.8% | | Mortgage credit loans (commercial)<br>40.8% | |
|---|---|---|---|---|
| LTV buckets | Nominal (EURm) | % Loans | Nominal (EURm) | % Loans |
| > 0 - ≤ 40 % | 33,555 | 74.7% | 8,393 | 77.9% |
| > 40 - ≤ 50 % | 5,340 | 11.9% | 1,524 | 14.1% |
| > 50 - ≤ 60 % | 3,463 | 7.7% | 753 | 7.0% |
| > 60 - ≤ 70 % | 1,786 | 4.0% | 95 | 0.9% |
| > 70 - ≤ 80 % | 669 | 1.5% | 5 | 0.1% |
| >80% | 105 | 0.2% | 1 | 0.0% |
| Total | 44,918 | 100.0% | 10,771 | 100.0% |



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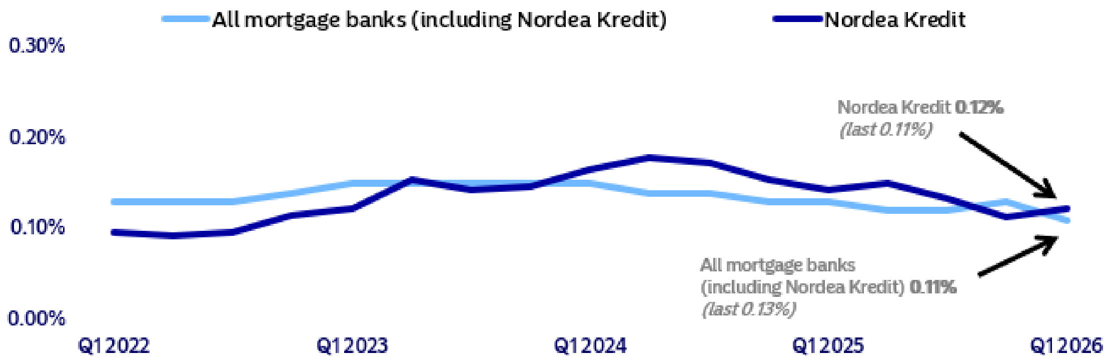
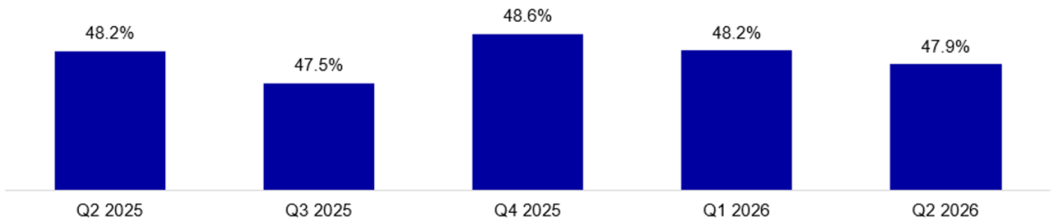
# Asset quality

## Q2 2026

### Arrears (owner occupied dwellings and holiday homes) [1] [2]




### Loan to value (LTV) weighted average (all loans)




1) Arrears as a percentage of the scheduled payments – 3½ months after due date.
2) The development in arrears for Nordea Kredit has been influenced by a pause of legal collection in Nordea Denmark in general since Q1 2023. Legal collection has been partly resumed since May 2024, including resuming of legal collection of loans in Nordea Kredit.

# 5. Underwriting criteria

# Underwriting criteria

## Private households

- Behavioural score and individual credit assessment are conducted based on income information, e.g. payslips and tax information
- ”Before-after loan” household budgets are made and used in the assessment (based on a 30-year fixed interest rate annuity loan)
    - If the borrower chooses adjustable or floating interest rate loans, an additional stress test based on the current fixed interest rate +1 percentage point is conducted
    - If the LTV (loan to value) is > 60 and the LTI (loan to income) is > 4, the customer can only choose:
        - Fixed rate loans OR
        - amortising floating rate, fixed for minimum 5 years
- An individual valuation is made of the pledged property

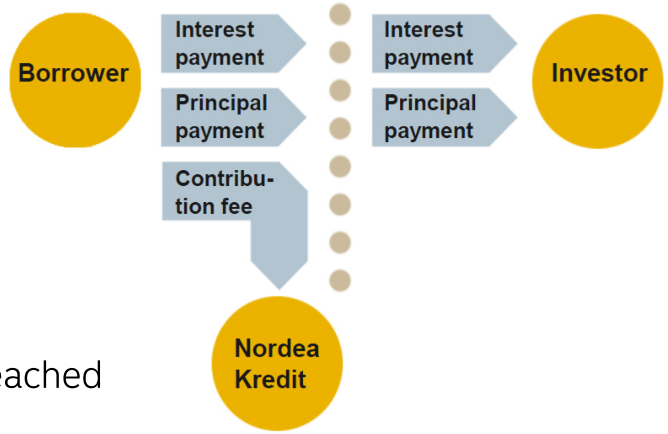
## Corporates, agriculture etc.

- A financial analysis of the customer is made, including adjustments for current market conditions
- Key ratios and other requirements in Nordea real estate lending policy are verified
- Rating of the customer according to Nordea’s in-house models
- An individual valuation is made of the pledged property
- Yearly margin repricing based on reassessment

# 6. Danish covered bond framework

# Danish covered bond framework

- Legal framework
  - The Financial Business Act
  - The Mortgage-Credit Loans and Mortgage-Credit Bonds, etc. Act with several implementing executive orders
- Registration
  - An issuing institution is required to maintain a static cover pool
  - Mortgage deeds must be registered in the Danish Public Land Registry
- Limits on LTV ratios – based on the value of the property at loan origination
  - 80% for mortgage loans in residential property
  - 60% for mortgage loans in commercial real estate (legislative limit 70%)
  - Static cover pools – issuer must provide supplementary capital if LTV-limits are breached
- Matching rules
  - Nordea Kredit complies with the specific balance principle utilising match funding, hence Nordea Kredit only has insignificant interest rate and currency risk
- Public supervision
  - The DFSA performs supervision and on-site inspections on an ongoing basis



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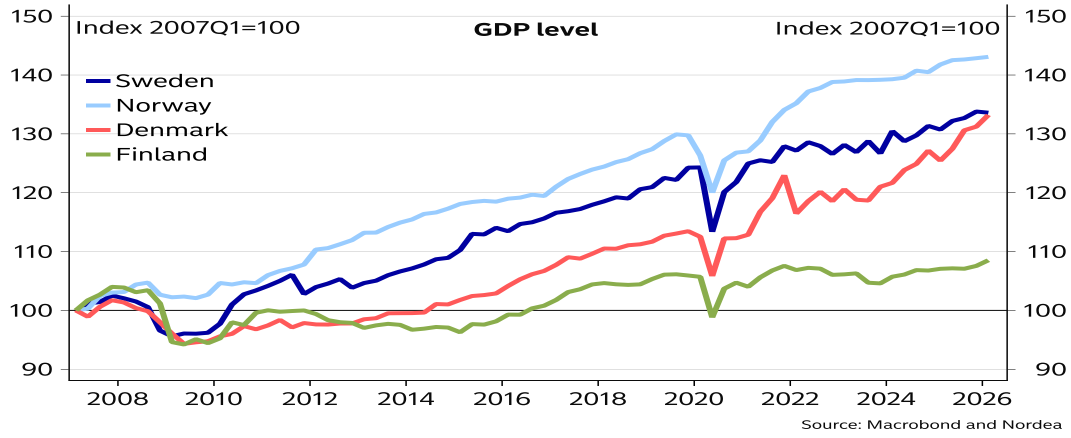
# 7. Macroeconomy

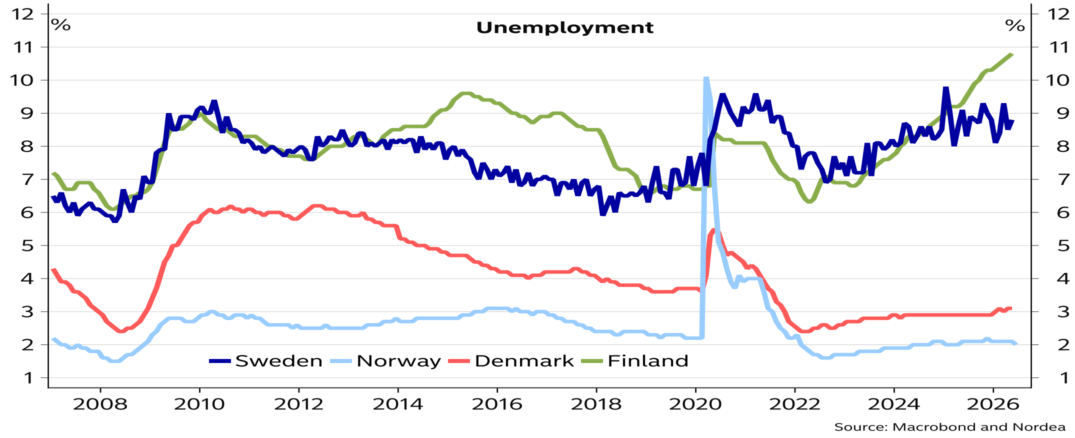
Nordic economic development

# Relief, but uncertainty remains

## GDP




## Unemployment rate




- The memorandum of understanding signed in June gave relief to global markets. Still, the outlook remains uncertain due to renew hostilities in the region, trade tensions and elevated public debt. The impact on the Nordic economies has so far been limited. Our growth forecasts are kept largely the same as before the war.
- GDP development was positive for Denmark, Finland and Norway in the first quarter of 2026, while Sweden saw a decline

## GDP, % y/y, Economic Outlook May 2026

| Country | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|
| **Denmark** | 3.9 | 3.5 | 2.1 | 1.9 |
| **Finland** | 0.9 | 0.8 | 1.0 | 1.5 |
| **Norway (mainland)** | 0.6 | 1.7 | 1.5 | 1.3 |
| **Sweden** | 2.0 | 1.8 | 2.3 | 2.1 |

Source: Nordea Markets and Macrobond



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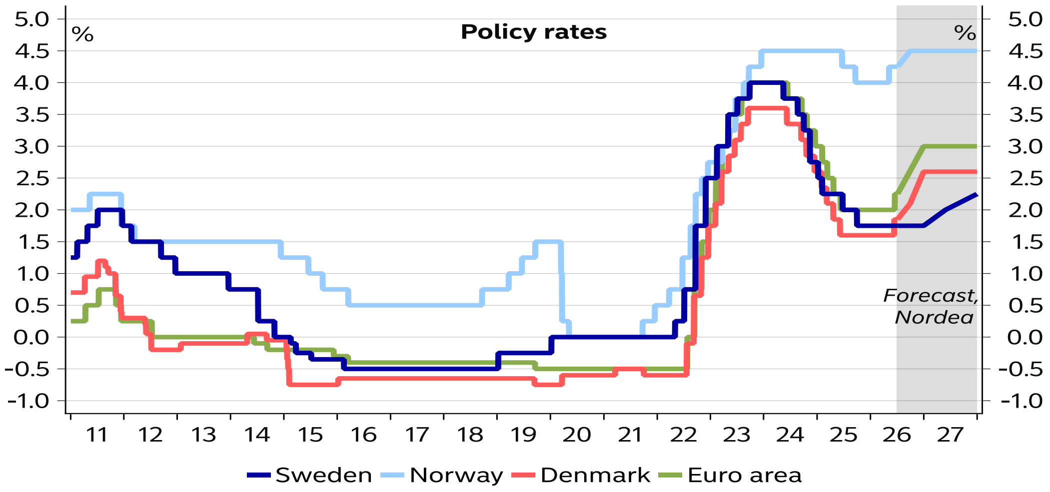
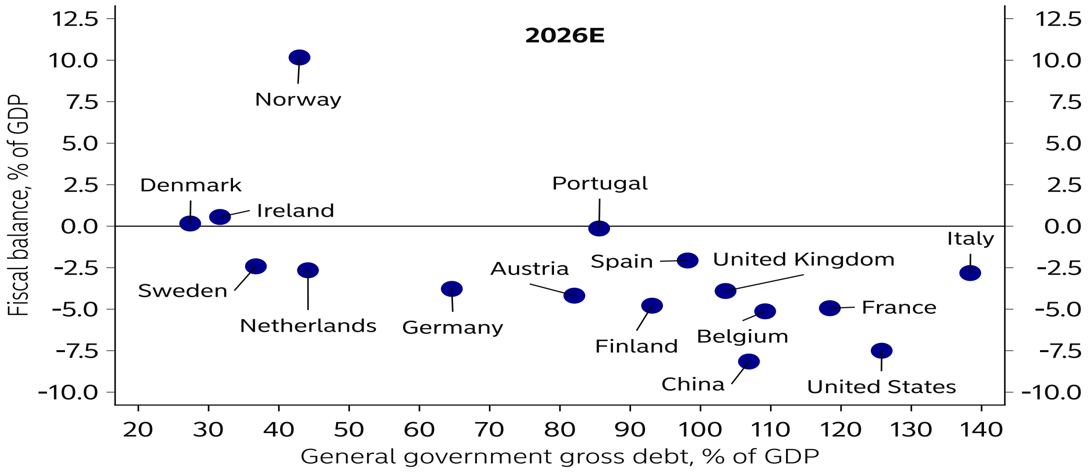
# Eased risks

## Policy rates




## Public balance/debt, % of GDP, 2026E (IMF)




Source: IMF World Economic Outlook, Nordea and Macrobond

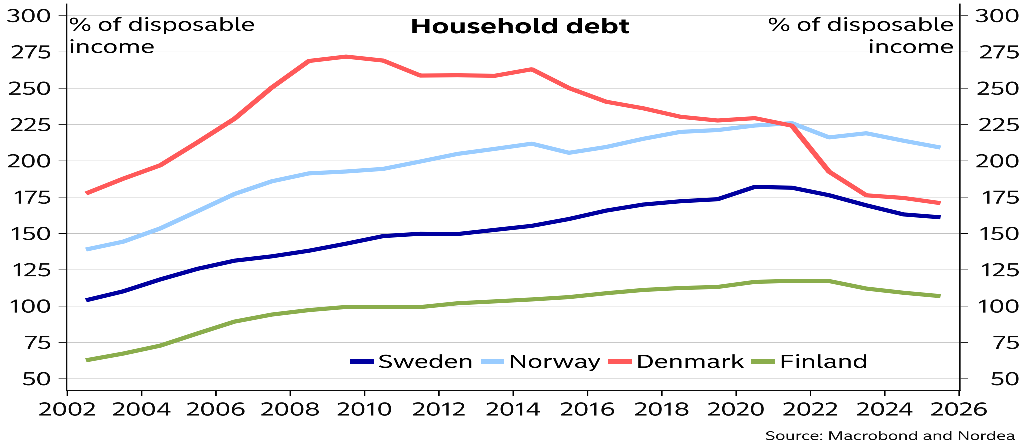
- The ECB and Norges Bank hiked rates to 2.25% and 4.25%, respectively, in Q2. The Riksbank kept their rate unchanged at 1.75%
- According to Nordea's forecast, the ECB is expected to hike rates three times in 2026 to 3.0% and keep rates steady during 2027
- The Riksbank is expected to leave their policy rate unchanged until year-end. In 2027 we expect two hikes to a rate at 2.25%
- Norges Bank is expected to hike its policy rate once more in 2026 to 4.5% thereafter leave it unchanged in 2027
- The deescalation of the war in the Middle East and the opening of the Hormuz Strait in June lowered the oil price markedly and eased inflation risks. Market's expectations on rate hikes shifted lower. However, the outlook remains uncertain.
- Most of the Nordic countries are AAA-rated characterised by robust public finances and solid external balance sheet surpluses

Source: Nordea Markets and Macrobond

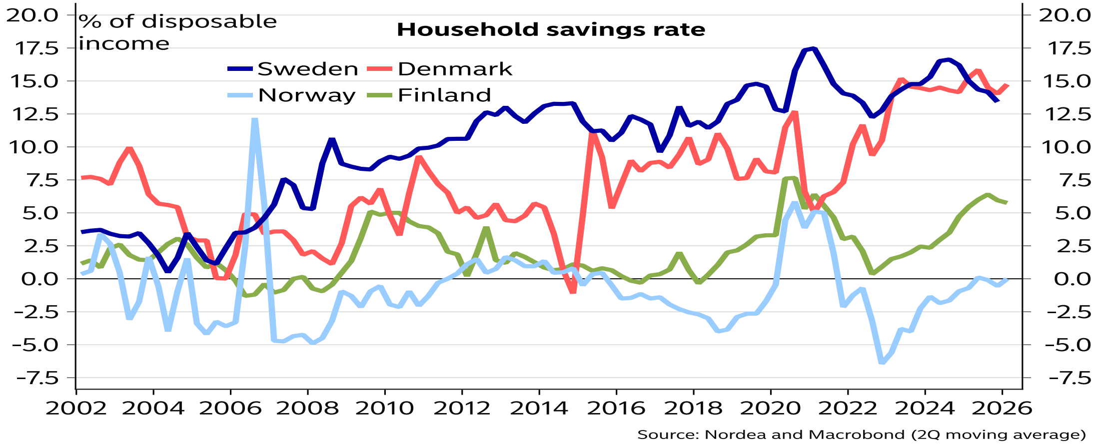
Households

# Resilience

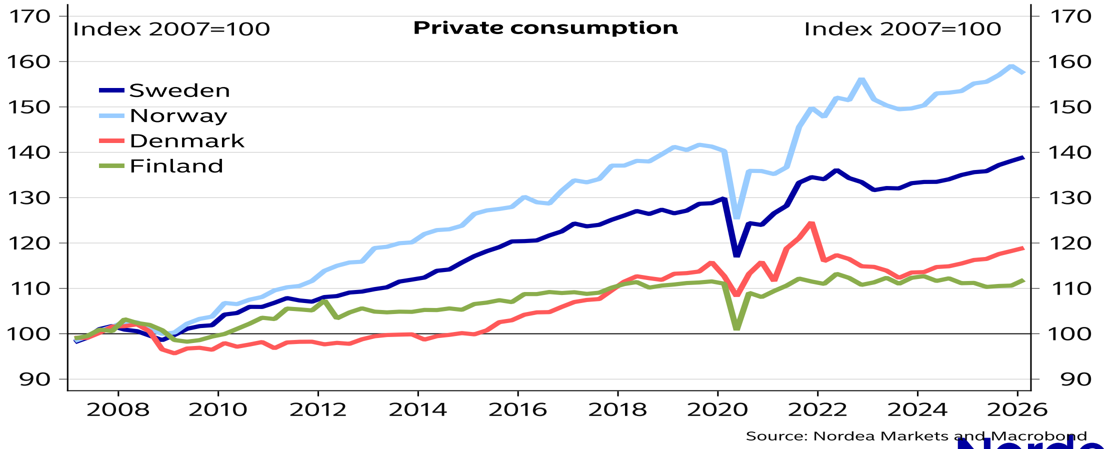
## Household debt




## Household savings



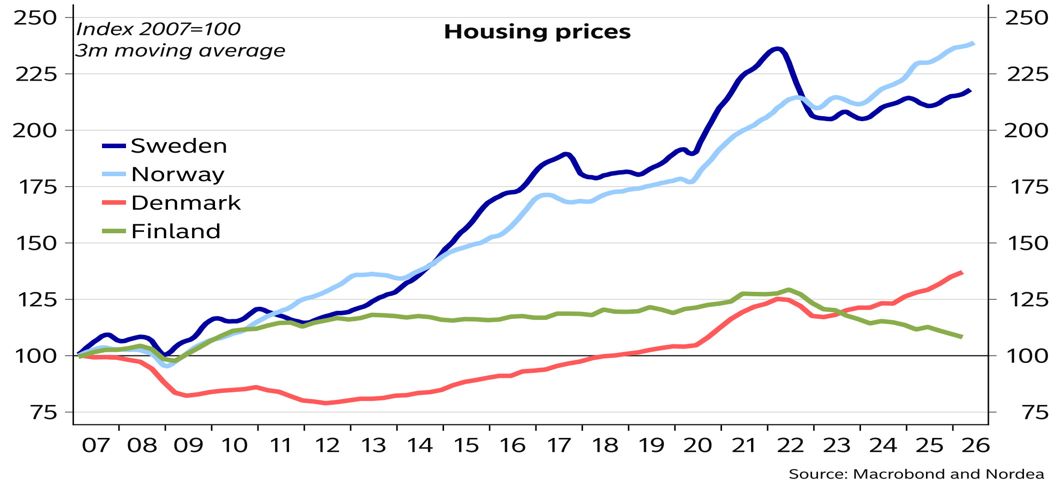

## Private consumption



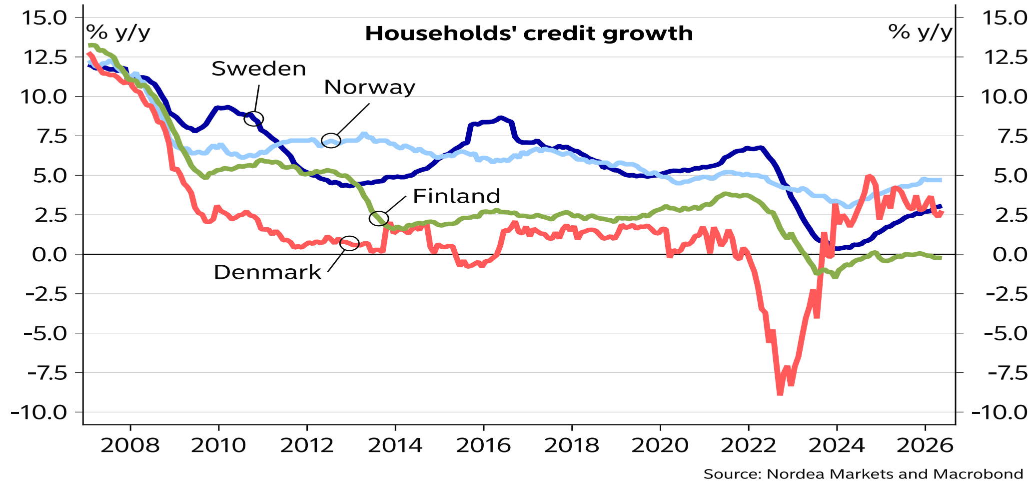

- Consumer confidence among the Nordic households has improved at the end of the quarter, but remain below their historic normal
- Despite low confidence and high savings rates in most countries, private consumption has been growing, further supported by different tax breaks
- Household purchasing power and consumption are expected to grow at a solid pace. Finland stands as an exception, where higher interest rates and high energy prices could slow the growth

# Activity holds up

## Housing prices




## Households' credit growth




- Housing price development in Norway and Denmark have fared better than their Nordic counterparts. Prices in Sweden is increasing, but are still well below the previous peak. The development in Finland remain sluggish with falling prices.
- Policy rates are expected to rise, or has just been raised, in most of the Nordic countries. However, household's financial conditions will still be solid and should support continued increase in housing prices.
- Transaction volumes have normalised in Norway and Denmark, but fallen in Finland. Eased lending requirements contributed to a sharp rise in the number of transaction in Sweden in April and has been elevated in Q2. The supply of homes in Sweden is elevated, but declining from the peak a year ago, and remain elevated in Norway. The supply in Denmark is still at lower levels.
- Household credit growth continues to increase in Sweden and Norway, is levelled in Denmark and remain flat in Finland.

# 8. Relevant links and Contacts

# Links for more information

## Nordea Kredit

- Nordea Kredit ECBC harmonised transparency templates.
  *Link: https://www.nordea.com/en/investor-relations/reports-and-presentations/bonds/nordea-kredit-covered-bonds/*

- Nordea Kredit financial reports.
  *Link: https://www.nordea.com/en/investor-relations/reports-and-presentations/subsidiary-reports/nordeas-danish-subsidiary-reports/*

## Legislation

- Danish mortgage credit institutions are supervised by the Danish FSA (Finanstilsynet).
  *Link: English: https://www.dfsa.dk/ - Danish: https://www.finanstilsynet.dk/*

- Selected legislation can be found in English at the Danish FSA's English website.
  *Link: https://www.dfsa.dk/rules-and-practice/governance/acts*

- All mortgage credit institution legislation can be found in Danish at the Danish FSA's Danish website.
  *Link: https://www.finanstilsynet.dk/lovgivning/dansk-lovsamling/kreditinstitutomraadet*

# Contacts

If you have any questions, please feel free to contact:

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