



Nordea Pension Holding Danmark A/S

Annual Report 2023

Business reg. (CVR) no. 19625095
Grønjordsvej 10
DK-2300 Copenhagen S

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MANAGEMENT'S REVIEW

Activity

Nordea Pension Holding Danmark A/S' principal activity is to own and operate the life insurance company Nordea Pension, Livsforsikringsselskab A/S.

Profit for the year

Profit after tax amounted to a loss of DKK 23m, against a profit of DKK 77m in 2022.

The profit was significantly below the guidance expressed in the annual report for 2023, which was due to lower performance in the subsidiary and higher interest expenses on loan.

A proposed dividend payment of DKK 200m is expected to be received from subsidiaries in 2023.

The Company proposes that the profit for the year is transferred to equity, which subsequently stands at DKK 650m.

The Board of Directors proposes distribution of a dividend of DKK 100m for 2023.

Risk factors

The investment in the subsidiary is funded by equity and loans from the parent company, Nordea Life Holding AB.

Solvency

As an intermediate holding company in the Nordea Group, Nordea Pension Holding is not required to prepare statements of solvency requirement and own funds for the Company.

Diversity and CSR

The Board of Directors' position on its composition and qualifications is set out in "Policy on diversity on the Board of Directors".

The members of the Board of Directors are elected by the shareholders in general meeting. One of the three board members are woman. Accordingly, Nordea Pension Holding Danmark meets its target of having at least one member of each gender and also complies with the legal definition of an equal gender distribution.

In addition to this, the total number of managers at Nordea Pension's other management levels is 35, and

the percentage of the underrepresented gender is 46%. Nordea Pension meets its target of having a gender distribution of 40/60. The gender distribution target is in focus in the recruitment process etc.

The statutory report on corporate social responsibility and target figures for the underrepresented gender pursuant to sections 142, 143 and 144 of the Danish Executive Order on Financial Reports for Insurance Companies and Multi-Employer Occupational Pension Funds can be found in [Nordea Bank Abp Annual Report 2022](#).

Outlook for 2024

The management expects profit before tax for 2024 in the range of DKK 40-90m.

No events have occurred between the balance sheet date and today's date that materially affect the financial statements.

AUDIT COMMITTEE

The Board of Directors of Nordea Pension, Livsforsikringsselskab A/S has set up an audit committee. As members of the audit committee, the Board of Directors has elected board members Katja Bergqvist, Hans Erik Hugo Preutz and Brian Rothemejer Jacobsen (chairman).

In the opinion of the Board of Directors, all three members of the audit committee possess, as a result of their many years of work in the management of financial companies the necessary accounting competences to handle the audit committee profession.

It is therefore the Board of Directors' clear assessment that all three members of the audit committee possess qualifications and experience that enable them to make an independent assessment of whether Nordea Pension's financial reporting, internal controls, risk management and statutory audit have been organised and carried out in an appropriate manner in relation to its size and complexity.

The audit committee works on the basis of clearly defined terms of reference and holds four ordinary meetings a year. The audit committee reports regularly to the Board of Directors.

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REMUNERATION

Remuneration policy

The Board of Directors of Nordea Pension, Livsforsikringsselskab A/S has agreed on a remuneration policy. The remuneration policy is in accordance with the corresponding policy agreed on at the Nordea Group. The Company's remuneration principles are aimed at ensuring that management and the employees are remunerated in a manner that best supports the Company's business and long-term strategic goals. The terms of remuneration are designed to ensure Nordea Pension's ability to recruit and retain a skilled and responsible management that promotes efficient risk management and does not encourage excessive risk-taking. Furthermore, the remuneration principles are aimed at preventing conflicts of interest.

Variable remuneration is used to a limited extent. No employees are entitled to pension schemes that are comparable to variable remuneration.

DATA ETHICS

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 Pension. Finally, Nordea Pension has adopted guidelines issued by Forsikring & Pension on data ethics.

Processing of data at Nordea Pension is a part of the core business. Nordea Pension 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 that 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 Nordea Pension. 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 Pension business areas. The reporting on data ethics is the responsibility of a number of functions at Nordea Pension, including Compliance and Data Management.

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MANAGEMENT AND DIRECTORSHIPS

Executive Board:

Vivian Weis Byrholt

On the Executive Board for:

Nordea Pension Holding Danmark A/S
Nordea Pension, Livsforsikringsselskab A/S

Member of the board of directors of:

Nordea Pension Kapitalforvaltning Danmark A/S
Nordea Pension Ejendom Danmark A/S
NPE.201 ApS
Rådhuskontorene ApS
PERANKI HOLDING A/S
Gerstenberg & Agger A/S

Member of the executive committee at:

InterForce

Board of Directors:

Katja Bergqvist

On the Executive Board for:

CEO of Nordea Life Holding AB in Sweden:

Member of the board of directors of (Chairman):

Nordea Pension Holding Danmark A/S
Nordea Pension, Livsforsikringsselskab A/S
Nordea Livsförsäkring Sverige AB
Nordea Life Assurance Finland Ltd
Livsforsikringsselskapet Nordea Liv Norge AS

Hans Erik Hugo Preutz

On the Executive Board for:

Deputy CEO of Nordea Life Holding AB in Sweden

Member of the board of directors of (Chairman):

Nordea Pension Ejendom Danmark A/S
Nordea Pension Kapitalforvaltning Danmark A/S
Nordea Pension EDB Danmark II ApS
NPE.201 ApS
Rådhuskontorene ApS
Nordea Baltic AB

Member of the board of directors of:

Nordea Pension Holding Danmark A/S
Nordea Pension, Livsforsikringsselskab A/S
Enento Group PLC i Finland

Mads Skovlund Pedersen

On the Executive Board for:

Personal Banking, Nordea Danmark

Member of the board of directors of (Chairman):

Nordea Kredit Realkreditaktieselskab

Member of the board of directors of (Deputy Chairman):

Finans Danmark
FR I af 16. september 2015 A/S (FR1)

Member of the board of directors of:

Nordea Pension Holding Danmark A/S
Nordea Pension, Livsforsikringsselskab A/S

The above includes the positions in other business enterprises for which the management has given permission in accordance with section 80 of the Danish Financial Business Act.

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STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

The Board of Directors and Executive Management have today considered and approved the Annual Report 2023 of Nordea Pension Holding Danmark A/S.

The annual report has been prepared in accordance with statutory requirements, including – but not exclusively – the specific accounting rules in the Danish Financial Business Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year ended 31 December 2023.

In our opinion, the Management's review includes a fair review of developments in the Company's activities and financial position together with a description of the principal risks and uncertainties that the Company faces.

We recommend that the annual report be adopted at the annual general meeting.

Copenhagen, 11 March 2024

Executive Management

Vivian Weis Byrholt
CEO

Board of directors

Katja Bergquist
Chairman

Mads Skovlund Pedersen

Hans Erik Hugo Preutz

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Nordea Pension Holding Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Business Act.

We have audited the Financial Statements of Nordea Pension Holding Danmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity and notes, 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 are independent of the Company 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under 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 in preparing the financial statements 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

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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 conducted 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 in preparing the financial statements 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 contents 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.

Hellerup, 11 March 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR no 3377 1231

Per Rolf Larssen
State Authorised Public Accountant
mne24822

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INCOME STATEMENT

DKK'000	Note	2022	2023
Income from group enterprises	1	79,968	3,919
Interest income and dividends, etc.		28,662	37,474
Interest expenses		-22,834	-71,961
Administrative expenses related to investment activities		-125	-51
TOTAL INVESTMENT RETURN		85,671	-30,619
PROFIT BEFORE TAX		85,671	-30,619
Tax	2	-8,184	7,599
PROFIT FOR THE YEAR		77,487	-23,020

Proposed appropriation of profit for the year:			
Transferred to other reserves		79,968	3,919
Extraordinary dividend distributed during the financial year		1,000,000	200,000
Transferred to retained earnings		-1,002,481	-226,939
		77,487	-23,020

STATEMENT OF COMPREHENSIVE INCOME

Profit for the year	77,487	-23,020
Other comprehensive income	0	0
Comprehensive income for the year	77,487	-23,020

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BALANCE SHEET

DKK'000	Note	2022	2023
ASSETS			
Investments in group enterprises	3	2,043,834	2,047,753
Loans to group enterprises		480,000	480,000
TOTAL INVESTMENT ASSETS		2,523,834	2,527,753
Receivables from group enterprises		22,790	29,277
TOTAL RECEIVABLES		22,790	29,277
Current tax assets		321	7,599
Cash and cash equivalents		0	8,171
TOTAL OTHER ASSETS		321	15,770
Accrued interest and rent		0	5
TOTAL PREPAYMENTS		0	5
TOTAL ASSETS		2,546,945	2,572,805
LIABILITIES AND EQUITY			
Share capital	4	25,000	25,000
Other reserves		556,860	360,779
Total reserves		556,860	360,779
Proposed dividend		0	100,000
Retained earnings		91,184	164,245
TOTAL EQUITY		673,044	650,024
OTHER SUBORDINATED LOAN CAPITAL	5	300,000	300,000
Payables to group enterprises		1,570,053	1,622,716
Other debt		3,848	65
TOTAL DEBT		1,573,901	1,622,781
TOTAL LIABILITIES AND EQUITY		2,546,945	2,572,805
Staff and audit fees	6		
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Notes 1-11 form part of the financial statements.

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STATEMENT OF CHANGES IN EQUITY

DKK'000

	Share capital	Other reserves	Retained earnings	Proposed dividend	Total
2022					
Equity, end of previous year	25,000	1,468,948	93,665	0	1,587,613
Profit for the year		79,968	-2,481		77,487
Other comprehensive income		0	0		0
Comprehensive income for the year		79,968	-2,481		77,487
Dividend received from subsidiaries		-1,000,000	1,000,000		0
Dividend paid			-1,000,000		-1,000,000
Changes in the equity of group enterprises		7,944			7,944
Other transactions		-992,056			-992,056
Equity at 31 December 2022	25,000	556,860	91,184	0	673,044
2023					
Equity, end of previous year	25,000	556,860	91,184	0	673,044
Profit for the year		3,919	-126,939	100,000	-23,020
Other comprehensive income		0	0		0
Comprehensive income for the year		3,919	-126,939	100,000	-23,020
Dividend received from subsidiaries		-200,000	200,000		0
Other transactions		-200,000	200,000		0
Equity at 31 December 2023	25,000	360,779	164,245	100,000	650,024

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NOTES

DKK'000 2022 2023

Note 1. Income from group enterprises

Nordea Pension, Livsforsikringsselskab A/S	79,968	3,919
Income from group enterprises	79,968	3,919

Note 2. Tax

Current tax	4,669	-7,599
Prior-year adjustments	3,515	0
Tax	8,184	-7,599
Profit before tax excluding income from group enterprises	5,703	-34,538
Tax on profit for the year (22%)	1,255	-7,598
Tax	8,184	-7,599

Note 3. Investments in group enterprises

Nordea Pension, Livsforsikringsselskab A/S	2,043,834	2,047,753
Investments in group enterprises	2,043,834	2,047,753

Note 4. Share capital

The share capital consists of shares with a nominal value of DKK 1,000 each.

Note 5. Other subordinated loan capital

Nordea Life Holding AB has issued a subordinated loan of DKK 300 million to Nordea Pension Holding A/S. The loan has a term of 10 years to maturity from 1 December 2022 and may also be terminated by the debtor subject to approval by the Danish FSA. The loan carries interest at a floating rate determined as CIDKK3MD + 2.8%, currently 6.743% p.a.

A subordinated loan of DKK 300 million to Topdanmark Forsikring A/S was repaid on 1 December 2022. The loan carried interest at a floating rate determined as Euro CMS 20 + 525 bp, current interest rate of 5.575% p.a. at the repayment date.

Interest expense for the year	16,797	19,313
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Note 6. Staff and audit fees

Nordea Pension Holding Danmark A/S has no full-time employees.

Information on the total fee for the year paid to the audit firm in charge of the statutory audit has been omitted. See the consolidated financial statements of Nordea Bank Abp, Finland.

Note 7. Contingent liabilities

Nordea Pension Holding Danmark A/S 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 2023, the net taxes receivable from the Danish Tax Agency by the companies and branches included in the joint taxation amounted to DKK 232m (net taxes receivable DKK 170m). 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.

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NOTES

DKK'000

Note 8. Consolidated financial statements and parent-subsidiary relations

In accordance with section 134(1) of the Executive Order on Financial Reports for insurance companies and multi-employer occupational pension funds, the Company does not prepare consolidated financial statements.

The financial statements of Nordea Pension Holding Danmark A/S are included in the consolidated financial statements of Nordea Bank Abp, Business ID 2858394-9, Hamnbanegatan 5, 00020 Helsinki, Finland.

The consolidated financial statements are available from the Company on request.

The Company is wholly owned by Nordea Life Holding AB, Stockholm.

Note 9. Related parties

Board of directors

The Company has not paid any remuneration to the Board of Directors.

Katja Bergqvist (elected on 1 December 2022)

Mads Skovlund Pedersen (elected on 1 December 2022)

Hans Erik Hugo Preutz (elected on 1 December 2022)

Peter Hermann (resigned on 30 November 2022)

Lars Kufall Beck (resigned on 30 November 2022)

Anne Christina Skjønnemand (resigned on 30 November 2022)

For 2022 the remuneration of Peter Herman and Lars Kufall Beck as members of Topdanmark's Group Executive Management team is disclosed at <https://www.topdanmark.com/binaries/content/assets/corporate/investor-rapporter-og-praesentationer/vederlagsrapporter/vederlagsrapport-2022.pdf/>

Executive Management

The Company has not paid any remuneration to the Executive Management.

Information on remuneration paid by subsidiaries is available on request from the Company at <https://www.nordeapension.dk/rapporter/>

Note 10. Five-year financial highlights	2019	2020	2021	2022	2023
(DKKm)					
Investment return	66	56	250	86	-31
Profit for the year	64	54	248	77	-23
Total assets	4,140	4,191	3,440	2,547	2,573
Equity	2,272	2,332	1,588	673	650
Return on equity (%)	3	2	10	5	-3

Note 11. Material accounting policies

The financial statements of Nordea Pension Holding Danmark A/S have been prepared in accordance with the provisions of the Danish Financial Business Act, including the Danish FSA's Executive Order on Financial Reports for Insurance Companies and Multi-Employer Occupational Pension Funds.

The accounting policies are consistent with those applied in 2022.

Income statement

Income from group enterprises comprises the parent company's share of the profit/loss of the subsidiary Nordea Pension, Livsforsikringselskab A/S.

The subsidiary applies the same accounting policies as the parent company for similar items.

Interest income and interest expenses comprise accrued interest relating to the financial year.

Tax comprises the current tax charge for the year calculated based on the tax rates and tax rules applicable at the balance sheet date. The Company is jointly taxed with Nordea's Danish companies and branches for which Nordea Danmark, branch of Nordea Bank Abp, Finland settles all corporate tax payments to the tax authorities, being the management company for the joint taxation arrangement. Current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income through joint taxation contributions.

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Balance sheet

Investments in group enterprises are measured at the equity value of the subsidiary, Nordea Pension, Livsforsikringsselskab A/S.

Loans to and receivables from group enterprises are measured at fair value on initial recognition and subsequently at amortised cost. Receivables are tested regularly for impairment.

Subordinated loan capital and payables to group enterprises are measured at fair value on initial recognition and subsequently at amortised cost.