



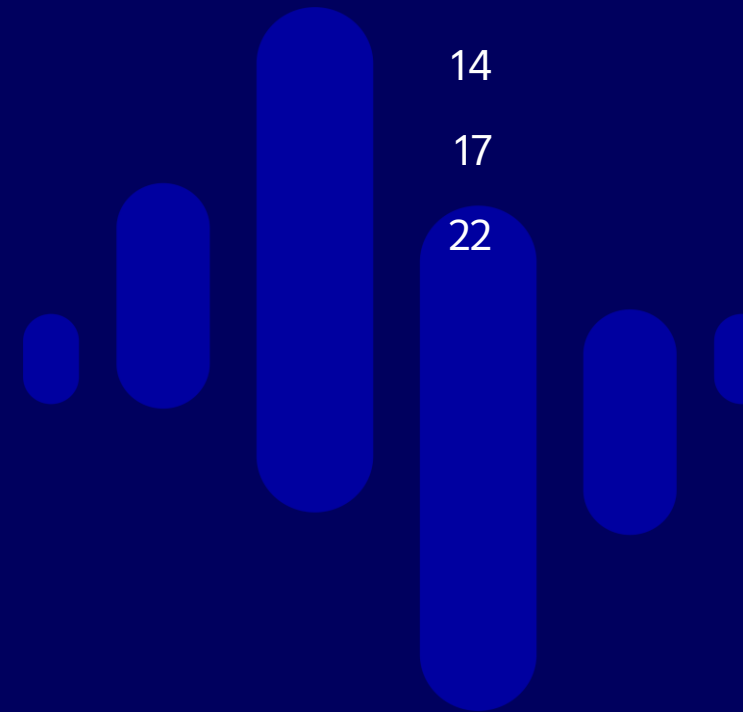
Nordea

# **Nordea Mortgage Bank Covered Bonds**

**Q1 2026 Debt investor presentation – Cover pools 1 & 2**

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# 1. In brief



Covered bonds

# Nordea covered bond operations

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



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 38.5bn (eq.)	EUR 70.3bn (eq.)	Balance principle	Pool 1: EUR 7.0bn Pool 2: EUR 19.7bn
Covered bonds outstanding	EUR 22.6bn (eq.)	EUR 33.6bn (eq.)	EUR 57.5bn (eq.) <sup>1</sup>	Pool 1: EUR 4.7bn Pool 2: EUR 15.5bn
OC	71%	109%	7.7% <sup>1</sup>	Pool 1: 47% / Pool 2: 28%
Issuance currencies	NOK	SEK	DKK, EUR	EUR
Rating (Moody's / S&P)	Aaa / -	Aaa / -	- / AAA	Aaa / -
Outstanding green covered bonds	EUR 2.5bn	EUR 2.3bn	EUR 2.5bn <sup>1</sup>	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](#)



<sup>1)</sup> 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

# Nordea Mortgage Bank Plc – overview

Q1 2026



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



Operates as a mortgage credit institution with the main purpose of issuing covered bonds



Issuing covered bonds according to the Finnish covered bond legislation

Legacy bonds

Old Covered Bond Act (688/2010), secured by Cover Pool 1

New covered bonds

New Mortgage and Covered bond Act (151/2022), secured by Cover Pool 2



Acting in a healthy and conservative Finnish housing market. Market share of Nordea ~30% of the Finnish mortgage market (housing loans)



Dedicated liquidity line provided by Nordea Bank Abp to manage daily cash needs and ensure compliance with external and internal requirements regarding liquidity management

**MOODY'S** Covered bonds rated Aaa by Moody's

## 2. Cover pool characteristics



# Cover pool key characteristics

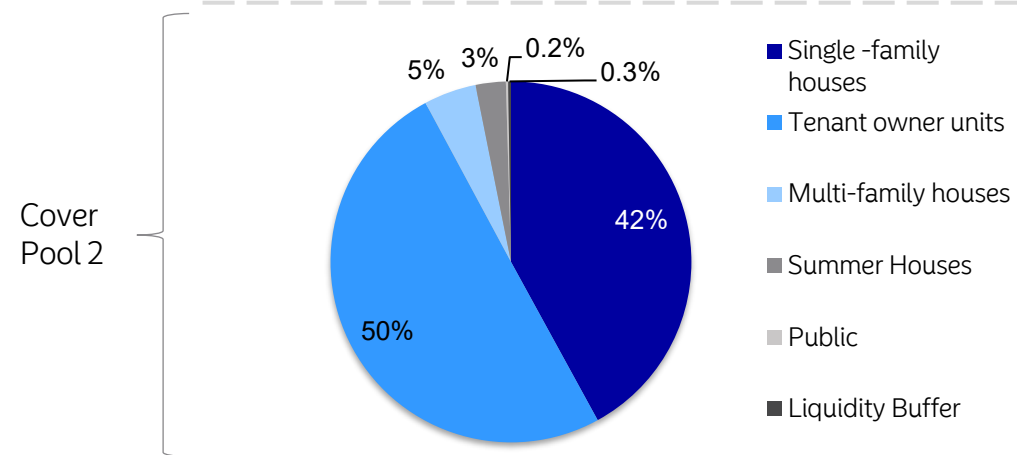
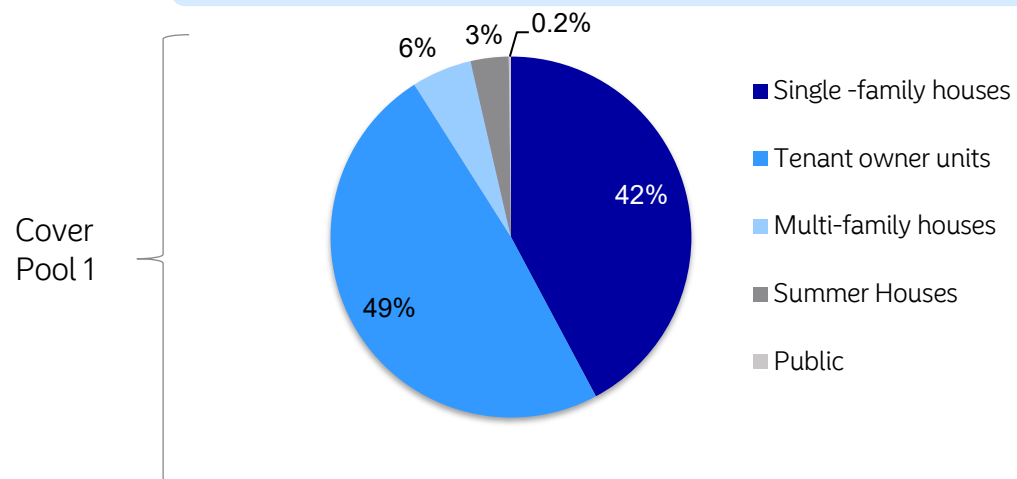
Q1 2026

Cover pool summary	Cover pool 1 (Legacy)	Cover Pool 2 (New)
<b>Pool notional</b>	EUR 7.0bn	EUR 19.8bn
<b>Outstanding Covered Bonds</b>	EUR 4.7bn	EUR 15.5bn
<b>Cover pool content</b>	Mortgage loans secured by residential property. Loans guaranteed by public sector	Mortgage loans secured by residential property. Loans guaranteed by public sector
<b>Geographic distribution</b>	Throughout Finland with concentration in urban areas	Throughout Finland with concentration in urban areas
<b>Asset distribution</b>	99.8% residential, 0.2% public sector	99.5% residential, 0.2% public, 0.3% liquidity buffer
<b>Weighted average LTV*</b>	50.0% (indexed, calculated per property)	56.7% (indexed, calculated per property)
<b>Average loan size*</b>	EUR 75.0k	EUR 88.1k
<b>Over collateralisation, OC</b>	47.4%	27.6%
<b>Rate type*</b>	Fixed rate 0.8%, Floating rate 99.2%	Fixed rate 0.8%, Floating rate 99.2%
<b>Amortisation*</b>	Bullet/interest only 2.3%, Amortising 97.7%	Bullet/interest only 2.2%, Amortising 97.8%
<b>Substitute assets</b>	None	None
<b>Pool type</b>	Dynamic	Dynamic
<b>Loans originated by</b>	Nordea Bank Abp. (as of 1 October 2018)	Nordea Bank Abp. (as of 1 October 2018)

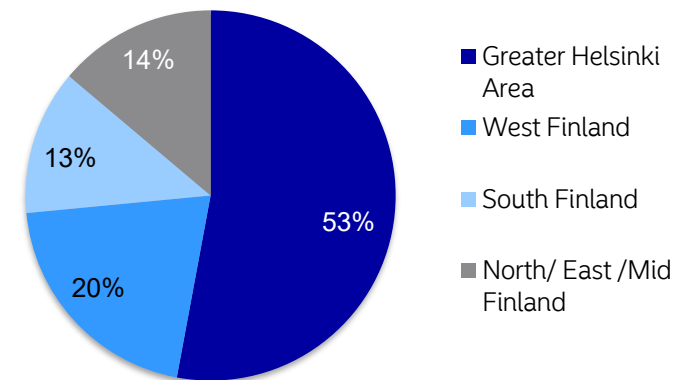
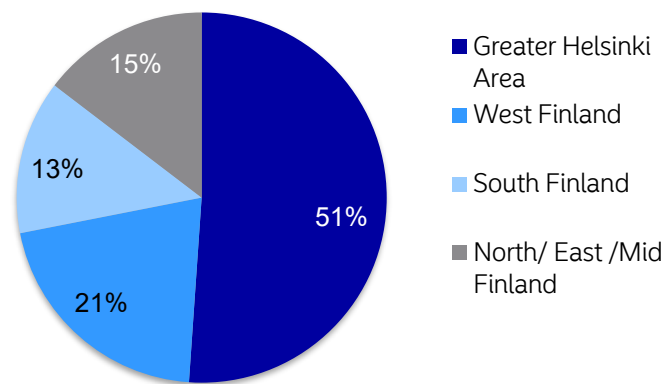
# Cover pool key characteristics (2)

Q1 2026

## Cover pool balance by loan category



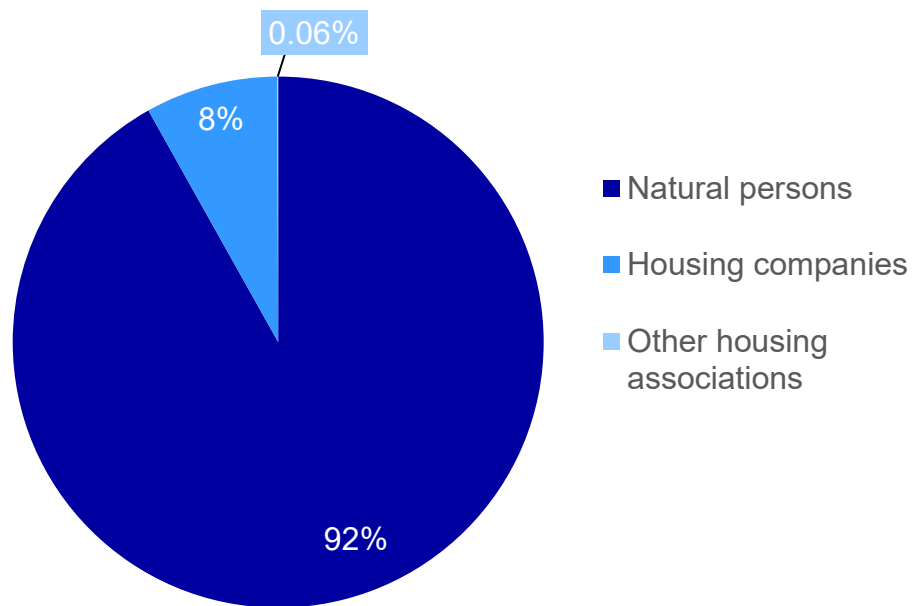
## Cover pool balance by region



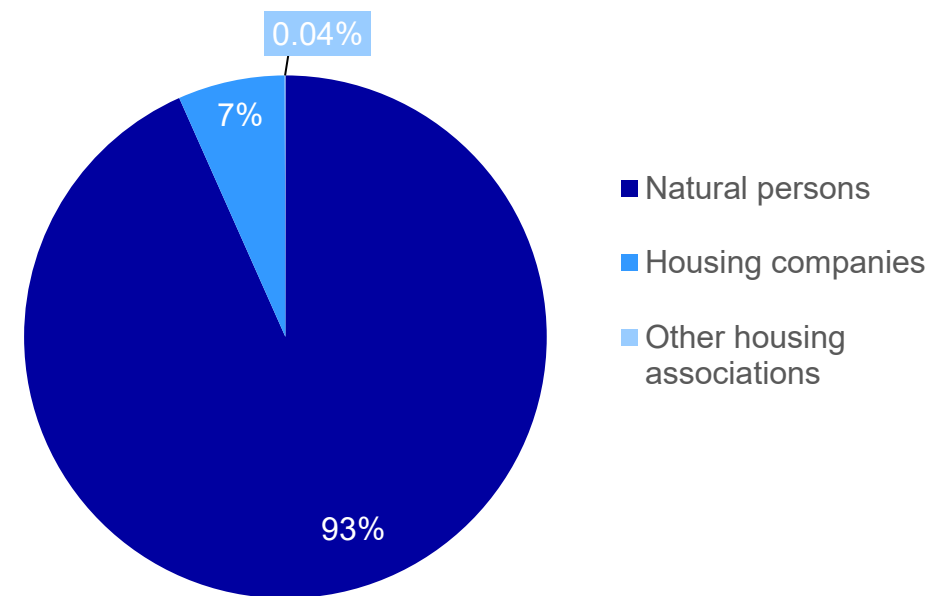
# Cover pool key characteristics (3)

Q1 2026

### Distribution of collateral assets – Pool 1



### Distribution of collateral assets – Pool 2



### 3. Asset quality



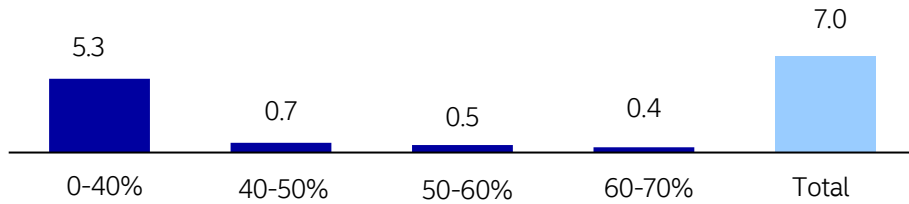
Continuous distribution where each loan can exist in multiple buckets

## Loan To Value (LTV)

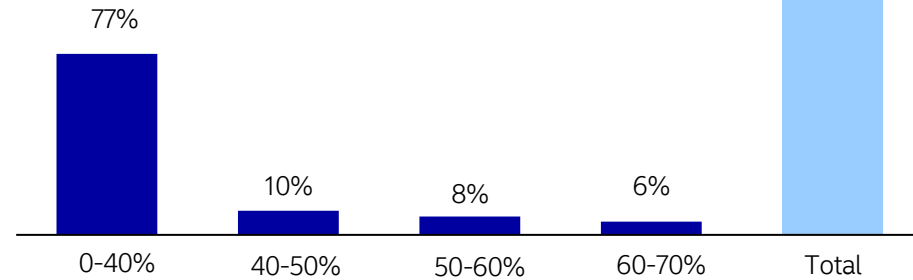
Q1 2026

### Cover Pool 1 - Weighted Average LTV – Indexed – 50.0%

Nominal

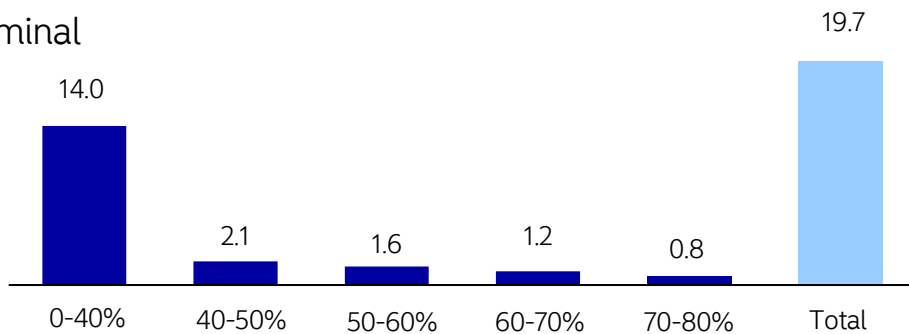


% Residential Loans

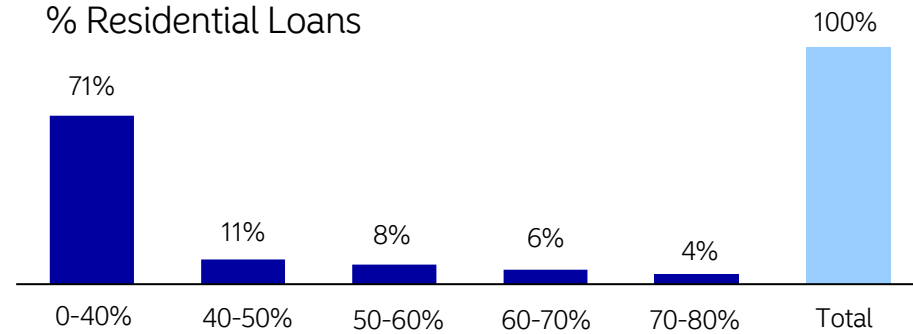


### Cover Pool 2 - Weighted Average LTV – Indexed – 56.7%

Nominal

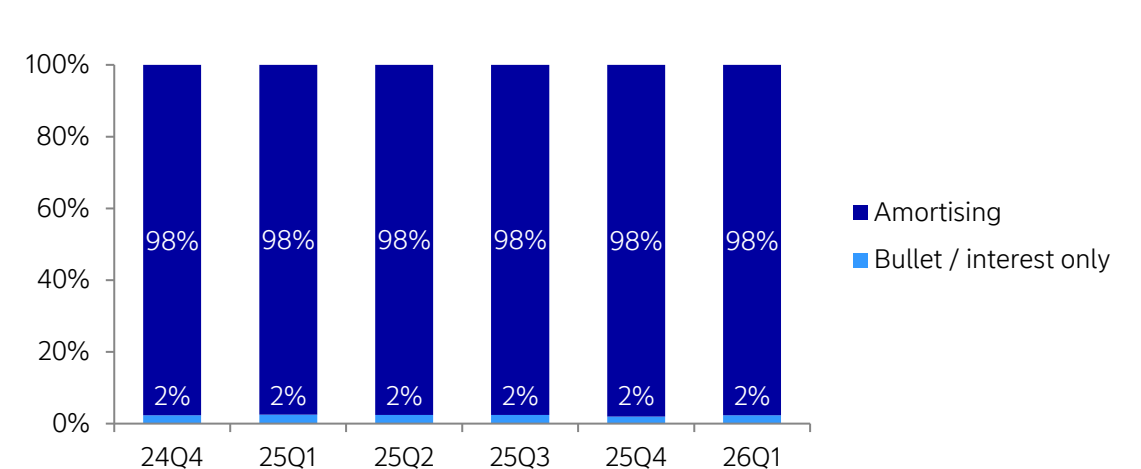
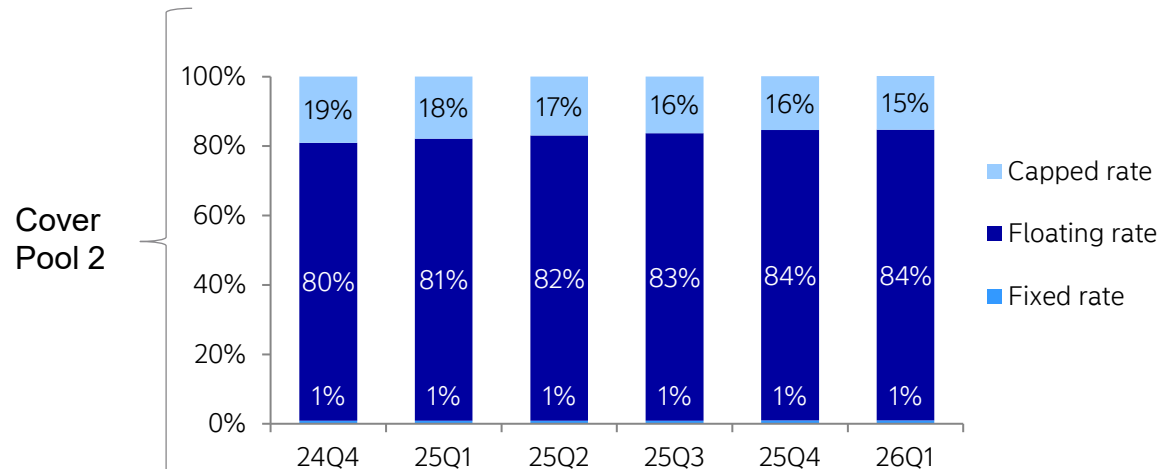
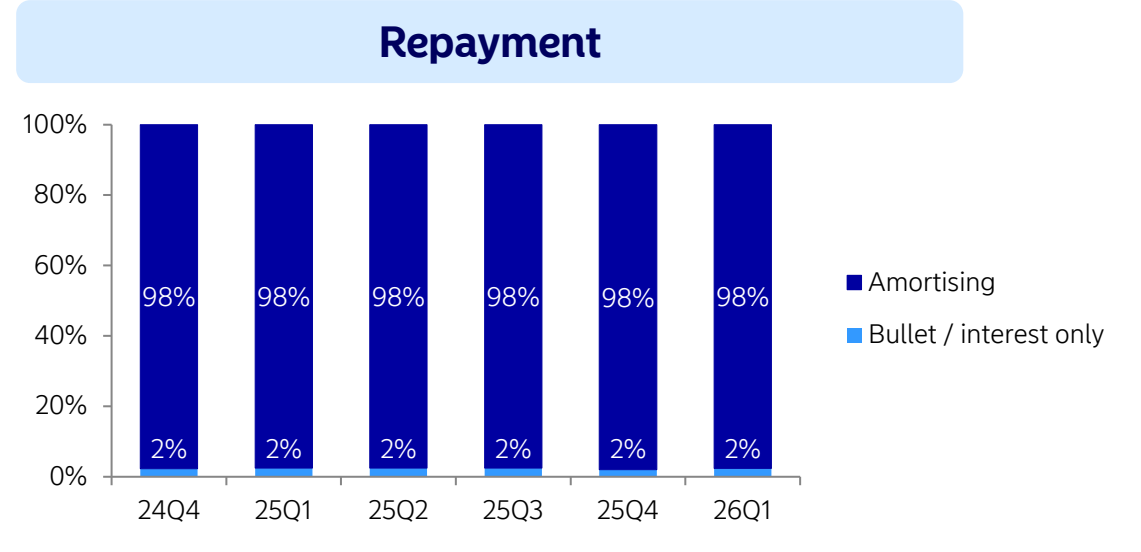
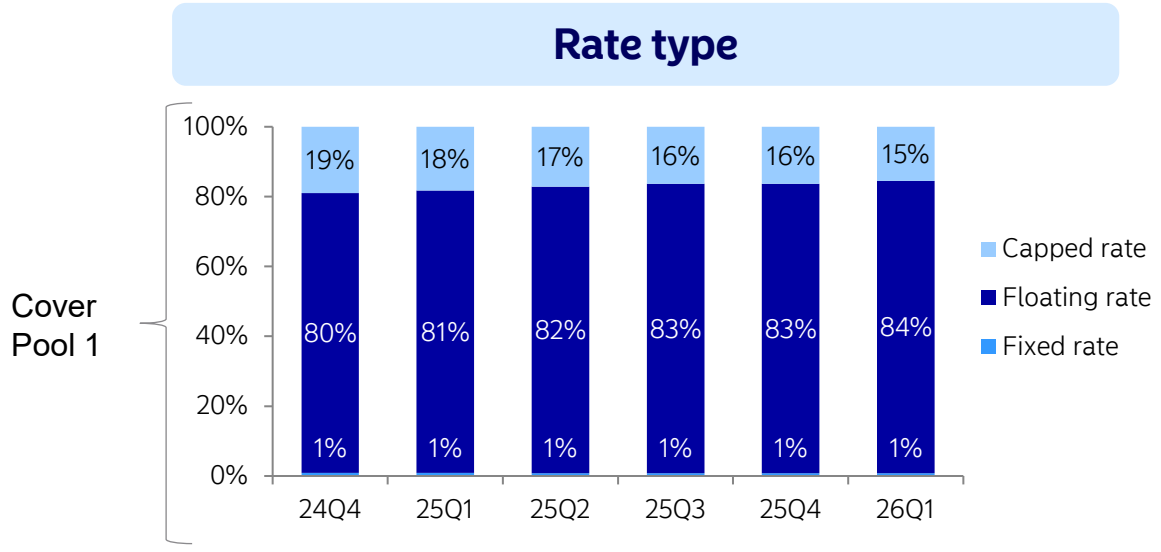


% Residential Loans



# Loan structure

Q1 2026



# Underwriting criteria

## Residential mortgage loans

- Nordea's credit decision is based on the borrower's repayment capacity and collateral is always taken
- Collateral must be in the form of mortgages in real estate or in shares in housing companies
- Repayment ability of borrowers is calculated using stressed scenarios
- Credit bureau check is always conducted (Suomen Asiakastieto)
- Individual valuation of property based on market value
- Repayment schedules ranging from 20 to 30 years

## Multi-family residential mortgage loans

- Borrowers with strong EBITDA/debt and cash flow based on e.g. long-term high quality lease contracts and adequate interest rate hedging
- Individual credit decision based on credit policy and rating
- An evaluation of all property-related commitments is performed in the ordinary annual review against a background of quality issues/risk factors regarding the property itself, the lease, the management, the long-term cash flow and -strength of balance sheet/gearing. The analysis focuses on the repayment capacity
- Individual valuation of property based on market value

## 4. Covered bond framework



# Finnish covered bond framework

## Cover pool 1 – old until July 2022

## Cover pool 2 – new as per July 2022

### Legal framework

Finnish Covered Bond Act (statute 688/2010)

Finnish Mortgage Banks and Covered Bonds Act (statute 151/2022)

### LTV ratios

Limit on LTV ratio – based on the current value

- 70% for housing loans (residential property)
- 60% for commercial loans (commercial property)

Limit on LTV ratio – based on the current value

- 80% for housing loans (residential property)
- 60% for commercial loans (commercial property)

### Coverage

Matching cover requirements

- Total value of the cover pool must be greater than the aggregate outstanding principal amount of the covered bonds
- Net present value of the cover pool must be at least 2% above the net present value of the liabilities under the covered bonds

Overcollateralization requirements

- Value of the cover pool must be at least 2% above the value of the payment liabilities under the covered bonds calculated on a net present value basis or on a nominal value basis depending on which method provides a lower value for the cover pool
- In addition, the overcollateralization must cover the estimated winding-down costs of the covered bonds

### Liquidity risk mitigation

Liquidity requirements

- Average maturity of the covered bonds must not exceed the average maturity of the loans entered in the register
- Total amount of interest accrued from the cover pool assets, during any 12-month period, must be sufficient to cover the total amount payable under covered bonds and derivatives transactions during the same period

Liquidity Buffer Requirement

- Cover pool must also include liquid assets in the amount that covers the maximum net liquidity outflow during the next following period of 180 days
- When determining the net liquidity outflow, the issuer may use the soft bullet maturity date as the date when the covered bond matures

## Finnish covered bond framework (2)

### Cover pool 1 & 2

#### Registration

- Collateral assets remain on the balance sheet of the issuer
- Covered bonds, collateral and relevant derivative contracts are entered in a separate register

#### Bankruptcy remoteness

Isolation of registered collateral assets and registered derivatives from all other assets and liabilities of the insolvent issuer

#### Preferential claim

Holders of covered bonds together with counterparties of registered derivatives and creditors of management and settlement costs in bankruptcy would rank pari passu and have a preferential claim to the cover pool assets

#### Post-bankruptcy procedures

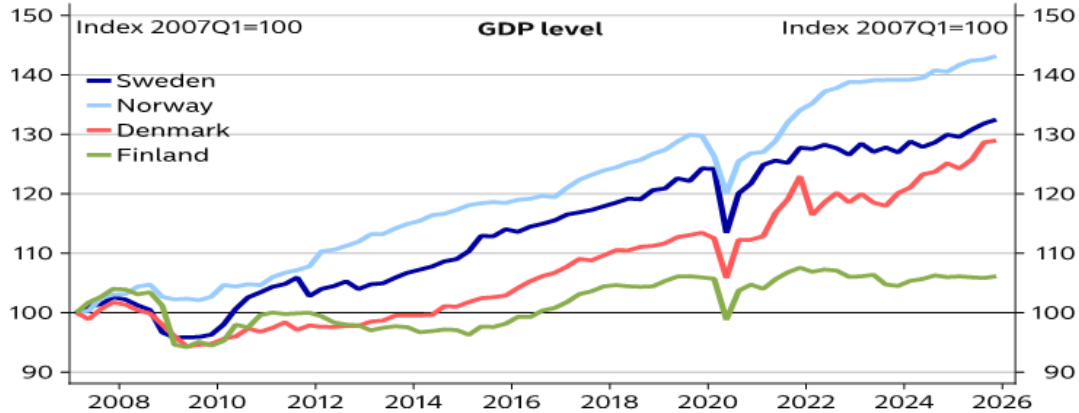
- A bankruptcy administrator is appointed by the court (administration of estate) and a supervisor is appointed by the Finnish FSA (protection of covered bond creditors' rights)
- The cover pool, derivatives and covered bonds to be kept separated from the bankruptcy estate and remain outstanding until their maturity unless the coverage requirements can no longer be met, in which case the bankruptcy administrator will upon request or consent of the supervisor accelerate the covered bonds and liquidate the cover pool assets
- Covered bond creditors, counterparties of registered derivatives and creditors of management and settlement costs would rank pari passu and have a preferential claim on the proceeds of the liquidation of the cover pool

## 5. Macroeconomy

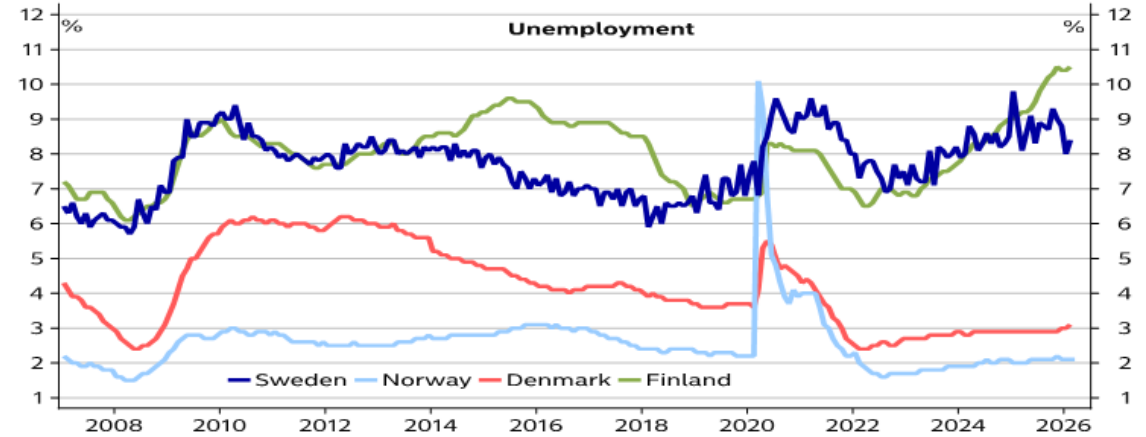


# Uncertainty

## GDP



## Unemployment rate



- The war in the Middle East and escalating geopolitical tensions has resulted in heightened uncertainty and substantially higher energy prices. The impact on the Nordic economic development and inflation will ultimately depend on how long the conflict lasts
- GDP development was positive in the fourth quarter last year in all the Nordic countries

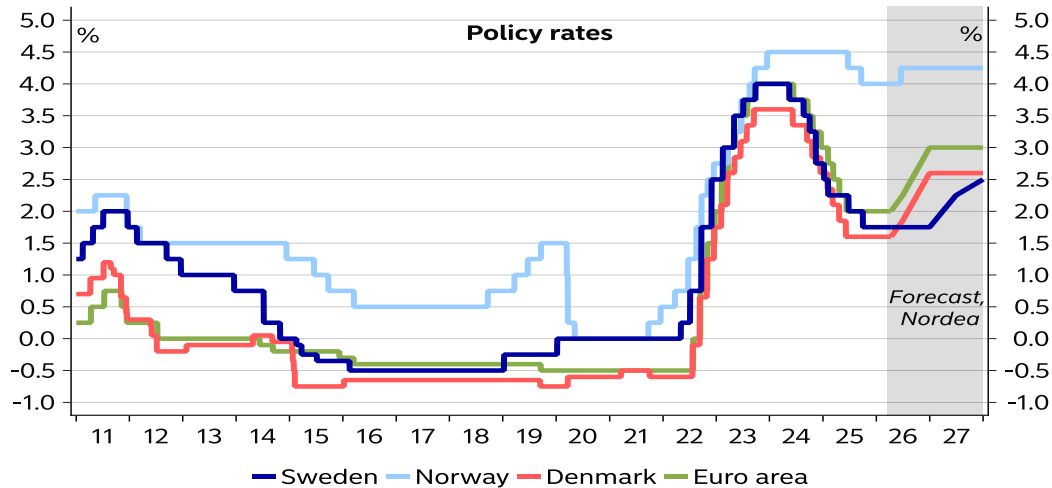
## GDP, % y/y, Economic Outlook January 2026

Country	2024	2025	2026E	2027E
Denmark	3.5	2.9	2.5	1.9
Finland	0.4	0.2	1.0	2.0
Norway (mainland)	0.6	1.8	1.6	1.6
Sweden	1.0	1.8	3.0	2.3

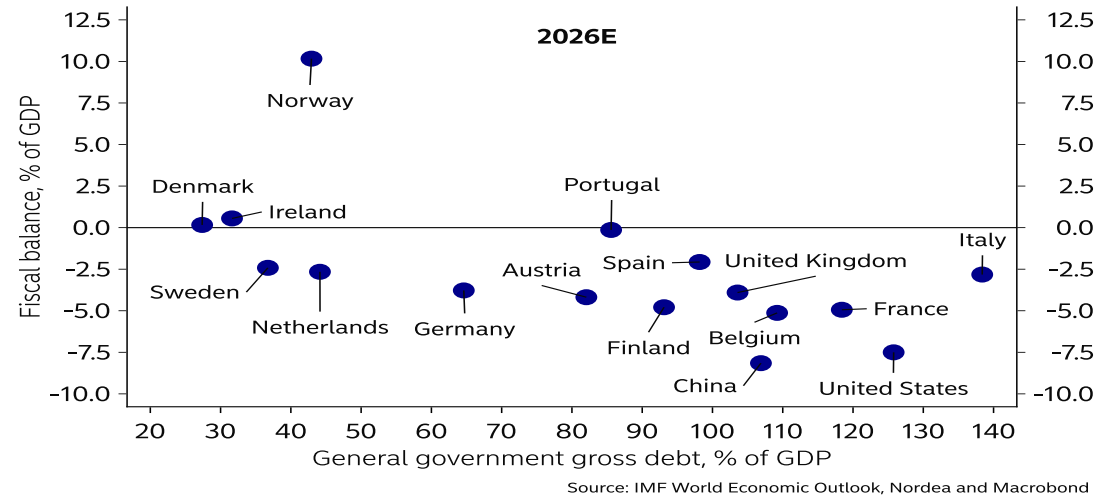
# Nordic economies

## Upside risks

### Policy rates



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



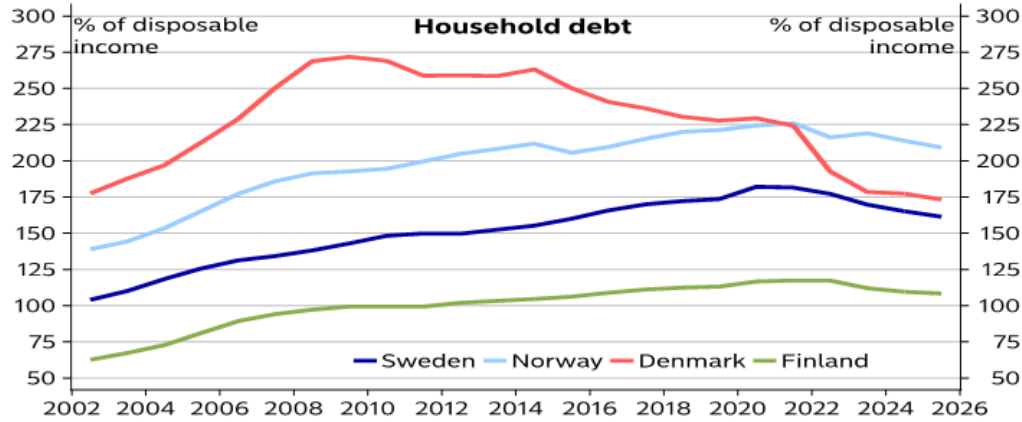
- The ECB, Riksbank and Norges Bank kept their policy rate unchanged in March at 2.0%, 1.75% and 4.0%, respectively
- The ECB is expected to hike rates four times in 2026 to 3.0% and keep rates steady during 2027, according to Nordea's forecast
- The Riksbank is expected to leave their policy rate unchanged until year-end. Thereafter, the bank is expected to raise the policy rate three times to 2.5% during 2027
- Norges Bank is expected to hike its policy rate to 4.25% in June and thereafter leave it unchanged until year-end 2027
- The outlook for central banks are very uncertain with regards to the war in the Middle East. Risks are tilted to the upside for inflation and policy rates
- Most of the Nordic countries are AAA-rated characterised by robust public finances and solid external balance sheet surpluses

Source: Nordea Markets and Macrobond

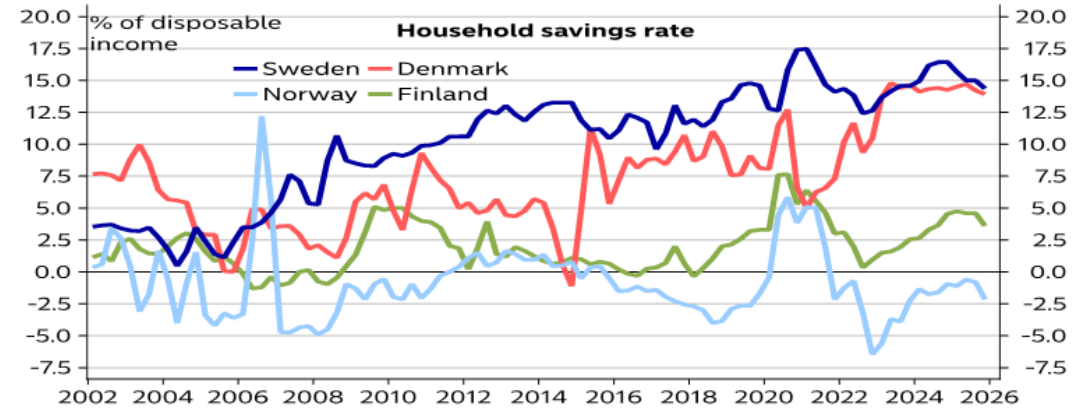
# Households

## Normalisation

### Household debt

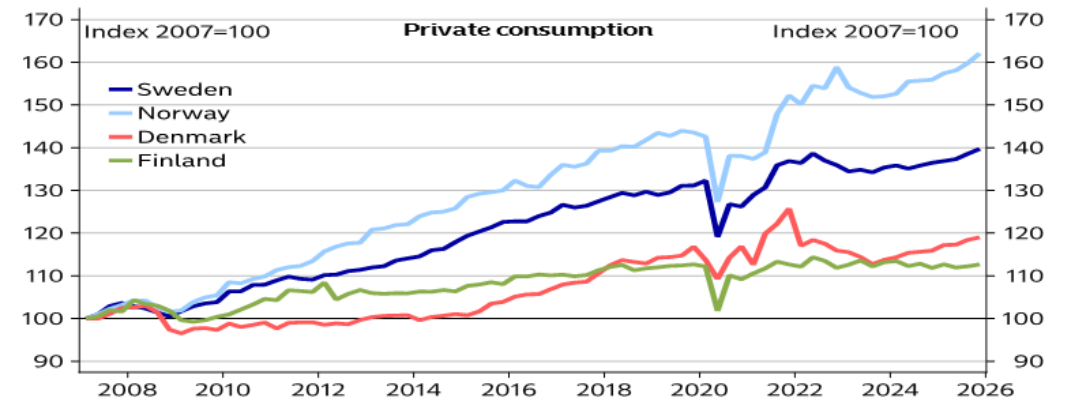


### Household savings



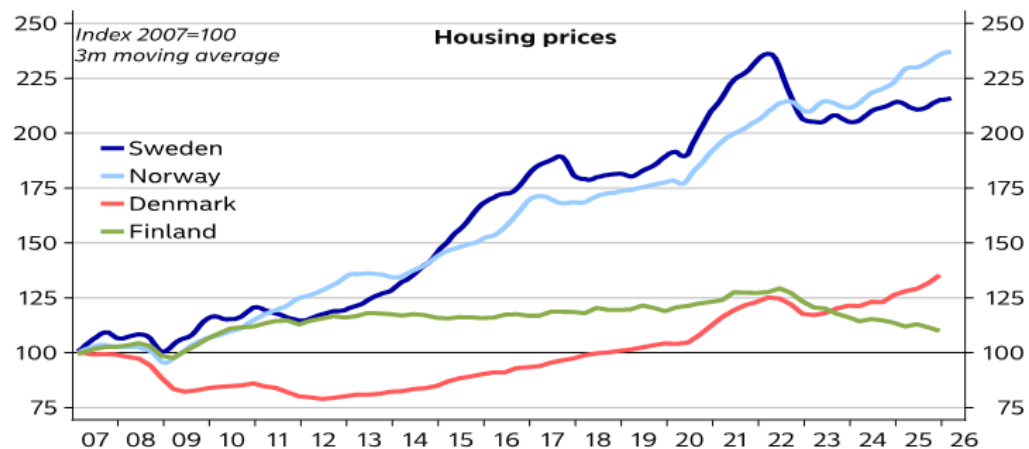
- Consumer confidence is mixed among Nordic households
- However, the levels still remain below historical normal, particular for Danish and Finnish households, thus indicating continued caution
- Household purchasing power and consumption are expected to improve as real disposable income continues to increase. The improved domestic demand is expected to support economic growth

### Private consumption

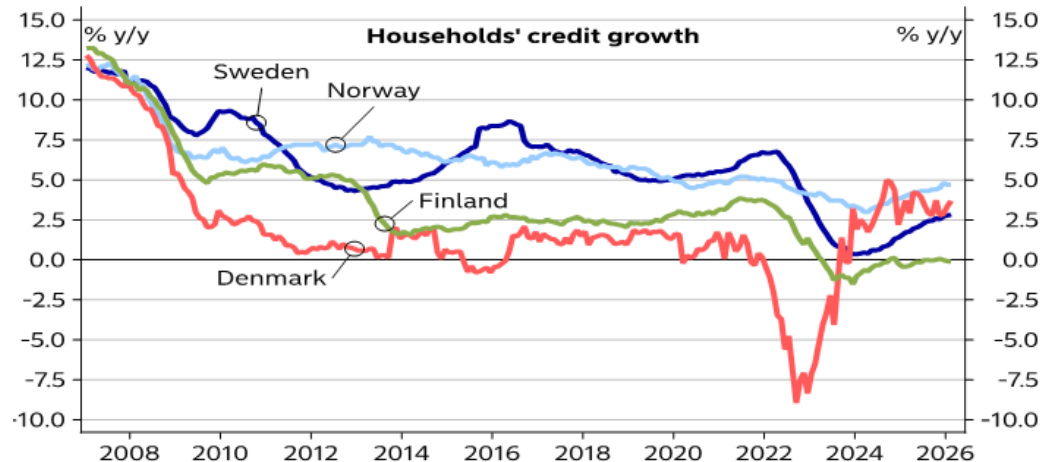


## Increased activity

### Housing prices



### Households' credit growth



- Housing price development 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. The development in Finland remains sluggish with falling prices
- 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 in Sweden, Norway and Denmark, but fallen in Finland. However, the supply of homes in Sweden and Norway is still elevated, but has fallen back in Denmark and Finland
- Household credit growth has turned positive in all the Nordic countries except for Finland

## 6. Further information



# Nordea Mortgage Bank – outstanding benchmark covered bonds

Q1 2026

Breakdown by ISIN				
ISIN	Currency	Amount (EURm)	Maturity	Coupon
XS2673972795*	EUR	1 000	31/08/2026	3.500%
XS2758065010	EUR	750	31/01/2027	FRN
XS1204140971	EUR	1 000	17/03/2027	0.625%
XS2013525410	EUR	1 000	18/06/2027	0.125%
XS3036080367*	EUR	750	04/04/2028	2.375%
XS2708690685	EUR	1 000	26/10/2028	3.625%
XS2463702907	EUR	1 500	30/03/2029	1.000%
XS3330368518**	EUR	1 000	03/04/2029	2.875%
XS2589317697	EUR	1 000	20/02/2030	3.000%
XS3237640183	EUR	1 000	25/11/2030	3.000%
XS2758065796	EUR	1 000	31/01/2031	3.000%
XS2532376949	EUR	1 000	14/09/2032	2.500%
XS1784071042	EUR	750	28/02/2033	1.375%
XS2802191937	EUR	1 000	12/04/2034	3.000%
XS3163525374	EUR	1 000	28/08/2035	3.000%

# Contacts

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