Nordea

Nordea Kredit Covered Bonds

Q4 2025 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 36.7bn (eq.)	EUR 68.9bn (eq.)	Balance principle	Pool 1: EUR 7.0bn Pool 2: EUR 19.9bn
Covered bonds outstanding	EUR 21.0bn (eq.)	EUR 31.4bn (eq.)	EUR 57.0bn (eq.) [1]	Pool 1: EUR 6.2bn Pool 2: EUR 15.5bn
OC	74%	119%	7.6%[1]	Pool 1: 12% / Pool 2: 28%
Issuance currencies	NOK	SEK	DKK, EUR	EUR
Rating (Moody's / S&P)	Aaa/ -	Aaa / -	- / AAA	Aaa / -
Outstanding green covered bonds	EUR 2.4bn	EUR 2.3bn	EUR 2.2bn[1]	EUR 1.8bn

- 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

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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	2025	2024	Y/Y
Profit Before Tax, EURm	271	191	42%
Cost-Income Ratio	26.9%	51.7%	-24.8pp[1]
Capital Ratio	20.6%	21.6%	-1.0pp
Tier 1 Capital Ratio[2]	19.2%	20.1%	-0.9pp

1) Cost-income ratio improved in 2025 is mainly due to decreased fees for sales and distribution services provided by Nordea bank, following the yearly update of the transfer pricing agreement

2) Excluding profit for the period

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3. Cover pool key characteristics

Cover pool key characteristics

Q4 2025

Outstanding covered bonds	EUR 57.0bn
Cover pool content	Mortgage credit loans secured by mainly residential property (total: EUR 61.4bn including substitute assets)[1]
Geographic distribution	Throughout Denmark with concentration in urban areas
Weighted average LTV (indexed)	48.6%[2]
Average residential loan size	EUR 216,688
Over-collateralisation, OC	7.6%
Interest rate type (bonds)	Fixed coupon 74.7%[3], Floating rate 25.3%
Amortization of underlying loans	Interest only 54.4%[3], Amortizing 45.6%
Substitute assets	EUR 5.9 bn
Pool type	Static
Loans originated by	Nordea Kredit CC2

1) Note that substitute assets includes 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) The LTV figure in this presentation has been updated to correct an error identified in the previous version. All other figures remain unchanged.

3) Including Bonds funding ARMs

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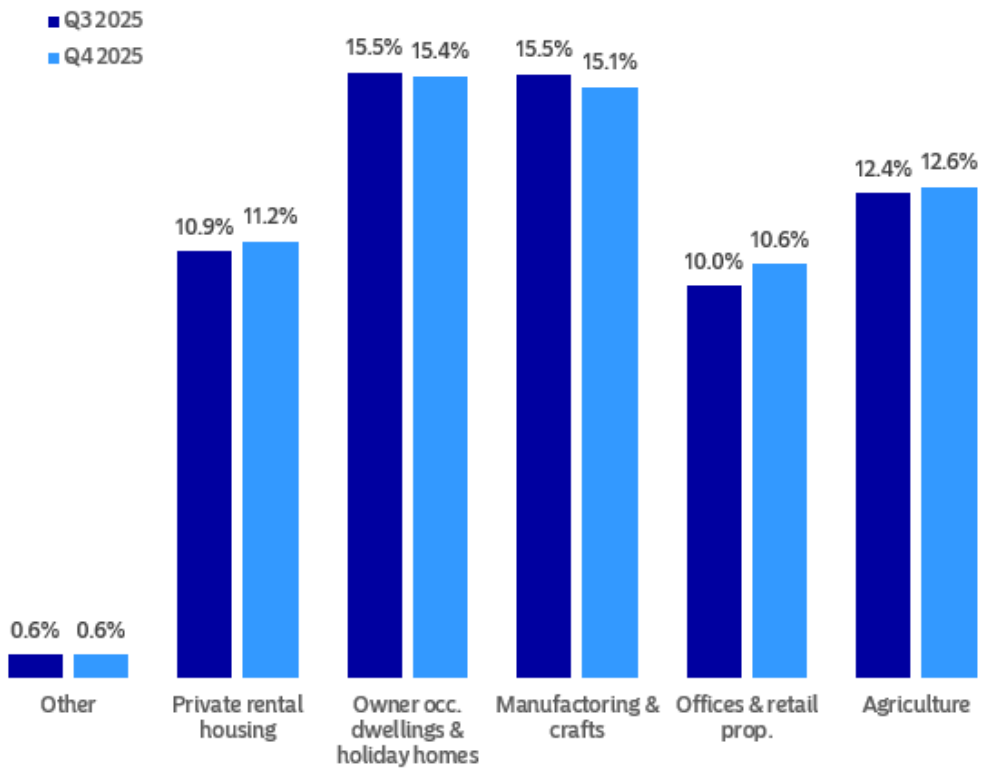
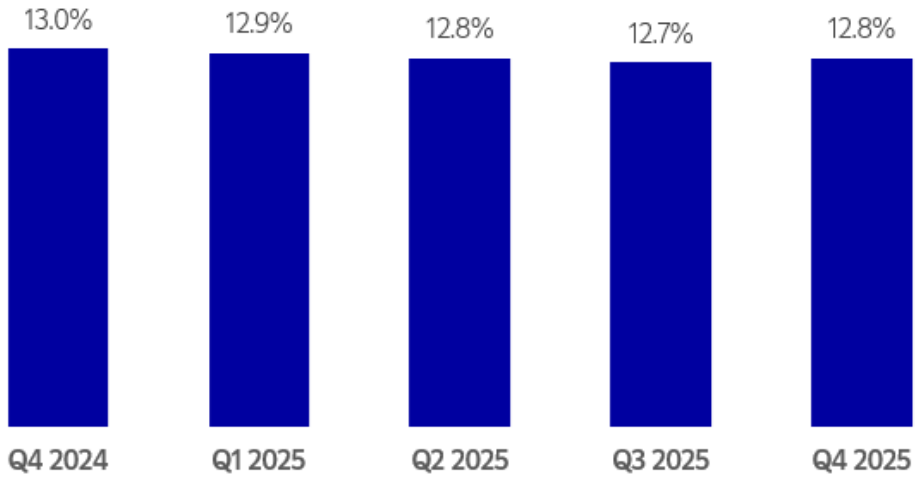
Loan portfolio

Q4 2025

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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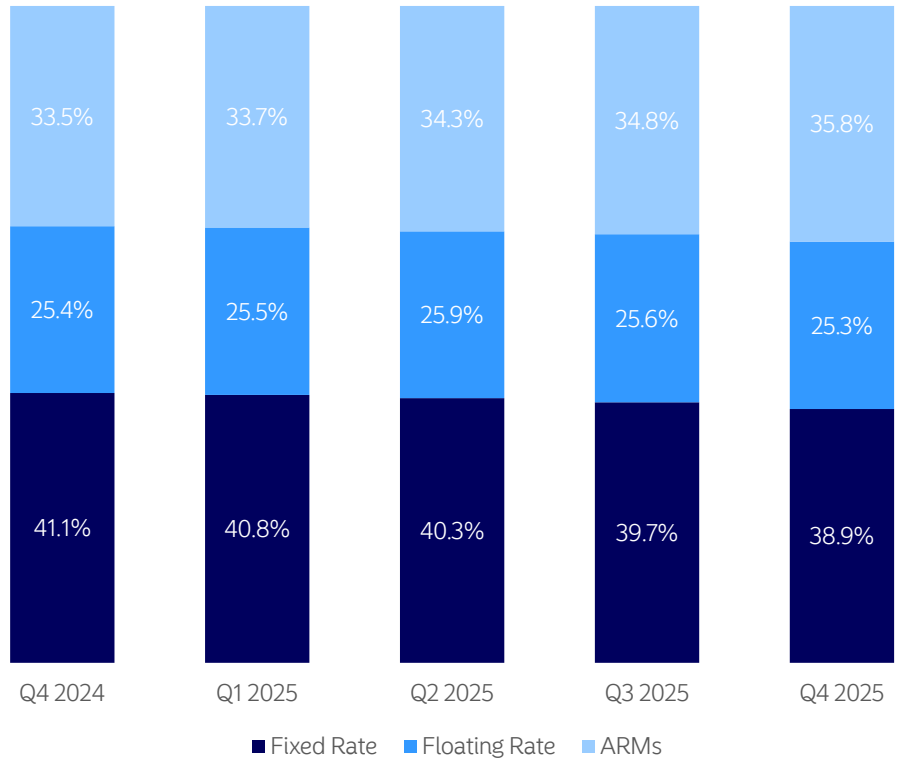
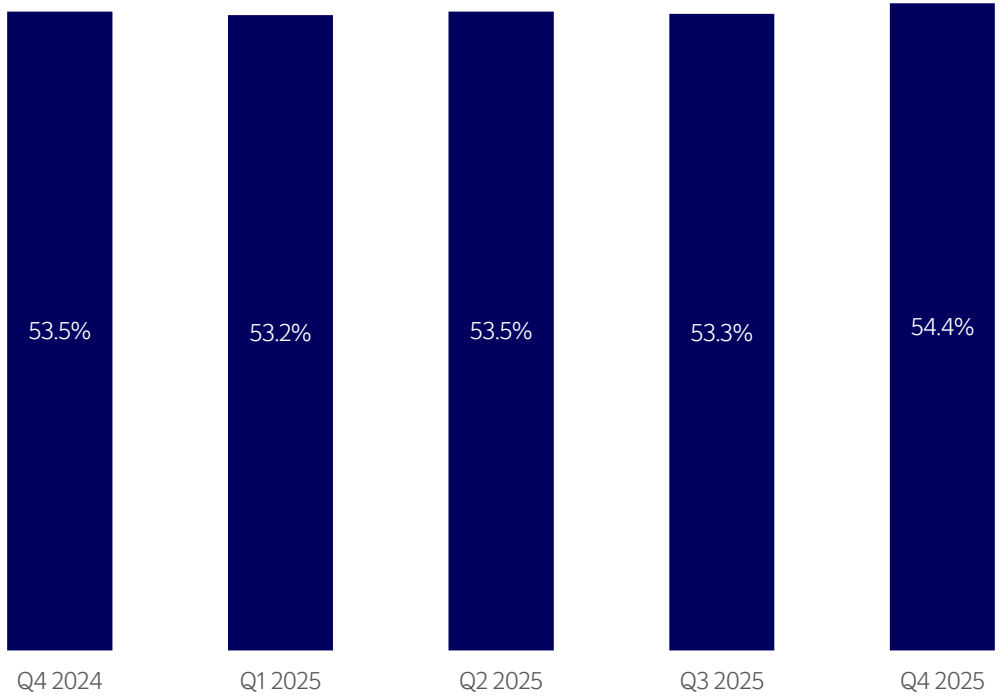
Total loan portfolio (CC1 and CC2)

Q4 2025

Loan portfolio by loan type



Share of interest-only mortgages



Note: In percent of the total loan balance

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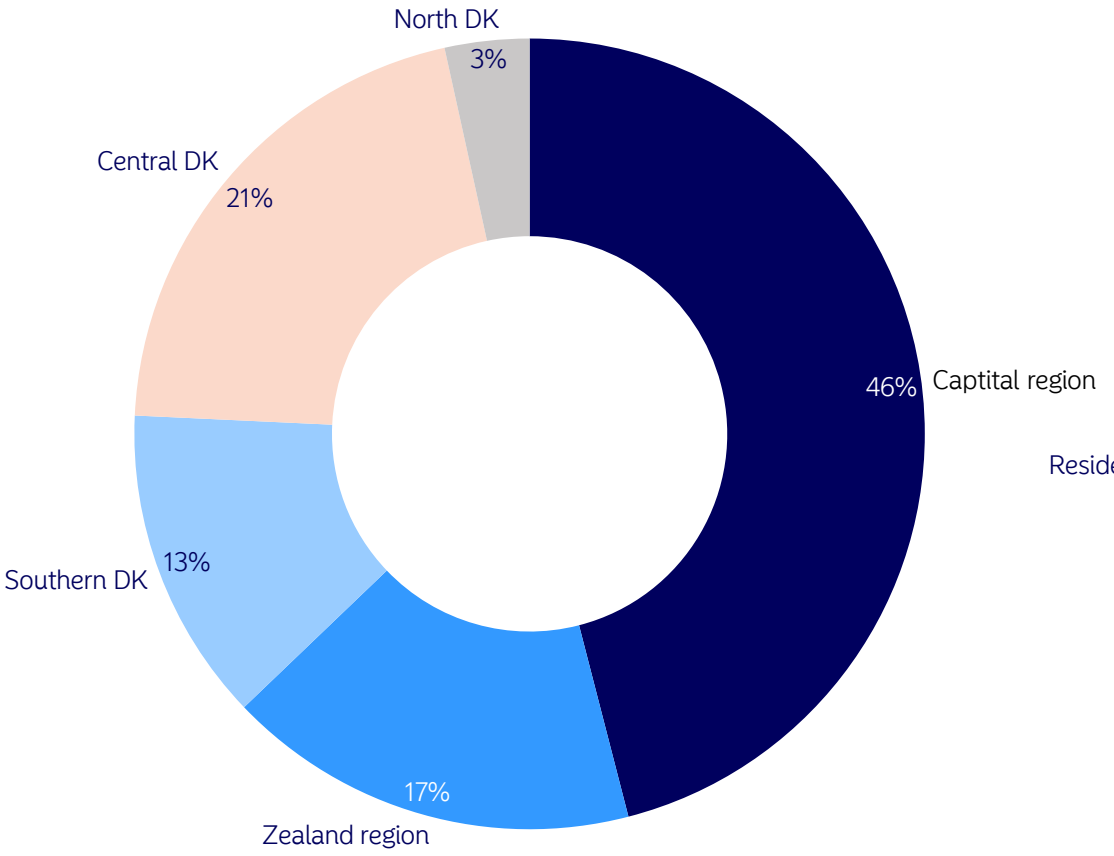
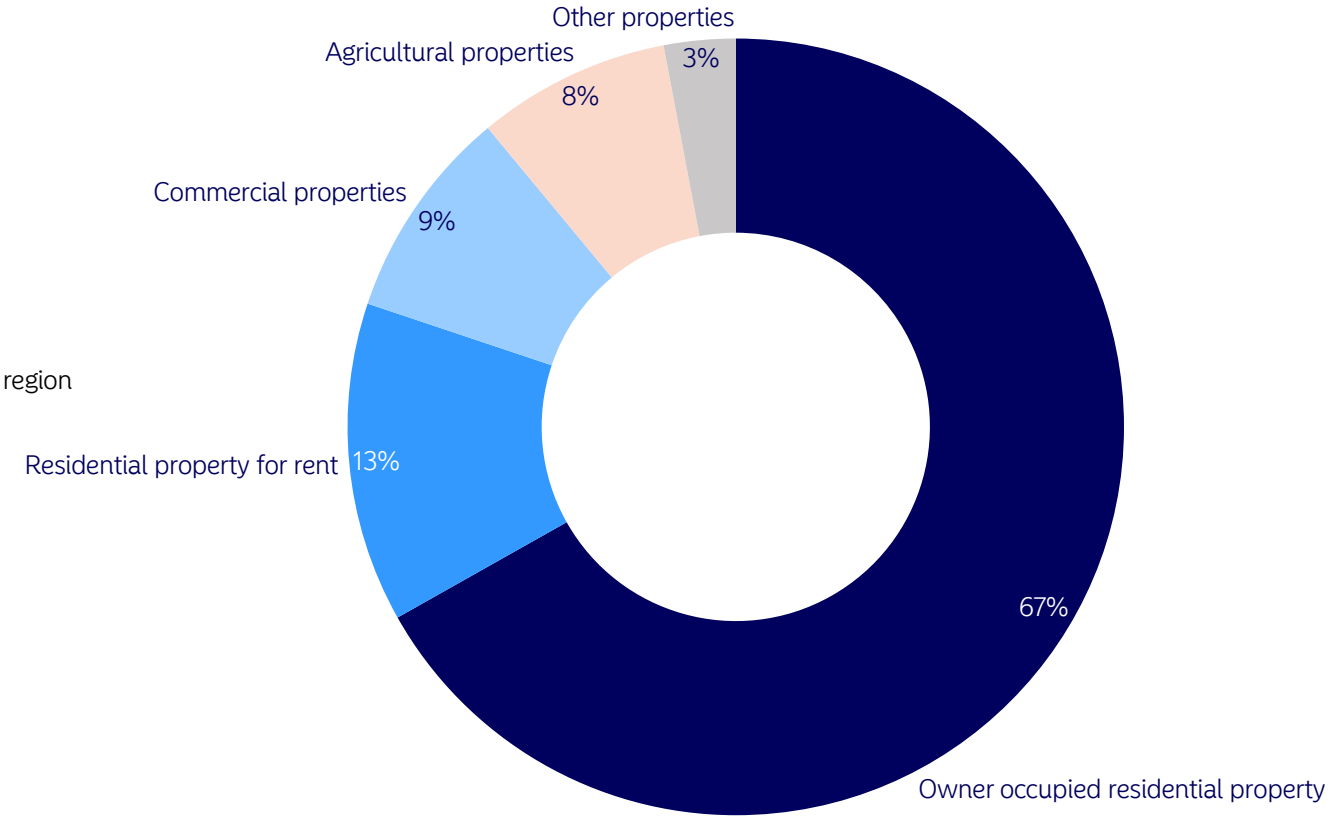
Loan portfolio

Q4 2025

Loan balance by region



Loan balance by property category



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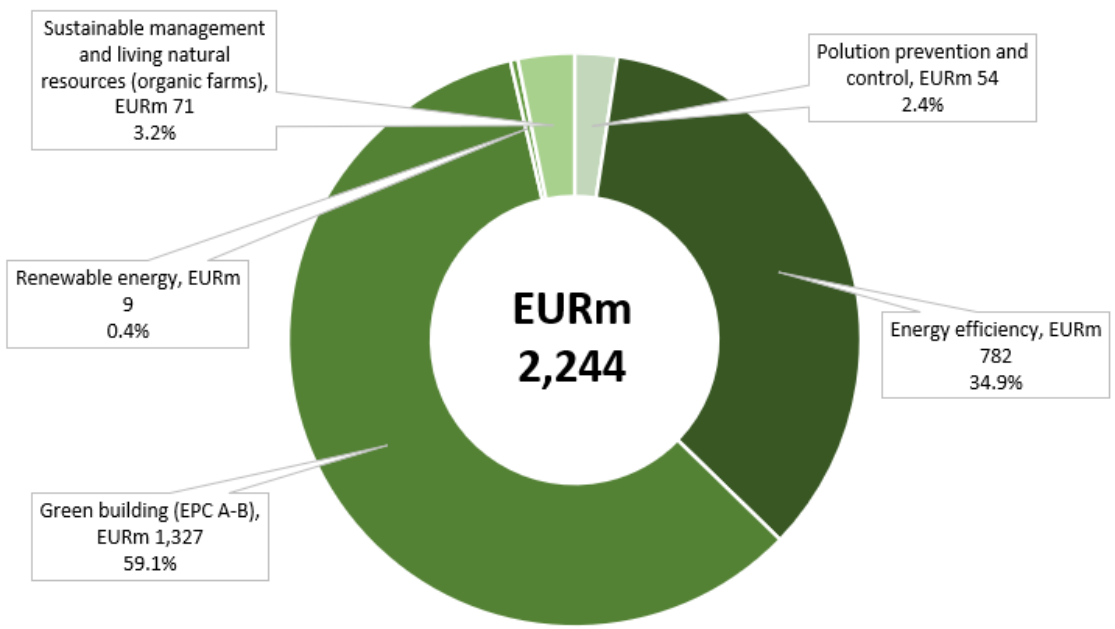
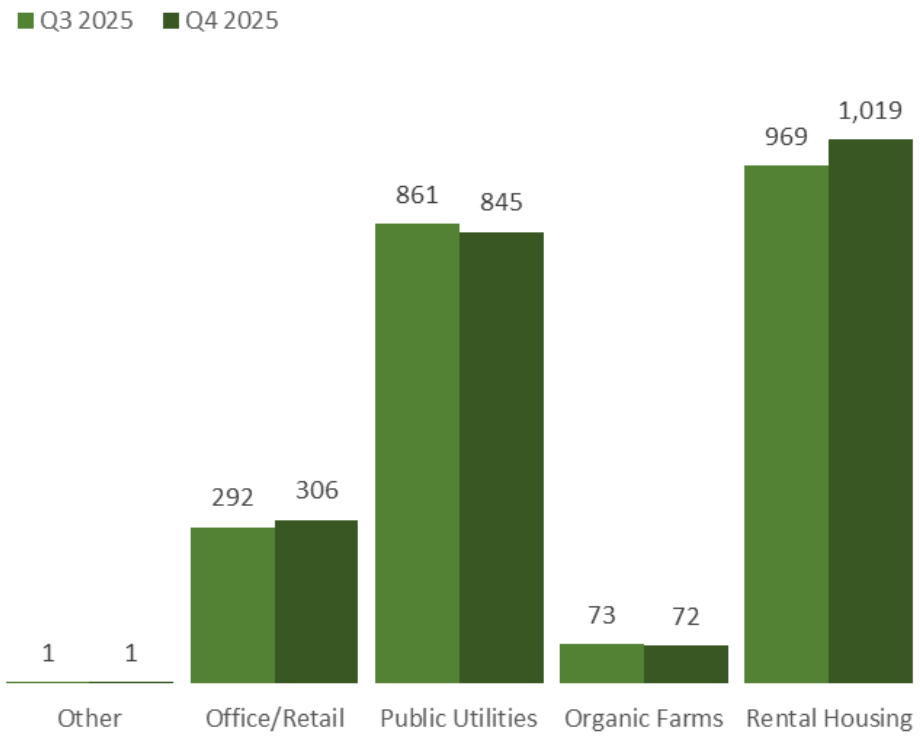
Green Bonds

Q4 2025

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

Q4 2025

Type of property	Total volume DKKbn	Q3	Coverage (volume)	Q3	Financed emissions [1] Total emission tCO2	Q3	Financed emission tCO2	Q3	Financed emission CO2/DKKbn	Q3	Total emission CO2/sqm	Q3
Owner. occ. dwellings	258	*257*	98.7%	*98.8%*	269,483	*271,668*	130,635	*125,563*	0.51	*0.49*	12	*12*
Commercial residential	53	*49*	95.0%	*95.5%*	58,074	*58,002*	21,484	*21,580*	0.43	*0.44*	7	*7*
Offices & retail prop.	34	*26*	82.7%	*81.8%*	83,889	*84,571*	31,426	*31,969*	1.21	*1.21*	13	*12*
Other properties [2]	49	*46*	0.0%	*0.0%*								
Total	**394**	*378*	**84.5%**	*84.6%*	**411,446**	*414,241*	**183,545**	*179,112*				

Portfolio by EPCs [1, 3] EPC	Volume DKKbn	Q3
A2020	9	*9*
A2015	27	*26*
A2010	13	*13*
B	21	*20*
C	74	*74*
D	52	*52*
E	18	*19*
F	7	*7*
G	4	*4*
N/A	154	*154*
Total	**379**	*378*

Notes

1) Calculations and portfolio as of end of december 2025.
2) Other properties include agriculture, manufacturing and manual industries etc.
3) Energy Performance Certificate (EPC): Theoretical calculation of the building´s energy consumption.

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

Q4 2025

Loan type Weighted average LTV – indexed	Mortgage credit loans (residential) 52.1%		Mortgage credit loans (commercial) 40.3%	
LTV buckets	Nominal (EURm)	% Loans	Nominal (EURm)	% Loans
> 0 - ≤ 40 %	32,958	72.8%	7,962	78.3%
> 40 - ≤ 50 %	5,539	12.1%	1,409	13.8%
> 50 - ≤ 60 %	3,770	8.4%	700	6.9%
> 60 - ≤ 70 %	2,027	4.5%	94	0.9%
> 70 - ≤ 80 %	869	1.9%	8	0.1%
>80%	135	0.3%	3	0.0%
Total	45,298	100.0%	10,176	100.0%

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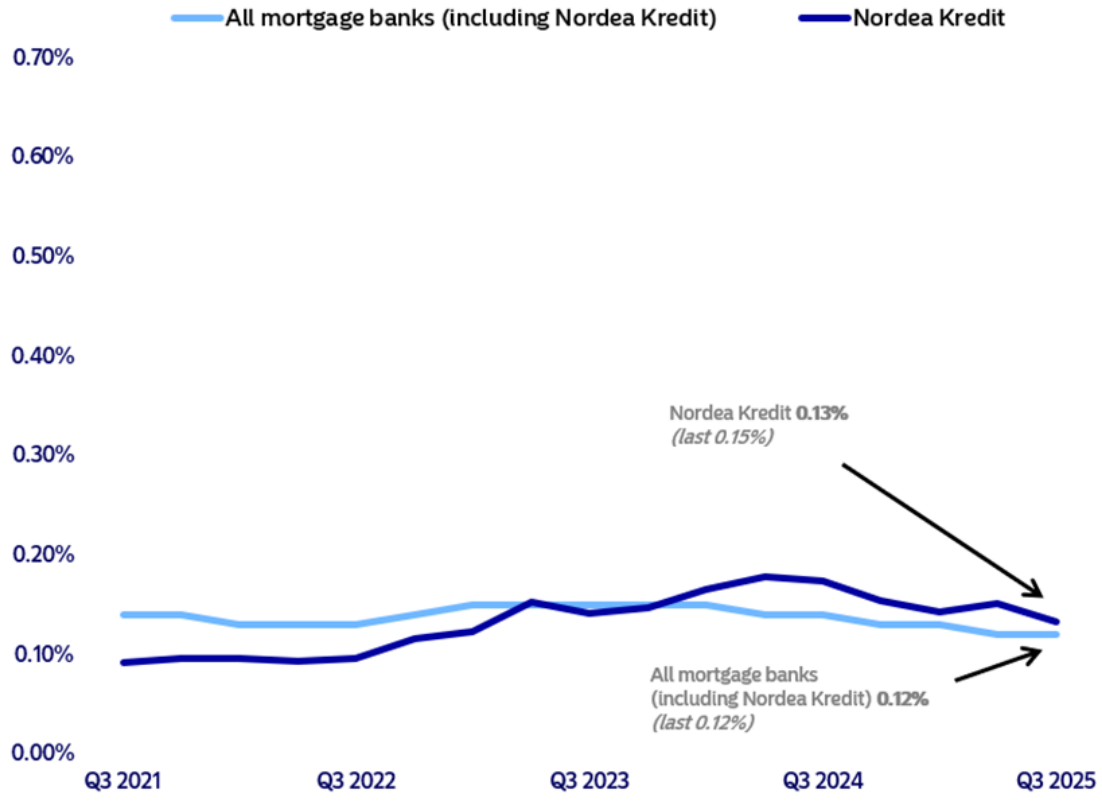
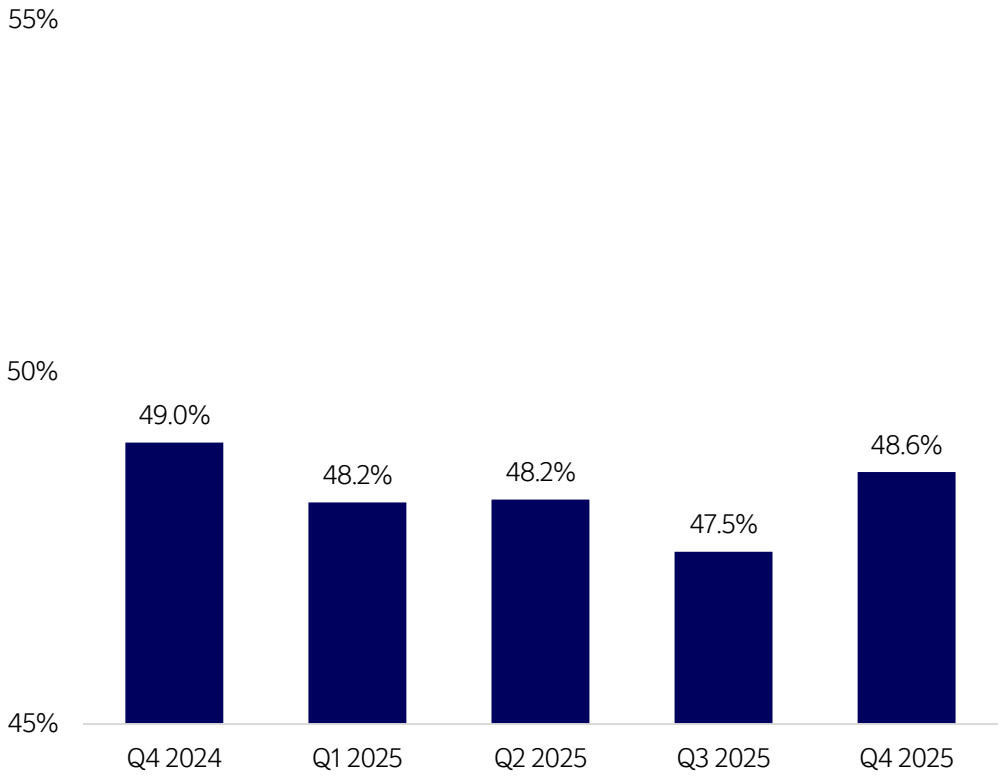
Asset quality

Q4 2025

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



Loan to value (LTV) weighted average (all loans) [3)]



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.
3) The LTV figure for Q4 2025 in this presentation has been updated to correct an error identified in the previous version. All other figures remain unchanged.

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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

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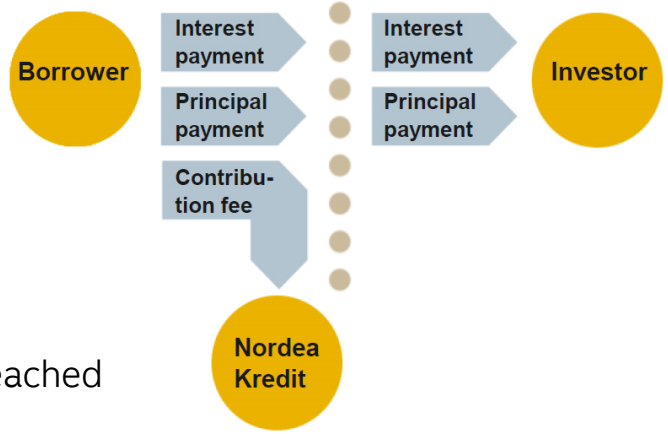
6. Danish covered bond framework

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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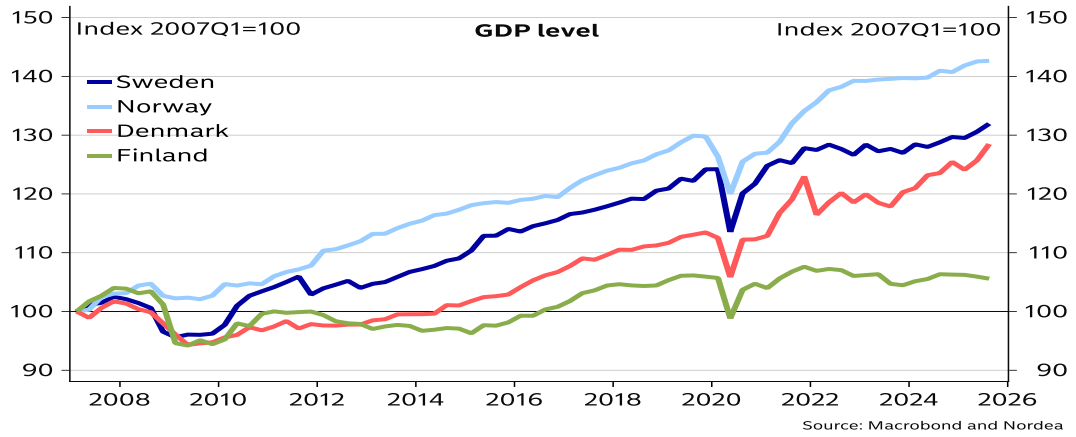
7. Macroeconomy

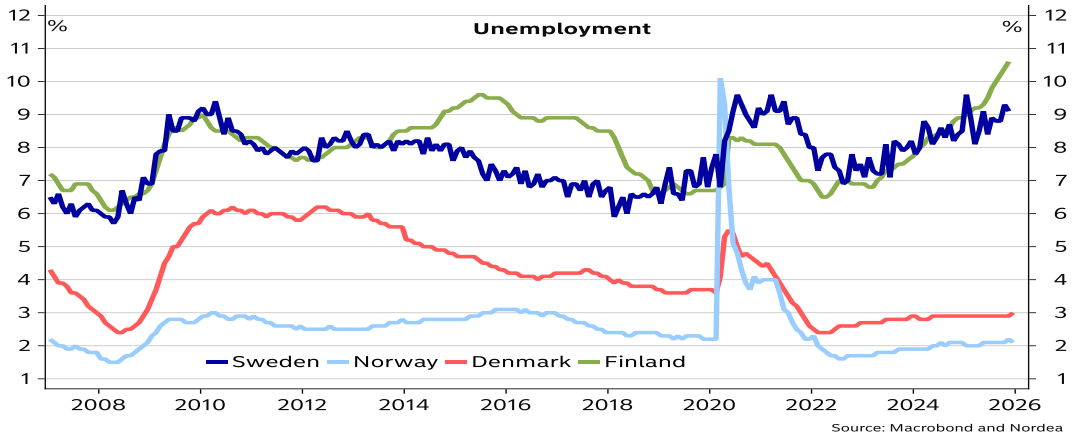
Nordic economic development

Improved outlook

GDP



Unemployment rate



- Reduced uncertainty regarding international trade and more accommodative financial conditions support the global economy, which stands on firmer grounds. However, uncertainty still remains due to the geopolitical situation and elevated public sector debt
- GDP developments were mixed in the third quarter last year. Finland contracted while the other Nordics showed growth. Going forward, growth in the Nordic economies will be healthy according to our forecast

GDP, % y/y, Economic Outlook September 2025

Country	2024	2025E	2026E	2027E
Denmark	3.5	1.8	2.3	1.9
Finland	0.4	0.5	1.5	2.0
Norway (mainland)	0.5	2.0	1.8	1.7
Sweden	1.0	1.2	2.5	2.2

Source: Nordea Markets and Macrobond

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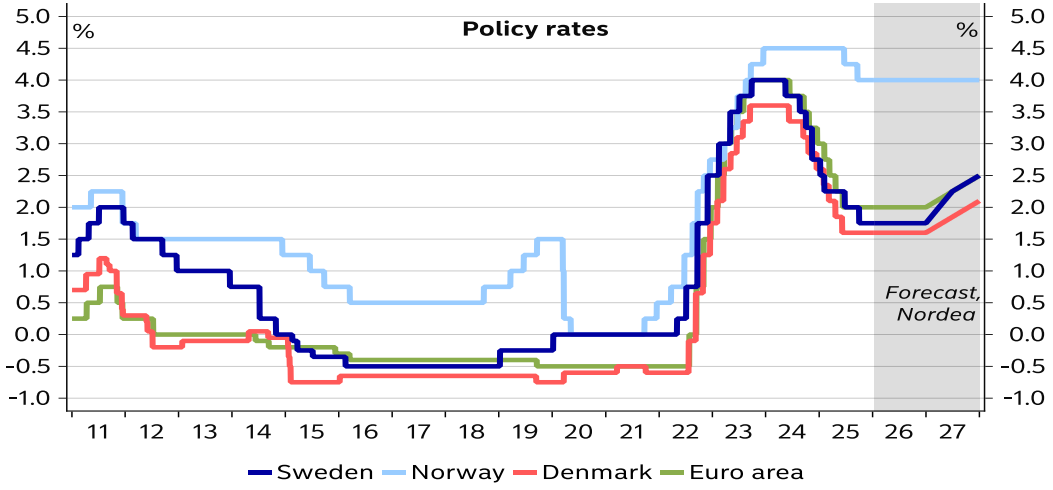
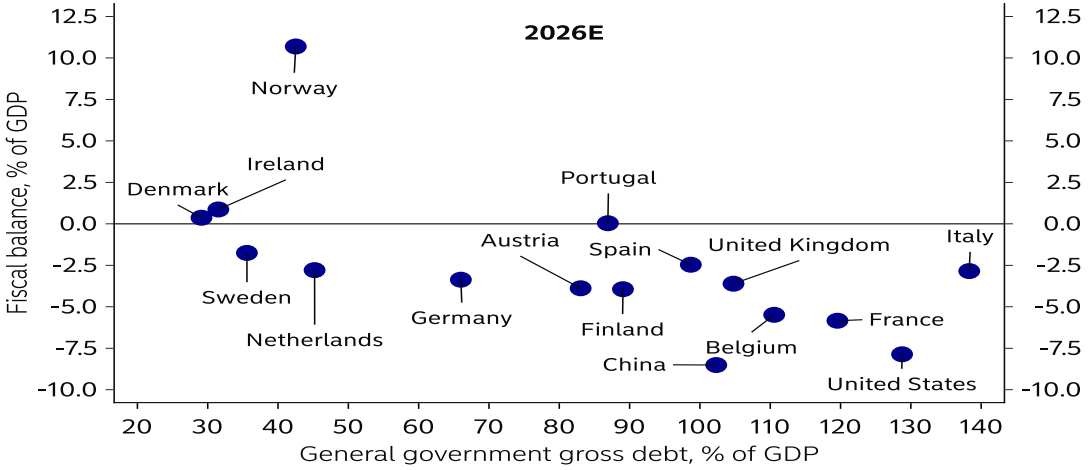
On hold

Policy rates



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



Source: IMF World Economic Outlook, Nordea and Macrobond

- The ECB, Riksbank and Norges Bank kept their policy rates unchanged in December at 2.00%, 1.75% and 4.00%, respectively.
- The ECB is expected to leave its policy rate unchanged at 2.00% until year-end 2026. Thereafter, two rate hikes are expected during 2027, bringing the policy rate to 2.50%, according to Nordea's forecast
- The Riksbank is expected to leave its policy rate unchanged at 1.75% until year-end. Three rate hikes are expected during 2027, bringing the policy rate to 2.50%, according to Nordea's forecast
- Norges Bank is expected to leave its policy rate unchanged in 2026 and 2027 at 4.00%, according to Nordea's forecast
- Most of the Nordic countries are AAA-rated characterised by robust public finances and solid external balance sheet surpluses

Source: Nordea Markets and Macrobond

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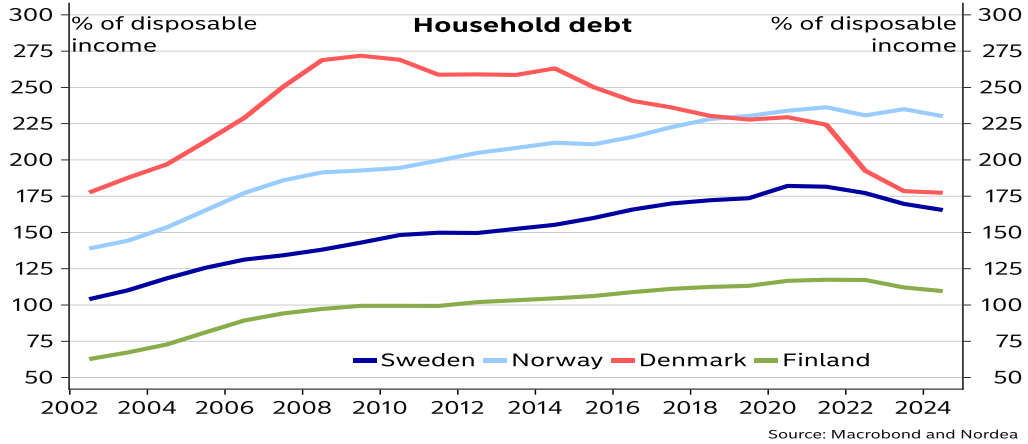
Households

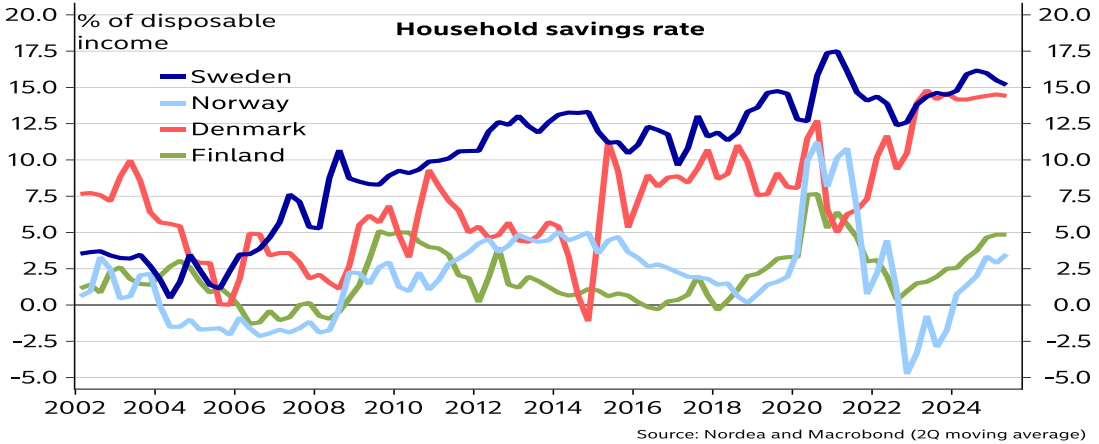
Normalising

Household debt

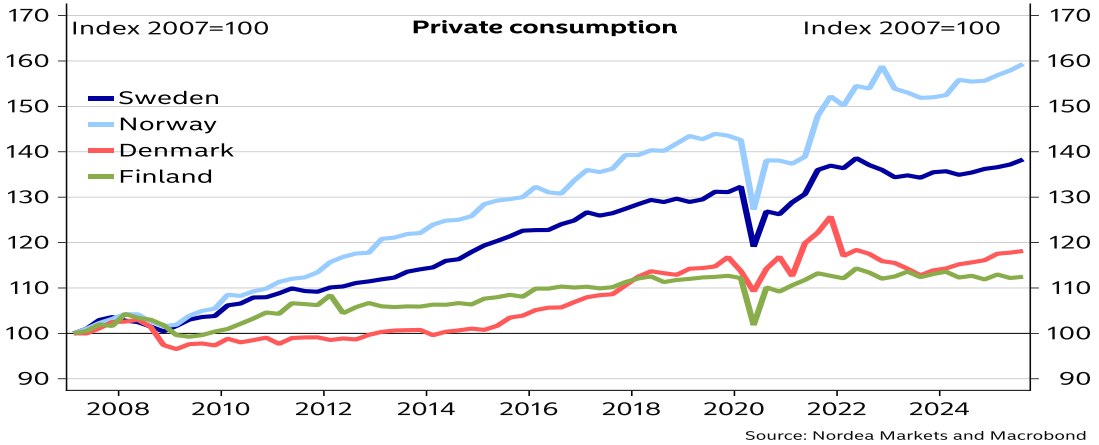


- Consumer confidence recovered during 2025 in Sweden, Norway and Finland, but less so in Denmark
- However, consumer confidence remain below historical levels, particular in Denmark, thus indicating continued caution among households
- Household consumption are expected to improve, not least as real disposable income continues to increase. The stronger domestic demand is expected to boost economic growth

Household savings



Private consumption



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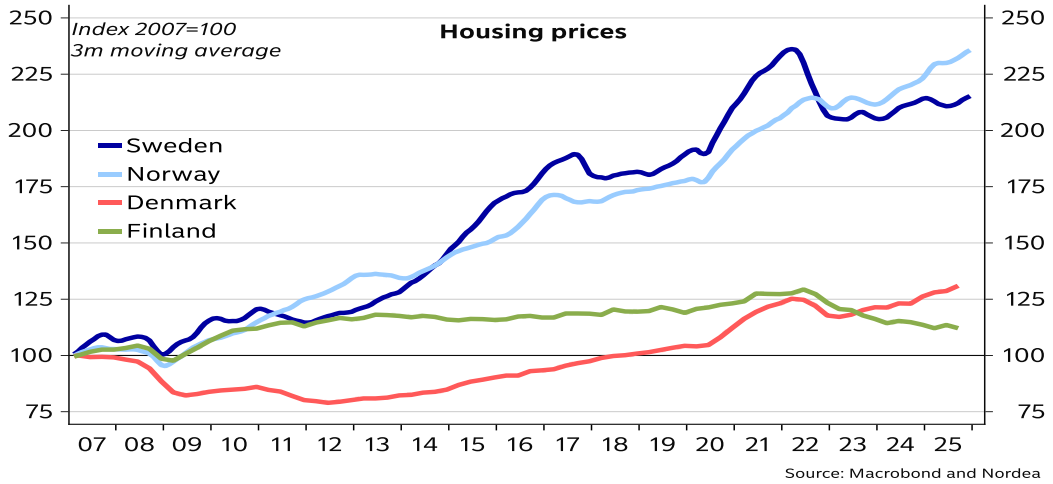
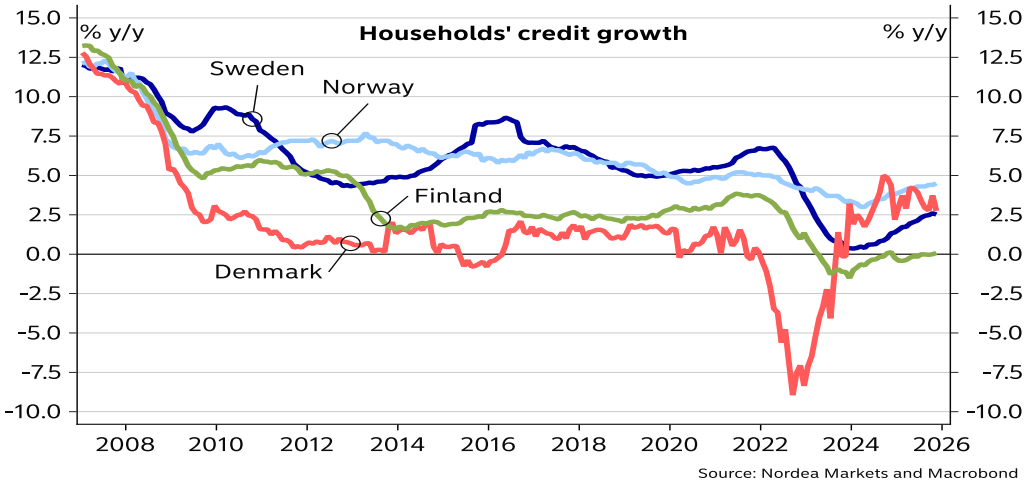
Increased activity

Housing prices



Households' credit growth



- Housing price developments in Norway and Denmark have fared better than their Nordic counterparts. Prices in Sweden have started to increase, but are still well below the previous peak. Home prices in Finland remains low with few signs of recovering
- Monetary policy has normalised in most of the Nordic countries. In addition, improved financial conditions for households should support continued increase in housing prices
- Transaction volumes have normalised. However, the higher-than-normal supply of homes suggests the market can absorb higher demand without sharp price increases
- Household credit growth has recently turned positive in all the Nordic countries

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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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