Nordea

Sustainable Funding Report 2024

June 2025

Contents

About this document

The purpose of this document is to provide information on Nordea's sustainable funding, and more specifically the green bonds issued by Nordea. It presents the allocation of the green bond proceeds allocated to the green bond asset portfolio, as well as an estimation of annual impact created by the green bond asset portfolio. It complements other sustainable funding documentation found on Nordea's investor pages, and follows the requirements of the Green Bond Principles by the International Capital Market Association (ICMA). No external assurance has been acquired on the information presented in this report.

Executive summary

The financial sector plays a key role in supporting the transition to a more sustainable future. At Nordea, sustainability is embedded in the Group's strategy, with priorities built on four strategic pillars: financial strength, climate and environmental action, social responsibility, and governance and culture. Each pillar is grounded in specific UN Sustainable Development Goals and sustainability-related matters focusing on areas where Nordea can make a difference – through its financing, investments and internal operations.

In 2024, we continued to build on our strong position within sustainable financing. We have committed to facilitate more than EUR 200bn in sustainable financing[1] between 2022 and 2025. By the end of 2024, we had delivered EUR 185bn towards this target. We continued to see strong demand for our sustainable financing and advisory services, despite continued challenging market conditions due inflation and interest rate increases. We have maintained our position as the Nordic region's leading provider of corporate sustainable bonds. During 2024, Nordea issued both green and SLL bonds in NOK and SEK, whilst continued green issuances in EUR and DKK increased our footprint with sustainable investors. CMD Portal named Nordea the winner of its "2024 Best ESG Issuer" and "Best FIG ESG issuer" awards.[2] These recognitions encourage us to continue our efforts for increased sustainable financing.

In 2024, we issued more than EUR 3.6bn in sustainable bonds (green, green covered and SLL bonds), bringing our total outstanding sustainable issuance to above EUR 14bn. The yearly review of our Green funding framework, update of our Green bond asset portfolio and renewal of ISS Corporate's Second Party Opinion (SPO) was finalised end of Q1 2025. The most prominent change in the 2025 version is the more comprehensive section on "Sustainable Management of Living Natural Resources and Land Use" that now includes clear biodiversity project types. We also further harmonised Nordea's green funding framework with the EU Taxonomy by utilising EU taxonomy criteria for substantial contribution to climate change mitigation for all except two of the Green bond portfolio (GBP) asset categories. We also added a mapping of our GBP categories against EU Taxonomy activities for increased clarity. By updating our Green bond asset portfolio, as further explained below we were able to grow the portfolio volume by 20.6% from 2023, reaching EUR 9.07bn in total. The increased volume enables us to increase our bond issuance in green format.

In 2021, Nordea as the first large bank in the Nordics started to offer its customers Deposit with Climate Focus. Today the product is live in Norway, Sweden and Finland. The plan is to offer Deposit with Climate Focus to Danish customers as well during 2025. An equivalent amount of the Deposit with Climate Focus is intended to be invested or reinvested in the assets eligible in our green bond asset portfolio.

For impact reporting purposes, to the extent possible, we base our impact calculations on actual figures reported by our clients. Where estimations are made, we have updated assumptions utilised for calculations where necessary during the year. More information can be found in the methodology section of this report.

This report covers all the green and sustainability-linked funding bond operations of Nordea Bank Abp and its mortgage subsidiaries. The asset portfolios and impacts are presented at the asset portfolio level, separately for Nordea Bank and for each Mortgage Credit Institution (MCI) respectively. Our report and impact calculations are based on the latest externally verified green bond asset portfolio figures, as presented by the publicly available SPO. The report covers the calendar year 2024.

For more information on our sustainability work, please see our 2024 Annual Report and particularly the Sustainability statement.

[1] Includes green, sustainable, sustainability-linked, and social bond transactions as well as green and sustainability-linked loan transactions.

[2] https://www.cmdportal.com/Article/Show/U/142779/Nordea-Wins-4-Bond-Market-Awards#:~:text=Moreover%2C%20with%20the%20support%20of,Nordic%20Currencies%20Bookrunner%2FDealer%20Awards

Impact of allocated proceeds from Nordea Bank Abp

Total impact

699 599 tCO_2
emissions avoided

3 579 GWh
clean energy produced

66 m
m^3 water treated

Impact per EUR 1m invested

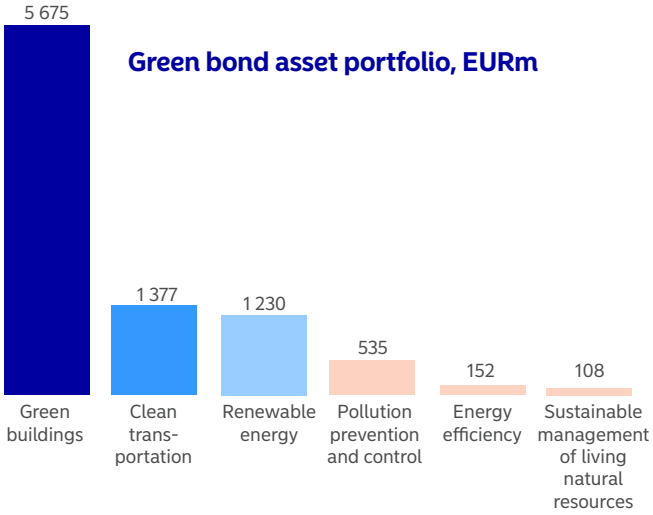
132 tCO_2
emissions avoided

0,7 GWh
clean energy produced

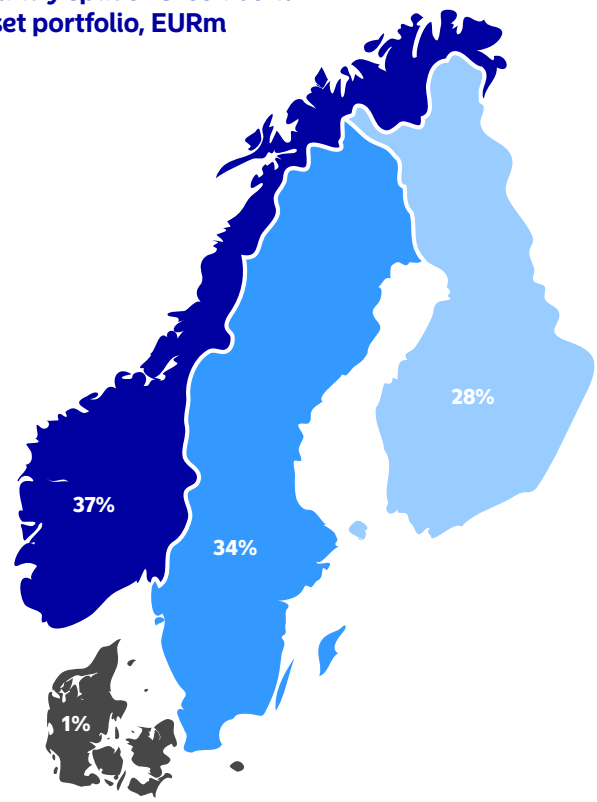
12 000
m^3 water treated

Green bond asset portfolio

Green bond asset portfolio, EURm

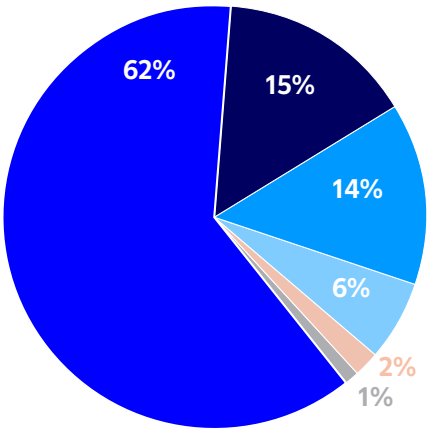


Country split of Green bond asset portfolio, EURm



Country	EURm	Share
Denmark	24	1 %
Finland	2,560	28 %
Norway	3,384	37 %
Sweden	3,109	34 %
Total	**9,077**	**100 %**

Green bond asset portfolio, EURm



- Green buildings
- Clean transportaition
- Renewable energy
- Pollution prevention & control
- Energy effeciency
- Sustainable management of living natural resources

Green funding developments in 2024

Established in 2017, the Nordea green funding framework defines how we identify, select, verify and report the green assets financed by the proceeds of our green funding. It also establishes how we manage such proceeds. The framework is based on the Green Bond Principles published by the International Capital Markets Association. We review it annually and, where necessary, update and expand it as the Green Bond Principles and market practices evolve.

We have engaged the external provider ISS Corporate to verify the Nordea green funding framework and our green bond assets. The green bond assets are reviewed at asset level before being included in the green bond asset portfolio. Both the green assets recorded in the green covered bond registers and the green covered bond process follow a separate track in terms of verification. The second party opinion is publicly available on our website. Our aim is to engage a second party opinion provider in regular reverifications where updates to the framework and new asset inclusions are verified.

In 2024, the reverification was initiated in Q4 and finalised in Q1 2025. The most prominent update is the more comprehensive section on "Sustainable Management of Living Natural Resources and Land Use", which now includes clear biodiversity project types. Nordea has for instance included terrestrial and aquatic biodiversity conservation to create biodiversity credits, restoration of degraded and damaged ecosystems and habitats as well as preservation and restoration of biodiversity and natural ecosystems. We also further harmonised Nordea's green funding framework with the EU Taxonomy, by utilising EU taxonomy criteria for substantial contribution to climate change mitigation for the asset category criteria for Renewable Energy, Green Buildings, Energy Efficiency and Clean Transportation. The green bond asset portfolio for Nordea Bank includes only green corporate loans verified on asset level by ISS Corporate. The portfolios for green covered bonds include green mortgage loans and reclassified mortgage assets fulfilling the Green funding framework criteria.

2024 was yet another active year for our green funding activities. In 2024, we issued more than EUR 3.6bn in sustainable funding across four currencies, bringing our total outstanding sustainable issuance to above EUR 14bn. These figures include new issuances from both Nordea Bank as well as our MCIs, and contains green bonds, green covered bonds and SLL bond formats.

The Green funding framework as well as other public documentation on our sustainable financing is available on our "Sustainable funding" investor web pages.

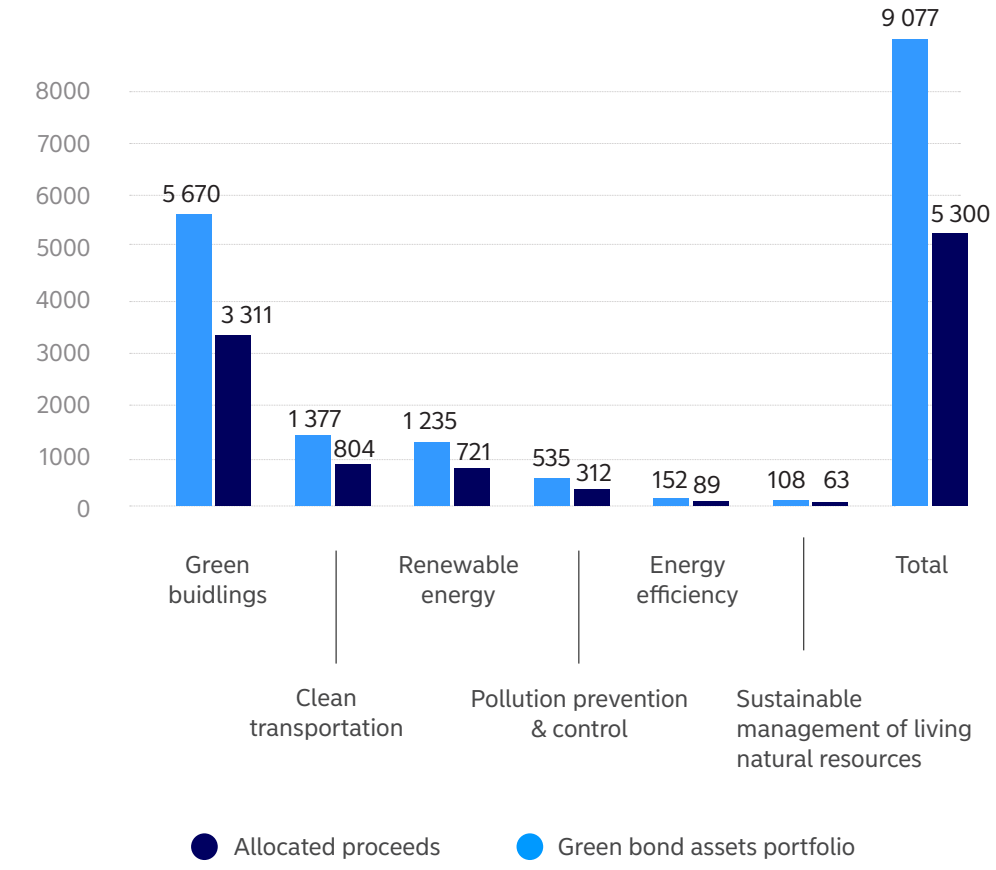
Development of the green bond asset portfolio in Nordea Bank Abp

Our focus on sustainable financing is also reflected in the performance of our green bond asset portfolio. In 2024, the portfolio grew by 21% from EUR 7.52bn to EUR 9.07bn, year on year, driven by increased green loan origination as well as continued data matching of energy performance certificates to our lending data in the Green buildings category. We use the latest externally verified portfolio figures for our green bond reporting and impact calculations.

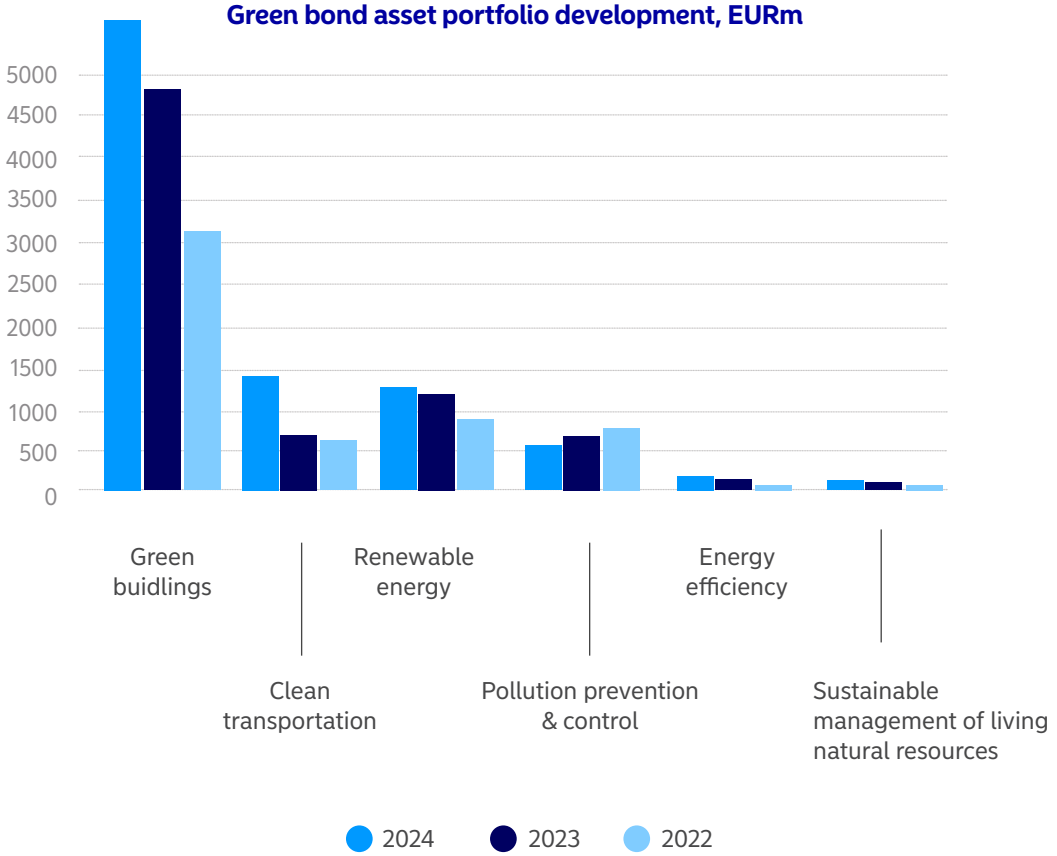
The green bond asset portfolio and allocation of proceeds are presented below.

During 2024, our green bond asset portfolio grew by 20.6%.

Green bond asset portfolio amount and allocation of proceeds, EURm



Green bond asset portfolio development, EURm



Impact of the green bond asset portfolio

Category	Sub-category	Green Bond Asset portfolio amount, EURm	Annual emissions avoided, tCO2e	Annual energy production, GWh	Annual energy savings, MWh	Annual water withdrawn or treated, m m3	SDGs
Clean transportation	Electric cars	1 060	38 437				
	Electric Trains	316	5 186				
	Subtotal	**1 377**	**43 623**				
Energy Efficiency	Energy efficiency	44	3 088	1			
	Transmission	108					
	Subtotal	**152**	**3 088**	**1**			
Green Buildings	Green Buildings	5 670	12 277	0	64 277		
	Subtotal	**5 670**	**12 277**	**0**	**64 277**		
Pollution Prevention and control	Waste Management	26					
	Waste to Energy	306	258 730	1 519			
	Water and Waste Water Treatment	204				113	
	Subtotal	**535**	**258 730**	**1 519**		**113**	
Renewable energy	Hydro	581	330 658	1 731			
	Solar	35	31 794	166			
	Wind	619	517 954	2 712			
	Subtotal	**1 235**	**880 406**	**4 609**			
Sustainable management of living natural resources	Sustainable aquaculture	99					
	Sustainable forestry	9					
	Subtotal	**108**					
	Grand Total	**9 077**	**1 198 123**	**6 130**	**64 277**	**113**	

Total impact

1 198 123 tCO_2
emissions avoided

6 130 GWh
clean energy produced

113 m
m^3 water treated

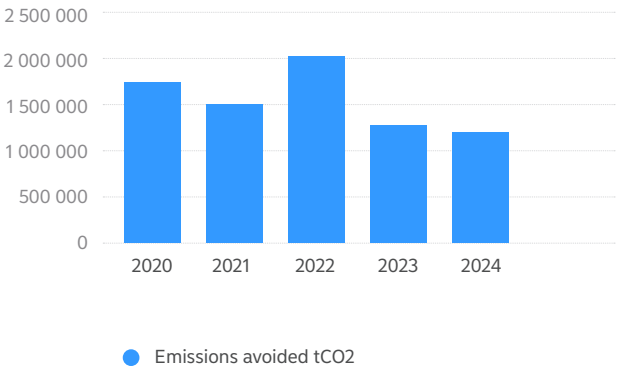
Impact per EUR 1m invested

132 tCO_2
emissions avoided

0.7 GWh
clean energy produced

0.01 m
m^3 water treated

Total impact, emissions avoided tCO2[3]



[3] *Decreased amount of avoided emissions from 2023 onwards due to updated emission factors in NPSI position paper.*

Outstanding green bonds from Nordea Bank Abp as of year-end 2024

Bond	Issuer	Type	Rating	Nominal amount	Issue date	Maturity date	Listing	ISIN
Nordea green bond EUR 750m, senior preferred, 7-year	Nordea Bank Abp	Senior preferred	Standard & Poor's: AA-; Moody's: Aa3; Fitch: AA	EUR 750m	28-May-19	28-May-26	LGX	XS2003499386
Nordea green bond EUR 500m, senior non-preferred, 10-year	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Baa; Fitch: AA-	EUR 500m	19-Mar-21	19-Mar-31	LGX	XS2321526480
Nordea green bond EUR 1000m, senior non-pre-ferred, 5-year	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	EUR 1000m	16-Feb-22	16-Feb-27	LGX	XS2443893255
Nordea green bond CHF 300m, senior non-pre-ferred, 5-year	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	CHF 300m	26-May-23	26-May-28	SIX	CH1264823514
Nordea green bond GBP 300m, senior non-pre-ferred, 3-year	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	GBP 300m	02-Jun-23	02-Jun-26 (called at first call date 02-Jun-25)	XMSM	XS2630401631
Nordea green bond SEK 3000m, senior non-pre-ferred, 3-year FRN	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	SEK 2000m	02-Jun-23	02-Jun-26	XMSM	XS2631864787
Nordea green bond SEK 3000m, senior non-pre-ferred, 3-year FXD	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	SEK 1000m	02-Jun-23	02-Jun-26	XMSM	XS2631851701
Nordea green bond NOK 850m, senior non-pre-ferred, 5-year FRN	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	NOK 850m	06-Jun-23	06-Jun-28	XOSL	NO0012933516
Nordea green bond NOK 950m, senior non-pre-ferred, 5-year FXD	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: Aaa; Fitch: AA-	NOK 950m	06-Jun-23	06-Jun-28	XOSL	NO0012933524
Nordea green Tier 2 EUR 500m, Tier 2, 10.25-year	Nordea Bank Abp	Tier 2	Standard & Poor's A-; Moody's: Baa1; Fitch: A	EUR 500m	23-Nov-23	23-Feb-34	XMSM	XS2723860990
Nordea green Tier 2 EUR 750m, Tier 2, 11-year	Nordea Bank Abp	Tier 2	Standard & Poor's A-; Moody's: Baa1; Fitch: A	EUR 750m	29-May-24	29-May-35	XMSM	XS2828791074
Nordea green bond EUR 750m, senior non-pre-ferred, 7-year FXD	Nordea Bank Abp	Senior non-preferred	Standard & Poor's A; Moody's: A3 Fitch: AA-	EUR 750m	28-Oct-24	28-Oct-31	XMSM	XS2927515598

Nordea Green funding framework

Eligible activities, green bond asset categories

Renewable Energy	Project types
UN SDG  **EU Taxonomy Activity** 3.1 Manufacture of renewable energy technologies 3.10 Manufacture of hydrogen 3.11 Manufacture of equipment for the production of hydrogen Electricity generation: 4.1 using solar photovoltaic technology 4.3 from wind power 4.4 from ocean energy technologies 4.5 from hydropower 4.9 Transmission and distribution of electricity 4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids 4.14 Transmission and distribution networks for renewable and low-carbon gases 4.20 Cogeneration of heat/cool and power from bioenergy 4.24 Production of heat/cool from bioenergy	The generation and transmission of energy from renewable sources and the manufacturing of related equipment for • Solar power • Wind power • Wave and tidal power • Hydropower[4] • Bioenergy (heat and heat & power (co)generation, production of biogas and biofuels)[5] **Electricity transmission and distribution** • Transmission of electricity produced by renewable sources from the production site to the system grid • System grids interconnected with the European system • Automation and intelligence in the power transmission and distribution systems **Hydrogen production** • Production of green hydrogen and hydrogen-based renewable fuels of non-biological origin (RFNBOs)[6] • Construction or operation of new transmission and distribution networks dedicated to hydrogen and conversion/repurposing of existing natural gas networks to 100 % hydrogen • Manufacturing of equipment for green hydrogen production[7]

[4] Hydropower must be generated in the Nordic countries by small-scale plants, run-of-river plants, or refurbished larger hydropower plants (<1000MW) where, if financing a refurbishment, the refurbishment does not entail any increase in the size of the impoundment facility.

[5] Based on feedstock as defined in Annex IX of the EU Renewable Energy Directive (EU) 2018/2001, but excluding (a) cultivated algae, (b) mixed municipal waste, (i) crude glycerine and (q) other ligno-cellulosic material except saw logs and veneer logs (Part A). Food-and feed crops are not used for the manufacture of biofuels. In the Nordics, feedstocks for biogas production typically include sewage, separately collected bio-waste and animal manure and for heat and power co-generation wood biomass wastes and residues from forestry and forest-based industries. Supply chain sustainability is verified through certification systems such as the International Sustainability & Carbon Certification (ISCC), Sustainable Biomass Program (SBP), Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) on a best effort basis.

[6] As defined in the Delegated Regulation (EU) 2023/1184 supplementing Directive (EU) 2018/2001. Hydrogen production based on fossil fuels utilising carbon capture and storage (CCS) is not eligible.

[7] Only manufacturing of equipment for the production of green hydrogen such as electrolysers is eligible.

Green Buildings	Project types
UN SDGs  **EU Taxonomy Activity** 7.1 Construction of new buildings 7.2 Renovation of existing buildings 7.7 Acquisition and ownership of buildings	**New buildings** Residential or commercial real estate that meets criteria 1 or 2 and if larger than 5000m2 also criteria 3, subject to data availability: 1. Construction of new buildings with a primary energy demand at least 10% below the threshold set for the nearly zero-energy building (NZEB) requirements in national measures. The energy performance is certified using an as-built Energy Performance Certificate (EPC) 2. Commercial or residential buildings with at least one of the following certifications: • the LEED "Gold" certification • the BREEAM "Excellent" certification • the Miljöbyggnad "Silver" certification (Sweden) • the Nordic Swan Ecolabel • the DGNB "Gold" certification • the RTS "3 stars" certification 3. Buildings larger than 5000m2 must have a demonstrated life-cycle Global Warming Potential and upon completion the buildings undergo testing for airtightness and thermal control **Existing buildings** Ownership or acquisition of buildings, either residential or commercial real estate built before 2021, that meet either criteria 1 or 2 and if output over 290kW also criteria 3, subject to data availability: 1. An Energy Performance Certificate (EPC) class A or adequately demonstrated to be within the top 15% of the relevant type of national or regional building stock in operational primary energy demand (PED) terms 2. Meet the criteria specified under "New buildings" above 3. A large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290kW) efficiently operated through energy performance monitoring and assessment **Renovations** • The building renovation complies with the applicable requirements for major renovations[8] • The building renovation leads to a reduction of primary energy demand (PED) of at least 30 %

Energy Efficiency	Project types
UN SDGs  **EU Taxonomy Activity** 3.4 Manufacture of batteries 4.10 Storage of electricity 4.11 Storage of thermal energy 4.12 Storage of hydrogen 4.15 District heating/cooling distribution 4.16 Installation and operation of electric heat pumps 4.25 Production of heat/cool using waste heat	Infrastructure, equipment, technology and processes improving energy efficiency, including **Heat pumps and energy storage** • Heat pumps and utilisation of waste heat for heat generation • Energy storage (including batteries, hydrogen storage, thermal energy storage, and pumped hydro) **District heating/cooling** • District heating and cooling networks, where the system is using at least 50% renewable energy, 50% waste heat, 75% cogenerated heat or 50% of a combination of such energy and heat

[8] As set in the applicable national and regional building regulations for 'major renovation' implementing Directive 2010/31/EU. The energy performance of the building or the renovated part upgraded meets cost-optimal minimum energy performance requirements in accordance with the respective directive.

Clean Transportation	Project types
UN SDGs  **EU Taxonomy Activity** 3.3 Manufacture of low carbon technologies for transport 6.1, 6.2 Passenger interurban and freight rail transport 6.3 Urban and suburban transport, road passenger transport 6.5 Transport by motorbikes, passenger cars and light commercial vehicles 6.6 Freight transport services by road 6.7, 6.8 Inland passenger and freight water transport 6.10, 6.11 Sea and coastal freight and passenger water transport 6.14 Infrastructure for rail transport 6.15, 6.16 Infrastructure enabling low-carbon road and water transport and public transport	Projects or activities and related equipment, technology and processes for constructing, manufacturing, maintaining and improving clean transport infrastructure **Passenger and public transport** • Passenger or commercial electric vehicles or mopeds and motorbikes with zero tailpipe emissions (electric or hydrogen fuel cell) • Public passenger transport for example buses, train and ferries) with zero tailpipe emissions (electric or hydrogen fuel cell) **Freight transport**[9] • Rail, road or water transport vehicles with zero direct (tailpipe) carbon emissions **Transport infrastructure** • Infrastructure for zero direct (tailpipe) CO2 emissions vehicles, for example train, metro and tram networks • Electric charging and hydrogen fuelling stations

Pollution Prevention and Control	Project types
UN SDGs 	Projects or activities and any related infrastructure, equipment, technology and processes for **Sustainable water and wastewater management** • Water treatment facilities including water saving systems, water metering • Wastewater treatment facilities including activities and technologies to improve effluent water quality and discharge infrastructure • Water and/or wastewater network including pipelines, pumping stations and control devices • Upgrades to any of the above **Sustainable waste management** • Waste management, including waste prevention, reduction, collection, material treatment, recycling and processing (excluding hazardous waste)

[9] *Freight transport vehicles dedicated to the transport of fossil fuels are not eligible.*

Sustainable Management of Living Natural Resources and Land Use	Project types
UN SDGs 	Projects or activities related to sustainable forestry, agriculture or aquaculture in the Nordic countries. These include the acquisition, maintenance and management of **Sustainable forestry, agriculture or aquaculture** • Forests certified by the Forest Stewardship Council (the FSC) or the Programme for the Endorsement of Forest Certification (the PEFC) • Sustainable agriculture in the Nordic countries comprising organic farming certified as compliant with EU and national regulation and third-party certified conventional farming with a focused action programme for biodiversity, e.g. IP Sigill • Sustainable aquaculture in the Nordic countries comprising land-based fish farming facilities with waste water treatment operating in accordance with limits set in relevant national operating permits[10] **Biodiversity and sustainable land and sea use[11]** • Terrestrial and aquatic biodiversity conservation to create biodiversity credits including forest conservation and mangrove restoration • Restoration of degraded and damaged ecosystems and habitats including forests and woodlands, reforestation with native or naturalised species, restoration of disused production areas and retrofitting infrastructure such as green roofs, green walls and wildlife passage • Protection and preservation of biodiversity and natural ecosystems including R&D and technology dedicated to monitor, report and verify biodiversity impacts such as drones, satellite monitoring, platforms for nature based solutions • Remedying terrestrial and aquatic biodiversity loss drivers such as invasive alien species including water and wastewater treatment[12] , noise pollution in shipping[13] and land use change such as integrated pest management[14]

[10] Criteria related to the sourcing of feed: soy must be sustainable and deforestation free as evidenced by a ProTerra or equivalent certification. Marine-based feed ingredients must comply with the standards of the Marine Stewardship Council, the MarinTrust Standard or equivalent certifications.

[11] The projects are not used to remedy any ecological disaster directly caused by Nordeas lending counterparty.

[12] For example ballast water treatment, membrane bioreactor water treatment or bilge water treatment

[13] For example technology on ships to reduce noise pollution and dynamic route planning systems

[14] Reduction in pesticide use by at least 20% on project implementation and promotion of biosolutions

Green covered bond asset categories

GBP category	Project types
Green residential buildings	Construction of new buildings with a primary energy demand at least 10% below the threshold set for the nearly zero-energy building (NZEB) requirements in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council. The energy performance is certified using an as-built Energy Performance Certificate (EPC). Acquisition and ownership of buildings which • if built before 31 December 2020, have at least a class A EPC or are adequately demonstrated to be within the top 15% of the relevant type of national or regional building stock in operational primary energy demand (PED) terms • if built after 31 December 2020, meet the criteria specified under "Construction of new buildings" above.
Energy efficiency	Renovation of existing buildings where • the renovation meets the applicable requirements for major renovations, or • the renovation leads to a PED reduction of at least 30%. Investments, installations and repairs of equipment resulting in improved energy efficiency. These include investments in • renewable energy sources • energy efficiency improvements • overall quality improvement. • Such investments may encompass geothermal heating, water meters, windows, doors, light sources, etc.

Process for project evaluation and selection

We use the following process to determine which financing within the green bond asset categories qualifies for inclusion in our green bond asset portfolio.

1

We identify potential green bond assets from among the financing originated by each of the relevant business units according to our financing criteria and proposed for selection by the units.

2

We remove financing that does not qualify, whether due to the financing itself or the customer.

3

Our sustainability experts evaluate the remaining financing and qualify it as potential green bond assets where appropriate.

Verification

Our external second party opinion provider verifies the potential green bond assets. The assets that qualify are recorded in our green bond register and included in our green bond asset portfolio.

Our Sustainable Funding Committee (SFC) subsequently confirms the assessments made by our staff in relation to the green bond asset categories.

The SFC reviews the green bond asset portfolio on a semi-annual basis. The proceeds of green bond issues or deposits are allocated to green bond assets at the portfolio level. They are thus allocated to all assets in the green bond asset portfolio in equal shares.

Sustainability-linked loan funding

Our Sustainability-linked loan (SLL) Funding Framework represents a further step in our effort to incorporate environmental considerations in our core operations. Nordea launched the framework in 2022, allowing investors to support our SLL financing activities aimed at tackling climate change. Following the successful inaugural issuance in 2022, we continued to develop the concept together with ISS Corporate in 2024. You can read more about our SLL funding in the latest Sustainability-linked loan bond report and the SLL funding framework available on Nordea.com.

The SLL funding framework builds on the successful development of the 'use-of-proceeds' bond market, such as green bonds, whilst also recognizing the considerable developments seen in the 'sustainability-linked' loan market.

An amount equal to net proceeds of the SLL Funding issued by Nordea is intended to be used, in whole or in part, to finance or refinance a pool of sustainability-linked loans, that have been evaluated and selected by Nordea, and reviewed by an external reviewer to meet the criteria outlined in the framework. To be eligible for selection, a loan must meet each of the below criteria:

- Alignment with the edition of the Sustainability-linked loan Principles (LMA, APLMA, LSTA) that was last published when the facility was signed.
- Positive contribution to the Climate Change Mitigation Impact Objectives highlighted in table below
- Materiality of KPIs and ambitiousness of SPTs validated by an external reviewer.

KPI criteria for Nordea SLL Funding

Impact Objectives	Description of KPIs included
Climate Change Mitigation	Climate Change Mitigation covers activities focused on actions to combat climate change and its impacts. KPIs considered may include, but are not limited to: • Reduction of GHG Scope emissions • Reduction of energy consumption • Reduction of activities with significant indirect GHG emissions • Increase in products or services with significant substitution effects To the extent feasible, preference will be given to KPIs defined in absolute terms, but intensity measures may also be considered. Similarly, 'internal' KPIs (that is, measured by the companies themselves) will be given priority over 'external' KPIs (such as ESG ratings or assessments) unless where the external KPI is considered material. Standards and methodologies considered may include, but are not limited to: • Science Based Targets initiative • Transition Pathway Initiative • International Maritime Organisation

Impact from Nordea mortgage credit institutions

Outstanding green bonds from Nordea mortgage credit institutions (MCIs) as of year-end 2024

Issuer	Type	Rating	Nominal amount	Issue date	Maturity date	Listing	ISIN
Nordea Kredit Realkreditaktieselskab	DKK benchmark, Cibor 6M interest rate premium +0.08, tap covered 3 year	Standard & Poor's AAA	DKK 8,650m	31-Mar-22	01-Jul-26	Nasdaq OMX Copenhagen	DK0002054279
Nordea Kredit Realkreditaktieselskab	Cibor6m interest rate premium -0,04, tap, covered 2,5y	Standard & Poor's AAA	8,041m DKK	04-Oct-24	01-Jan-27	Nasdaq OMX Copenhagen	DK0002060672
Nordea Eiendomskreditt AS	NOK 7bn FRN covered 5-year	Moody's: Aaa	NOK 7bn	Nov-21	01-Sep-26	Euronext Oslo	NO0011151771
Nordea Eiendomskreditt AS	NOK 7bn FRN covered 5-year	Moody's: Aaa	NOK 7bn	22-Nov-23	22-Nov-28	Euronext Oslo	NO0013072991
Nordea Eiendomskreditt AS	NOK 7bn FRN covered 5-year	Moody's: Aaa	NOK 7bn	07-Nov-24	07-Nov-29	Euronext Oslo	NO0013389460
Nordea Mortgage Bank Plc	EUR 1bn covered 3-year	Moody's: Aaa	EUR 1 bn	01-Dec-22	01-Dec-25	Euronext Dublin	XS2561746855
Nordea Mortgage Bank Plc	EUR 1bn covered 3-year	Moody's: Aaa	EUR 1 bn	23-Aug-23	31-Aug-26	Euronext Dublin	XS2673972795

Issuer	Type	Rating	Nominal amount	Issue date	Maturity date	Listing	ISIN
Nordea Hypotek AB	SEK 6bn covered 5-year	Moody's: Aaa	SEK 6bn	18-Nov-22	25 November 2027	Nasdaq Sthlm OMX	SE0013360856
Nordea Hypotek AB	SEK 6bn covered 5-year	Moody's: Aaa	SEK 6bn	04-Oct-23	27-Oct-28	Nasdaq Sthlm OMX	SE0013361177
Nordea Hypotek AB	SEK 6bn covered 5-year	Moody's: Aaa	SEK 6bn	08-Oct-24	08-Oct-29	Nasdaq Sthlm OMX	SE0013361912

Green bond developments in the Nordea MCIs

2024 marked an active year also for our MCIs and our green covered bond activities. The green covered bond asset portfolios increased during 2024 in all four MCIs, mainly driven by improved data sourcing and higher EPC (Energy performance certificate) coverage. In addition to this, both Nordea Hypotek and Nordea Mortgage Bank added positive development based on organic growth of the lending portfolio collateralised by green assets. In Norway, Nordea Eiendomskreditt expects growth in 2025 resulting from including assets acquired from Danske Bank in the green portfolio.

Although volumes in our green covered bond asset portfolios have increased over the course of the year, the impact we present for 2024 is lower than the previous years' impact. This is due to an updated emissions factor for 2024 utilised in the calculation.

The green bond asset portfolio of Nordea Kredit Realkreditaktieselskab, our Danish mortgage subsidiary, continued to grow in 2024. Nordea Kredit utilises not only the green covered bond asset categories as presented in our framework, but also green bond asset categories as mortgage lending is used for many types of assets in Denmark. The impact calculations are based on Nordea Kredit's latest externally verified green bond asset portfolio figures, as presented by the publicly available SPO

Nordea Eiendomskreditt AS	YE 2024
Lending to Green Buildings (NOK)	46 689 691 496
Green Covered Bonds (NOK)	21 000 000 000
Percentage of proceeds allocated to Green Assets	100.0 %
Usage of Green Covered Bond Asset Portfolio	45 %
Estimated amount of energy saved (GWh)	32.5
Estimated amount of emissions avoided (tCO2e)	6 206
Emissions avoided allocated proceeds (tCO2e)	2 791

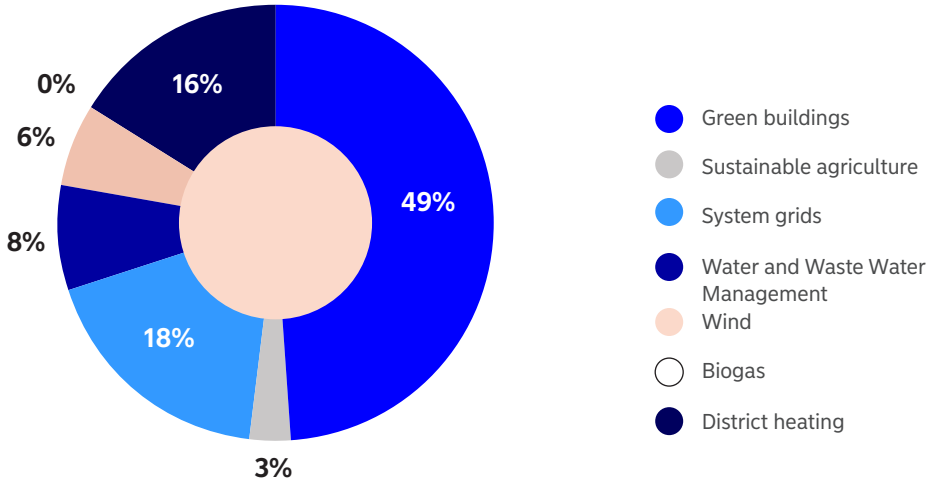
Nordea Hypotek AB	YE 2024
Lending to Green Buildings (SEK)	43 312 892 840
Green Covered Bonds (SEK)	18 000 000 000
Percentage of proceeds allocated to Green Assets	100.0 %
Usage of Green Covered Bond Asset Portfolio	42 %
Estimated amount of energy saved (GWh)	26.9
Estimated amount of emissions avoided (tCO2e)	3 317
Emissions avoided allocated proceeds (tCO2e)	1 378

Nordea Mortgage Bank Plc	YE 2024
Lending to Green Buildings (EUR)	2 412 110 939
Green Covered Bonds (EUR)	2 000 000 000
Percentage of proceeds allocated to Green Assets	100.0 %
Usage of Green Covered Bond Asset Portfolio	83 %
Estimated amount of energy saved (GWh)	26.9
Estimated amount fo emissions avoided (tCO2e)	5 140
Emissions avoided allocated proceeds (tCO2e)	4 262

Nordea Kredit green bond asset portfolio

Green bond asset category	Volume DKKm
Biogas	19
District heating	3 212
Green Buildings	9 566
Sustainable agriculture	598
System grids	3 501
Water and Waste Water Management	1 510
Wind	1 150
Grand Total	**19 555**

Green bond asset category split



Nordea Kredit green bond asset portfolio impact

Green bond asset category	Emissions avoided tCO2	Energy produced, GWh	Energy saved, MWh	Water treated m m3/a	Certfied land area ha
Biogas	0				
District heating	58 139	745			
Green Buildings	2 806		14 691		
Sustainable agriculture	0				2 730
System grids	0				
Water and Waste Water Management	0			43	
Wind	14 920	165			
Grand Total	**75 866**	**910**	**14 691**	**43**	**2 730**

Methodology notes

During the last years, we have improved our impact calculation methodology and data sourcing to account for national and local differences in our operating environment. This has led to increased accuracy in the impact reported. In 2024, we continued this work, reviewing and updating assumptions where necessary.

To the extent possible, we source actual figures reported by our clients (e.g. production figures for renewable energy assets). Due to variations in data availability, some of the figures utilised are older than the reporting year 2024 figures.

We report the estimated impact of the assets financed by our green bonds at an aggregate level per category. The 2024 calculations cover the period 1 January to 31 December inclusive. To the extent possible, the reporting is based on real data reported by the project teams, companies or other organisations.

Where real data is not available, estimates of the relevant asset type and location are used. We include the expected annual impacts (ex ante) of projects under construction and aggregate these with the actual known impacts (ex post) of projects in operation. The full-year impact is accounted for regardless of when during the year the asset was added to the green bond asset portfolio.

Estimates are based on either the average of similar assets (in terms of size and location) within the green bond asset portfolio or national averages (e.g. for "Green buildings", apartment size and energy consumption). The avoided CO2 emissions and other impacts are reported in accordance with Nordea's debt financing share. It is assumed that new energy capacity crowds out fossil fuel-based generation. Hence, wind, solar and hydropower are assumed to crowd out CO2 emissions in line with the defined emission factor.

We have opted to use the emission factor of 191g CO2/kWh presented in the Nordic Public Sector Issuers (NPSI) Position Paper on Green Bonds Impact Reporting. The position paper and emission factor were updated in 2024, resulting in fewer avoided emissions per kWh. This baseline represents a European mainland mix, including Norway. The emission factor is calculated as a combined margin in line with the International Financial Institutions' harmonised framework methodology, comprising a build margin and an operating margin. The same combination of build margin (50%) and operating margin (50%) is used for all energy projects. We will continue updating this baseline in accordance with any updates to the NPSI Position Paper or other relevant guidelines.

For "Green buildings", we use national building standards as a baseline for measuring impacts. As the NPSI Position Paper suggests, we disclose the energy savings from green buildings as a net value in relation to national building requirements. We have both commercial and residential buildings in the green bond asset portfolio, and respective national building requirements are used based on the year of construction. For buildings where we are not able to obtain actual energy consumption figures, we estimate the energy savings based on the building certificate requirements, national building requirements, year of construction and floor area.

It should be noted that, in general, when we have to estimate annual energy output instead of using actual generation figures, the results are less accurate and provide an order of magnitude estimate of electricity produced and thus of CO2 emissions avoided. The same applies to estimates in relation to the other green bond asset categories.

Contacts

Petra Mellor
Group Treasury, Long Term Funding & Structuring
+46 70 277 83 72
petra.mellor@nordea.com

Juho-Pekka Jääskeläinen
Investor Relations
+358 40 550 911 1
juho-pekka.jaaskelainen@nordea.com

Casimir von Frenckell
Group Sustainability, Climate & Environment
+358 40 727 727 1
casimir.vonfrenckell@nordea.com