



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 971 227 222  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: NORDEA EIENDOMSKREDITT AS  
Forretningsadresse: Essendrops gate 7  
0368 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marianne Glatved  
Dato for fastsettelse av årsregnskapet: 08.04.2025

### Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert  
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 25.05.2025



## Resultatregnskap

Beløp i: NOK	Note	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Renteinntekter og lignende inntekter</b>			
Renteinntekter beregnet etter effektivrentemetoden av utlån til og fordringer på kredittinstitusjoner	2.1	76 883 000	63 536 000
Renteinntekter beregnet etter effektivrentemetoden av utlån til og fordringer på kunder	2.1	20 195 644 000	15 462 503 000
Andre renteinntekter beregnet etter effektivrentemetoden	2.1	50 456 000	27 355 000
Øvrige renteinntekter	2.1	523 757 000	358 198 000
<b>Sum renteinntekter og lignende inntekter</b>	<b>2.1</b>	<b>20 846 740 000</b>	<b>15 911 592 000</b>
<b>Rentekostnader og lignende kostnader</b>			
Rentekostnader beregnet etter effektivrentemetoden på gjeld til kredittinstitusjoner og finansiering	2.1	6 104 243 000	6 404 791 000
Rentekostnader beregnet etter effektivrentemetoden på utstedte verdipapirer	2.1	11 246 113 000	7 112 913 000
Andre rentekostnader beregnet etter effektivrentemetoden	2.1	535 741 000	327 544 000
Øvrige rentekostnader	2.1	3 848 000	129 843 000
<b>Sum rentekostnader og lignende kostnader</b>	<b>2.1</b>	<b>17 889 945 000</b>	<b>13 975 091 000</b>
<b>Netto renteinntekter</b>	<b>2.1</b>	<b>2 956 795 000</b>	<b>1 936 501 000</b>
Provisjonsinntekter og inntekter fra banktjenester	2.2	126 086 000	116 322 000
Provisjonskostnader og kostnader ved banktjenester	2.2	69 402 000	31 381 000
<b>Utbytte og andre inntekter av egenkapitalinstrumenter</b>			
<b>Sum utbytte og andre inntekter av egenkapitalinstrumenter</b>		<b>0</b>	<b>0</b>
<b>Netto verdiendring og gevinst/tap på valuta og finansielle instrumenter</b>			
Netto verdiendring og gevinst/tap på utlån og fordringer	2.3	-444 741 000	-6 274 000
Netto verdiendring og gevinst/tap på rentebærende verdipapirer	2.3	546 654 000	-169 233 000
Netto verdiendring og gevinst/tap på valuta og finansielle derivater	2.3	-107 992 000	98 449 000
<b>Sum netto verdiendring og gevinst/tap på valuta og finansielle instrumenter</b>		<b>-6 079 000</b>	<b>-77 058 000</b>
Andre driftsinntekter		36 000	584 000



### Resultatregnskap

Beløp i: NOK	Note	2024	2023
Lønn og andre personalkostnader	6.1,6.2	37 966 000	37 902 000
<b>Andre driftskostnader</b>	2.4	<b>1 476 854 000</b>	<b>1 191 832 000</b>
<b>Av-/nedskrivninger, verdiendringer og gevinst/tap på ikke-finansielle eiendeler</b>			
Avskrivninger		190 000	155 000
<b>Sum av-/nedskrivninger, verdiendringer og gevinst tap på ikke-finansielle eiendeler</b>		<b>-190 000</b>	<b>-155 000</b>
<b>Kredittap på utlån, garantier mv. og rentebærende verdipapirer</b>			
Kredittap på utlån målt til amortisert kost eller virkelig verdi med 2.5 verdiendring over andre inntekt		88 209 000	47 139 000
<b>Sum kredittap på utlån, garantier og rentebærende verdipapirer</b>		<b>88 209 000</b>	<b>47 139 000</b>
<b>Resultat før skatt fra videreført virksomhet</b>		<b>1 404 217 000</b>	<b>667 940 000</b>
Skatt på resultat fra videreført virksomhet		351 170 000	167 677 000
<b>Resultat etter skatt fra videreført virksomhet</b>		<b>1 053 047 000</b>	<b>500 263 000</b>
<b>Resultat før andre inntekter og kostnader</b>		<b>1 053 047 000</b>	<b>500 263 000</b>
<b>Andre inntekter og kostnader</b>			
Estimatendringer knyttet til ytelsesbaserte pensjonsordninger		3 786 000	-1 459 000
Effektiv andel av gevinster og tap på sikringsinstrumenter i konstantstrømsikring		-8 865 000	112 000
<b>Sum andre inntekter og kostnader</b>		<b>-5 079 000</b>	<b>-1 347 000</b>
<b>Totalresultat for regnskapsåret</b>		<b>1 047 968 000</b>	<b>498 916 000</b>



### Balanse

Beløp i: NOK	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Utlån til og fordringer på kredittinstitusjoner og finansieringsforetak</b>			
Utlån og fordringer på kredittinstitusjoner og finansieringsforetak til amortisert kost	8.3	1 879 634 000	2 462 506 000
<b>Sum utlån og fordringer på kredittinstitusjoner og finansieringsforetak</b>		<b>1 879 634 000</b>	<b>2 462 506 000</b>
<b>Utlån til og fordringer på kunder</b>			
Utlån og fordringer på kunder til amortisert kost	2.5,3.5	450 117 763 000	334 307 675 000
<b>Sum utlån og fordringer på kunder</b>		<b>450 117 763 000</b>	<b>334 307 675 000</b>
<b>Rentebærende verdipapirer</b>			
Rentebærende verdipapirer til virkelig verdi	3.6	10 553 980 000	10 585 566 000
<b>Sum rentebærende verdipapirer</b>		<b>10 553 980 000</b>	<b>10 585 566 000</b>
<b>Finansielle derivater</b>			
Finansielle derivater	3.7, 3.4, 8.3	581 395 000	183 957 000
<b>Varige driftsmidler</b>			
<b>Sum varige driftsmidler</b>		<b>0</b>	<b>0</b>
<b>Andre eiendeler</b>			
Andre eiendeler		89 385 000	7 205 000
<b>Sum andre eiendeler</b>		<b>89 385 000</b>	<b>7 205 000</b>
<b>SUM EIENDELER</b>		<b>463 222 157 000</b>	<b>347 546 909 000</b>
<b>BALANSE - GJELD OG EGENKAPITAL</b>			
<b>GJELD</b>			
<b>Innlån fra kredittinstitusjoner og finansieringsforetak</b>			
Innlån fra kredittinstitusjoner og finansieringsforetak til amortisert kost	3.9, 8.3	152 157 871 000	125 845 296 000
<b>Sum innlån fra kredittinstitusjoner og finansieringsforetak</b>		<b>152 157 871 000</b>	<b>125 845 296 000</b>



### Balanse

Beløp i: NOK	Note	2024	2023
<b>Innskudd og andre innlån fra kunder</b>			
Sum innskudd og andre innlån fra kunder		0	0
<b>Gjeld stiftet ved utstedelse av verdipapirer</b>			
Gjeld stiftet ved utstedelse av verdipapirer til amortisert kost	3.9, 5.1, 8.3	270 579 268 000	197 449 415 000
Sum gjeld stiftet ved utstedelse av verdipapirer		270 579 268 000	197 449 415 000
<b>Finansielle derivater</b>			
Finansielle derivater	3.7, 3.4, 8.3	1 116 824 000	665 463 000
<b>Annen gjeld</b>			
Annen gjeld		181 932 000	243 790 000
<b>Avsetninger</b>			
Pensjonsforpliktelser	6.2	29 115 000	27 417 000
Forpliktelser ved periodeskatt	2.6	177 682 000	53 530 000
Forpliktelser ved utsatt skatt	2.6	418 954 000	247 210 000
Andre avsetninger		3 359 000	4 818 000
Sum avsetninger		629 110 000	332 975 000
<b>Ansvarlig lånekapital</b>			
Ansvarlig lånekapital til amortisert kost	8.3	1 104 751 000	1 104 751 000
Sum ansvarlig lånekapital		1 104 751 000	1 104 751 000
<b>Fondsobligasjonskapital</b>			
Sum fondsobligasjonskapital		0	0
Sum gjeld		425 769 756 000	325 641 690 000
<b>EGENKAPITAL</b>			
<b>Innskutt egenkapital</b>			
Preferanseaksjekapital	8.3	1 896 347 000	1 879 565 000
Overkursfond	8.3	24 857 300 000	9 874 082 000



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>Sum innskutt egenkapital</b>		<b>26 753 647 000</b>	<b>11 753 647 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		10 698 754 000	10 151 571 000
<b>Sum opptjent egenkapital</b>		<b>10 698 754 000</b>	<b>10 151 571 000</b>
<b>Sum egenkapital</b>		<b>37 452 401 000</b>	<b>21 905 218 000</b>
<b>SUM GJELD OG EGENKAPITAL</b>		<b>463 222 157 000</b>	<b>347 546 908 000</b>



## PROTOKOLL FRA

*Office translation. In case of discrepancies, the Norwegian original version shall prevail.*

### ORDINÆR GENERALFORSAMLING

### ANNUAL GENERAL MEETING

I

OF

#### NORDEA EIENDOMSKREDITT AS

#### NORDEA EIENDOMSKREDITT AS

Den 8. april 2025 ble det avholdt ordinær generalforsamling i Nordea Eiendomskreditt AS, org.nr. 971 227 222, i Oslo.

On 8 April 2025, the Annual General Meeting of Nordea Eiendomskreditt AS, business registration number 971 227 222 was held in Oslo

Jasmin C. Jakobsen åpnet generalforsamlingen og registrerte at selskapets eneste aksjeeier, Nordea Bank Abp, var representert ved Ingrid Barkald etter fullmakt.

Jasmin C. Jakobsen opened the General Meeting, and recorded that the company's sole shareholder, Nordea Bank Abp, was represented by Ingrid Barkald by proxy.

Til behandling lå følgende saker:

The following matters were up for discussion:

#### 1. Åpning av generalforsamlingen

#### 1. Opening of the meeting

Jasmin C. Jakobsen, som var utpekt av styret, åpnet møtet.

Jasmin C. Jakobsen, duly appointed by the Board of Directors, called the meeting.

#### 2. Valg av møteleder og valg av representant til å undertegne protokollen sammen med møtelederen

#### 2. Election of a chairperson of the meeting and one person to co-sign the minutes

Jasmin C. Jakobsen ble valgt til møteleder. Ingrid Barkald ble valgt til å medundertegne protokollen.

Jasmin C. Jakobsen was elected as the chairperson of the meeting. Ingrid Barkald was elected to co-sign the minutes.

#### 3. Godkjenning av innkallingen og agenda

#### 3. Approval of the notice and the proposed agenda

Aksjeeieren godkjente at generalforsamlingen avholdes uten at daglig leder og styrets leder er til stede i samsvar med aksjeloven § 5-4.

The shareholder has approved the holding of the General Meeting without the presence of the Managing Director and Chair, in accordance with Section 5-4 of the Norwegian Private Limited Liability Companies Act.

#### 4. Godkjenning av årsrapport og årsregnskap for 2024

#### 4. Approval of annual report and audit report for the fiscal year 2024

Generalforsamlingen var forelagt revisjonsberetningen for 2024. Generalforsamlingen vedtok det fremlagte forslaget til årsregnskap og årsberetning for 2024, herunder styrets forslag til vedtak om å utbetale utbytte på NOK 1.053.046.000 for året.

The General Meeting was presented with the annual report and auditor's report for the fiscal year 2024 and has approved the proposal, including the Board of Directors' resolution proposal for the dividend distribution of NOK 1,053,046,000 for the financial year. The Board of Directors has, in accordance with Section 10-



Styret har orientert Finanstilsynet, jf. 6 (3) of the Financial Institution Act, duly notified the Norwegian Financial Supervisory Authority. finansforetaksloven § 10-6 (3).

## 5. Fastsettelse av godtgjørelse til revisor

Generalforsamlingen besluttet at revisor skal godtgjøres etter regning.

## 6. Gjenvalg av revisor

Generalforsamlingen besluttet at autoriserte offentlige regnskapsførere PricewaterhouseCoopers AS gjenvelges som selskapets revisor.

## 7. Gjenvalg av styret

I samsvar med styrets forslag ble styreleder Randi Johanne Alnæs Marjamaa og Tina Helen Sandvik gjenvolgt som styremedlemmer for en periode på 2 år frem til ordinær generalforsamling i 2027.

Styret vil etter dette bestå av følgende personer:

- Randi Johanne Alnæs Marjaama
- Gro Elisabeth Lundevik
- Lene Steinum
- Ola Bengt Littorin
- Asbjørn Rødal
- Tina Helen Sandvik
- Lars Espevik

## 8. Fastsettelse av styrehonorar

Honorar for 2025 ble fastsatt som følger:

- Ekstern nestleder: NOK 216.000
- Leder av BRIC: NOK 63.000
- Øvrig eksternt styremedlem: NOK 180.000

Styremedlemmer som har tiltrådt eller fratrer underveis i perioden honoreres forholdsmessig.

## 5. Resolution of the remuneration of the auditor

The General Meeting has approved that the remuneration of the auditor is to be paid according to the invoice approved by the Company.

## 6. Re-election of auditor

The General Meeting has approved that that authorised public accountants PricewaterhouseCoopers AS be re-elected as the Company's auditor.

## 7. Re-election of the members of the Board of Directors

In accordance with the board's proposal, the chair Randi Johanne Alnæs Marjamaa and Tina Helen Sandvik were re-elected as board members for a period of 2 years until the ordinary general meeting in 2027. The board will thereafter consist of the following members:

- Randi Johanne Alnæs Marjaama
- Gro Elisabeth Lundevik
- Lene Steinum
- Ola Bengt Littorin
- Asbjørn Rødal
- Tina Helen Sandvik
- Lars Espevik

## 8. Resolution on the remuneration of the members of the Board of Directors

The remuneration for the year 2025 is hereby fixed as follows:

- External Vice Chair: NOK 216,000
- Chair of BRIC: NOK 63,000
- Other external board member: NOK 180,000

Board members who join or resign during the period shall be remunerated proportionally.



Det forelå ingen flere saker til behandling. There being no further matters for consideration, the minutes were duly circulated and executed, and thereafter the general meeting was formally adjourned.

Oslo, 8. april 2025

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Jasmin C. Jakobsen

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Ingrid Barkald



## Verification

Transaction 09222115557543685650

### Document

**Protokoll OGF 8 April**

Main document

3 pages

*Initiated on 2025-04-08 10:00:31 CEST (+0200) by Ingrid*

*Barkald (IB)*

*Finalised on 2025-04-08 10:01:07 CEST (+0200)*

### Signatories

**Ingrid Barkald (IB)**

Nordea

*ingrid.barkald@nordea.no*

*Signed 2025-04-08 10:00:34 CEST (+0200)*

**Jasmin Christine Jakobsen (JCJ)**

Nordea

*jasmin.christine.jakobsen@nordea.com*

*Signed 2025-04-08 10:01:07 CEST (+0200)*

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# Nordea

Nordea Eiendoms kreditt AS  
**Annual Report 2024**



## Key financial figures

### Summary of the income statement (NOKm)

	2024	2023	2022	2021	2020
Net interest income	2,957	1,937	2,319	3,018	2,399
Net fee and commission income	57	85	77	77	0
Net result from items at fair value	-6	-77	-11	-179	-34
Other operating income	0	1	3	2	74
<b>Total operating income</b>	<b>3,007</b>	<b>1,945</b>	<b>2,388</b>	<b>2,918</b>	<b>2,439</b>
Staff costs	38	38	31	27	23
Other expenses	1,477	1,192	1,387	1,713	894
<b>Total operating expenses</b>	<b>1,515</b>	<b>1,230</b>	<b>1,419</b>	<b>1,740</b>	<b>917</b>
Loan losses (negative figures are reversals)	88	47	106	53	98
<b>Operating profit</b>	<b>1,404</b>	<b>668</b>	<b>863</b>	<b>1,125</b>	<b>1,424</b>
Income tax expense	351	168	215	281	356
<b>Net profit for the period</b>	<b>1,053</b>	<b>500</b>	<b>648</b>	<b>844</b>	<b>1,068</b>

### Summary of the balance sheet (NOKm)

	2024	2023	2022	2021	2020
Loans to the public, gross	450,560	334,668	323,563	305,898	266,240
Allowance for loan losses	-442	-361	-311	-218	-190
Other assets	13,104	13,239	6,555	6,813	7,143
Debt securities in issue	270,579	197,449	149,352	107,152	142,744
Other liabilities	155,190	128,192	158,401	183,216	110,690
Equity	37,452	21,905	22,054	22,125	19,759
<b>Total assets</b>	<b>463,222</b>	<b>347,547</b>	<b>329,807</b>	<b>312,493</b>	<b>273,192</b>
<b>Average total assets</b>	<b>375,464</b>	<b>341,664</b>	<b>322,559</b>	<b>307,635</b>	<b>264,935</b>

### Ratios and key figures<sup>1</sup>

	2024	2023	2022	2021	2020
Basic/diluted Earnings per share (EPS), annualised basis, NOK	62.7	29.8	38.6	50.3	69.6
Equity per share <sup>2</sup> , NOK	2231.7	1305.3	1314.1	1318.4	1288.4
Shares outstanding <sup>2</sup> , million	16.8	16.8	16.8	16.8	15.3
Return on average equity	3.8%	2.3%	2.9%	3.9%	5.5%
Cost/income ratio	50.4%	63.2%	59.4%	59.6%	37.6%
Loan loss ratio, annualised, basis points	2.4	1.4	3.4	1.8	3.8
Risk Exposure Amount <sup>2</sup> , NOKm	129,975	81,987	80,161	74,676	62,546
Own funds, NOKm <sup>2</sup>	37,196	22,548	22,530	22,471	21,489
Common Equity Tier 1 capital ratio <sup>2</sup>	27.7%	26.0%	26.6%	28.5%	30.6%
Tier 1 capital ratio <sup>2</sup>	27.7%	26.0%	26.6%	28.5%	30.6%
Total capital ratio <sup>2</sup>	28.6%	27.5%	28.1%	30.1%	34.4%
Number of employees (Full-time equivalents) <sup>2</sup>	24.0	24.0	21.5	20.5	17.5

<sup>1</sup> For more detailed information regarding ratios and key figures defined as alternative performance measures, see [nordea.com/en/investors/norwegian-subsiary-reports](https://nordea.com/en/investors/norwegian-subsiary-reports)

<sup>2</sup> At the end of the period.

Figures for the year 2020 include only Nordea Eiendomskreditt (NE), while figures for 2021 have been updated to include Nordea Direct Boligkreditt (NDBK). Risk Exposure Amount has been calculated according to different methods in NE and NDBK. Figures for NDBK have not been recalculated according to NE's methodology.

Nordea Eiendomskreditt AS is part of the Nordea Group. We are a universal bank with a 200-year history of supporting and growing the Nordic economies – enabling dreams and aspirations for a greater good. Every day, we work to support our customers' financial development, delivering best-in-class omnichannel customer experiences and driving sustainable change. The Nordea share is listed on the Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm exchanges. Read more about us at [nordea.com](https://nordea.com).



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## Board of Directors' Report

### Introduction

Nordea Eiendoms kreditt AS was first incorporated in 1927 as a credit association known as Norges Hypotekforening for Næringslivet. During the course of autumn 2009, the company's commercial property lending activities were sold to the parent bank, Nordea Bank Norge ASA. With effect from 2010 the company has operated solely as a mortgage credit institution, licenced by the Norwegian Financial Supervisory Authority (FSA) to issue covered bonds. The business objective is to grant and acquire residential mortgage loans and loans to holiday homes in Norway, including secured construction loans, and to finance its lending activities mainly by issuing covered bonds. The mortgage loan portfolio of NOK 450bn at the end of 2024 consists of loans acquired or issued directly from own balance sheet, including acquisition of mortgage loans from Danske Bank in the fourth quarter 2024. Nordea Eiendoms kreditt is part of the Personal Banking Business Area in Nordea.

Nordea Eiendoms kreditt AS is domiciled in Oslo, and its business registration number is 971 227 222.

The company's share capital is NOK 1,896m, made up of 16,781,828 ordinary shares, each with a nominal value of NOK 113. The entire issued share capital is owned by Nordea Bank Abp.

### Comments on the Income Statement

#### Income

Total operating income in 2024 was NOK 3,007m (NOK 1,945m), a increase of 55% from 2023. The increase compared to last year is mainly related to significant increase in net interest income, driven by higher lending volume, increased lending margin and a generally higher interest rate level.

Net interest income increased 53% to NOK 2,957m in 2024 (NOK 1,937m).

Net fee and commission income was NOK 57m in 2024 (NOK 85m). The reduction is mainly a result of higher liquidity facility fee paid to the parent bank in 2024.

Net result from items at fair value ended at a loss of NOK 6m in 2024 (loss of NOK 77m). The improvement comes from unrealised fair value adjustments that turned from a net loss in 2023 to a net gain in 2024, while realised net result was a loss both years. In accordance with IFRS, net result from items at fair value includes both realized gain/loss from buybacks of own bonds, as well as fair value changes of interest rate swaps and the corresponding hedged items (fixed-rate lending and fixed-rate bonds) in the hedge portfolio, due to changes in market rates.

#### Expenses

Total operating expenses were NOK 1,515m in 2024 (NOK 1,230m) whereof NOK 38m (NOK 38m) is staff related. The number of employees at the end of 2024 was 24 (24). Other operating expenses are mainly related to services bought from the parent bank, such as sales and distribution of mortgage loans, management of the loan portfolio and customer contact, as well as funding, risk control, accounting, reporting and IT related services. The main part is related to sales, distribution and management of the mortgage loans,

where the fee is calculated based on net interest income, and will therefore fluctuate between periods. Nordea Eiendoms kreditt AS does not incur any costs for research and development (R&D) activities.

Transactions between Nordea Eiendoms kreditt AS and other legal entities or branches in the Nordea Group are settled in conformity with OECD guidelines on transfer pricing. The cost/income ratio for 2024 was 50.4% compared to 63.2% last year.

#### Loan losses

Net loan losses and provisions recognised in the accounts for 2024 were NOK 88m (NOK 47m), covering both realised loan losses and changes in loan loss allowances. This corresponds to a loan loss ratio of 2.4 bps (1.4 bps). Realised loan losses were NOK 8m (NOK 1m). Loan loss allowances have increased from NOK 361m at the beginning of the year to NOK 442m at the end of the year, mainly due to macro impacts and migration of loans between stages. Also day 1 loan loss provisions for the acquired mortgage portfolio from Danske Bank were recognised in 2024.

During the fourth quarter new enhanced collective provisioning models were introduced, in line with the new capital models implemented in the third quarter, resulting in lower provisioning requirements for Nordea Eiendoms kreditt. This was mainly offset by stress test calculations reflecting updated assumptions to assess the risks related to continued economic uncertainty, resulting in increased management judgement allowances. The management judgements, held to cover expected credit losses not yet adequately captured by the IFRS 9 modelled outcome, were increased by NOK 129m to NOK 221m in the fourth quarter.

The underlying net loan losses in Nordea Eiendoms kreditt are low, reflecting a strong credit portfolio. Loans in Stage 3 (impaired loans) have increased, hence some deterioration in the credit quality which is also reflected in increased loan loss allowances. Nordea has implemented new IRB models, hence a shift can be seen in the scoring distribution, but the underlying risk in the portfolio remains unchanged. See Note 2.5 "Loan losses" and Note 3.5 "Loans" for further information about loan losses and impairment.

#### Taxes

Taxes for the year amounted to NOK 351m, of which NOK 178m relates to tax payable and NOK 173m due to changes in deferred tax.

#### Net profit

Net profit for the year amounted to NOK 1,053m (NOK 500m). This gives a return on average equity of 3.8% (2.3%). This is to a large extent explained by the significant increase in net interest income from higher lending volumes combined with increased lending margin and a generally higher interest rate level. The return on equity is also to a large extent a result of the agreed pricing model for sales- and distribution fees that are paid to the parent bank.

### Comments on the Balance sheet

#### Assets and lending activities

Gross lending to customers at 31 December 2024 amounted to NOK 450bn (NOK 334bn) and consists



only of residential mortgage loans and loans to holiday homes in Norway including constructions loans, used as collateral in securing the covered bonds issued by the company. The loan portfolio increased by NOK 103bn as a result of the Danske Bank acquisition in the fourth quarter. NOK 428bn of the loan portfolio is included in the collateral pool for the purposes of the calculation of the asset coverage requirement under the covered bond legislation. This represents surplus collateral of 58.8% in relation to the covered bonds issued. See Note 3.8 "Cover pool" for further information.

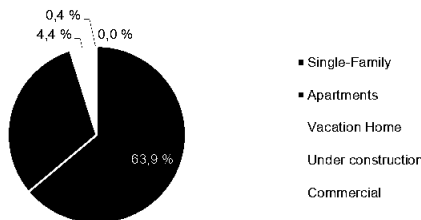
The cover pool has a weighted average indexed loan-to-value (LTV) ratio of 54.9% at the end of 2024 (55.9%). The average loan size was NOK 2,374m (NOK 2,315m). The cover pool is split between 66% amortizing loans and 34% flex loans (including amortising loans in amortising free period), unchanged from end of last year.

In September Nordea Eiendoms kreditt entered into a financial guarantee with Nordea Bank Abp containing credit protection for a benchmark portfolio of mortgages in an initial nominal amount of NOK 65bn.

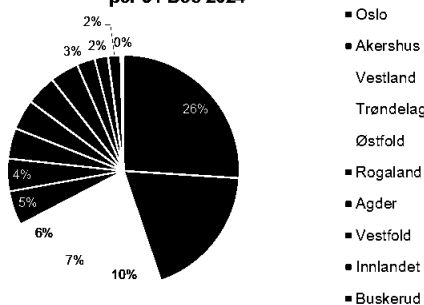
### Concentration risk in the loan portfolio

Nordea Eiendoms kreditt's mortgage loans and collaterals have a good geographical spread with a major part concentrated around the five largest Norwegian cities. See the figures below for more detailed information on the loan portfolio split by collateral and geography.

#### Lending by Collateral per 31 Dec 2024



#### Lending by geographical distribution of property per 31 Dec 2024



### Liabilities and funding activities

Nordea Eiendoms kreditt's main funding source is issuance of covered bonds. Covered bonds are debt instruments, regulated by the Financial Undertakings Act (Act No. 17 of 10

April 2015), that gives investors a preferential claim into a pool of high quality assets in case of the issuer's insolvency. Norwegian covered bonds can only be issued by mortgage credit institutions that hold a license from the Norwegian FSA and whose articles of association comply with certain mandatory requirements. The cover pool in Nordea Eiendoms kreditt consists only of Norwegian residential mortgage loans and loans to holiday homes in Norway.

During 2024 Nordea Eiendoms kreditt has issued covered bonds amounting to NOK 72.5bn in the Norwegian domestic market under its NOK 350bn domestic covered bond program. Issuance is done via taps of outstanding bonds and new bonds via designated dealers. In addition, covered bonds of NOK 39bn were transferred from Danske Bank in the fourth quarter. During 2024 bonds amounting to NOK 38.0bn have matured or been bought back. As of 31 December 2024, Nordea Eiendoms kreditt had outstanding covered bonds totalling NOK 268.4bn in the Norwegian market and EUR 0.1bn in the European market. Nordea Eiendoms kreditt had also subordinated debt outstanding to the amount of NOK 1.1bn.

In addition to the covered bond funding Nordea Eiendoms kreditt also raised unsecured funding from the parent bank. At the end of 2024 such borrowings amounted to NOK 151.1bn.

See the table below for breakdown of the company's funding.

NOKm	31 Dec 2024	31 Dec 2023
Covered bonds in NOK	268 358	194 827
Covered bonds in EUR	1 178	1 121
Unsecured funding from Nordea	151 055	124 930
Subordinated debt	1 100	1 100
<b>Total</b>	<b>421 691</b>	<b>321 978</b>

### Equity

Shareholder's equity was NOK 37.5bn at 31 December 2024 (NOK 21.9bn). This includes net profit for the year of NOK 1,053m (NOK 500m).

### Allocation of net profit for the year

Nordea Eiendoms kreditt AS reported an operating profit for the year of NOK 1,404m, and a net profit after tax for the year of NOK 1,053m. The Board of Directors will propose to the Annual General Meeting on 8 April 2025 that the company distributes 100% of net profit as dividend to the parent company Nordea Bank Abp.

According to IFRS, distribution of group contributions and dividends will not be booked before formal decision is made in the Annual General Meeting. All net profit as of 31 December 2024 is therefore distributed to retained earnings in the balance sheet as of 31 December 2024. The Board of Nordea Eiendoms kreditt is of the view that total equity and capital adequacy following the allocation will be sound, and well in excess of the minimum requirements subject to CRR and CRD IV, implemented in Norway on 31 December 2019.

### Off-balance sheet commitments

The company's business operations include different off-balance sheet items. Interest rate and currency swaps are used to hedge interest rate and currency risk. At the close of



2024, the company was party to interest rate swaps with a nominal value of NOK 46.9bn.

Nordea Eiendoms kreditt has covered bonds of EUR 0.1bn issued in the European market. In order to eliminate the foreign exchange risk, the company has entered into a currency swap of the same amount. All derivative contracts are with counterparties within the Nordea Group.

Around 25% of the loan portfolio is home flex loans where the customer has been granted a credit line. The portion of the credit line that has been drawn, is reported as Loans to the public in the balance sheet while the unutilised portion is reported as an off-balance sheet commitment. For total exposure regarding off-balance sheet commitments, see Note 3.7 "Derivatives and hedge accounting", Note 4 "Provisions" and Note 5.2 "Commitments".

### Other information

The Board's expectations for the year were, in all major respects, achieved.

The Board of Directors confirms the assumption that Nordea Eiendoms kreditt AS is a going concern and the annual accounts have been prepared based on this assumption.

### Acquisition of Danske Bank's Norwegian mortgage loan portfolio

On 18 November 2024 Nordea completed the acquisition of Danske Bank's Norwegian personal customer and private banking business. The acquisition was announced on 19 July 2023. After careful preparations, the business was successfully migrated to Nordea between 15 and 17 November 2024.

The acquisition fits well into Nordea's strategy to grow in the Nordic region both organically and through bolt-on acquisitions. It adds significant scale to Nordea's Personal Banking business in Norway and provides value creation opportunities through offering customers a broader set of products and services.

The transaction was structured as a transfer of assets and liabilities. Assets were transferred at fair value, and Nordea Eiendoms kreditt only paid for the assets and liabilities that were transferred. A lending volume of NOK 103bn was added to Nordea Eiendoms kreditt's lending portfolio at the time of transfer. As part of the transaction, five outstanding covered bonds of NOK 39bn were transferred to Nordea Eiendoms kreditt. See also Note 8.4 "Acquisitions".

### Macroeconomy

Norwegian mainland GDP increased by 0.5% quarter on quarter in the third quarter of 2024 due to increased public sector activity. The unemployment rate was 2.1% on a seasonally adjusted basis in December. Housing prices were up 6.4% year on year in December. Consumer price inflation has decreased: headline consumer price inflation stood at 2.2% in December and underlying inflation, excluding energy and taxes, stood at 2.7%. Norges Bank's policy rate has remained at 4.5% since December 2023. The central bank's latest forecast is that the first rate cut will come in March 2025. The Norwegian krone was fairly stable against most currencies during the fourth quarter.

### Rating

The company has since April 2010 had the rating Aaa from Moody's Investor Service for the covered bonds issued by the company.

### Risks and risk management

#### Risk management

Maintaining organisational risk awareness in the organization is an integral part of Nordea Eiendoms kreditt's business strategies. The Nordea Group has defined clear risk and liquidity management frameworks, policies and instructions for different risk types covering all risk exposures. This has been implemented by Nordea Eiendoms kreditt.

The Board has the overarching risk management responsibility and decides on Nordea Eiendoms kreditt's risk strategy and the Risk Appetite Framework. For further information see Note 9 "Risk and liquidity management".

#### Risks and uncertainties

Nordea Eiendoms kreditt has an effective risk management and oversight framework addressing the existing and emerging risks that the company is exposed to. Nordea Eiendoms kreditt also manages a risk taxonomy that identifies the universe of risks that it is exposed to. Nordea Eiendoms kreditt's 2024 position on the main taxonomy risks is outlined in the material risk picture.

The various risks and uncertainties that Nordea Eiendoms kreditt (NE) faces within the framework of its normal business operations include but are not limited to;

- Credit risk - Loss due to failure of the borrower(s) to meet their obligations;
- Counterparty credit risk - Loss because NE's counterparty in an interest or currency derivative contract defaults prior to maturity of the contract;
- Market risk - Loss in NE's positions in the non-trading book as a result of changes in market rates and parameters that affect market values or net interest income flows;
- Operational risk - Loss resulting from inadequate or failed internal processes, people and systems or from external events, including legal risk and cyber security risk;
- Compliance risk - Failure to comply with regulations and related internal rules, potentially resulting in criticism, reputational loss or fines;
- Financial reporting risk - Risk of misstatements or deficiencies in financial, regulatory, tax, , management and ESG reporting;
- Liquidity risk - NE's ability to service its cash flow obligations related to lending, investment, funding, off-balance sheet exposures, or its ability to meet its cash flow obligations without incurring significant additional funding costs;
- Environmental, social and governance (ESG) risks, covering transitional and physical risks related to climate, nature and social factors.

Including on- and off-balance sheet exposures and exposures related to securities, the total credit risk exposure at year end was NOK 514.5bn (NOK 382.5bn last year). Credit risk exposure includes the risk related to derivative contracts, which was NOK 92m at year end of 2024 (NOK



26m). Counterparty credit risk exposure at the end of 2024 was NOK 12m (NOK 111m).

Market risk is measured through NII - Net Interest Income and EV - Economic Value. At the end of the year, the loss for NII was NOK 520.6m for the 200 bps down scenario (NOK 581.5m). The most severe impact from the Basel scenarios on EV was NOK 101.5m loss at end of year 2024 (NOK 87.5m). The most severe impact from the RAF scenarios measuring FVSL – Fair Value Stress Loss – was NOK 67.4m per year end 2024.

Short-term liquidity risk is limited via the Liquidity Coverage Ratio (LCR) as well as the internal parameters Liquidity Stress Coverage (LSC) and Liquidity Stress Horizon (LSH). Long-term structural liquidity risk is limited via the Net Stable Funding Ratio (NSFR). The over-collateralisation (OC) requirement limits the amount of outstanding covered bonds compared to the size of the cover pool. At the end of 2024 the liquidity metrics were;

LCR: 1,130% (1,780%)  
LSC: 3,699% (210%)  
LSH: 904 days (172 days)  
NSFR: 115.2% (115.1%)  
OC: 58.8% (60.0%)

Being an issuer of covered bonds, the company is also exposed to changes in the residential property market and the market for holiday homes. A decline in housing prices will reduce the value of the company's cover pool for the purpose of calculating the regulatory asset coverage requirement. Quarterly stress tests are carried out to estimate the effects of declining prices for residential properties and holiday homes. At the end of 2024 the OC was 58.8%, meaning that the company can withstand a significant price drop without breaching the regulatory OC requirement of 5%. A drop in house prices will also increase the credit risk and may lead to increased loan losses in case of default, due to decreased value of the collateral.

### Economic uncertainty

The Nordic economies look set for a near-term soft landing. Persistent geopolitical uncertainty, potentially increasing trade barriers and a weakening competitive position of core European economies represent risks to the economic outlook. These risks include a renewed rise in energy prices, a European economic softening and state-sponsored disruptive behaviour, giving rise to elevated uncertainty for businesses, investors and consumers.

Structurally, the European economies are vulnerable to geopolitical developments leading to trade restrictions with rising trade barriers and increasing use of state subsidies for green sectors in China. These developments threaten the traditional strongholds for core European economies, while fragmented and regulated markets and a heavy regulatory burden make it more difficult for European economies to compete within high-growth technology sectors, such as artificial intelligence. These vulnerabilities could also affect the Nordic countries and feed through to Nordea Eiendomsnett's credit portfolio, resulting in losses.

Potential future credit risk losses are addressed in Note 3.5 "Loans" and in the section "Credit risk management" in Note

9. Further information on the company's risk exposure and risk management can be found in Note 9 "Risk and liquidity management".

### Capital management

Nordea strives to be efficient in its use of capital and therefore actively manages its balance sheet with respect to assets, liabilities and risk categories. Nordea Eiendomsnett reports risk exposure amounts according to applicable external regulations (CRR/CRD IV), which stipulate the limits for the minimum capital (the capital requirement).

### Minimum capital requirements

Risk exposure amount (REA) is calculated in accordance with CRR/CRD IV. After the acquisition of Danske Bank's Norwegian mortgage portfolio in 2024, the portion of REA for credit risk covered by internal rating based (IRB) approach decreased from 91.3% at the end of 2023 to 56.6% at the end of 2024. Rating and scoring are key components in the credit risk management. For operational risk the standardised approach is applied. The Board decides ultimately on the targets for capital ratios, and the capital and dividend policies follows from the overall framework of capital management at Nordea.

### Regulatory minimum capital requirements

The CRR requires banks to comply with the following minimum capital requirements in relation to REA:

- CET1 capital ratio of 4.5%
- Tier 1 capital ratio of 6.0%
- Total capital ratio of 8.0%

In addition, banks are required to maintain a Leverage Ratio of 3%. The leverage ratio is a non-risk-based measure calculated as the Tier 1 capital divided by an exposure measure, comprising of on-balance and off-balance sheet exposures with adjustments for certain items such as derivatives and securities financing transactions.

### Internal capital requirement

Nordea Eiendomsnett bases its internal capital requirements under the Internal Capital Adequacy Assessment Process (ICAAP) on risks defined by CRR/CRD IV, and risks internally defined under Pillar 2. The ICR specifies the amount, type and distribution of internal capital considered adequate to cover the nature and level of all risks to which Nordea Eiendomsnett is or might become exposed to over a foreseeable future, including during periods of stress.

The following major risk types are included in the internal capital requirement: credit risk, market risk, operational risk, interest rate risk in the banking book and business risk.

The ICAAP also describes Nordea Eiendomsnett's management, mitigation and measurement of material risks and assesses the adequacy of internal capital by defining internal capital requirements reflecting the risk of the institution. As a complement to the ordinary credit risk quantification, comprehensive stress testing is performed at least annually in accordance with current requirements, after which capital requirements are measured. Regulatory buffers were introduced with the implementation of the CRR/CRD IV rules.



## Own funds

Own funds is the sum of tier 1 and tier 2 capital. Tier 1 capital consists of both common equity tier 1 (CET1) and additional tier 1 capital. CET1 capital is considered to be capital of the highest quality with ultimate loss-absorbance characteristics and consists predominately of paid in capital and retained earnings. Accumulated profit in accordance with the audited accounts can be included in the own funds when any foreseeable charge or dividend has been deducted from the amount of profit.

Additional tier 1 and tier 2 capital consist mostly of undated and dated subordinated loans, respectively. Holdings of other financial sector entities' subordinated loans are deducted from the corresponding tier.

## Capital position and risk exposure amount

Nordea Eiendomskreditt's Common Equity Tier 1 capital ratio was 27.7% at the end of 2024, an increase of 1.7 percentage points from the end of last year. Total Capital ratio increased 1.1 percentage points to 28.6%. The increase was primarily due to closure of the Danske Bank acquisition in November 2024 and related capital injection in August 2024.

REA was NOK 130.0bn, an increase of 59% compared to the end of last year (NOK 82.0bn). The main driver for the increase in REA was the closure of the Danske Bank acquisition in November.

Own funds were NOK 37.2bn at the end of 2024, of which NOK 1.1bn is a subordinated loan. The Tier 1 capital and the Common Equity Tier 1 capital were NOK 36.1bn (no additional Tier 1 capital).

The aforementioned financial guarantee with Nordea Bank Abp containing credit protection for a subset of the loan portfolio, has reduced the company's risk exposure amount by NOK 3bn.

Nordea Eiendomskreditt's general meeting resolved a capital injection of NOK 15bn to prepare partly for the effects of the new IRB models, but mainly related to the acquisition of the Danske Bank mortgage portfolio. The additional equity was added during third quarter 2024.

## Further information

Further information on capital management and capital adequacy is presented in Note 7 "Capital adequacy" and in the Capital and Risk Management Report at [nordea.com/en/investors/capital-and-risk-reports-pillar-3](https://nordea.com/en/investors/capital-and-risk-reports-pillar-3).

## Regulatory development

### Lending regulations

The Ministry of Finance decided on 4 December 2024 to adopt changes in the Norwegian lending regulation (Norwegian regulation on financial institutions lending practices) with effect from 1 January 2025. The main change was a decrease of the requirement for maximum equity from 15% to 10%.

### Regulation on capital requirement

This section highlights recent news and updates on regulatory developments and capital requirements, mainly related to the Bank Recovery and Resolution Directive (BRRD), the Capital

Requirements Directive (CRD), the Capital Requirements Regulation (CRR) as being incorporated into the Norwegian rules and regulations. In general it addresses news that is deemed relevant from a Nordea Eiendomskreditt perspective.

Basel III is a global regulatory framework for bank capital adequacy, stress testing and liquidity risk. In December 2017 the finalised Basel III framework, often referred to as the Basel IV package, was published. It includes revisions to credit risk, market risk, operational risk, credit valuation adjustment (CVA) risk as well as the leverage ratio, and introduces a new output floor.

The Basel IV package is implemented into EU Capital Requirements Regulation (CRR) and effective 1 January 2025. This change is referred to as CRR3. On credit risk, the CRR3 includes revisions to both the IRB Approach, where restrictions on the use of IRB for certain exposures are implemented, as well as on the standardised approach. For operational risk, the three existing approaches will be removed and replaced by one standardised approach to be used by all banks.

The output floor is to be set at 72.5% of the standardised approaches on an aggregate level. This means that the capital requirement will be floored to 72.5% of the total Pillar 1 REA calculated with the standardised approaches for credit, market and operational risk. The floor will be phased in, starting with 50% from 1 January 2025 and to be fully implemented at 72.5% from 1 January 2030 with transitional rules for the calculation of the REA for the output floor will extending to end-2032. The revised CRR mentioned above is not yet incorporated into the Norwegian regulatory framework.

Nordea Eiendomskreditt continues to being identified as a systemically important financial institution (SIFI) and is subject to a 1.0% O-SII requirement. The requirement was confirmed on 3 December 2024 by the Ministry of Finance.

On 9 July 2024 Nordea Eiendomskreditt received approval from the authorities for new retail IRB models. The new IRB retail models was implemented in the Q3 2024 reporting.

On 6 December 2024 the Ministry of Finance announced that the Risk weight floor to residential real estate increased from 20% to 25% with effect from 1 July 2025. With the new approved models, the Norwegian FSA decided to remove the floor for loss given default values (LGD floor) for Nordea from 30 September 2024.

## Corporate governance

### Board composition

Section 2-9 of the Norwegian Accounting Act (regnskapsloven) requires disclosures of the composition and nomination of the Board of Directors and a description of internal control and risk management regarding financial reporting.

### Articles of association regulating the Board of Directors

According to Nordea Eiendomskreditt's articles of association, last amended 19 June 2024, the Board comprises a minimum of 5 members who are elected by the Annual General Meeting. The chairman of the Board shall be elected by separate ballot.



According to section 8-5 of the Financial Undertakings Act (finansforetaksloven), at least one fourth of the board of directors must be external members. According to internal guidelines both genders shall be represented. Further information on the composition of the Board of Directors is disclosed in section of Board of Directors and Auditor at the end of the Annual report.

#### Board and CEO insurance

Section 2-2 of the Norwegian Accounting Act (regnskapsloven) requires disclosures of insurance coverage for board members and the CEO of the company. Nordea Eiendomskreditt is covered by the Nordea Group insurance covering the personal liabilities of its management (e.g. board members, CEO). The terms and conditions including total limit of liability of the policy are in line with large European banks.

#### Financial reporting risk management

Financial reporting risk (FRR) is defined as the risk of misstatements or deficiencies in financial reporting, regulatory reporting, tax reporting, management reporting and reporting of Environment, Social and Governance ("ESG") information.

An internal control framework for managing the financial reporting risk is in place, providing the structure and standards for designing, operating and evaluating the internal controls over financial reporting across the Nordea Group. The framework is the mechanism through which management expresses its financial statement assertions. Group Risk is the risk control function for financial reporting risk and is responsible for the independent monitoring and oversight of the risks and the Group's implementation of the framework. A self-assessment of the effectiveness of key controls for Nordea Eiendomskreditt is conducted quarterly with the purpose of ensuring proper monitoring of the quality of the financial reporting, and with reporting to the Board/Board Risk Committee.

Further disclosures regarding corporate governance and internal control can be found in Note 9 "Risk and liquidity management".

#### People and working environment

Working in Nordea means working in a relationship bank in which everyone is responsible for supporting great customer experiences. This is why attracting, developing and maintaining highly motivated people are among our main priorities.

Nordea Eiendomskreditt is part of the Nordea Group's processes for leadership and employee development, including training programmes, performance dialogues and employee satisfaction surveys. Gender diversity and equal opportunities are an integrated part of the development of the organisation and its employees.

At the end of 2024 the company had 24 (24) employees. Staffing was equivalent to 24.0 (22.0) full time positions. Services related to sales and distribution of mortgage loans, management of the loan portfolio, customer contact, funding and risk management, accounting and reporting are purchased from other units in the Nordea Group. In line with the Nordea Group organisation, the company was reorganized from 1 January 2017, as the company was

assigned the product responsibility for Norwegian mortgage loans.

Absence due to sickness during 2024 was 4.0% (7.5%). A total of 243 (449) working days were lost to sickness in 2024. There are no reports of work-related personnel injuries as caused by accidents or other incidents in Nordea Eiendomskreditt in 2024. The working environment is considered to be good.

Information on remuneration to the company's employees and officers can be found in Note 6.1 "Staff costs".

#### Gender equality and diversity

50% of the employees in Nordea Eiendomskreditt and 63% of the members of the management group at the end of 2024 were female. Board composition at the end of 2024 is made up of 4 women and 3 men. The company has adopted Nordea Group's diversity policy for the Group Board [nordea.com/en/about-us/corporate-governance/board-of-directors/composition-and-diversity-policy](https://www.nordea.com/en/about-us/corporate-governance/board-of-directors/composition-and-diversity-policy). The ambition for the board composition is of each gender to have at least 40% representation in compliance with the policy and the requirements in the new Limited Liability Companies Act section 11-6a by year-end 2024. The Board and management take a proactive approach to promoting equal opportunity in the company. The company follows the Nordea Group's guidelines and regulations concerning corporate social responsibility, including those relating to discrimination/diversity and ethics.

#### Changes in Management and Board of Directors

On 1 July 2024 Anne Sofie Knoph retired from her employment in Nordea Eiendomskreditt and left the board from the same day. On 5 December 2024 Lars Espevik was appointed new board member.

#### Legal proceedings

There have been no disputes or legal proceedings in which material claims have been raised against the company.

#### Subsequent events

No events have occurred after the balance sheet date, which may materially affect the assessment of the annual financial statements of Nordea Eiendomskreditt.

#### Sustainability

In accordance with the sustainability-related ambition of the Nordea Group, Nordea Eiendomskreditt is committed to sustainable business development by combining financial performance with environmental and social responsibility as well as sound governance practices. At the core of our operations is the development and provision of financial services and offerings that support the transition to a sustainable economy and with that, enable customers to make conscious and sustainable choices ([nordea.com/en/sustainability/sustainable-choice](https://www.nordea.com/en/sustainability/sustainable-choice)).

In Nordea Eiendomskreditt this resulted in the first Nordea green covered bond issued in 2021, and a second and third green covered bond issued in 2023 and 2024. In addition to product offering of Green mortgage loans for energy efficient dwellings, Nordea Eiendomskreditt also offers Energy savings loans, which is a loan to finance measures that will improve



the energy efficiency of the customer's home. All housing measures recommended by Enova qualify for Energy savings loans.

For more information on how the Nordea Group works with sustainability, please see Nordea's Annual Report, published at [nordea.com/en/investors/group-annual-reports/](https://nordea.com/en/investors/group-annual-reports/). This report also cover the sustainability reporting requirements for Nordea Eiendoms kreditt as required by section 2-4 of the Norwegian Accounting Act (regnskapsloven).

### Environmental, social and corporate governance (ESG) related risks

Nordea defines ESG risk as the risk of an adverse financial impact in the short to longer term, deriving from the direct or indirect impact that environmental (including climate), social and governance issues may have on Nordea. It is important for Nordea to integrate ESG assessments into our risk management frameworks. Further information on ESG related risk in Nordea can be found in Pillar 3, Nordea's capital and risk reporting, published at [nordea.com/en/investors/capital-and-risk-reports-pillar-3](https://nordea.com/en/investors/capital-and-risk-reports-pillar-3). Nordea Eiendoms kreditt's operations result in minimal pollution of the environment.

### Due diligence assessment under the Transparency Act

Nordea Eiendoms kreditt has conducted a due diligence assessment in accordance with the OECD guidelines for multinational enterprises. These assessments have investigated whether there are any actual, or risks of, adverse impacts on human rights or decent working conditions in our operations, supply chain and other business relationships. Information about Nordea Eiendoms kreditt's due diligence assessment is included in Nordea Human Rights Report 2024, available on [nordea.com/en/sustainability/reports](https://nordea.com/en/sustainability/reports).

### Outlook for 2025

In the context of the uncertain macroeconomic environment with recent years' higher inflation and interest rates, and a weak Norwegian krone, Nordea Eiendoms kreditt AS is continuously monitoring the economic outlook and the behaviour of own lending portfolios in order to react timely to adverse developments. We expect a moderate decrease in in the Norwegian Central Bank's key policy rate in 2025. Strong growth in housing prices is expected.

## Nordea Eiendoms kreditt AS

Oslo, 7 March 2025

Randi Marjamaa  
Chair

Gro Elisabeth Lundevik  
Vice Chair

Ola Littorin  
Board member

Asbjørn Rødal  
Board member

Tina Sandvik  
Board member

Lene Steinum  
Board member

Lars Espevik  
Board member

Elen M. Sticksrud  
Chief Executive Officer



## Income statement

	Note	2024	2023
<b>NOKt</b>			
<b>Operating income</b>			
Interest income calculated using the effective interest rate method		20,322,982	15,553,396
Other interest income		523,757	358,198
Interest expense		17,889,945	13,975,092
<b>Net interest income</b>	<b>2.1, 8.3</b>	<b>2,956,795</b>	<b>1,936,502</b>
Fee and commission income		126,086	116,322
Fee and commission expense		69,402	31,381
<b>Net fee and commission income</b>	<b>2.2</b>	<b>56,683</b>	<b>84,940</b>
Net result from items at fair value	2.3, 8.3	-6,079	-77,058
Other income		36	584
<b>Total operating income</b>		<b>3,007,435</b>	<b>1,944,968</b>
Staff costs	6.1, 6.2	37,966	37,902
Other operating expenses	2.4, 8.3	1,476,854	1,191,832
Depr/amortisation and impairment charges		190	155
<b>Total operating expenses</b>		<b>1,515,010</b>	<b>1,229,889</b>
<b>Profit before loan losses</b>		<b>1,492,425</b>	<b>715,079</b>
Loan losses	2.5	88,209	47,139
<b>Operating profit</b>		<b>1,404,216</b>	<b>667,940</b>
Income tax expense	2.6	351,170	167,677
<b>Net profit for the period</b>		<b>1,053,046</b>	<b>500,263</b>
<b>Attributable to:</b>			
Shareholder of Nordea Eiendomskreditt AS		1,053,046	500,263
<b>Total</b>		<b>1,053,046</b>	<b>500,263</b>

## Statement of comprehensive income

	2024	2023
<b>NOKt</b>		
<b>Net profit for the period</b>	<b>1,053,046</b>	<b>500,263</b>
<b>Items that may be reclassified subsequently to the income statement</b>		
<i>Cash flow hedges:</i>		
Valuation gains/losses	-11,820	148
Tax on valuation gains/losses	2,955	-37
<b>Items that may not be reclassified subsequently to the income statement</b>		
<i>Defined benefit plans:</i>		
Remeasurement of defined benefit plans	5,047	-1,945
Tax on remeasurement of defined benefit plans	-1,261	486
<b>Other comprehensive income, net of tax</b>	<b>-5,078</b>	<b>-1,347</b>
<b>Total comprehensive income</b>	<b>1,047,967</b>	<b>498,916</b>
<b>Attributable to:</b>		
Shareholders of Nordea Eiendomskreditt AS	1,047,967	498,916
<b>Total</b>	<b>1,047,967</b>	<b>498,916</b>



## Balance sheet

	Note	31 Dec 2024	31 Dec 2023
<b>NOKt</b>			
<b>Assets</b>			
Loans to credit institutions	8.3	1,879,634	2,462,506
Loans to the public	2.5, 3.5, 3.8, 5.1	450,117,763	334,307,675
Interest-bearing securities	3.6	10,553,980	10,585,566
Derivatives	3.7, 3.4, 8.3	581,395	183,957
Fair value changes of the hedged items in portfolio hedges of interest rate risk		-109,337	-42,670
Property and Equipment owned and RoU		492	681
Retirement benefit assets		5,883	0
Other assets		165,627	-186
Accrued income and prepaid expenses		26,721	49,380
<b>Total assets</b>		<b>463,222,156</b>	<b>347,546,908</b>
<b>Liabilities</b>			
Deposits by credit institutions	3.9, 8.3	152,157,871	125,845,296
Debt securities in issue	3.9, 5.1, 8.3	270,579,268	197,449,415
Derivatives	3.7, 3.4, 8.3	1,116,824	665,463
Current tax liabilities	2.6	177,682	53,530
Other liabilities		14,834	15,149
Accrued expenses and prepaid income	8.3	167,098	228,641
Deferred tax liabilities	2.6	418,954	247,210
Provisions		3,359	4,818
Retirement benefit obligations	6.2	29,115	27,417
Subordinated loan capital	8.3	1,104,751	1,104,751
<b>Total liabilities</b>		<b>425,769,756</b>	<b>325,641,690</b>
<b>Equity</b>			
Share capital	8.3	1,896,347	1,879,565
Share premium	8.3	24,857,300	9,874,082
Other reserves		-28,118	-23,040
Retained earnings		9,673,826	9,674,348
Net profit for the period		1,053,046	500,263
<b>Total equity</b>		<b>37,452,400</b>	<b>21,905,218</b>
<b>Total liabilities and equity</b>		<b>463,222,156</b>	<b>347,546,908</b>
<b>Off-balance sheet items</b>			
Assets pledged as security for own liabilities	5.1	428,060,664	313,603,507
Commitments	5.2	51,830,126	35,072,002

**Nordea Eiendomskreditt AS**  
Oslo, 7 March 2025

Randi Marjamaa  
Chair

Gro Elisabeth Lundevik  
Vice Chair

Ola Littorin  
Board member

Asbjørn Rødal  
Board member

Tina Sandvik  
Board member

Lene Steinum  
Board member

Lars Espevik  
Board member

Elen M. Sticksrud  
Chief Executive Officer



## Statement of changes in equity

NOKt	Share capital	Share premium	Other reserves		Retained earnings	Total equity
			Cash flow hedges	Defined benefit plans		
<b>Balance at 1 January 2024</b>	1,879,565	9,874,082	-9,570	-13,470	10,174,620	21,905,218
Net profit for the year					1,053,046	1,053,046
<b>Items that may be reclassified subsequently to the income statement</b>						
Cash flow hedges:						
Valuation gains/losses			-11,820			-11,820
Tax on valuation gains/losses			2,955			2,955
<b>Items that may not be reclassified subsequently to the income statement</b>						
Defined benefit plans:						
Remeasurement of defined benefit plans				5,047		5,047
Tax on remeasurement of defined benefit plans				-1,261		-1,261
Other comprehensive income, net of tax	0	0	-8,865	3,786	0	-5,078
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-8,865</b>	<b>3,786</b>	<b>1,053,046</b>	<b>1,047,967</b>
<b>Contribution and distribution</b>						
Share Based Payments					-522	-522
Dividend paid					-500,263	-500,263
Change of share capital	16,782	14,983,218				15,000,000
<b>Balance at 31 December 2024</b>	<b>1,896,347</b>	<b>24,857,300</b>	<b>-18,435</b>	<b>-9,684</b>	<b>10,726,880</b>	<b>37,452,400</b>

NOKt	Share capital	Share premium	Other reserves		Retained earnings	Total equity
			Cash flow hedges	Defined benefit plans		
<b>Balance at 1 January 2023</b>	1,879,565	9,874,082	-9,681	-12,012	10,321,569	22,053,523
Net profit for the year					500,263	500,263
<b>Items that may be reclassified subsequently to the income statement</b>						
Cash flow hedges:						
Valuation gains/losses			148			148
Tax on valuation gains/losses			-37			-37
<b>Items that may not be reclassified subsequently to the income statement</b>						
Defined benefit plans:						
Remeasurement of defined benefit plans				-1,945		-1,945
Tax on remeasurement of defined benefit plans				486		486
Other comprehensive income, net of tax	0	0	111	-1,459	0	-1,347
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>111</b>	<b>-1,459</b>	<b>500,263</b>	<b>498,916</b>
<b>Contribution and distribution</b>						
Share Based Payments					602	602
Dividend paid					-647,819	-647,819
Change of share capital	0	0				0
<b>Balance at 31 December 2023</b>	<b>1,879,565</b>	<b>9,874,082</b>	<b>-9,570</b>	<b>-13,470</b>	<b>10,174,620</b>	<b>21,905,218</b>

The company's share capital is NOK 1,896m. The number of shares is 16,781,828, each with a quota value of NOK 113. All shares and voting rights are owned by Nordea Bank AB (publ).



## Cash flow statement

NOKt	Note	2024	2023
<b>Operating activities</b>			
Operating profit before tax		1,404,216	667,940
Adjustments for items not included in cash flow (related to loan loss allowances)	2.5	86,752	46,496
Income taxes paid	2.6	-53,581	-209,299
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>		<b>1,437,387</b>	<b>505,137</b>
<b>Changes in operating assets</b>			
Change in loans to credit inst, non-liquid		-246,771	-504,116
Change in loans to the public	3.5	-13,061,065	-11,105,577
Change in interest-bearing securities	3.6	31,586	-5,149,679
Change in derivatives, net	3.7	347,396	144,201
Change in other assets		-82,180	-43,190
<b>Changes in operating liabilities</b>			
Change in deposits by credit institutions	3.9	26,312,575	-30,068,583
Change in debt securities in issue	3.9	33,478,515	48,097,140
Change in other liabilities		-66,754	-2,130
<b>Cash flow from operating activities</b>		<b>48,150,689</b>	<b>1,873,203</b>
<b>Investing activities</b>			
Acquisition/sale of business operations		-63,479,546	0
<b>Cash flow from investing activities</b>		<b>-63,479,546</b>	<b>0</b>
<b>Financing activities</b>			
Change of accrued interest on subordinated loan capital	3.9	-1	932
Dividend paid		-500,263	-647,819
Share Based Payment Programme		-522	602
Increase in share capital and share premium		15,000,000	0
<b>Cash flow from financing activities</b>		<b>14,499,214</b>	<b>-646,285</b>
<b>Cash flow for the period</b>		<b>-829,643</b>	<b>1,226,918</b>
<b>Cash and cash equivalents</b>			
NOKt		31 Dec 2024	31 Dec 2023
Cash and cash equivalents at beginning of the period		1,958,390	731,472
Cash and cash equivalents at end of the period <sup>1</sup>		1,128,747	1,958,390
<b>Change</b>		<b>-829,643</b>	<b>1,226,918</b>
The following items are included in cash and cash equivalents:			
Loans to credit institutions		1,128,747	1,958,390
<b>Total cash and cash equivalents</b>		<b>1,128,747</b>	<b>1,958,390</b>

### Comments on the cash flow statement

The cash flow statement shows inflows and outflows of cash and cash equivalents during the year. Nordea Eiendoms kreditt's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as loan losses. The cash flows are classified by operating, investing and financing activities.

**Operating activities** are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Items not included in cash flow relates to changes in impairment charges. Changes in operating assets and liabilities consist of assets and liabilities that are part of normal business activities, such as loans and receivables, deposits from credit institutions and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities include interest payments received and interest expenses paid in the following amounts:

NOKt	2024	2023
Interest payments received	20 563 153	15 499 255
Interest expenses paid	-17 291 877	-13 206 032

**Investing activities** include acquisition and disposal of financial assets. Acquisition of business operations in 2024 relates to the acquisition of Danske Bank's mortgage loan portfolio. See Note 8.4 "Acquisitions" for further information.

**Financing activities** are activities that result in changes in equity and subordinated liabilities, such as new issues of shares, group contribution paid or received and issued/amortised subordinated liabilities.

**Cash and cash equivalents** comprise loans to finance institutions with no fixed maturity (bank deposits).



## Notes to the financial statements

### Note 1 Accounting policies

#### Table of contents

- 1.1 Basis for presentation
- 1.2 Changed accounting policies and presentation
- 1.3 Changes in IFRSs not yet applied
- 1.4 Critical judgements and estimation uncertainty
- 1.5 Translation of assets and liabilities denominated in foreign currencies

#### 1.1 Basis for presentation

The financial statements of Nordea Eiendomskreditt AS are prepared in accordance with IFRS® Accounting Standards as adopted by the EU Commission. In addition, certain complementary rules in the Norwegian Accounting Act with supported regulation have been applied.

The disclosures required by the standards, recommendations and legislation above have been included in the notes, or in other parts of the financial statements.

On 7 March 2025 the Board of Directors approved the financial statements, subject to final approval of the Annual General Meeting on 8 April 2025.

The accounting policies, method of computation and presentations are unchanged in comparison with the Annual Report 2023, except for the items presented in the section "Changed accounting policies and presentation" below.

Nordea Eiendomskreditt is part of the Nordea Group and the Group's Annual Report is available at [www.nordea.com/en/investors/group-annual-reports](http://www.nordea.com/en/investors/group-annual-reports).

#### 1.2 Changed accounting policies and presentation

No new accounting policies and presentation with impact on the financial statements of Nordea Eiendomskreditt have been implemented during 2024.

#### Other amendments to IFRS

The following amended standards issued by the International Accounting Standards Board (IASB) were implemented by Nordea Eiendomskreditt on 1 January 2024, but have not had any significant impact on its financial statements.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current as well as Classification of Liabilities as Current or Non-current – Deferral of Effective Date; and Non-current Liabilities with Covenants.
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.

#### 1.3 Changes to IFRSs not yet applied

##### IFRS 18 Presentation and Disclosures in Financial Statements

In April 2024 the IASB published the new standard IFRS 18 Presentation and Disclosure in Financial Statements which will replace IAS 1 Presentation of Financial Statements. IFRS 18 sets out the requirements for the presentation and disclosures in financial statements with focus on a more structured income statement supporting the reporting of financial performance. Items of income and expenses will be classified into the categories operating operations, investing operations, financing operations, income taxes and discontinued operations. The aim is to reduce diversity in the reporting of financial performance, helping users of financial statements to understand the information and make better comparisons between companies. IFRS 18 in addition introduces requirements on the aggregation and disaggregation of financial information in the financial statements, which may also impact the presentation on the balance sheet, as well as new disclosures on management-defined performance measures.

The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The standard is not yet endorsed by the EU. Nordea Eiendomskreditt does not currently intend to adopt these amendments before the effective date.

It is not yet possible to conclude on how IFRS 18 will impact Nordea's financial statements and disclosures of management-defined performance measures. There may be moves between the different categories in the income statement mentioned above, as well as changes in the aggregation and disaggregation in the income statement and balance sheet, but no significant impacts are currently expected. This tentative conclusion remains subject to further analysis. As IFRS 18 will not change Nordea Eiendomskreditt's recognition and measurement it is not expected to have any significant impact on other financial statements or capital adequacy in the period of initial application.

#### 1.4 Critical judgements and estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires, in some cases, the use of judgements and estimates by management. Actual outcome can later, to some extent, differ from the estimates and the assumptions made. In this section a description is made of:

- the sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, and
- the judgements made when applying accounting policies (apart from those involving estimations) that have the most significant impact on the amounts recognised in the financial statements.

Critical judgements and estimates are in particular associated with:

- the fair value measurement of certain financial instruments (hedging portfolio)
- the impairment testing of loans to the public



## 1.5 Translation of assets and liabilities denominated in foreign currencies

The functional currency for Nordea Eiendomskreditt is NOK. Foreign currency is defined as any currency other than the functional currency of the entity. Foreign currency transactions are recorded at the exchange rate on the date of the transaction. Monetary assets and liabilities

denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, and unrealised translation differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement under "Net result on items at fair value".

## 2 Financial performance and returns

### Note 2.1 Net interest income

#### Accounting policies

Interest consists of compensation for time value of money plus a margin. The effective interest rate equals the rate that discounts the estimated future cash flows to the net carrying amount of the financial asset or financial liability at initial recognition.

Interest income and expenses from financial instruments are classified as "Net interest income". Interest income is presented on two rows in the income statement, Interest income calculated using the effective interest rate method and Other interest income. On the row Interest income calculated using the effective interest method, Nordea Eiendomskreditt present interest income from financial

assets measured at amortised cost. This line item also includes the effect from hedge accounting relating to these assets. All other interest income is presented as on the income statement row "Other interest income".

The interest component of derivatives is classified as "Net result from items at fair value", except for derivatives used for hedging purposes. In accounting hedges the interest component of derivatives is classified as "Interest income calculated using the effective interest rate method" if the derivative is used to hedge an asset and as "Interest expense" if the derivative is used to hedge a liability. In economic hedges the interest component of derivatives is classified as "Other interest income" if the derivative is used to hedge an asset and as "Interest expense" if the derivative is used to hedge a liability.

NOKt	2024	2023
Interest income calculated using the effective interest rate method	20,322,982	15,553,396
Other interest income	523,757	358,198
Interest expense	17,889,945	13,975,092
<b>Net Interest income</b>	<b>2,956,795</b>	<b>1,936,502</b>
<b>Interest income calculated using the effective interest rate method</b>		
Loans to credit institutions	76,883	63,536
Loans to customers	20,141,928	15,411,921
Yield fees	53,716	50,584
Net interest paid or received on derivatives in accounting hedges of assets	50,456	27,355
<b>Interest income</b>	<b>20,322,982</b>	<b>15,553,396</b>
<b>Other interest income</b>		
Interest-bearing securities measured at fair value	523,757	358,198
<b>Other interest income<sup>1</sup></b>	<b>523,757</b>	<b>358,198</b>
<b>Interest expense</b>		
Deposits by credit institutions	6,104,243	6,404,791
Debt securities in issue	11,246,113	7,112,913
Subordinated loan capital	74,793	61,631
Other interest expenses	3,848	129,843
Net interest paid or received on derivatives in hedges of liabilities	460,948	265,913
<b>Interest expense</b>	<b>17,889,945</b>	<b>13,975,092</b>
<b>Interest from categories of financial instruments</b>		
<b>NOKt</b>		
Financial assets at amortised cost	20,272,527	15,526,041
Financial assets at fair value through profit or loss (including hedging instruments) <sup>1</sup>	574,213	385,553
Financial liabilities at amortised cost	-17,428,997	-13,709,179
Financial liabilities at fair value through profit or loss (related to hedging instruments) <sup>1</sup>	-460,948	-265,913
<b>Net interest income</b>	<b>2,956,795</b>	<b>1,936,502</b>

<sup>1</sup> Includes net interest income from derivatives, measured at fair value and related to Nordea Eiendomskreditt's funding. This can have both a positive and negative impact on other interest expense.



## Note 2.2 Net fee and commission income

### Accounting policies

The company's fee income is treated as administration fees for maintaining customer accounts related to customers' mortgage loans, and is recognised to income as part of the item "Fee and commission income" in accordance with standard Nordea policy.

The majority share of the revenues classified as "Commission income" constitutes revenue from contracts with customers according to IFRS 15. Fee income is recognised when or as an entity satisfies the performance obligation, either over time or at a specific point of time.

Lending fees are recognised at a point of time when the performance obligation is satisfied, i.e. when the transaction has been performed, unless they are part of the effective interest rate of the financial instrument.

Commission expenses that are transaction based, are recognised in the period the services are received. Commission expenses covering a certain period are expensed over that period.

Net fee and commission income declined from 2023 to 2024 due to higher liquidity facility fee paid to the parent bank in 2024, included in the item Other. Fees paid to the parent bank related to a financial guarantee for credit protection entered into in September 2024 is included in the item Guarantees.

NOKt	2024	2023
Custody and issuer services	-4,712	-3,588
- of which expense	-4,712	-3,588
Payments	-1,969	-28
- of which expense	-1,969	-28
Lending	122,020	111,634
- of which income	122,020	111,634
Guarantees	-6,719	0
- of which expense	-6,719	0
Other	-51,937	-23,078
- of which income	4,066	4,687
- of which expense <sup>1</sup>	-56,003	-27,765
<b>Total</b>	<b>56,683</b>	<b>84,940</b>

<sup>1</sup>Other commission expense include NOK 45.2m related to the Liquidity Transfer and Support agreement with the parent bank and NOK 9.9m for market data services.

## Note 2.3 Net result from items at fair value

### Accounting policies

Realised and unrealised gains and losses on financial instruments measured at fair value through profit or loss, include interest-bearing securities and derivatives and are recognised under "Net result from items at fair value".

This item also includes realised gains and losses from financial instruments measured at amortised cost, such as interest compensation received or paid and realised gains/losses on buy-backs of issued own debt.

Impairment losses from instruments within other categories than "Financial assets at fair value through profit or loss" are recognised under "Loan losses" (see also the sub-section "Loan losses" below).

### Critical judgements and estimation uncertainty

Estimation uncertainty exists in the valuation of financial instruments, in particular for instruments that lack quoted prices or where recently observed market prices are not available (Level 3 instruments). See Note 3.3 "Fair value".

Net gains/losses for categories of financial instruments	2024	2023
Financial assets and liabilities mandatorily at fair value through profit or loss <sup>1</sup>	-117,798	84,642
Financial assets at amortised cost <sup>2</sup>	-444,741	-6,274
Financial liabilities at amortised cost <sup>3</sup>	556,139	-155,529
Foreign exchange gains/losses excluding currency hedges	320	103
<b>Total</b>	<b>-6,079</b>	<b>-77,058</b>

<sup>1</sup> This row comprises of interest bearing securities and derivatives, including derivatives held for economic hedging, which do not meet the requirements for hedge accounting according to IAS 39.

<sup>2</sup> This row includes net gain/loss arising from derecognition of financial assets measured at amortised cost. The reason for derecognition is that the assets were prepaid by the customer. This line item also includes fair value changes of hedged amortised cost assets in hedges of interest rate risk.

<sup>3</sup> This row mainly includes fair value changes of hedged amortised cost liabilities in hedges of interest rate risk.



## Note 2.4 Other expenses

NOKt	2024	2023
Market data services	7,685	6,294
Services bought from Group companies	1,419,458	1,130,084
Auditor's fee	2,743	1,531
Resolution fees	45,020	51,084
Other operating expenses	1,948	2,840
<b>Total</b>	<b>1,476,854</b>	<b>1,191,832</b>

Other expenses include expensed auditor's fee to PwC of NOK 2.743t incl.VAT. In addition NOK 51t incl. VAT has been paid to PwC for other assignments.

## Note 2.5 Loan losses

### Accounting policies

Impairment losses from financial assets classified into the category "Amortised cost" (see accounting policies Note 3.2), under "Loans to the public" in the balance sheet, are reported as "Loan losses". Losses are reported net of any collateral and other credit enhancements. Nordea Eiendoms kreditt's accounting policies for the calculation of

impairment losses on loans can be found in accounting policies to Note 3.5 "Loans".

Counterparty losses on instruments classified into the category "Financial assets at fair value through profit or loss" are reported under "Net result from items at fair value".

More information on credit risk can be found in Note 9 "Risk and liquidity management".

NOKt	2024	2023
Net loan losses, Stage 1	49,199	-3,974
Net loan losses, Stage 2	31,607	3,409
<b>Total loan losses, non-defaulted</b>	<b>80,805</b>	<b>-565</b>
<b>Stage 3, defaulted</b>		
Net loan losses, individually assessed, collectively calculated	-237	49,525
Realised loan losses	8,019	3,007
Recoveries on previous realised loan losses	-382	-2,549
Reimbursement right	4	0
Reversals of provisions	0	-2,280
<b>Net loan losses, defaulted</b>	<b>7,404</b>	<b>47,703</b>
<b>Net loan losses</b>	<b>88,209</b>	<b>47,138</b>

### Key ratios<sup>1</sup>

	2024	2023
Loan loss ratio, basis points	2.43	1.42
- of which stage 1	1.36	-0.12
- of which stage 2	0.87	0.10
- of which stage 3	0.20	1.44

<sup>1</sup> Net loan losses divided by average total loans during the period.



## Note 2.6 Taxes

### Income tax expense

NOKt	2024	2023
Current tax <sup>1</sup>	177,731	54,264
Deferred tax <sup>2</sup>	173,438	113,414
<b>Total</b>	<b>351,169</b>	<b>167,678</b>
<sup>1</sup> of which relating to prior years	51	3
<sup>2</sup> of which relating to prior years	0	730
Total	51	733
<b>Current and deferred tax recognised in Other comprehensive income</b>		
Deferred tax on remeasurements of pension obligations DBP	-1,261	486
Deferred tax relating to cash flow hedges	2,955	-37
<b>Total</b>	<b>1,694</b>	<b>449</b>

Tax on the company's operating profit may differ from the theoretical amount that would arise using the tax rate in Norway, as follows:

NOKt	2024	2023
Profit before tax	1,404,216	667,940
Tax calculated at a tax rate of 25%	-351,104	-166,935
Non-deductible expenses	-14	-10
Adjustments related to prior years	-51	-733
<b>Total tax charge</b>	<b>-351,169</b>	<b>-167,678</b>
Average effective tax rate	-25.0 %	-25.1 %

### Deferred tax

NOKt	2024	2023
Deferred tax expense (-) / income (+)		
Deferred tax due to temporary differences	-173,438	-113,414
<b>Deferred tax in the income statement, net</b>	<b>-173,438</b>	<b>-113,414</b>

NOKt	Deferred tax assets		Deferred tax liabilities	
	2024	2023	2024	2023
<b>Deferred tax assets/liabilities related to:</b>				
Financial instruments and derivatives			-424,697	-253,984
Retirement benefit obligations	5,807	6,854		
Property and equipment			-65	-81
Netting between deferred tax assets and liabilities	-5,807	-6,854	5,807	6,854
<b>Total deferred tax assets/liabilities</b>	<b>0</b>	<b>0</b>	<b>-418,955</b>	<b>-247,211</b>

<b>Movements in deferred tax assets/liabilities net, are as follows:</b>		
	2024	2023
Balance at 1 January	-247,210	-133,515
Deferred tax relating to items recognised in Other comprehensive income	1,694	449
Adjustments relating to prior years	0	-730
Deferred tax in the income statement	-173,438	-113,414
<b>Balance at 31 December</b>	<b>-418,953</b>	<b>-247,210</b>

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax income taxes relates to the same fiscal authority.

Deferred tax totalling NOK 419m is carried in the balance sheet in full since the company expects to be able to offset this against future earnings. Nordea Eiendomskreditt had no tax losses carried forward at 31 December 2024.

## 3 Financial instruments

### Note 3.1

#### Recognition on and derecognition from the balance sheet

##### Accounting policies

Derivative instruments, quoted securities and foreign exchange spot transactions are recognised on and derecognised (from the balance sheet on the trade date. Between trade date and settlement date these assets and liabilities are recognised as "Other assets" or "Other liabilities" on the balance sheet.

Other financial instruments are recognised in the balance sheet on settlement date.

In order to determine the business model, Nordea Eiendoms kreditt has divided its financial assets into portfolios and/or sub-portfolios based on how groups of financial assets are managed together to achieve a particular business objective.

When determining the right for the portfolios, Nordea Eiendoms kreditt has taken the current business area structure into account. When determining the business model for each portfolio Nordea Eiendoms kreditt has analysed the objective with the financial assets as well as for instance past sales behaviour and management compensation.

### Note 3.2

#### Classification and measurement

##### Accounting policies

Each financial instrument in Nordea Eiendoms kreditt has been classified into one of the following categories: Financial assets.

- Amortised cost
- Financial assets at fair value through profit or loss:
  - Mandatorily measured at fair value through profit or loss

##### Financial liabilities.

- Amortised cost
- Financial liabilities at fair value through profit or loss:
  - Mandatorily measured at fair value through profit or loss

The classification of a financial assets is dependent on the business model for the portfolio in which the instrument is included and on whether the cash flows are solely payments of principal and interest (SPPI).

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. In a basic lending arrangement interest can include compensation for the time value of money, credit risk, liquidity risk, costs and a profit margin.

Financial assets with cash flows that are not SPPI are measured at fair value through profit or loss. All other assets are classified based on the business model. Instruments included in a portfolio with a business model where the intention is to keep the instruments and collect contractual cash flows are measured at amortised cost. Instruments included in a business model where the intention is both to keep the instruments to collect the contractual cash flows and to sell the instruments are measured at fair value through other comprehensive income. Financial assets included in any other business model are measured at fair value through profit or loss..

All financial assets and liabilities are initially measured at fair value. The classification of financial instruments into different categories forms the basis for how each instrument is subsequently measured on the balance sheet and how changes in its value are recognised. The classification of the financial instruments on Nordea Eiendoms kreditt's balance sheet into the different categories under IFRS 9 is presented in the table "Classification of financial instruments".

##### Amortised cost

Financial assets and liabilities measured at amortised cost are initially recognised on the balance sheet at fair value, including transaction costs. Subsequent to initial recognition, the instruments within this category are measured at amortised cost. In an amortised cost measurement, the difference between acquisition cost and redemption value is amortised in the income statement over the remaining term using the effective interest rate method. Amortised cost is defined as the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments plus or minus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount and for financial assets, adjusted for any loss allowance. For more information about the effective interest rate method see accounting policies in Note 2.1 "Net interest income". For information about impairment under IFRS 9, accounting policies Note 3.5 "Loans".

Interest on assets and liabilities classified at amortised cost is recognised under "Interest income" and "Interest expense" in the income statement.

##### Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. All changes in fair value are recognised directly in the income statement under "Net result from items at fair value".



## Classification of financial instruments

### Assets

31 Dec, NOKt	Amortised cost (AC)		Fair value through profit or loss (FVPL)		Total financial assets	
			Mandatorily			
	2024	2023	2024	2023	2024	2023
Loans to credit institutions	1,879,834	2,462,506			1,879,834	2,462,506
Loans to the public	450,117,763	334,307,675			450,117,763	334,307,675
Interest-bearing securities			10,553,980	10,585,566	10,553,980	10,585,566
Derivatives			581,395	183,957	581,395	183,957
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-109,337	-42,670			-109,337	-42,670
Accrued income and prepaid expenses	25,477	48,127			25,477	49,380
<b>Total</b>	<b>451,913,537</b>	<b>336,775,638</b>	<b>11,135,375</b>	<b>10,769,523</b>	<b>463,048,911</b>	<b>347,546,414</b>

### Liabilities

31 Dec, NOKt	Amortised cost (AC)		Fair value through profit or loss (FVPL)		Total financial liabilities	
			Mandatorily			
	2024	2023	2024	2023	2024	2023
Deposits by credit institutions	152,157,871	125,845,296			152,157,871	125,845,296
Debt securities in issue	270,579,268	197,449,415			270,579,268	197,449,415
Derivatives			1,116,824	665,463	1,116,824	665,463
Other liabilities	3,766	3,518			3,766	3,518
Accrued expenses and prepaid income	11,839	11,145			11,839	11,145
Subordinated loan capital	1,104,751	1,104,751			1,104,751	1,104,751
<b>Total</b>	<b>423,857,495</b>	<b>324,414,125</b>	<b>1,116,824</b>	<b>665,463</b>	<b>424,974,319</b>	<b>325,079,588</b>

## Note 3.3 Fair value

### Accounting policies

Fair value is defined as the price that at the measurement date would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market conditions in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The existence of published price quotations in an active market is the best evidence of fair value and when they exist, they are used to measure the fair value of financial assets and financial liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. The absolute level of liquidity and volume required for a market to be considered active varies depending on the class of instruments. For some classes low price volatility is seen, also for those instruments within the class where the trade frequency is high. For instruments in such a class, the liquidity requirements are lower and correspondingly, the age limit for the prices used to establish fair value is higher.

The trade frequency and volume are monitored regularly in order to assess if markets are active or not active.

If quoted prices for a financial instrument fail to represent actual and regularly occurring market transactions or if quoted prices are not available, fair value is established by using an appropriate valuation technique. The adequacy of the valuation technique, including an assessment of

whether to use quoted prices or theoretical prices, is monitored on a regular basis.

Valuation techniques can range from a simple discounted cash flow analysis to complex option pricing models. Valuation models are designed to apply observable market prices and rates as input whenever possible, but can also make use of unobservable model parameters. The adequacy of the valuation model is assessed by measuring its capability to match market prices. This is done by comparing calculated prices with relevant benchmark data, e.g. quoted prices from exchange, the counterparty's valuations, price data from consensus services etc. Nordea Eiendomskreditt is using valuation techniques to establish fair value for items disclosed under the following balance sheet items:

- Interest bearing securities (when quoted prices in an active market are not available)
- Derivatives (OTC-derivatives)

For financial instruments, whose fair value is estimated by a valuation technique, it is investigated whether the variables used in the valuation model are predominantly based on data from observable markets. By data from observable markets, Nordea Eiendomskreditt considers data from observable markets to be data that can be collected from generally available external sources and which is deemed to represent realistic market prices. If unobservable data has a significant impact on the valuation, the instrument cannot be recognised initially at the fair value estimated by the valuation technique and any upfront gains are thereby deferred and amortised through the income statement over the contractual life of the instrument.



The deferred upfront gains are subsequently released to income if the non-observable data becomes observable.

See a breakdown below of fair values of financial instruments measured on the basis of:

- quoted prices in active markets for the same instrument (level 1),
- valuation techniques using observable data (level 2), and
- valuation techniques using non-observable data (level 3).

The valuation models applied by the Nordea Group are consistent with accepted economic methodologies for pricing financial instruments, and incorporate the factors that market participants consider when setting a price.

New valuation models are subject to approval by Model Risk Committee and all models are reviewed on a regular basis.

#### Critical judgements and estimation uncertainty

Critical judgements that have a significant impact on the recognised amounts for financial instruments are exercised when determining fair value of OTC derivatives and other financial instruments that lack quoted prices or recently

observed market prices. Those judgements relate to the following areas:

- The choice of valuation techniques.
- The determination of when quoted prices fail to represent fair value (including the judgement of whether markets are active).
- The calculation of fair value adjustments in order to incorporate relevant risk factors such as credit risk, model risk and liquidity risk.
- The judgement of which market parameters that are observable.

The critical judgements required when determining fair value of financial instruments that lack quoted prices or recently observed market prices, also introduce a high degree of estimation uncertainty.

In all of these instances, decisions are based upon professional judgement in accordance with Nordea Eiendomskreditt's accounting and valuation policies.

Sensitivity analysis disclosures covering the fair value of financial instruments with significant unobservable inputs can be found in the table "Valuation techniques and inputs used in fair value measurements of financial instruments in Level 3" in this note.

#### Fair value of financial assets and liabilities

NOKt	31 Dec 2024		31 Dec 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Loans	451,888,060	447,246,993	336,727,511	337,499,000
Interest-bearing securities	10,553,980	10,553,980	10,585,566	10,585,566
Derivatives	581,395	581,395	183,957	183,957
Accrued income and prepaid expenses	25,477	25,477	48,127	48,127
<b>Total financial assets</b>	<b>463,048,911</b>	<b>458,407,845</b>	<b>347,545,161</b>	<b>348,316,650</b>
<b>Financial liabilities</b>				
Deposits and debt instruments	423,841,890	426,968,715	324,399,462	324,500,812
Derivatives	1,116,824	1,116,824	665,463	665,463
Other financial liabilities	3,766	3,766	3,518	3,518
Accrued expenses and prepaid income	11,839	11,839	11,145	11,145
<b>Total financial liabilities</b>	<b>424,974,319</b>	<b>428,101,144</b>	<b>325,079,588</b>	<b>325,180,938</b>

#### Financial assets and liabilities held at fair value on the balance sheet

Categorisation in the fair value hierarchy

NOKt	Quoted prices in active markets for same instrument	Valuation technique using observable data	Valuation technique using non-observable data	Total
	(Level 1)	(Level 2)	(Level 3)	
<b>Financial assets <sup>1</sup></b>				
Interest-bearing securities		9,051,014	1,502,966	10,553,980
Derivatives		635,467	-54,072	581,395
<b>Total 31 December 2024</b>	<b>0</b>	<b>9,686,481</b>	<b>1,448,894</b>	<b>11,135,375</b>
Total 31 December 2023	0	10,361,794	407,729	10,769,523
<b>Financial liabilities <sup>1</sup></b>				
Derivatives		1,116,824	0	1,116,824
<b>Total 31 December 2024</b>	<b>0</b>	<b>1,116,824</b>	<b>0</b>	<b>1,116,824</b>
Total 31 December 2023	0	665,463	0	665,463

<sup>1</sup> All items are measured at fair value on a recurring basis at the end of each reporting period.



## Fair values for items measured at fair value on the balance sheet

### Determination of fair value

The pricing models applied by Nordea Eiendomskreditt are consistent with accepted economic methodologies for pricing financial instruments and incorporate the factors that market participants consider when setting a price. New pricing models are subject to approval by the Nordea Group Model Risk Committee and all pricing models are reviewed on a regular basis.

Complex valuation techniques are generally characterised by the use of unobservable and model-specific inputs. All valuation techniques, both simple and complex models, make use of market prices and inputs, which comprise interest rates, volatilities, correlations etc. Some of these prices and inputs are observable while others are not. For most non-exotic currencies, the interest rates are all observable, and implied volatilities and the correlations of the interest rates and FX rates may be observable through option prices up to a certain maturity.

Nordea predominantly uses published price quotations to establish the fair value of items disclosed under the following balance sheet items:

- Interest-bearing securities
- Debt securities in issue

Nordea predominantly uses valuation techniques to establish the fair value of items disclosed under the following balance sheet items:

- Interest-bearing securities (when quoted prices in an active market are not available)
- Derivatives (OTC derivatives).

For interest-bearing securities, the valuation can either be based on direct quotes in active markets or measured using a valuation technique.

For OTC derivatives, valuation techniques are usually developed in-house and based on assumptions about the behaviour of the underlying asset and on statistical scenario analysis. Most OTC derivatives are categorised as Level 2 in the fair value hierarchy, implying that all significant model inputs are observable in active markets.

The fair value of financial assets and liabilities is generally calculated as the theoretical net present value of the individual instruments. This calculation is supplemented by portfolio adjustments.

Nordea Eiendomskreditt incorporates credit valuation adjustments (CVAs) and debit valuation adjustments (DVAs) into derivative valuations. CVAs and DVAs reflect the impact on fair value from the counterparty's credit risk and Nordea's own credit quality, respectively. Calculations are based on estimates of exposure at default, probability of default (PD) and recovery rates on a counterparty basis. Generally, exposure at default for CVAs and DVAs is based on the expected exposure and estimated through the simulation of underlying risk factors. Where possible, Nordea obtains credit spreads from the credit default swap (CDS) market, and PD is inferred from this data. For counterparties that do not have a liquid CDS, the PD is estimated using a cross-sectional regression model, which calculates an appropriate proxy CDS spread based on each counterparty's rating, region and industry.

The impact of funding costs and funding benefits on the valuation of uncollateralised and imperfectly collateralised derivatives is partly reflected in the calculated net present value through the applied discounting curve and partly through the addition of a separate funding fair valuation adjustment (FFVA). In addition, Nordea applies close-out cost valuation adjustments, model risk adjustments for identified model deficiencies and adjustments for independent price verification (IPV) to its fair value measurement.

Nordea Eiendomskreditt's pricing models are calibrated to the market, and if climate risk has any impact on a particular market, it will already have been taken into consideration by other market participants. Hence, Nordea Eiendomskreditt has not implemented any changes to its pricing models to take climate risk into account and no critical valuation adjustments have been made. Going forward, Nordea Eiendomskreditt will monitor areas in the valuation space where climate risk could have an impact on the models (e.g. in relation to credit valuation adjustment).

In the below table, fair value measurements of financial assets and liabilities carried at fair value on the balance sheet have been categorised under the three levels of the IFRS fair value hierarchy: quoted prices in active markets for the same instrument (Level 1), a valuation technique using observable data (Level 2) and a valuation technique using unobservable data (Level 3).

The Level 1 category includes financial instruments where direct tradable price quotes exist. The Level 2 category includes the majority of Nordea Eiendomskreditt's interest bearing securities and OTC derivatives where active markets supply the input to the valuation techniques or pricing models. The Level 3 category includes more complex OTC derivatives where unobservable input has a significant impact on fair value and illiquid interest-bearing securities.

### Transfers between Level 1 and Level 2

There has not been any transfers between Level 1 and Level 2 in 2024. When transfers between levels occur, these are considered to have occurred at the end of the reporting period.

### Movements in Level 3

NOKt	1 January 2024	Unrealised fair value gains/losses recorded in income statement	Transfers into/out of level 3	31 December 2024
Interest-bearing securities	426 957	-5 614	1 081 624	1 502 966
Derivatives (net)	-19 228	-34 844		-54 072
<b>Total, net</b>	<b>407 729</b>	<b>-40 458</b>	<b>1 081 624</b>	<b>1 448 894</b>

In 2024 one derivative contract is still valued according to level 3. One additional interest-bearing security was transferred into level 3, leaving 2 securities at the end of 2024. Valuation according to level 3 is due to observable market data not being available. Transfers between levels are considered to have occurred at the end of the year. Fair value gains and losses in the income statement during the period are included in Net result from items at fair value, see Note 2.3 "Net result from items at fair value". Assets and liabilities related to derivatives are presented net.



## Valuation techniques and inputs used in fair value measurements of financial instruments in Level 3

NOKI	Fair value	Valuation techniques	Unobservable input	Range of fair value
<b>Interest-bearing securities</b>				
States, municipalities and other public bodies	1 502 966	Option model	Correlation, volatilities	-150/150
<b>Total</b>	<b>1 502 966</b>			
<b>Derivatives, net</b>				
Interest rate derivatives	-54 072	Option model	Correlation, volatilities	-5/5
<b>Total</b>	<b>-54 072</b>			

The table above shows, for each class of assets and liabilities categorised in level 3, the fair value, the valuation techniques used to estimate the fair value and significant unobservable inputs used in the valuation techniques and the fair value sensitivity to changes in key assumptions.

The column "Range of fair value" in the table above shows the sensitivity of the fair value of Level 3 financial instruments to changes in key assumptions. In case the exposure to an unobservable parameter is offset across different instruments, only the net impact is disclosed in the table. The range disclosed is likely to be greater than the true uncertainty in determining the fair value of these instruments as all unobservable parameters are in practice unlikely to be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

The reported sensitivity (range) of the fair value of derivatives follows the same methodologies as applied to the reporting of the model risk and market price uncertainty additional valuation adjustments (AVAs) as defined in Commission Delegated Regulation (EU) No 2016/101 of 26 October 2015 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for prudent valuation under Article 105(14).

In order to calculate the sensitivity (range) of the fair

value of shares and interest-bearing securities, the fair value is increased and decreased within a total range of 2–10 percentage points depending on the valuation uncertainty and underlying assumptions. Higher ranges are applied to instruments with more uncertain valuations relative to actively traded instruments and underlying uncertainties in individual assumptions.

The valuation process at Nordea Eiendoms kreditt consists of several steps. The first step is to determine the end-of-day mid-prices. It is the responsibility of the business areas to determine the correct prices for the valuation process. These prices are either internally marked prices set by a trading unit or externally sourced prices. The valuation prices are then controlled and tested by a valuation control function within the first line of defence, which is independent from the risk-taking units of the front office. The cornerstone of the control process is the independent price verification (IPV). The IPV test comprises verification of the correctness of valuations by comparing end-of-day mid-prices to independently sourced data. The result of the IPV is analysed and any findings are escalated as appropriate. Also, adjustments for IPV variances are included in fair value. The verification of the correctness of prices and inputs is as a minimum carried out on a monthly basis and is carried out daily for many products. Third-party information, such as broker quotes and pricing services, is used as benchmark data in the verification. The quality of the benchmark data is assessed on a regular basis.

The valuation adjustment at portfolio level and the deferred Day 1 profit/loss on Level 3 transactions are calculated and reported on a monthly basis. The actual assessment of instruments in the fair value hierarchy is performed on a continuous basis.

Specialised teams within the risk organisation are responsible for second line of defence oversight of valuations and controls performed by the business areas and Group Finance (the first line of defence).

## Financial assets and liabilities not held at fair value on the balance sheet

	31 Dec 2024		31 Dec 2023		Level in fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Assets not held at fair value on the balance sheet</b>					
Loans	451,888,060	447,246,993	336,727,511	337,499,000	3
Other financial assets	0	0	0	0	3
Prepaid expenses and accrued income	25,477	25,477	48,127	48,127	3
<b>Total assets</b>	<b>451,913,537</b>	<b>447,272,470</b>	<b>336,775,638</b>	<b>337,547,127</b>	
<b>Liabilities not held at fair value on the balance sheet</b>					
Deposits and debt instruments	423,841,890	426,968,715	324,399,462	324,500,812	3
Other financial liabilities	3,766	3,766	3,518	3,518	3
Accrued expenses and prepaid income	11,839	11,839	11,145	11,145	3
<b>Total liabilities</b>	<b>423,857,495</b>	<b>426,984,320</b>	<b>324,414,125</b>	<b>324,515,475</b>	

### Loans

The fair value of "Loans to credit institutions" and "Loans to the public" have been estimated by discounting the expected future cash flows with an assumed customer interest rate that would have been used on the market if the loans had been issued at the time of the measurement. The assumed customer interest rate is calculated as the benchmark interest rate plus the average margin on new

lending in Personal Banking. The fair value measurement is categorised into Level 3 in the fair value hierarchy.

### Other assets and prepaid expenses and accrued income

The balance sheet items "Other assets" and "Prepaid expenses and accrued income" consist of short receivables, mainly accrued interest



receivables. The fair value is therefore considered to equal the carrying amount and is categorised into Level 3 in the fair value hierarchy.

### Deposits and debt instruments

The fair value of "Deposits by credit institutions", "Debt securities in issue" and "Subordinated liabilities" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk and in own credit risk. The fair value is categorised into Level 3 in the fair value hierarchy. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rate in the portfolios. The fair value changes in the credit risk is calculated as the difference between the credit spread in the nominal interest rate compared with the current spread that is observed in the market. This calculation is performed on an aggregated level for all long term issuance recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities". As the contractual maturity is short for "Deposits by credit institutions" the changes in own credit risk related to these items is assumed not to be significant. This is also the case for short term issuances recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities".

### Other liabilities and accrued expenses and prepaid income

The balance sheet items "Other liabilities" and "Accrued expenses and prepaid income" consist of short-term liabilities, mainly liabilities on securities settlement. The fair value is therefore considered to be equal to the carrying amount and is categorised into Level 3 in the fair value hierarchy.

### Note 3.4 Offsetting

#### Accounting policies

Nordea Eiendomskreditt offsets financial assets and liabilities on the balance sheet if there is a legal right to offset and if the intent is to settle the items net or realise the asset and settle the liability simultaneously. The legal right to offset should exist both in the ordinary course of business and in case of the default, bankruptcy and insolvency of Nordea Eiendomskreditt and its counterparties.

#### Financial instruments set off on the balance sheet or subject to netting agreements

31 Dec 2024, NOKt	Gross recognised financial assets <sup>1</sup>	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet <sup>2</sup>	Amounts not set off but subject to master netting agreements and similar agreements			Net amount
				Financial instruments	Financial collateral received	Cash collateral received	
<b>Assets</b>							
Derivatives	581,394	0	581,394	-489,141	0	0	92,254
<b>Total</b>	<b>581,394</b>	<b>0</b>	<b>581,394</b>	<b>-489,141</b>	<b>0</b>	<b>0</b>	<b>92,254</b>
<b>Liabilities</b>							
Derivatives	1,116,824	0	1,116,824	-489,141	0	0	627,683
<b>Total</b>	<b>1,116,824</b>	<b>0</b>	<b>1,116,824</b>	<b>-489,141</b>	<b>0</b>	<b>0</b>	<b>627,683</b>

31 Dec 2023, NOKt	Gross recognised financial assets <sup>1</sup>	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet <sup>2</sup>	Amounts not set off but subject to master netting agreements and similar agreements			Net amount
				Financial instruments	Financial collateral received	Cash collateral received	
<b>Assets</b>							
Derivatives	183,958	0	183,958	-157,719	0	0	26,239
<b>Total</b>	<b>183,958</b>	<b>0</b>	<b>183,958</b>	<b>-157,719</b>	<b>0</b>	<b>0</b>	<b>26,239</b>
<b>Liabilities</b>							
Derivatives	665,463	0	665,463	-157,719	0	0	507,744
<b>Total</b>	<b>665,463</b>	<b>0</b>	<b>665,463</b>	<b>-157,719</b>	<b>0</b>	<b>0</b>	<b>507,744</b>

<sup>1</sup> All amounts are measured at fair value.

<sup>2</sup> Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

The fact that financial instruments are being accounted for on a gross basis on the balance sheet, would not imply that the financial instruments are not subject to master netting agreements or similar arrangements. Generally financial instruments (derivatives, repos and securities lending transactions), would be subject to master netting agreements, and as a consequence Nordea Eiendomskreditt would be allowed to benefit from netting in

the case of default by its counterparties, in any calculations involving counterparty credit risk.

For a description of counterparty risk see section Counterparty credit risk in Note 9 "Risk and liquidity management".



## Note 3.5 Loans

### Accounting policies

Loans are financial instruments with fixed or determinable payments that are not readily transferable without the consent of the debtor. Loans are classified and measured in accordance with the description in Note 3.2 "Classification and measurement". Nordea Eiendoms kreditt's accounting policies covering expected credit losses follow below. Additional information on the credit risk on loans is disclosed in Note 9 "Risk and liquidity management".

Loans are financial instruments classified as "Amortised cost" are subject to impairment testing due to credit risk. This includes assets recognized on the balance sheet as "Loans to credit institutions", "Loans to the public" and "Interest-bearing securities". These balance sheet lines also include assets classified as Fair value through profit or loss, which are not subject to impairment testing. See accounting policies in Note 2.5 "Loan losses" and Note 3.2 "Classification of assets and liabilities".

Off-balance sheet commitments are also subject to impairment testing.

### Recognition and presentation

Amortised cost assets are recognised gross with an offsetting allowance for the expected credit losses if the loss is not regarded as final. The allowance account is disclosed net on the face of the balance sheet, but the allowance account is disclosed separately in the notes. Changes in the allowance account are recognised in the income statement and classified as "Loan losses".

If the impairment loss is regarded as final, it is reported as a realised loss and the carrying amount of the loan and the related allowance for impairment loss are derecognised. An impairment loss is regarded as final when the obligor is filed for bankruptcy and the administrator has declared the economic outcome of the bankruptcy procedure, or when Nordea Eiendoms kreditt waives its claims either through a legal based or voluntary reconstruction, or when Nordea Eiendoms kreditt, for other reasons, deem it unlikely that the claim will be recovered. See also section "Write-offs" below.

Provisions for off-balance sheet exposures are classified as "Provisions" on the balance sheet, with changes in provisions classified as "Loan losses".

### Impairment testing

Nordea Eiendoms kreditt classifies all exposures into stages on an individual basis. Stage 1 includes assets where there has been no significant increase in credit risk, stage 2 includes assets where there has been a significant increase in credit risk and stage 3 (impaired loans) includes defaulted assets. Nordea Eiendoms kreditt monitors whether there are indicators of exposures being credit impaired (stage 3) by identifying events that have a detrimental impact on the estimated future cash flows (loss event). Nordea Eiendoms kreditt applies the same definition of default as the Capital Requirements Regulation. More information on the identification of loss events can be found in Note 9 "Risk and liquidity management". Exposures without individually calculated allowance will be covered by the model based impairment calculation.

For significant exposures where a credit event has been identified, the exposure is tested for impairment on an individual basis. If the exposure is found impaired, an individual provision is recognised. The carrying amount of the exposure is compared with the sum of the net present value of expected future cash flows. If the carrying amount is higher, the difference is recognised as an impairment loss. The expected cash flows are discounted with the original effective interest rate and include the fair value of the collaterals and other credit enhancements. The estimate is based on three different forward-looking scenarios that are probability weighted to derive the net present value.

For insignificant exposures that have been individually identified as credit impaired, the measurement of the impairment loss is measured using the model described below, based on the fact that the exposures are already in default.

### Model based allowance calculation

For exposures not impaired on an individual basis, a statistical model is used for calculating impairment losses. The provisions are calculated as the exposure at default times the probability of default (PD) times the loss given default (LGD). The provisions for exposures for which there has been no significant increase in credit risk since initial recognition are based on the 12-month expected loss (stage 1). The provisions for exposures for which there has been a significant increase in credit risk since initial recognition, but which are not credit impaired, are based on the lifetime expected losses (stage 2). This is also the case for the insignificant credit impaired exposures in stage 3.

Nordea Eiendoms kreditt uses two different models to identify whether there has been a significant increase in credit risk or not. For assets held at transition to IFRS 9 on 1 January 2018, the change in internal rating and scoring data is used to determine whether there has been a significant increase in credit risk or not.

Internal rating/scoring information is used to assess the risk of the customers and a deterioration in rating/scoring indicates an increase in the credit risk of the customer. Nordea Eiendoms kreditt has concluded it is not possible to calculate the lifetime PDs at origination without the use of hindsight for assets already recognised on the balance sheet at transition. Changes to the lifetime Probability of Default (PD) are used as the trigger for assets recognised after transition.

For assets evaluated based on lifetime PDs, Nordea Eiendoms kreditt uses a mix of absolute and relative changes in PD as the transfer criterion:

- Retail customers with an initial 12-month PD below 1%:  
Exposures with a relative increase in lifetime PD above 100% and an absolute increase in 12-month PD above 45bp are transferred to stage 2.
- Retail customers with an initial 12-month PD above or equal to 1%:  
Exposures with a relative increase in lifetime PD above 100% and an absolute increase in 12-month PD above 300bp are transferred to stage 2.

For assets for which rating and scoring models are used, the change in rating/scoring notches is calibrated to match



the significant increase in credit risk based on lifetime PD.

In addition, Nordea Eiendoms kreditt applies the following backstops for transfers between stages;

- Customers with forbearance measures and customers with payments more than thirty days past due are also transferred to stage 2, unless already identified as credit impaired (stage 3). Exposures with forbearance measures will stay in stage 2 for a probation period of 24 months from when the measures were introduced. Once transferred back to stage 1, after the probation period, the exposures are treated as any other stage 1 exposure when assessing significant increase in credit risk.
- Exposures more than 90 days past due will normally be classified as stage 3, but this classification will be rebutted if there is evidence the customer is not in default. Such exposures will be classified as stage 2.
- Exposures with a relative change in annualised lifetime PD exceeding 200% and with at least one rating grade of deterioration are transferred to stage 2.
- Exposures classified as "high risk", i.e. with a rating grade of 2 or below, are transferred to stage 2.

When calculating provisions, including the staging assessment, the calculation is based on both historical data and probability weighted forward looking information. Nordea Eiendoms kreditt applies three macro-economic scenarios to address the non-linearity in expected credit losses. The different scenarios are used to adjust the relevant parameters for calculating expected losses and a probability weighted average of the expected losses under each scenario is recognised as provisions. The model is based on data collected before the reporting date, requiring Nordea Eiendoms kreditt to identify events that could affect the provisions after the data is sourced to the model calculation. Management evaluates these events and adjusts the provisions if deemed necessary.

#### Write-offs

A write-off is a de-recognition of a loan or receivable from the balance sheet and a final realisation of a credit loss provision. When assets are considered as uncollectable they should be written off as soon as possible, regardless of whether the legal claim remains or not. A write-off can take place before legal actions against the borrower to recover the debt have been concluded in full. Although an uncollectable asset is removed or written-off from the balance sheet, the customer remains legally obligated to pay the outstanding debt. When assessing the

recoverability of non-performing loans and determining if write-offs are required, exposures with the following characteristics are in particular focus (list not exhaustive):

- Exposures past due more than 90 days. If, following this assessment, an exposure or part of an exposure is deemed as unrecoverable, it is written-off.
- Exposures under insolvency procedure where the collateralisation of the exposure is low.

#### Discount rate

The discount rate used to measure impairment is the original effective interest rate for loans attached to an individual customer or, if applicable, to a group of loans. If considered appropriate, the discount rate can be based on a method that results in an impairment that is a reasonable approximation of using the effective interest rate method as basis for the calculation.

#### Critical judgements and estimation uncertainty

Management is required to exercise critical judgements and estimates when calculating loan impairment allowances. When calculating allowances for individually significant impaired loans, judgement is exercised to estimate the amount and timing of the expected cash flows to be received from the customers under different scenarios, including the valuation of any collateral received. Judgement is also applied when assigning the likelihood of the different scenarios occurring.

Judgement is exercised to assess when an exposure has experienced a significant increase in credit risk. If this is the case, the provision should reflect the lifetime expected losses, as opposed to a 12-month expected loss for exposures not having increased significantly in credit risk. Judgement is also exercised in the choice of modelling approaches covering other parameters used when calculating the expected losses, such as the expected lifetime used in stage 2, as well as in the assessment of whether the parameters based on historical experience are relevant for estimating future losses.

The statistical models used to calculate provisions are based on macro-economic scenarios, which requires management to exercise judgement when identifying such scenarios and when assigning the likelihood of the different scenarios occurring. Judgement is also exercised in the assessment of to what extent the parameters for the different scenarios, based on historical experience, are relevant for estimating future losses. Nordea adjusts its collectively calculated provisions if the historical data does not adequately reflect management's view regarding expected credit losses. Estimating post-model adjustments requires management to exercise critical judgements.



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## Loans and impairment

NOKt	31 Dec 2024	31 Dec 2023
Loans measured at amortised cost, impaired (Stage 1 and 2)	449,191,939	333,635,547
Impaired loans (Stage 3)	1,368,060	1,032,728
- Servicing	249,251	381,706
- Non-servicing	1,118,809	651,022
<b>Loans before allowances</b>	<b>450,559,999</b>	<b>334,668,275</b>
Allowances for individually assessed impaired loans (Stage 3)	-162,220	-162,454
- Servicing	-40,809	-47,565
- Non-servicing	-121,411	-114,889
Allowances for collectively assessed impaired loans (Stage 1 and 2)	-280,016	-198,147
<b>Allowances</b>	<b>-442,236</b>	<b>-360,601</b>
<b>Loans, carrying amount</b>	<b>450,117,763</b>	<b>334,307,675</b>

Accrued interest on loans to the public is included with NOK 979m at 31 December 2024.

Nordea Eiendomskreditt does not have any financial instruments for which a loss allowance has not been recognised because of the collateral.

## Carrying amount of loans measured at amortised cost, before allowances

	Credit institutions				The public			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Balance as at 1 January 2024</b>	<b>2,462,506</b>	<b>0</b>	<b>0</b>	<b>2,462,506</b>	<b>316,193,103</b>	<b>17,442,444</b>	<b>1,032,728</b>	<b>334,668,275</b>
Changes due to origination and acquisition	0	0	0	0	104,386,569	9,626,425	233,507	114,246,502
Changes due to transfers between Stage 1 and Stage 2, (net)	0	0	0	0	-5,494,170	5,494,170	0	0
Changes due to transfers between Stage 2 and Stage 3, (net)	0	0	0	0	0	-206,075	206,075	0
Changes due to transfers between Stage 1 and Stage 3, (net)	0	0	0	0	-106,541	0	106,541	0
Changes due to repayments and disposals	0	0	0	0	-90,854,113	-5,918,255	-506,905	-97,279,273
Changes due to write-offs	0	0	0	0	0	0	-8,019	-8,019
Other changes	-582,872	0	0	-582,872	95,579,709	3,048,672	304,132	98,932,513
<b>Closing balance at 31 December 2024</b>	<b>1,879,634</b>	<b>0</b>	<b>0</b>	<b>1,879,634</b>	<b>419,704,557</b>	<b>29,487,381</b>	<b>1,368,060</b>	<b>450,559,999</b>

	Credit institutions				The public			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Balance as at 1 January 2023</b>	<b>731,472</b>	<b>0</b>	<b>0</b>	<b>731,472</b>	<b>309,546,490</b>	<b>13,406,750</b>	<b>609,274</b>	<b>323,562,514</b>
Changes due to origination and acquisition	0	0	0	0	106,878,337	389,327	138,714	107,406,378
Changes due to transfers between Stage 1 and Stage 2, (net)	0	0	0	0	-1,491,060	1,491,060	0	0
Changes due to transfers between Stage 2 and Stage 3, (net)	0	0	0	0	0	-49,369	49,369	0
Changes due to transfers between Stage 1 and Stage 3, (net)	0	0	0	0	-85,127	0	85,127	0
Changes due to repayments and disposals	0	0	0	0	-122,601,603	-6,174,438	-259,804	-129,035,845
Changes due to write-offs	0	0	0	0	0	0	-3,007	-3,007
Other changes	1,731,034	0	0	1,731,034	23,946,065	8,379,114	413,056	32,738,235
<b>Closing balance at 31 December 2023</b>	<b>2,462,506</b>	<b>0</b>	<b>0</b>	<b>2,462,506</b>	<b>316,193,103</b>	<b>17,442,444</b>	<b>1,032,728</b>	<b>334,668,275</b>

## Movements of allowance accounts for loans measured at amortised cost

NOKt	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January 2024</b>	<b>-46,995</b>	<b>-151,151</b>	<b>-162,454</b>	<b>-360,601</b>
Changes due to origination and acquisition	-17,687	-44,469	-12,750	-74,905
Changes due to transfers from Stage 1 to Stage 2	4,574	-75,441	0	-70,868
Changes due to transfers from Stage 1 to Stage 3	220	0	-35,551	-35,331
Changes due to transfers from Stage 2 to Stage 1	-1,428	47,924	0	46,496
Changes due to transfers from Stage 2 to Stage 3	0	6,559	-50,207	-43,648
Changes due to transfers from Stage 3 to Stage 1	-84	0	17,208	17,124
Changes due to transfers from Stage 3 to Stage 2	0	-2,060	19,982	17,922
Changes due to changes in credit risk without stage transfer	-48,116	-13,952	-6,269	-68,337
Changes due to repayments and disposals	12,955	49,135	67,821	129,911
<b>Balance at 31 Dec 2024</b>	<b>-96,560</b>	<b>-183,456</b>	<b>-162,220</b>	<b>-442,236</b>



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NOKt	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January 2023</b>	-50,045	-145,269	-115,213	-310,527
Changes due to origination and acquisition	-32,678	-47,828	-15,608	-96,113
Changes due to transfers from Stage 1 to Stage 2	3,525	-59,387	0	-55,862
Changes due to transfers from Stage 1 to Stage 3	116	0	-35,870	-35,754
Changes due to transfers from Stage 2 to Stage 1	-1,065	55,581	0	54,516
Changes due to transfers from Stage 2 to Stage 3	0	4,302	-26,803	-22,502
Changes due to transfers from Stage 3 to Stage 1	-30	0	9,150	9,121
Changes due to transfers from Stage 3 to Stage 2	0	-1,157	16,879	15,722
Changes due to changes in credit risk without stage transfer	20,729	-575	-36,592	-16,439
Changes due to repayments and disposals	12,454	43,182	41,602	97,238
<b>Balance at 31 Dec 2023</b>	<b>-46,995</b>	<b>-151,151</b>	<b>-162,454</b>	<b>-360,601</b>

Rating / scoring information for loans measured at amortised cost

Rating /scoring grade	Gross carrying amounts 31 Dec 2024				Gross carrying amounts 31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
A+	17,304,171	207,702	8,428	17,520,301	169,961,507	1,284,107	51,329	171,296,943
A	3,641,264	96,527	21,789	3,759,580	35,459,311	437,936	13,267	35,910,513
A-	2,384,424	58,114	0	2,442,539	21,895,783	572,654	13,061	22,481,498
B+	63,769,062	150,713	0	63,919,774	16,581,010	846,378	14,437	17,441,825
B	2,742,095	172,038	1,578	2,915,711	12,299,251	1,228,053	0	13,527,303
B-	81,254,961	372,508	7,577	81,635,046	7,159,737	1,261,714	17,668	8,439,120
C+	73,478,733	692,843	12,086	74,183,662	5,263,362	1,422,050	10,024	6,695,436
C	8,160,605	236,916	35,694	8,433,214	17,344,153	1,479,418	100,568	18,924,139
C-	2,818,649	102,287	5,104	2,926,039	3,085,519	823,429	26,508	3,935,456
D+	123,899,538	6,840,729	18,180	130,758,447	2,843,175	771,752	17,879	3,632,805
D	959,972	92,845	9,402	1,062,219	2,622,776	1,218,374	2,759	3,843,908
D-	6,994,220	246,219	17,574	7,258,013	16,248,673	2,385,448	43,113	18,677,234
E+	12,168,596	9,046,595	12,077	21,227,269	1,585,566	1,052,632	12,661	2,650,860
E	5,025,993	636,547	6,917	5,669,458	577,315	649,523	10,986	1,237,825
E-	2,252,516	117,477	27,130	2,397,123	2,122,930	650,781	72,774	2,846,486
F+	3,878,751	6,006,482	18,390	9,903,622	119,524	163,045	1,495	284,064
F	1,150,809	1,729,658	0	2,880,468	29,123	143,960	12,606	185,689
F-	788,185	2,043,256	2,727	2,834,168	251,932	781,317	15,204	1,048,453
0+ / 0 / 0-	738,572	420,585	1,138,404	2,297,562	324,327	252,915	576,958	1,154,200
Internal <sup>1</sup>	2,005,419	0	0	2,005,419	2,588,291	0	0	2,588,291
Standardised/Unrated	6,167,656	217,340	25,003	6,409,999	292,346	16,959	19,431	328,736
<b>Total</b>	<b>421,584,191</b>	<b>29,487,381</b>	<b>1,368,060</b>	<b>452,439,633</b>	<b>318,655,609</b>	<b>17,442,444</b>	<b>1,032,728</b>	<b>337,130,781</b>

<sup>1</sup> Exposures towards Nordea entities.

### Note 3.6 Interest-bearing securities

#### Accounting policies

Instruments that are readily transferable and where the holder of the instrument receives the nominal amount at maturity are normally reported in the balance sheet line item "Interest-bearing securities". Instruments that cannot be transferred or sold without the consent of

the holder of the instrument are normally reported as loans, see Note 3.5 "Loans".

For more information about accounting policies, see Note 3.1 "Recognition on and derecognition from the balance sheet", Note 3.2 "Classification and measurement" and Note 3.3 "Fair value".

#### Interest-bearing securities

NOKt	31 Dec 2024		31 Dec 2023	
	Aquired amount	Carrying amount	Aquired amount	Carrying amount
<b>Financial assets</b>				
States, municipalities and other public bodies	5,564,537	5,469,390	4,414,614	4,384,207
Mortgage institutions	5,069,440	5,084,605	6,180,428	6,201,359
<b>Total</b>	<b>10,633,977</b>	<b>10,553,995</b>	<b>10,595,042</b>	<b>10,585,566</b>

## Note 3.7 Derivates and hedge accounting

### Accounting policies

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (so-called "underlying").
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

Contracts that fulfil the above requirements of being derivatives but are held for own use are not in scope of IFRS 9 and are therefore not included in this note. Such contracts are measured at cost. All derivatives are recognised on the balance sheet and measured at fair value. Derivatives with a positive fair value, including any accrued interest, are recognised as assets in the line item "Derivatives" on the asset side. Derivatives with a negative fair value, including any accrued interest, are recognized as liabilities in the line item "Derivatives" on the liability side. Nordea Eiendomskreditt incorporates credit valuation adjustments (CVAs) and debit valuation adjustments (DVAs) into derivative valuations. CVAs and DVAs reflect the impact on fair value from the counterparty's credit risk and Nordea Eiendomskreditt's own credit quality, respectively. For more information about the calculation see Note 3.3 "Fair value".

Realised and unrealised gains and losses from derivatives are recognised in the income statement under "Net result from items at fair value". For more information about accounting policies and critical judgements, see Note 3.3 "Fair value"

When a hedging relationship meets the specified hedge accounting criteria set out in IAS 39, Nordea applies one of three types of hedge accounting:

- fair value hedge accounting
- cash flow hedge accounting

Nordea Eiendomskreditt has chosen, as a policy choice permitted under IFRS 9, to continue to apply hedge accounting in accordance with the carve-out version of IAS 39. Under the EU carve-out version of IAS 39 hedge ineffectiveness in a hedge of assets with prepayment options is only recognised when the revised estimate of the amount of cash flows falls below the designated bottom layer.

The application of hedge accounting requires the hedge to be highly effective. A hedge is regarded as highly effective if, at inception and throughout its life, changes in the fair value of the hedged item, as regards the hedged risk, can be expected to be essentially offset by changes in the fair value of the hedging instrument. The result should be within a range of 80–125%.

Transactions that are entered into in accordance with Nordea Eiendomskreditt's hedging objectives but

do not qualify for hedge accounting are economic hedge relationships.

### Fair value hedge accounting

Fair value hedge accounting is applied when derivatives are hedging changes in the fair value of a recognized asset or liability attributable to a specific risk. Fair value hedge accounting can be performed at both micro level (single assets/liabilities or closed portfolios of assets/liabilities where one or more hedged items are hedged using one or more hedging instruments) and macro level (open portfolios where groups of items are hedged using multiple hedging instruments).

Changes in the fair value of derivatives (hedging instruments), as well as changes in the fair value of the hedged item attributable to the risks being hedged, are recognised separately in the income statement under "Net result from items at fair value". Given that the hedge is effective, the change in the fair value of the hedged item will be offset by the change in the fair value of the hedging instrument.

The changes in the fair value of the hedged item, attributable to the risks being hedged with the derivative instrument, are reflected in an adjustment to the carrying amount of the hedged item, which is also recognised in the income statement. The fair value changes of the hedged items held at amortised cost in hedges of interest rate risks in macro hedges are reported separately in the balance sheet item "Fair value changes of hedged items in portfolio hedges of interest rate risk".

Any ineffectiveness is recognised in the income statement under the item "Net result from items at fair value".

### Cash flow hedge accounting

Cash flow hedge accounting is applied when hedging the exposure to variability in future cash flows. The portion of the gain or loss on the hedging instrument, determined to be an effective hedge, is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The ineffective portion of the gain or loss on the hedging instrument is recognised in the item "Net result from items at fair value" in the income statement. The hedge is considered to be ineffective to the extent that the cumulative change in fair value from the inception of the hedge is larger for the hedging instrument than for the hedged item.

Gains or losses on hedging instruments recognised in the cash flow hedge reserve in equity through other comprehensive income are recycled and recognised in the income statement in the same period as the hedged item affects profit or loss, normally in the period in which interest income or interest expense is recognised.

A hedged item in a cash flow hedge can be highly probable cash flows from recognised assets or liabilities or from future assets or liabilities. Derivatives used as hedging instruments are always measured at fair value. If the hedging relationship does not meet the hedge accounting requirements, hedge accounting is discontinued. Changes in the unrealised value of the hedging instrument will prospectively from the last time it was proven effective be accounted for in the income statement. The cumulative gain or loss on the hedging instrument that has been recognized in the cash



flow hedge reserve in equity through other comprehensive income from the period when the hedge was effective is reclassified from equity to "Net result from items at fair value" in the income statement if the expected transaction is no longer expected to occur. If the expected transaction is no longer highly probable but is still expected to occur, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective will remain in other comprehensive income until the transaction occurs or is no longer expected to occur.

### Critical judgements and estimation uncertainty

One important judgement in connection with cash flow hedge accounting is the choice of method used

for effectiveness testing. Where Nordea Eiendomskreditt applies cash flow hedge accounting, the hedging instruments used are cross-currency interest rate swaps (for mid-term or long-term maturities) or FX swaps/(for short-term maturities) which are always held at fair value. The currency component is designated as a cash flow hedge of the currency risk (including cross-currency basis margin and swap points) and the interest component as a fair value hedge of the interest rate risk. The hypothetical derivative method is used when measuring the effectiveness of these cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows on the hedged transaction (the currency component).

Critical judgement has to be exercised when defining the characteristics of the perfect hypothetical swap.

### Derivatives

	31 Dec 2024			31 Dec 2023		
	Fair Value		Nominal amount	Fair Value		Nominal amount
	Positive	Negative		Positive	Negative	
<b>NOKt</b>						
Derivatives not used for hedge accounting	-7,905	68,828	10,000,000	-24,697	146,593	22,000,000
Derivatives used for hedge accounting	589,300	1,047,996	37,846,000	208,655	518,870	23,282,000
<b>Total gross derivatives</b>	<b>581,394</b>	<b>1,116,824</b>	<b>47,846,000</b>	<b>183,958</b>	<b>665,463</b>	<b>45,282,000</b>

### Derivatives not used for hedge accounting

	31 Dec 2024			31 Dec 2023		
	Fair Value		Nominal amount	Fair Value		Nominal amount
	Positive	Negative		Positive	Negative	
<b>NOKt</b>						
Interest rate derivatives						
Interest rate swaps	-7,905	68,828	10,000,000	-24,697	146,593	22,000,000
<b>Total derivatives not used for hedge accounting</b>	<b>-7,905</b>	<b>68,828</b>	<b>10,000,000</b>	<b>-24,697</b>	<b>146,593</b>	<b>22,000,000</b>

### Derivatives used for hedge accounting

	31 Dec 2024			31 Dec 2023		
	Fair Value		Nominal amount	Fair Value		Nominal amount
	Positive	Negative		Positive	Negative	
<b>NOKt</b>						
Fair value hedges	497,046	1,047,996	36,908,000	182,417	518,870	22,344,000
Cash flow hedges	92,254	0	938,000	26,238	0	938,000
<b>Total derivatives used for hedge accounting</b>	<b>589,300</b>	<b>1,047,996</b>	<b>37,846,000</b>	<b>208,655</b>	<b>518,870</b>	<b>23,282,000</b>

Nordea Eiendomskreditt enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements and hedges that are economic hedges but do not meet the hedge accounting requirements.

The table above shows the fair value of derivative financial instruments both used and not used for hedge accounting together with their nominal amounts. The nominal amounts indicate the volume of transactions outstanding at year end and are neither indicative of market risk nor credit risk.

### Risk management

As part of its risk management policy, Nordea Eiendomskreditt has identified a series of risk categories with corresponding hedging strategies using derivative instruments, as set out in the "Market risk" section in Note 9 "Risk and liquidity management".

Nordea Eiendomskreditt's exposures to market risk is non-trading (the banking book) and includes all hedges qualifying for hedge accounting.

The hedging instruments and risks hedged are further described below by risk and hedge accounting type.

At inception, Nordea Eiendomskreditt formally documents how the hedging relationship meets the hedge accounting criteria, including the economic relationship between the hedged item and the hedging instrument, the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method used to assess the effectiveness of the hedging relationship on an ongoing basis.

### Interest rate risk

Nordea Eiendomskreditt's primary business model is to grant mortgage loans and fund these by issuing covered bonds. Interest rate risk is the impact that changes in interest rates could have on Nordea Eiendomskreditt's margins, profit or loss and equity. Interest rate risk arises from mismatches between interest-bearing assets and interest-bearing



liabilities such as the loan portfolio and the liquidity portfolio.

As part of Nordea Eiendomskreditt's risk management strategy, the Board has established limits on the non-trading interest rate gaps for interest rate sensitivities. These limits are consistent with Nordea Eiendomskreditt's risk appetite and the hedge accounting objectives are aligned to keep exposures within those limits. Nordea Eiendomskreditt's policy is to monitor positions on a daily basis. For further information on measurement of risks, see the "Market risk" section in Note 9 "Risk and liquidity management".

For hedge accounting relationships related to interest rate risk, the hedged risk is the change in the fair value of the hedged item due to changes in benchmark interest rates. The hedge ratio is established by matching the nominal amount of the derivatives with the principal of the hedged items. In order to hedge and manage the risk and limit the impact on Nordea Eiendomskreditt's margins, profit or loss and equity, Nordea Eiendomskreditt uses hedging instruments to swap interest rate exposures into either fixed or variable rates.

The designated risk components of hedged items consist of:

- Benchmark interest rate risk as a component of interest rate risk. Using the benchmark interest rate risk can result in other risks, such as credit risk and liquidity risk, being excluded from the hedge accounting relationship.
- Components of cash flows of hedged items. The benchmark rate is determined as a change in the present value of the future cash flows using benchmark discount curves. The benchmark rate is separately identifiable and reliably measurable and is typically the most significant component of the overall change in fair value or cash flows.

#### Fair value hedges

Nordea Eiendomskreditt enters into interest rate swaps and cross-currency interest rate swaps in order to reduce or eliminate changes in the fair value of the hedged items due to interest rate risk.

Hedged items are fixed-rate financial assets and liabilities such as loans, interest bearing securities and debt securities classified in the category "Fair value through other comprehensive income" and debt securities in issue.

Hedging instruments are interest rate swaps and cross-currency interest rate swaps (the portion related to interest rate risk is designated in fair value hedge relationships).

Nordea Eiendomskreditt applies fair value hedge accounting both at micro and macro level. The micro level is applied for hedging fixed-rate debt securities classified in the category "Fair value through other comprehensive income" and fixed-rate debt securities in issue. The macro level is applied for hedging loans where fixed-rate loans are initially offset and the residual exposure hedged using a portfolio of interest rate swaps up to the designated portion of either the net asset in a given time bucket.

For hedge effectiveness testing Nordea Eiendomskreditt uses both critical terms matching (for prospective effectiveness testing) and regression analysis (for retrospective effectiveness testing). When assessing hedge effectiveness retrospectively, Nordea Eiendomskreditt measures the fair value of a hedging instrument and compares the change in the fair value of the hedging instrument with the change in the fair value of the hedged item. The effectiveness measurement is made on a cumulative basis. Hedge ineffectiveness can arise from:

- differences in timing of cash flows of hedged items and hedging instruments
- different interest rate curves applied to discount the hedged items and hedging instruments
- the effect of changes in Nordea Eiendomskreditt's or a counterparty's credit risk on the fair value of the hedging instruments
- the disparity between expected and actual prepayments on the loan portfolio.

The table below presents the accumulated fair value adjustments arising from continuing hedging relationships, irrespective of whether there has been a change in hedge designation during the year.



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## Hedged items

NOKt	Interest rate risk	
	31 Dec 2024	31 Dec 2023
<b>Fair value hedges</b>		
Carrying amount of hedged assets - macro level	12,493,000	904,000
- of which accumulated amount of fair value hedge adjustment <sup>1</sup>	-109,337	-42,670
Carrying amount of hedged liabilities - micro level	24,318,183	21,937,456
- of which accumulated amount of fair value hedge adjustment <sup>1</sup>	-890,336	-297,984

<sup>1</sup> Of which all relates to continuing portfolio / micro hedges of interest rate risk.

The following table provides information about the hedging instruments.

## Hedging instruments

31 Dec 2024, NOKt	Fair value		Total nom amount
	Positive	Negative	
<b>Fair value hedges</b>			
Interest rate risk	497,046	1,047,996	36,908,000
<b>31 Dec 2023, NOKt</b>			
<b>Fair value hedges</b>			
Interest rate risk	182,417	518,870	22,344,000

The below table presents the changes in the fair value of the hedged items and changes in fair value of the hedging instruments used as the basis for recognising ineffectiveness. These changes are recognised on the row "Net result from items at fair value" in the income statement.

## Hedge ineffectiveness

NOKt	Interest rate risk	
	31 Dec 2024	31 Dec 2023
<b>Fair value hedges</b>		
Changes in fair value of hedging instruments	-129,017	83,505
Changes in fair value of hedged items used as basis for recognising hedge ineffectiveness	144,449	-130,335
Hedge ineffectiveness recognised in the income statement	15,432	-46,830

Sources of ineffectiveness include mismatches between the reset frequency of the swap and the benchmark frequency and the fair value of the floating leg of the swap on a date other than the reset date.

## Maturity profile of the nominal amount of hedging instruments - Fair value hedges

31 Dec 2024	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	Total
Instrument hedging interest rate risk	0	15,000	2,374,000	22,891,000	11,628,000	36,908,000
<b>Total</b>	<b>0</b>	<b>15,000</b>	<b>2,374,000</b>	<b>22,891,000</b>	<b>11,628,000</b>	<b>36,908,000</b>
<b>31 Dec 2023</b>						
Instrument hedging interest rate risk	0	3,000	550,000	6,743,000	15,048,000	22,344,000
<b>Total</b>	<b>0</b>	<b>3,000</b>	<b>550,000</b>	<b>6,743,000</b>	<b>15,048,000</b>	<b>22,344,000</b>



## Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Nordea Eiendoms kreditt operates with a policy of hedging all currency risk (fx risk). All assets and liabilities of any material amount that are denominated in foreign currencies are hedged through currency swaps. A change in foreign exchange rate will therefore not have any impact on the net result for the year or on the equity.

## Cash flow hedges

For hedge accounting relationships related to currency risk, the hedged item is a foreign currency component. The hedge ratio is established by matching the nominal amounts of the derivatives with the principals of the hedged items.

The currency component is determined as the change in the present value of the future cash flows using foreign exchange curves. The foreign currency component is separately identifiable and reliably measurable and is typically the most significant component of the overall change in fair value or cash flows.

Hedged items in cash flow hedges of currency risk are future payments of interest and the nominal amount from issuance of bonds in foreign currencies.

The tables below provide information about the hedging instruments in hedges of currency risks, including the nominal amount and the fair value of the hedging instruments as well as the cash flow hedge reserve.

### Hedging instruments

31 Dec 2024, NOKt	Positive	Fair value		Total nom amount
		Negative		
<b>Cash flow hedges</b>				
Currency risk	92,254	0		938,000
<b>31 Dec 2023, NOKt</b>				
<b>Cash flow hedges</b>				
Currency risk	26,238	0		938,000

In the below table, the fair value adjustments arising from continuing hedging relationships, irrespective of whether there has been a change in hedge designation during the year, are specified.

### Cash flow hedge reserve

NOKt	Foreign exchange risk	
	31 Dec 2024	31 Dec 2023
<b>Balance at 1 January</b>	-9,569	-9,680
<b>Cash flow hedges:</b>		
Valuation gains/losses during the year	45,080	595,316
Tax on valuation gains/losses during the year	-11,270	-148,829
Transferred to the income statement during the year	-56,900	-595,168
Tax on transfers to the income statement during the year	14,225	148,792
Other comprehensive income, net of tax	-8,865	111
<b>Balance at 31 December</b>	<b>-18,434</b>	<b>-9,569</b>

### Maturity profile of the nominal amount of hedging instruments - Cash flow hedges

31 Dec 2024	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	Total	
Instrument hedging foreign exchange risk	0	0	0	0	0	938,000	938,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>938,000</b>	<b>938,000</b>
<b>31 Dec 2023</b>							
Instrument hedging foreign exchange risk	0	0	0	0	0	938,000	938,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>938,000</b>	<b>938,000</b>



## Note 3.8 Cover Pool

NOKt	31 Dec 2024		31 Dec 2023	
	Nominal value	Net present value	Nominal value	Net present value
Loans to the public	449,590,076	448,531,195	333,867,921	333,695,176
- whereof pool of eligible loans	427,675,410	426,668,142	313,352,624	313,190,494
Supplementary assets and derivatives:	240,100	82,530	183,200	-266,132
- whereof CIRS	240,100	123,688	183,200	45,739
- whereof IRS	0	-41,158	0	-311,870
<b>Total cover pool</b>	<b>427,915,510</b>	<b>426,750,672</b>	<b>313,535,824</b>	<b>312,924,362</b>
Debt securities in issue (net outstanding amount)	269,536,100	263,281,924	195,948,200	196,799,615
Over-collateralization calculated on net outstanding covered bonds	58.8%	62.1%	60.0%	59.0%
Debt securities in issue (issued amount)	269,536,100	263,281,924	195,948,200	196,799,615
Over-collateralization calculated on issued covered bonds (gross outstanding covered bonds) <sup>1</sup>	58.8%	62.1%	60.0%	59.0%

<sup>1</sup> Without deduction for holdings of own bonds, if any.

The cover pool increase during the year is due to organic lending growth, transfer of mortgage loans from the parent bank and the acquisition of mortgage loans from Danske Bank. A higher increase in outstanding covered bonds, including covered bonds transferred from Danske Bank, explains the decrease in over-collateralization since year end 2023.

The guidelines for calculating the over-collateralization requirement in the Norwegian legislation is given in the

Financial Undertakings Act (Act No. 17 of 10 April 2015) Chapter 11 Bonds secured on a loan portfolio (covered bonds), and appurtenant regulations. The calculation shall be based on gross outstanding covered bonds and by use of nominal values. Net present values are disclosed for information and may differ from fair values disclosed in other notes to this report due to different calculation methods.



**Note 3.9**

**Debt securities in issue and loans from financial institutions**

consent of Nordea Eiendomskreditt. Debt securities are classified into the different categories in accordance with Note 3.2 "Classification and measurement".

**Accounting policies**

Debt securities are instruments issued by Nordea Eiendomskreditt that are readily transferable without the

For additional accounting policies, see Note 3.1 "Recognition on and derecognition from the balance sheet" and Note 3.3 "Fair value".

	31 Dec 2024			31 Dec 2023		
	Nominal value	Other <sup>1</sup>	Carrying amount	Nominal value	Other <sup>1</sup>	Carrying amount
<b>NOKt</b>						
Covered bonds issued in Norwegian kroner	268,358,000			194,827,000		
<b>Outstanding covered bonds issued in Norwegian kroner</b>	<b>268,358,000</b>			<b>194,827,000</b>		
Covered bonds issued in EUR (in NOK)	1,178,100			1,121,200		
<b>Total outstanding covered bonds</b>	<b>269,536,100</b>	<b>1,043,168</b>	<b>270,579,268</b>	<b>195,948,200</b>	<b>1,501,215</b>	<b>197,449,415</b>
Loans and deposits from financial institutions for a fixed term	151,055,000	1,102,871	152,157,871	124,930,000	915,296	125,845,296
Subordinated loan	1,100,000	4,751	1,104,751	1,100,000	4,751	1,104,751
<b>Total</b>	<b>421,691,100</b>	<b>2,150,790</b>	<b>423,841,890</b>	<b>321,978,200</b>	<b>2,421,262</b>	<b>324,399,462</b>

<sup>1</sup> Related to accrued interest and premium/discount on issued bonds.

Maturity information		
Maximum 1 year	91,114,000	60,987,000
More than 1 year	330,577,100	260,991,200
<b>Total</b>	<b>421,691,100</b>	<b>321,978,200</b>

**Norwegian covered bonds (NOKt) at 31 December 2024**

ISIN code	Issue date	Final payment date	Interest	Interest rate in %	Currency	Outstanding nominal amount
NO0013389460	07/11/2024	07/11/2029	Float	3M Nibor + 0.41%	NOK	7,000,000
NO0013334169	17/09/2024	17/09/2029	Float	3M Nibor + 0.39%	NOK	7,000,000
NO0013134684	23/01/2024	23/02/2029	Float	3M Nibor + 0.56%	NOK	26,450,000
NO0013072991	22/11/2023	22/11/2028	Float	3M Nibor + 0.54%	NOK	7,000,000
NO0012982729	10/08/2023	10/08/2032	Fixed	4.61	NOK	1,000,000
NO0012959636	14/07/2023	14/07/2025	Float	3M Nibor + 0.28%	NOK	1,000,000
NO0012838277	14/02/2023	14/02/2035	Fixed	3.39	NOK	1,420,000
NO0012829763	02/02/2023	02/02/2028	Float	3M Nibor + 0.48%	NOK	27,700,000
NO0012757675	23/11/2022	23/08/2027	Float	3M Nibor + 0.58%	NOK	8,000,000
NO0012732017	28/10/2022	28/10/2037	Fixed	4.0	NOK	1,420,000
NO0012720988	12/10/2022	12/10/2029	Fixed	4.0	NOK	8,250,000
NO0012513532	03/05/2022	17/03/2027	Float	3M Nibor + 0.33%	NOK	26,050,000
NO0012441643	15/02/2022	15/02/2030	Fixed	2.45	NOK	3,500,000
NO0011151771	17/11/2021	17/09/2026	Float	3M Nibor + 0.75%	NOK	7,000,000
NO0011017725	08/06/2021	08/06/2026	Float	3M Nibor + 0.75%	NOK	15,000,000
NO0010981301	21/04/2021	18/03/2026	Float	3M Nibor + 1.50%	NOK	27,400,000
NO0010893282	16/09/2020	16/09/2025	Float	3M Nibor + 1.50%	NOK	35,000,000
NO0010885353	18/06/2020	27/05/2025	Float	3M Nibor + 0.39%	NOK	15,000,000
NO0010873334	22/01/2020	19/03/2025	Float	3M Nibor + 0.26%	NOK	34,418,000
NO0010852850	22/05/2019	22/05/2026	Fixed	2.17	NOK	6,000,000
NO0010830003	13/08/2018	13/08/2025	Fixed	2.385	NOK	500,000
NO0010821986	04/05/2018	04/05/2048	Fixed	2.6	NOK	300,000
NO0010812084	11/12/2017	17/06/2043	Float	3M Nibor + 0.75%	NOK	300,000
NO0010766827	21/06/2016	18/06/2031	Fixed	2.2	NOK	500,000
NO0010678766	08/05/2013	08/05/2025	Fixed	3.6	NOK	100,000
NO0010593064	22/12/2010	18/06/2025	Fixed	4.8	NOK	550,000
NO0010589880	12/10/2010	10/10/2025	Fixed	4.675	NOK	500,000
<b>Total</b>						<b>268,358,000</b>

**Covered bonds issued in foreign currency at 31 December 2024**

ISIN code	Issue date	Final payment date	Interest	Interest rate in %	Currency	Outstanding nominal amount
XS1451306036	19/07/2016	15/07/2031	Fixed	0.738%	EUR	100,000
<b>Total (in NOKt equivalent)</b>						<b>1,178,100</b>



## 4 Provisions

### Accounting policies

Provisions (which are presented as a liability) are recognised when Nordea has a present obligation (legal or constructive) as a result of a past event if it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, where a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Accounting policies for provisions for off-balance sheet items can be found in Note 3.5 "Loans".

Loan loss provisions on off-balance sheet items amounted to NOK 3.6m (NOK 4.8m). These provisions are related to commitments as described in Note 5.2 "Commitments".

### Provisions

NOKt	2024	2023
Commitments	3,359	4,919
- of which loan loss provision for commitments Stage 1	989	1,591
- of which loan loss provision for commitments Stage 2	2,369	3,233
- of which loan loss provision for commitments Stage 3	1	4
<b>Total</b>	<b>3,359</b>	<b>4,919</b>

## 5 Off-balance sheet items

### Note 5.1

### Assets pledged as security for own liabilities

Assets pledged as security for own liabilities contain mortgage loans to the public that have been registered as collateral for issued covered bonds. Counterpart is the

public. These transactions are long term with maturity 3-6 years.

The terms and conditions that apply to the collateral pledged are regulated by the Financial Undertakings Act (Act No. 17 of 10 April 2015) Chapter 11 Bonds secured on a loan portfolio (covered bonds), and appurtenant regulations.

NOKt	31 Dec 2024	31 Dec 2023
<b>Assets pledged as security for own liabilities:</b>		
Loans to the public	428,060,664	313,603,507
<b>Total</b>	<b>428,060,664</b>	<b>313,603,507</b>
<b>The above pledges pertain to the following liability and commitment items:</b>		
Debt securities in issue <sup>1</sup>	271,469,604	197,747,399
<b>Total</b>	<b>271,469,604</b>	<b>197,747,399</b>

<sup>1</sup> Excluding fair value hedge adjustment.

### Note 5.2

### Commitments

NOKt	31 Dec 2024	31 Dec 2023
Accepted, not disbursed loans (unutilised portion of granted limit on flex loans)	51,830,126	35,072,002
<b>Total</b>	<b>51,830,126</b>	<b>35,072,002</b>

<sup>1</sup> For information about derivatives, see Note 3.7 Derivatives and hedge accounting.



## 6 Employee benefits and key management personnel remuneration

All forms of consideration given by Nordea Eiendomskreditt to its employees as compensation for services performed are employee benefits. Short-term benefits are to be settled within twelve months after the reporting period when the services have been performed. Post-employment benefits are benefits payable after termination of the employment. Post-employment benefits in the company consist only of pensions.

### Note 6.1 Staff costs

#### Accounting policies

##### Short-term benefits

Short-term benefits consist mainly of fixed and variable salary. Both fixed and variable salaries are expensed in the period when the employees have performed services to Nordea Eiendomskreditt.

#### Staff costs

NOKt	2024	2023
Salaries and remunerations <sup>1</sup>	26 169	26 121
Pension costs (Note 6.2)	5 014	4 542
Social security contributions	6 301	6 192
Other staff costs	481	1 047
<b>Total</b>	<b>37 966</b>	<b>37 902</b>

<sup>1</sup>Of which allocation to profit-sharing 2024 amounted to NOK 650t (NOK 869t), consisting of a new allocation of NOK 750t (NOK 858t) and an adjustment to prior years of NOK -100t (NOK 11t).

#### Remuneration structure

The company's remuneration structure comprise fixed remuneration and variable remuneration.

**Fixed base salary** should remunerate for role and position and is affected by job complexity, responsibility, performance and local market conditions.

**Pension and insurance** aim at ensuring an appropriate standard of living for employees after retirement as well as personal insurance coverage during employment. Pension and insurance provisions are in accordance with local laws, regulations and market practice and are either collectively agreed schemes or company-determined or a combination. The company aims to have defined contribution pension schemes.

**Benefits** are awarded as part of the total reward offering that is either individually agreed or based on local laws, market practice, collective bargaining agreements and company-determined practice.

**The Nordea Incentive Plan (NIP)** is offered to recruit, motivate and retain senior leaders and select roles in primarily in business areas where the use of variable pay is established market practice. The NIP aims to reward strong performance and efforts. The assessment of individual performance is based on a predetermined set of well-defined financial as well as non-financial goals. Individual NIP awards will not exceed the annual fixed salary. Awards

from the NIP 2024 for people who are defined as material risk takers are allocated partly in cash and partly in instruments with subsequent retention. Parts of the awards for participants in the NIP who are material risk takers are subject to a four - to five-year pro rate deferral period, in certain exceptions three years, with forfeiture conditions during the deferral period.

**Profit Sharing Plan (PSP)** is offered Group-wide to all Nordea employees but not to employees that is eligible for any of Nordea's other formal annual variable remuneration plans. For eligible employees, the Profit Sharing Plan is offered irrespective of position and salary and aims to collectively reward employees based on achievement in relation to predetermined financial goals as well as goals relation to customer satisfaction and ESG. The Profit Sharing Plan is capped financially, and the outcome is not linked to the value of Nordea's share price. The plan includes forfeiture conditions.

Number of employees full time positions	2024	2023
Number of employees at 31 Dec	24	24
Number of full time equivalents at 31 Dec	24,0	24,0

#### Gender distribution of Board members

(percentage at year end)

- Men	38%	29%
- Women	63%	71%

#### Explanations of individually specified remuneration in the table below.

**Fixed salary and fees** - relates to received regular salary for the financial year paid by Nordea Eiendomskreditt AS.

**Variable salary** - includes Nordea Incentive Plans (NIP).

**Benefits** - includes insurance and electronic communication allowance.

**Pensions** - includes changes in the individual's accrued rights under the pension plan during the financial year. The amount stated is the annual change in the present value of the pension obligations (PBO) exclusive of social security tax, which best reflects the change in pension rights for the financial year.

No director's fee is paid to directors who are employees of the Nordea group. The fees shown in the table are fees paid in 2024 for services provided in 2023.

Nordea Eiendomskreditt has provided mortgage loans to its employees on standard employee terms, close to ordinary customer terms. Loans to the executive management are also provided on standard employee terms. The company has not entered into any agreements that entitle the Managing Director or the Chairman of the Board to specific compensation in the event of any change in their employment or office.



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31 Dec 2024, NOKt	Fixed salary and fees	Variable salary	Other benefits	Pensions	Total remunerations
<b>Executive management of Nordea Eiendomskreditt AS</b>					
Elen M Stiksrud, CEO	1,602	519	274	181	2,577
<b>Total for the executive management</b>	<b>1,602</b>	<b>519</b>	<b>274</b>	<b>181</b>	<b>2,577</b>
<b>Board of Directors of Nordea Eiendomskreditt AS</b>					
Gro Elisabeth Lundevik	217				217
Asbjørn Rødal	142				142
Alex Madsen	13				13
<b>Total for the directors of Nordea Eiendomskreditt AS</b>	<b>372</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>372</b>
<b>Total remuneration of executive management and elected officers of Nordea Eiendomskreditt AS</b>	<b>1,974</b>	<b>519</b>	<b>274</b>	<b>181</b>	<b>2,949</b>

31 Dec 2023, NOKt	Fixed salary and fees	Variable salary	Other benefits	Pensions	Total remunerations
<b>Executive management of Nordea Eiendomskreditt AS</b>					
Elen M Stiksrud, CEO (acting CEO from 6.2.2023 and CEO from 9.11.2023)	1,108	520	290	211	2,129
Børre Sten Gundersen, CEO (until 9.11.2023) <sup>1</sup>	1,659	552	419	156	2,786
<b>Total for the executive management<sup>1</sup></b>	<b>2,767</b>	<b>1,072</b>	<b>710</b>	<b>367</b>	<b>4,915</b>

<sup>1</sup> Continued in the company and the disclosed figures are for the whole year 2023.

Board of Directors of Nordea Eiendomskreditt AS					
Gro Elisabeth Lundevik	210				210
Alex Madsen	150				150
<b>Total for the directors of Nordea Eiendomskreditt AS<sup>2</sup></b>	<b>360</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>360</b>
<b>Total remuneration of executive management and elected officers of Nordea Eiendomskreditt AS</b>	<b>3,127</b>	<b>1,072</b>	<b>710</b>	<b>367</b>	<b>5,275</b>

## Note 6.2 Pensions

### Accounting policies

#### Defined contribution plans

Pension plans that are based on defined contribution arrangements hold no pension liability for Nordea Eiendomskreditt. Pension costs for defined contribution plans are recognised as an expense as the employee renders services to the entity and the contribution payable in exchange for that service becomes due. In general, the payment is associated with and settled through regular salary payments. Nordea also contributes to state pension plans.

#### Defined benefit plans

IAS 19 ensures that the pension obligations net of plan assets backing these obligations are reflected on the balance sheet. The major defined benefit plans are funded, covered by assets in pension funds/foundations. If the fair value of plan assets associated with a specific pension plan is lower than the gross present value of the defined benefit obligation determined using the projected unit credit method, the net amount is recognised as a liability ("Retirement benefit liabilities"). If not, the net amount is recognised as an asset ("Retirement benefit assets").

Nordea Eiendomskreditt's net obligation for defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current period and prior periods. That benefit is discounted to determine its present value. Actuarial calculations, including the projected unit credit method, are applied to assess the present value of defined benefit obligations and related costs, based on several

actuarial and financial assumptions. Current service cost and past service cost are recognised in the income statement in the current year. Current service cost is defined as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods triggered by plan amendments or curtailments.

The present value of the obligation and the fair value of the plan assets are impacted by changes in actuarial assumptions (discount rates (interest rates and credit spreads), inflation, salary increases, turnover and mortality) and experience effects, including actual outcome compared to assumptions. The remeasurement effects are recognised immediately in equity through other comprehensive income.

The discount rate is determined by reference to high-quality corporate bonds where a deep enough market for such bonds exists. Covered bonds are in this context considered to be corporate bonds. The discount rate is determined with reference to covered bonds. The observed bond credit spreads over the swap curve are derived from long-dated covered or corporate bonds and extrapolated to the same duration as the pension obligations using the relevant swap curves.

When the calculation results in a net asset, the recognised asset is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan. Social security contributions are calculated and



accounted for based on the net recognised surplus or deficit by plan and are included on the balance sheet as "Retirement benefit liabilities" or "Retirement benefit assets".

### Critical judgements and estimation uncertainty

The defined benefit obligation is calculated by external actuaries using demographic assumptions based on the current population. As a basis for these calculations a number of actuarial and financial parameters are used.

The estimation of the discount rate is subject to uncertainty about whether corporate bond markets are deep enough and of high quality. There is also uncertainty about the extrapolation of yield curves to relevant maturities. Other parameters, like assumptions about salary increases and inflation, are based on the expected long-term development of these parameters and also subject to estimation uncertainty. The main parameters used at year end are disclosed together with a description of the sensitivity to changes in assumptions.

Nordea Eiendomskreditt sponsors both defined contribution plans (DCP) and defined benefit plans (DBP).

Nordea Eiendomskreditt is obliged to have an occupational pension scheme pursuant to the Mandatory Occupational Pension Plan Act. Nordea Eiendomskreditt's pension schemes meet the demands required by this act. The company has funded its pension obligations through Nordea Norge Pensjonskasse (pension fund), which is managed by Gabler AS, and are final salary and service based pension plans providing pension benefits on top of the statutory systems. The company also has retirement benefit obligations in connection with supplementary pensions and early retirement pensions, which are not covered by the pension fund. The defined benefit plan

(DBP) is closed for new employees as from 2011, and pensions for new employees are instead based on defined contribution plan (DCP) arrangements. From 01 January 2017 employees born later than 1957 were converted to DCP. For employees affected by this change, all earned benefit will retain as paid-up premiums. The DCP arrangements are administered by Nordea Liv. Nordea Eiendomskreditt is also member of Fellesordningen for AFP (Avtalefestet Pensjon) established with effect from 2011. DCPs are not reflected in the balance sheet, unless when earned pension rights have not been paid for. Defined benefit plans may impact Nordea Eiendomskreditt via changes in the net present value of obligations and/or changes in the market value of plan assets. Changes in the obligation are most importantly driven by changes in assumptions on discount rates (interest rates and credit spreads), salary increases, turnover and mortality as well as relevant experience adjustments where the actual outcome differs from the assumption. Assets are invested in diversified portfolios as further disclosed below, with bond exposures mitigating the interest rate risk in the obligations and a fair amount of real assets (inflation protected) to reduce the long term inflationary risk in liabilities.

In 2016 the Board of Directors of Nordea Eiendomskreditt approved of changing the pension plan for employees born after 1957, and they were converted from DBP to DCP from 1 January 2017.

During 2024 employees in the DCP have had the following contribution rates:

- \* Pensionable salary representing 0-7.1 times G: 7%
- \* Pensionable salary representing 7.1-12 times G: 18%

The pension cost recognised in Nordea Eiendomskreditt's income statement (as staff costs) for the DCP is NOK 3.048t in 2024.

NOKt	31 Dec 2024	31 Dec 2023
Net defined benefit asset or (liability) in the balance sheet	-23,232	-27,415
<b>Total</b>	<b>-23,232</b>	<b>-27,415</b>

### IAS 19 Pension calculations and assumptions

Assumptions <sup>1</sup>	2024	2023
Discount rate <sup>2</sup>	4.24%	3.81%
Salary increase	3.25%	3.50%
Inflation	2.25%	2.25%
Social Security increase	3.25%	3.50%
Expected adjustments of current pensions	1.70%	1.70%

<sup>1</sup> The assumptions disclosed for 2024 have an impact on the liability calculation by year-end 2024, while the assumptions disclosed for 2023 are used for calculating the pension expense in 2024.

<sup>2</sup> More information on the discount rate can be found in Accounting policies in this note. The sensitivities to changes in the discount rate can be found below.

Sensitivities - Impact on Pension Benefit Obligation (PBO)	2024	2023
Discount rate - Increase 50bps	-0.1%	-6.8%
Discount rate - Decrease 50bps	0.1%	7.5%
Salary increase - Increase 50bps	0.1%	0.1%
Salary increase - Decrease 50bps	-0.1%	-0.1%
Inflation - Increase 50bps	7.6%	7.6%
Inflation - Decrease 50bps	-6.9%	-6.9%

### Net retirement benefit liabilities/assets

NOKt	2024	2023
Obligations	61,881	63,983
Plan assets	38,650	36,568
<b>Net liability (-)/asset (+)</b>	<b>-23,232</b>	<b>-27,415</b>



## Movements in the obligation

NOKt	2024	2023
<b>Opening balance</b>	<b>63,983</b>	<b>59,231</b>
Current service cost	778	772
Interest cost	2,248	1,858
Pensions paid	-1,230	-1,154
Remeasurement from changes in financial assumptions	-5,044	2,801
Remeasurement from experience adjustments	1,009	349
Closing balance before social security contribution	61,744	63,858
Change in provision for social security contribution <sup>1</sup>	137	126
<b>Closing balance</b>	<b>61,881</b>	<b>63,983</b>

<sup>1</sup> Calculated on recognised amounts in the balance sheet.

The average duration of the PBO is 15 years based on discounted cash flows. The fact that all DBPs are closed for new entrants leads to lower duration. The increase in average duration during the year is due to changed assumptions.

## Movements in the fair value of plan assets

NOKt	2024	2023
<b>Opening balance</b>	<b>36,568</b>	<b>35,301</b>
Interest income (calculated using the discount rate)	1,386	1,187
Pensions paid	-459	-444
Contributions/refunds by employer	150	90
Administration cost	-12	-11
Remeasurement (actual return less interest income)	1,016	446
<b>Closing balance</b>	<b>38,650</b>	<b>36,568</b>

## Asset composition

The combined return on assets in 2024 was 6,6% (4,6%). All asset classes generated positive return with equities as the main driver. At the end of the year, the equity exposure in the foundation represented 14% (12%) of total assets.

## Asset composition in funded schemes

	2024	2023
Equity	14%	12%
Bonds	71%	72%
Real estate	15%	15%
Other assets	6%	1%

## Movements in the effect of the asset ceiling

NOKt	2024	2023
<b>Opening balance</b>	<b>0</b>	<b>-751</b>
Interest on the effect of the Asset Ceiling in Profit and Loss Account	0	-26
Change in the Effect of the Asset Ceiling in Other Comprehensive Income (OCI)	0	777

## Defined benefit pension costs and Defined contribution plan cost

The total net pension cost recognised in Nordea Eiendomskreditt's income statement (as staff costs) for 2024 is NOK 5.014t. The amount covers both funded and unfunded pension plans, DCP as well as AFP premium.

Recognised in the income statement, NOKt	2024	2023
Current service cost	778	772
Net interest	861	671
Social Security Contribution	327	317
<b>Pension cost on defined benefit plans</b>	<b>1,966</b>	<b>1,761</b>

Recognised in other comprehensive income, NOKt	2024	2023
Remeasurement from changes in financial assumptions	-4,031	3,167
Remeasurement of plan assets (actual return less interest income)	-1,016	-446
Change in the Effect of the Asset Ceiling excluding Interest	0	-777
<b>Pension cost on defined benefit plans</b>	<b>-5,047</b>	<b>1,944</b>

The defined benefit pension plan cost for 2025 is expected to be NOKt 1.938.

## 7 Capital adequacy

Capital adequacy is a measure of the financial strength of a bank, usually expressed as a ratio of capital to assets. There is a worldwide capital adequacy standard (Basel III) drawn up by the Basel Committee on Banking Supervision. Within the EU, the capital adequacy requirements outlined in the Capital Requirement Directive (CRD IV) and Capital Requirement Regulation (CRR), entered into force on 1 January 2014. In Norway, CRR and CRD IV entered finally into force on 31 December 2019.

Over the years, amendments have been made to the first version of the capital adequacy regulation. In 2014, revised rules for calculating capital adequacy required higher capitalisation levels and better quality of capital, better risk coverage, the introduction of a leverage ratio as a backstop to the risk based requirement, measures to promote the build-up of capital to be drawn in periods of stress and new liquidity standards were introduced. The CRD IV and the BRRD were implemented through national law within all EU countries during 2014, while the CRR entered into force in all EU countries from the first of January 2014. In June 2019, the 'Banking package' containing revisions to the BRRD, the CRD and the CRR was adopted. The implementation of the 'banking package' in Norway entered into force 1 June 2022. The finalisation of the Basel III framework, the Basel IV package, is implemented into CRR and will become effective on 1 January 2025 in the EU. The Norwegian implementation is expected during H1 2025. It includes revisions to credit risk, market risk, operational risk, credit valuation adjustment (CVA) risk as well as the leverage ratio, and introduces a new output floor.

The Basel III framework is implemented in the EU through the CRR and the CRD IV and is built on three Pillars;

- Pillar I – requirements for the calculation of REA and capital requirements
- Pillar II – rules for the Supervisory Review Process (SREP), including the Internal Capital Adequacy Assessment Process (ICAAP)
- Pillar III – rules for the disclosure on risk and capital management, including capital adequacy

Nordea Eiendomskreditt performs an ICAAP with the purpose to review the management, mitigation and measurement of material risks within the business environment in order to assess the adequacy of capitalisation and to determine an internal capital requirement reflecting the risks of the institution.

The ICAAP is a continuous process which increases awareness of capital requirements and exposure to material risks throughout the organisation, both in the business area and legal entity dimensions. Stress tests are important drivers of risk awareness, looking at capital and risk from a firm-wide perspective on a regular basis and on an ad-hoc basis for specific areas or segments. The process includes a regular dialogue with supervisory authorities, rating agencies and other external stakeholders with respect to capital management, measurement and mitigation techniques used.

Nordea Eiendomskreditt's capital levels continue to be adequate to support the risks taken, both from an internal perspective as well as from the perspective of supervisors.

Heading into 2025, Nordea will continue to closely follow the development of the new capital requirement regime as well as maintain its open dialogue with the supervisory authorities.

### **Common Equity Tier 1 capital and Tier 1 capital**

Common Equity Tier (CET) 1 capital is defined as eligible capital including eligible reserves, net of regulatory required deductions made directly to CET 1 capital. The capital recognised as CET 1 capital holds the ultimate characteristics for loss absorbance defined from a going concern perspective and represents the most subordinated claim in the event of liquidation. The Tier 1 capital is defined as the sum of CET 1 capital and Additional Tier 1 (AT1) capital where AT1 capital is the total of instruments (hybrids) issued by the bank that meet the transitional regulatory criteria and not included in the CET1 net after AT1 deductions. All AT1 capital instruments are undated subordinated capital loans.

### **Eligible capital and eligible reserves**

Paid up capital is the share capital contributed by shareholders, including the share premium paid. Eligible reserves consist primarily of retained earnings, other reserves and income from current year. Retained earnings are earnings from previous years reported via the income statement. Positive income from current year is included as eligible capital after verification by the external auditors; however negative income must be deducted. Repurchased own shares or own shares temporary included in trading portfolios are deducted from eligible reserves.

### **Additional Tier 1 instruments**

The inclusion of undated subordinated loans in additional Tier 1 capital is restricted and repurchase can normally not take place until five years after original issuance of the instrument. Undated subordinated loans may be repaid only upon decision by the Board of Directors in Nordea Eiendomskreditt and with the permission of the Norwegian FSA. Further, there are restrictions related to step-up conditions, order of priority, and interest payments under constraint conditions. Additional Tier 1 instruments issued that fulfil the regulatory requirements are fully included whereas remaining instruments are phased out according to transitional rules.

For the additional Tier 1 instruments, conditions specify appropriation in order to avoid being obliged to enter into liquidation. To the extent that may be required to avoid liquidation, the principal amounts of additional Tier 1 instruments (together with accrued interest) would be written down and converting such amount into a conditional capital contribution.

### **Tier 2 capital**

Tier 2 capital must be subordinated to depositors and general creditors of the bank. It cannot be secured or covered by a guarantee of the issuer or related entity or include any other arrangement that legally or economically enhances the seniority of the claim vis-à-vis depositors and other bank creditors.

### **Tier 2 instruments**

Tier 2 instruments consist mainly of subordinated debt. Tier 2 instruments include two different types of subordinated loan capital; undated loans and dated loans. Tier 2 instruments issued that fulfil the regulatory requirements are fully included whereas remaining instruments are phased out according to transitional rules.



The basic principle for subordinated debt in own funds is the order of priority in case of a default or bankruptcy situation. Under such conditions, the holder of the subordinated loan would be repaid after other creditors, but before shareholders. The share of outstanding loan amount possible to include in the Tier 2 capital related to dated

loans is reduced if the remaining maturity is less than five years.

These disclosures have been prepared in accordance with Part 8 of the CRR and applicable national regulations.

**Summary of items included in own funds**

NOKm	31 Dec 2024	31 Dec 2023
Equity in the consolidated situation	37,452	21,905
Proposed/actual dividend	-1,053	-500
Common Equity Tier 1 capital before regulatory adjustments	36,399	21,405
Deferred tax assets		
Intangible assets		
IRB provisions shortfall (-)	-347	-114
Pension assets in excess of related liabilities		
Other items, net	7	-6
Total regulatory adjustments to Common Equity Tier 1 capital	-340	-120
<b>Common Equity Tier 1 capital (net after deduction)</b>	<b>36,059</b>	<b>21,285</b>
Additional Tier 1 capital before regulatory adjustments		
Total regulatory adjustments to Additional Tier 1 capital		
Additional Tier 1 capital		
<b>Tier 1 capital (net after deduction)</b>	<b>36,059</b>	<b>21,285</b>
Tier 2 capital before regulatory adjustments	1,100	1,100
IRB provisions excess (+)	36	162
Deductions for investments in insurance companies		
Other items, net		
Total regulatory adjustments to Tier 2 capital	36	162
Tier 2 capital	1,136	1,262
<b>Own funds (net after deduction)</b>	<b>37,196</b>	<b>22,548</b>

**Minimum capital requirement and REA, Risk Exposure Amount**

NOKm	31 Dec 2024	31 Dec 2024	31 Dec 2023	31 Dec 2023
	Minimum Capital requirement	REA	Minimum Capital requirement	REA
<b>Credit risk</b>	<b>10,104</b>	<b>126,304</b>	<b>6,276</b>	<b>78,450</b>
- of which counterparty credit risk	1	12	9	111
<b>IRB</b>	<b>5,716</b>	<b>71,444</b>	<b>5,733</b>	<b>71,661</b>
- institutions	21	262	25	308
- retail	5,694	71,177	5,708	71,351
- secured by immovable property collateral	5,527	69,092	4,946	61,830
- other retail	167	2,085	762	9,521
- other	0	6	0	2
<b>Standardised</b>	<b>4,389</b>	<b>54,860</b>	<b>543</b>	<b>6,789</b>
- institutions	1,041	13,018	49	613
- retail	0	0	0	0
- secured by mortgages on immovable properties	3,327	41,589	493	6,168
- in default	20	253	1	8
<b>Operational risk</b>	<b>294</b>	<b>3,670</b>	<b>283</b>	<b>3,537</b>
Standardised	294	3,670	283	3,537
<b>Total</b>	<b>10,398</b>	<b>129,975</b>	<b>6,559</b>	<b>81,987</b>
<b>Capital ratios</b>				
<b>Percentage</b>			31 Dec 2024	31 Dec 2023
Common Equity Tier 1 capital ratio			27.7	26.0
Tier 1 capital ratio			27.7	26.0
Total capital ratio			28.6	27.5
<b>Leverage ratio</b>				
Tier 1 capital, transitional definition, NOKm			36,059	21,285
Leverage ratio exposure, NOKm			484,477	364,889
Leverage ratio, percentage			7.4	5.8



## 8 Other disclosures

### Note 8.1 Additional disclosures on the statement of changes in equity

#### Accounting policies

##### Share premium

The share premium consists of the difference between the subscription price and the quota value of the shares in Nordea Eiendomskreditt's rights issue. Transaction costs in connection to the rights issue have been deducted.

##### Other reserves

Other reserves comprise income and expenses, net after tax effects, which are reported in equity through other

comprehensive income. These reserves include reserves for cash flow hedges and accumulated remeasurements of defined benefit pension plans.

##### Retained earnings

Apart from undistributed profits from previous years, retained earnings may also include the equity portion of untaxed reserves. Untaxed reserves according to national rules are accounted for as equity net of deferred tax at prevailing tax rates in the respective country.

##### Net profit

Net profit before Other comprehensive income in percent of average total assets was 0.28% in 2024 (0.15% in 2023).

### Note 8.2 Maturity analysis for assets and liabilities

#### Contractual undiscounted cash flows

31 Dec 2024, NOKt	< 1 month	1-3 month	3-12 month	1-2 years	2-5 years	5-10 years	>10 years	Total
Loans to the public	2,981	7,175	28,133	36,839	110,895	225,736	360,510	772,268
Loans to credit institutions	1,131	754	0	0	0	0	0	1,885
Interest-bearing securities	483	106	2,179	4,783	4,983	0	0	12,535
<b>Total non-derivative financial assets</b>	<b>4,595</b>	<b>8,035</b>	<b>30,313</b>	<b>41,622</b>	<b>115,878</b>	<b>225,736</b>	<b>360,510</b>	<b>786,688</b>
Deposits by credit institutions	1,072	1,461	9,378	47,254	111,920	0	0	171,084
Debt securities in issue	12	37,770	60,849	62,604	126,634	7,033	3,829	298,731
- of which covered bonds	12	37,770	60,849	62,604	126,634	7,033	3,829	298,731
Subordinated liabilities	0	24	59	71	1,272	0	0	1,426
<b>Total non-derivative financial liabilities</b>	<b>1,084</b>	<b>39,254</b>	<b>70,285</b>	<b>109,929</b>	<b>239,826</b>	<b>7,033</b>	<b>3,829</b>	<b>471,240</b>
Derivatives, cash inflows	82	318	1,213	1,261	2,663	2,215	389	8,141
Derivatives, cash outflows	271	271	1,473	1,414	3,193	2,215	577	9,413
<b>Derivatives, net cash flows</b>	<b>-188</b>	<b>47</b>	<b>-259</b>	<b>-153</b>	<b>-530</b>	<b>0</b>	<b>-188</b>	<b>-1,272</b>
Credit commitments								51,830
<b>Total</b>								<b>359,676</b>
31 Dec 2023, NOKt	< 1 month	1-3 month	3-12 month	1-2 years	2-5 years	5-10 years	>10 years	Total
Loans to the public	2,758	4,496	20,608	26,572	83,081	167,182	273,023	577,721
Loans to credit institutions	1,962	505	0	0	0	0	0	2,467
Interest-bearing securities	123	101	123	2,500	9,272	0	0	12,120
<b>Total non-derivative financial assets</b>	<b>4,844</b>	<b>5,101</b>	<b>20,731</b>	<b>29,073</b>	<b>92,353</b>	<b>167,182</b>	<b>273,023</b>	<b>592,308</b>
Deposits by credit institutions	572	1,906	31,192	61,128	41,473	0	0	136,271
Debt securities in issue	11	2,534	39,365	63,729	98,430	13,735	3,947	221,751
- of which covered bonds	11	2,534	39,365	63,729	98,430	13,735	3,947	221,751
Subordinated liabilities	0	1,121	0	0	0	0	0	1,121
<b>Total non-derivative financial liabilities</b>	<b>583</b>	<b>5,561</b>	<b>70,557</b>	<b>124,857</b>	<b>139,903</b>	<b>13,735</b>	<b>3,947</b>	<b>359,143</b>
Derivatives, cash inflows	0	404	1,076	931	1,715	2,377	505	7,008
Derivatives, cash outflows	336	213	1,514	1,491	2,556	2,713	762	9,586
<b>Derivatives, net cash flows</b>	<b>-336</b>	<b>191</b>	<b>-437</b>	<b>-561</b>	<b>-841</b>	<b>-336</b>	<b>-258</b>	<b>-2,579</b>
Credit commitments								35,072
<b>Total</b>								<b>321,673</b>



## Note 8.3 Related-party transactions

### Accounting policies

Nordea Eiendomskreditt defines related parties as:

- shareholders with significant influence
- Nordea Group companies
- Nordea Group associated undertakings
- key management personnel

All transactions with related parties are made on the same criteria and terms as those of comparable transactions with external parties of similar standing .

### Shareholders with significant influence

At 31 December 2024 Nordea Bank Abp owned 100% of the share capital of Nordea Eiendomskreditt AS and has significant influence.

### Nordea Group Companies

Nordea Group Companies means the group parent company Nordea Bank Abp and its subsidiaries.

### Nordea Group associated undertakings

Nordea Group associated undertakings are the entities where Nordea Bank Abp's share of voting rights is between

20% and 50% and/or where Nordea Bank Abp has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

### Key management personnel

Key management personnel include the following positions:

- the Board of Directors
- the Chief Executive Officer (CEO)

For information about compensation, pensions and other transactions with key management personnel, see Note 6.1 "Staff costs".

From May 2019 mortgage loans are originated directly from the company's own balance sheet, however during 2024 mortgage loans of NOK 11bn were also purchased from the parent bank.

Nordea Eiendomskreditt AS has from 1 October 2018 been a wholly owned subsidiary of Nordea Bank Abp.

Transactions between Nordea Eiendomskreditt AS and other legal entities or branches in the Nordea Group are performed in conformity with OECD guidelines on transfer pricing.

NOKt	Nordea Group companies		Nordea Group associated undertakings	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
<b>Profit and loss account</b>				
Interest income on loans with financial institutions	76,883	63,536		
Other interest income	21,630	28,145		
Net gains/losses on items at fair value	0	122,016		
Commission income	1,282	1,282		
Other operating income	0	551		
<b>Total income</b>	<b>99,795</b>	<b>215,530</b>	<b>0</b>	<b>0</b>
Interest expenses on liabilities to financial institutions	6,104,243	6,408,714		
Interest and related expense on securities issued incl. hedging	2,803,693	1,341,981		
Other interest expenses	0	122,521		
Net gains/(losses) on items at fair value	166,736	13,478		
Interest and related expense on subordinated loan capital	74,793	61,831		
Commission and fee expense for banking services	54,142	18,921	9,917	8,149
Other operating expenses	1,418,824	1,130,517	7,626	6,257
<b>Total expenses</b>	<b>10,622,433</b>	<b>9,097,764</b>	<b>17,543</b>	<b>14,406</b>
<b>Balance sheet</b>				
Loans and receivables to credit institutions	1,879,634	2,462,506		
Derivatives	582,950	185,622		
Other assets	161,970	0	1,462	1,200
Accrued income and prepaid expenses	24,014	46,927		
<b>Total assets</b>	<b>2,648,569</b>	<b>2,695,055</b>	<b>1,462</b>	<b>1,200</b>
Deposits by credit institutions	152,157,870	125,845,296		
Issued bonds	37,890,650	36,562,775		
Derivatives	1,116,868	661,303		
Accrued expenses and prepaid income	151,249	218,266		
Subordinated loan capital	1,104,751	1,104,751		
Share capital and share premium	26,753,647	11,753,647		
<b>Total liabilities and equity</b>	<b>219,175,035</b>	<b>176,146,038</b>	<b>0</b>	<b>0</b>
<b>Off balance sheet items</b>				
Interest rate swaps (nominal value)	47,846,000	45,282,000		



## Note 8.4 Acquisitions

### Accounting policies

In a business combination, the acquired identifiable assets and liabilities are recognised at fair value, including any intangible assets identified in the acquisition. The net fair value of identifiable assets and liabilities is compared with the consideration paid and any surplus is recognised as goodwill.

### Acquisition of Danske Bank's Norwegian mortgage loan Portfolio

On 18 November 2024 Nordea completed the acquisition of Danske Bank's Norwegian personal customer and private banking business. Nordea Eiendoms kreditt took over mortgage loans and issued covered bond for a net purchase price of NOK 63,480m.

The net purchase price was equal to the carrying amount of the assets and liabilities of the seller after fair value adjustments to loans with fixed interest rates. The transaction did not include any transfer of equity interests. The preliminary purchase price allocation is disclosed as follows.

NOKt	18 November 2024
Loans to the public	102,837
Derivatives	293
Debt securities in issue	-39,651
Acquired net assets	63,480
Purchase price, settled in cash	63,647
Adjustments of the purchase price to be received	-167
Cost of combination	63,480



## 9 Risk and liquidity management

### Contents

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3. ESG (Environmental, Social and Governance) related risk
4. Counterparty credit risk
5. Market risk
6. Operational risk
7. Compliance risk
8. Liquidity risk

### 1. Risk governance

Maintaining organisational risk awareness is an integral part of Nordea Eiendoms kreditt's business strategy. The Nordea Group has defined clear risk and liquidity management frameworks, policies and instructions for different risk types covering all risk exposures. This has been implemented by Nordea Eiendoms kreditt.

#### 1.1 Internal Control Framework

Nordea Eiendoms kreditt's Board has adopted Nordea's Group Board Directive on Internal Governance which describes the Internal Control Framework.

The Internal Control Framework ensures effective and efficient operations, adequate identification, measurement and mitigation of risks, prudent conduct of business, sound administrative and accounting procedures, reliability of financial and non-financial information (both internal and external) and compliance with applicable laws, regulations, standards, supervisory requirements and Nordea Eiendoms kreditt's internal rules.

The internal control process is carried out by Nordea Eiendoms kreditt's governing bodies that consist of Board, CEO, senior management, the risk management function and other staff in Nordea Eiendoms kreditt and, as regulated by intra-group agreements, by units within the Nordea Group.

#### 1.2 Governing bodies for risk, liquidity and capital management

The Board of Directors of Nordea Eiendoms kreditt (NE Board), the Chief Executive Officer of Nordea Eiendoms kreditt's (NE CEO) executive management are the key decision-making bodies for risk and capital management in Nordea Eiendoms kreditt. In addition, NE Board has delegated the credit decision-making to the parent company Nordea Bank Abp through the internal risk management framework and intra-group outsourcing agreements. Subsidiary Board Risk Committee (BRIC) in Nordea Eiendoms kreditt assists NE Board.

#### 1.3 Nordea Eiendoms kreditt Board of Directors and Board Risk Committee (BRIC)

NE Board has the following overarching risk management responsibilities:

- Decide on Nordea Eiendoms kreditt's risk strategy and the Risk Appetite Framework, including the Risk Appetite Statements, with at least annual reviews and additional updates when needed.
- Decides on and oversees an adequate and effective Risk Management Framework and

regularly evaluates whether Nordea Eiendoms kreditt has effective and appropriate controls to manage the risks.

- NE Board adopts the Group Board Directive on Capital, which ensures adequate capital levels within the Nordea Group, on an ongoing and forward-looking basis, consistent with the business model, risk appetite, and regulatory requirements and expectations.
- NE BRIC assists NE Board in fulfilling its oversight responsibilities concerning management and control of risk, risk frameworks, controls and processes associated with Nordea Eiendoms kreditt's operations, including capital, credit, market, liquidity, model and operational risk, as well as conduct and compliance risk and related frameworks and processes. During 2024 NE Board has distributed decision authority to NE BRIC on model use approval under specific assumptions regulated in the NE BRIC charter.

#### 1.4 Nordea Eiendoms kreditt Chief Executive Officer

NE CEO is responsible to NE Board for the overall management of Nordea Eiendoms kreditt's operations and risks. Responsibilities include ensuring that the risk strategy and risk management decided by NE Board are implemented, that necessary practical measures are taken, and that risks are monitored and limited. In discharging these responsibilities, NE CEO is supported by Nordea Eiendoms kreditt Executive Management (NE management).

#### 1.5 Nordea Eiendoms kreditt Executive Management

NE management consist of CEO, Head of Credit & Risk Management, Head of Development & Product Management, Chief Financial Officer, Chief Operating Officer and Chief Risk Officer (2LoD). In addition, Chief Compliance Officer (2LoD) has the right and duty to attend the management meetings.

#### 1.6 Credit decision making bodies

The governing bodies for Credit Risk and/or the Credit Risk Management Framework are NE Board. NE Board has delegated credit decision-making according to the powers-to act as described in the adopted Group Board Directive for Risk. The Nordea Group has established a number of committees that also covers Nordea Eiendoms kreditt credit decisions. According to the Group Board Directive for Risk, all limits within the Nordea Group are based on credit decisions or authorizations made by an ultimate Decision-Making Authority with the right to decide upon that limit. Credit decisions include, inter alia, pricing, risk mitigation and any terms and conditions related to the limit or expected utilization. Credit decisions also serve to delegate decision making within the approved limit to lower decision makers, unless otherwise explicitly decided.

#### 1.7 Governance of Risk Management and Compliance

The flow of risk-related information is passed from the business areas and group functions to NE Board through NE management. The flow of information starts with the divisions that monitor and analyse information on the respective risk types according to intra-group agreements. The risks information is presented and



discussed in NE management and then brought to NE BRIC and NE Board.

Chief Risk Officer constitutes the independent second line of defence risk function for Nordea Eiendoms kreditt supported by an intra-group agreement with Group Risk (GR). CRO is responsible for developing and maintaining the Risk Management Framework with accountability for the risk oversight and has reporting lines to CEO and Group Risk.

Group Compliance (GC) constitutes the independent second line of defence compliance function for Nordea Eiendoms kreditt according to intra-group agreement, and is responsible for developing and maintaining the Compliance Risk Management Framework (CRMF) for managing compliance risks in cooperation with other functions in GR and for guiding the business in their implementation of the framework to ensure continuous adherence to the framework. However, to strengthen and align the governance setup of the second line of defence in legal entities, Chief Compliance Officer (CCO) in the mortgage companies are now employed by that entity, report to its CEO and participates in management team meetings. The CCO retains a primary reporting line into Group Compliance. Reporting from GC is presented directly to NE management, NE BRIC and NE Board.

The Risk Management Framework (RMF) ensures consistent processes for identifying, assessing and measuring, responding to and mitigating, controlling and monitoring, and reporting risks to enable informed decisions on risk-taking. The Risk Management Framework encompasses all risks to which the Nordea Group, including Nordea Eiendoms kreditt, is or could be exposed, including off-balance sheet risks and risks in a stressed situation. Detailed risk information covering all risks and Nordea Eiendoms kreditt's compliance with regulatory requirements are regularly reported to the NE CEO in NE management, NE BRIC and NE Board.

The Risk Identification and Materiality Assessment Process starts with identifying potential risks to which Nordea Group is or could be exposed. Risks are then assessed for relevance, classified, and included in the Nordea Group's Common Risk Taxonomy. All risks within the Nordea Common Risk Taxonomy are categorized as material or not material for risk management and capital purposes for Nordea Eiendoms kreditt. Material risks are those assessed as having a material impact on Nordea Eiendoms kreditt's current and future financial position, its customers and stakeholders.

## 1.8 Risk Appetite

The Risk Appetite Framework (RAF) supports effective risk management and a sound risk culture by enabling informed decisions on risk-taking, with the objective of ensuring that risk-taking activities are conducted within Nordea Eiendoms kreditt's risk appetite – stipulated by NE Board. Risk Appetite is the aggregate level and types of risk Nordea Eiendoms kreditt is willing to assume, in line with its business model, to achieve its strategic objectives.

The Risk Appetite Statements (RAS) are the articulation of the NE Board approved risk appetite and comprises the qualitative statements and quantitative limits and triggers by main risk type, which are deemed appropriate to be able to operate to ensure a prudent risk profile.

## 1.9 Risk Appetite processes

The RAF contains all processes and controls to establish, monitor and communicate Nordea Eiendoms kreditt's risk appetite:

- Risk capacity setting based on the capital position: On an annual basis, Nordea Eiendoms kreditt's overall risk capacity is aligned with the financial and capital planning process, based on Nordea Eiendoms kreditt's risk strategy. The risk capacity is set in line with the capital and liquidity position, including an appropriate shock absorbing capacity.
- Risk appetite allocation by risk type: Risk appetite includes Risk Appetite Limits for the main risk types that Nordea Eiendoms kreditt is exposed to. Risk Appetite Triggers are also set for these main risk types, to act as early indicators for key decision-makers that the risk profile for a particular risk type is approaching its Risk Appetite Limit.
- Risk limit setting: Measurable risk limits are established and set at an appropriate level to manage risk-taking effectively. Risk appetite limits are set by the NE Board. These form the basis for setting the risk limits which are established and approved at lower decision-making levels. The RAF is calibrated to ensure consistency throughout the framework. Risk appetite limits must be set in alignment with local regulatory requirements and be consistent with the Group risk limits.
- Controlling and monitoring of risk exposures against risk limits: Regular controlling and monitoring of risk exposures compared to risk limits are carried out to ensure that risk-taking activity remains within the risk appetite.
- Risk appetite limit breach management process: Nordea Eiendoms kreditt's Chief Risk Officer (NE CRO) and Chief Compliance Officer (NE CCO) ensure that any Risk Appetite Limit breaches are appropriately escalated to NE management, NE BRIC, NE Board and other parties as specified in internal escalation routines. In case of a breach of the risk appetite limit, NE CRO reports at least monthly to NE management and NE Board and other relevant governing bodies, including a follow-up on the status of actions to be taken, until the relevant risk exposure is back within the risk appetite.

## 1.10 Embedding risk appetite in business processes

The end-to-end risk appetite process cycle is aligned with other strategic processes, including the Internal Capital Adequacy Assessment Process (ICAAP), Internal Liquidity Adequacy Assessment Process (ILAAP) and the Recovery Plan. The risk appetite is embedded in business processes and communicated across the organisation in order to meet Nordea Eiendoms kreditt's objectives of maintaining a sound risk culture. This includes, but is not limited to, ensuring a strong link between the assessed risk appetite and the business plans and budgets, the capital and liquidity position, the systemic risk profile/the recoverability and resolvability assessments, as well as the incentive structures/remuneration framework. A separate risk description is reported to the Board of Directors in Nordea Eiendoms kreditt once a year according to requirements in CCR/CRD IV chapter 8, adopted by the Norwegian FSA.



## 1.11 Disclosure requirements of the CRR - Capital and Risk Management report

Additional information on risk and capital management is presented in the Capital and Risk Management Report, in accordance with the Capital Requirements Regulation (CRR). The report is available at [nordea.com/en/investors/capital-and-risk-reports-pillar-3](https://nordea.com/en/investors/capital-and-risk-reports-pillar-3).

## 2. Credit risk

Credits granted shall conform to the common principles established for the Nordea Group. Nordea Eiendomskreditt strives to have a well-diversified credit portfolio that is adapted to the structure of its home market. The key principles for managing Nordea Eiendomskreditt's risk exposures are:

- the three Lines of Defence (LoD) as further described in the Group Board Directive on internal Governance that has been adopted by NE Board;
- independence, i.e. the risk control function should be independent of the business controls; and,
- risk-based approach, i.e. the risk control functions should be aligned to the nature, size and complexity of Nordea Eiendomskreditt's business, ensuring that efforts undertaken are proportional to the risks in question.

NE Head of Credit & Risk Management in 1LoD is responsible for implementing the Nordea Group's credit process framework and operational credit risk guidelines and SOPs (Standard Operating Procedures) in Nordea Eiendomskreditt. NE CRO in 2LoD is responsible for implementing the Nordea Group's credit risk framework, consisting of policies and instructions. NE CRO is also responsible for controlling and monitoring the quality of the credit portfolio and the credit process. NE Head of Credit & Risk Management and NE CRO are supported by Nordea Group resources in these responsibilities according to intragroup agreements.

Nordea Eiendomskreditt's credit risk management framework includes the credit RAF which provides a comprehensive and risk-based portfolio perspective through relevant asset quality and concentration risk measures. Individual credit decisions within the approved internal credit risk limit are taken within the customer responsible unit (CRU) in Nordea Bank Abp, filial i Norge or in Group Credit Management. The risk categorisation together with the exposure of the customer determine at what level the credit decision will be made.

Responsibility for credit risk lies with the customer responsible unit. Customers are risk categorized by a score in accordance with the Nordea Group's common scoring guidelines. The scoring of customers aims to predict their probability of default and consequently rank them according to their respective default risk. Scoring is used as integrated parts of the credit risk management and decision-making process.

### 2.1 Credit risk definition and identification

Credit risk is defined as the potential for loss due to failure of a borrower(s) to meet its obligations to clear a debt in accordance with agreed terms and conditions. The potential for loss is lowered by credit risk mitigation techniques. Credit risk stems mainly from various forms of lending, but also from issued guarantees and documentary credits and includes counterparty credit risk, transfer risk and settlement risk. Credit risk in Nordea Eiendomskreditt is mainly related to the lending portfolio. The lending

portfolio is secured by collateral in real estate with average loan to value of 56.7% (58.3%). The risk of material losses in the portfolio is therefore considered to be limited.

### 2.2 Credit risk mitigation

Credit risk mitigation is an inherent part of the credit decision process. In every credit decision and review, the valuation of collateral is considered as well as the adequacy of covenants and other risk mitigations. Pledge of collateral is a fundamental credit risk mitigation technique in the bank and collaterals are always sought, when reasonable and possible, to minimize the potential for credit losses. In every credit decision and review, the value of collaterals must be considered.

The collateral value shall always be based on the market value. The market value is defined as the estimated amount for which the asset would exchange between a willing buyer and willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. From this market value, a haircut is applied. The haircut is defined as a percentage by which the asset's market value is reduced ensuring a margin against loss. The margin reflects the adjustments needed to assess the cash proceeds when the collateral is liquidated in a forced sale situation. A maximum collateral ratio is set for each collateral type.

The same principles of calculation must be used for all exposures. For High Risk customers, the foreclosure value may differ from the maximum collateral values and should be based on a realistic assessment for the particular asset at that time. Risk transfer to other creditworthy parties, through guarantees and insurance, shall be based on legally enforceable documentation.

### Maximum exposure to credit risk

NOKm	Note	31 Dec 2024	
		Amortised cost and Fair value through other comprehensive income	Financial assets at fair value through profit or loss
Loans to credit institutions		1 880	
Interest-bearing securities	3.6		10 554
Loans to the public incl accrued interest	3.5	450 118	
Derivatives			92
<b>Total loans and receivables (on-balance exposure)</b>		<b>451 997</b>	<b>10 646</b>
Off balance credit exposure:			
- of which lending to the public	5.2	51 830	
<b>Off balance credit exposure</b>		<b>51 830</b>	<b>0</b>
<b>Total</b>		<b>503 828</b>	<b>10 646</b>



		31 Dec 2023	
		Amortised cost and Fair value through other comprehensive income	Financial assets at fair value through profit or loss
NOKm	Note		
Loans to credit institutions		2 463	
Interest-bearing securities	3.6		10 586
Loans to the public including accrued interest	3.5	334 308	
Derivatives			26
<b>Total loans and receivables (on-balance exposure)</b>		<b>336 770</b>	<b>10 612</b>
Off balance credit exposure:			
- of which lending to the public	5.2	35 072	
<b>Off balance credit exposure</b>		<b>35 072</b>	<b>0</b>
<b>Total</b>		<b>371 842</b>	<b>10 612</b>

## 2.2 Loan-to-value

The loan-to-value (LTV) ratio is considered a useful measure to evaluate quality of collateral, i.e. the credit extended divided by the market value of the collateral. In the table, retail mortgage exposures are distributed by LTV buckets based on the LTV ratio.

### Loan-to-value<sup>1</sup>

Retail mortgage exposure	31 Dec 2024		31 Dec 2023	
	NOKbn	in %	NOKm	in %
<50%	266	79	239	80
50-70%	44	13	38	13
70-80%	11	3	9	3
80-90%	6	2	4	1
>90%	11	3	8	3
<b>Total</b>	<b>337</b>	<b>100</b>	<b>298</b>	<b>100</b>

<sup>1</sup> The LTV distribution is based on the Basel rules, where each portion of a loan is allocated to the appropriate bucket.

## 2.3 Collective assessment of impairment

Requirements for impairment are set forth in IFRS 9, which are based on an expected loss model.

Assets tested for impairment are divided into three groups depending on the stage of credit deterioration. Stage 1 includes assets where there has been no significant increase in credit risk, stage 2 includes assets where there has been a significant increase in credit risk and stage 3 includes defaulted assets. All assets are assessed individually for staging. Assets are tested for impairment collectively. Impairment testing is applying three forward looking and weighted scenarios.

Throughout the process of identifying and mitigating credit impairment, Nordea continuously reviews the quality of credit exposures. Weak and credit impaired exposures are closely monitored and reviewed at least on a quarterly basis in terms of current performance, future debt service capacity, and the possible need for provisions.

### Default

Customers with exposures that are past due more than 90 days, being in bankruptcy or considered unlikely to pay are regarded as defaulted and can be either servicing debt or non-servicing. If a customer recovers from being in default, the customer is seen as cured. Typically, this situation occurs if the customer succeeds in creating a balance in financials. In order to be cured the recovery should include

the customer's total liabilities, an established satisfactory repayment plan and an assessment that the recovery is underway.

### Collective provisioning

The collective model is executed quarterly and assessed for each legal unit/branch. One important driver for provisions is the trigger for the transferring of assets from stage 1 to stage 2. For assets recognized from 1 January 2018, changes to the lifetime Probability of Default (PD) are used as the trigger. In addition, customers with forbearance measures and customers with payments more than thirty days past due are also transferred to stage 2. In stage 1, the provisions equal the 12 months expected loss. In stage 2 and 3, the provisions equal the lifetime expected loss. The output is complemented with an expert-based analysis process to ensure adequate provisioning. Defaulted customers without individual provisions have collective provisions.

### Forbearance

Forbearance means eased terms or restructuring due to the borrower experiencing or about to experience financial difficulties. The intention of granting forbearance for a limited time period is to help the customer return to a sustainable financial situation ensuring full repayment of the outstanding debt. Examples of negotiated terms are changes in amortization profile, repayment schedule, customer margin as well as ease of financial covenants. Forbearance is undertaken on a selective and individual basis, approved according to powers-to-act and followed by impairment testing. Forborne exposures can be servicing or non-servicing. Loan loss provisions are recognized if necessary.

### Credit-impaired loans and ratios

	2024	2023
Impaired loans (stage 3), NOKm	1 368	1 033
- of which servicing	249	382
- of which non-servicing	1 119	651
Impairment rate, (stage 3) gross, basis points <sup>1)</sup>	30,4	30,9
Impairment rate (stage 3), net, basis points <sup>2)</sup>	26,8	26,0
Total allowance rate (stage 1, 2 and 3), basis points <sup>3)</sup>	9,8	10,8
Allowances in relation to credit impaired loans (stage 3), % <sup>4)</sup>	11,9	15,7
Allowances in relation to loans in stage 1 and 2, basis points <sup>5)</sup>	6,2	5,9

<sup>1)</sup> Impaired loans (Stage 3) before allowances divided by total loans measured at amortised cost before allowances.

<sup>2)</sup> Impaired loans (Stage 3) after allowances divided by total loans measured at amortised cost before allowances.

<sup>3)</sup> Total allowances divided by total loans measured at amortised cost before allowances.

<sup>4)</sup> Allowances for impaired loans (stage 3) divided by impaired loans measured at amortised cost (stage 3) before allowances.

<sup>5)</sup> Allowances for not impaired loans (stage 1 and 2) divided by not impaired loans measured at amortised cost (stage 1 and 2) before allowances.

## 2.4 Sensitivities

The provisions are sensitive to rating migration even if the triggers are not reached. The table below shows the impact on provisions from a one-notch downgrade of Nordea Eiendoms kreditt's household lending portfolio. It includes both the impact of the higher risk for all exposures and the impact of transferring exposures that reach the trigger, from stage 1 to stage 2. It also includes the impact of exposures with one rating grade above default going into default. For more information on the rating scale, see table "Rating/scoring information on loans measured at amortised cost" above.



NOKm	31 Dec 2024		31 Dec 2023	
	Recognised provisions	Provision if one notch downgrade	Recognised provisions	Provision if one notch downgrade
Retail portfolios	442	620	361	521

## 2.5 Forward-looking information

Forward looking information is used both for assessing significant increases in credit risk and in the calculation of expected credit losses. Nordea Eiendomskreditt uses three macroeconomic scenarios, a baseline scenario, a favourable scenario and an adverse scenario. End of 2024 the scenarios were weighted into the final expected credit losses (ECL) as follows: baseline 60%, adverse 20% and favourable 20% (baseline 50%, adverse 40% and favourable 10% at the end of 2023). The weight of the adverse scenario was kept at an elevated level, reflecting continued uncertainty regarding the macroeconomic outlook.

The macroeconomic scenarios reflect Nordea's view of how the Nordic economies might develop in light of continued geopolitical uncertainty, weak growth in major European economies and lingering effects of the surge in inflation and energy prices seen in recent years. When developing the scenarios and determining the relative weighting between the scenarios, Nordea takes into account projections made by Nordic central banks, Nordea Research and the European Central Bank.

The baseline scenario foresees soft landings in the Nordic economies with unemployment largely unchanged in the coming years. Denmark will see relatively high growth driven by the pharmaceutical sector and reopening of North Sea oil and gas fields. The other Nordic countries will see higher growth in 2025, with Finland emerging from a mild recession. The stronger growth outlook is supported by weaker inflation and lower interest rates. The exception is Norway, where the weak currency and relatively high activity levels have led the central bank to keep interest rates constant. A modest recovery in home prices is expected to continue over the coming years supported by rising household purchasing power. The risks around the baseline forecast are tilted to the downside, with the upside scenario deviating less from the baseline than the adverse.

Nordea's two alternative macroeconomic scenarios cover a range of plausible risk factors which may cause growth to deviate from the baseline scenario. A further escalation of the conflict in the Middle East may lead to a significant rise in energy prices well into 2025. This could trigger a European and Nordic recession as firms postpone investments, exports slow down and households cut spending due to weakening labour markets. Central banks may in addition regard the inflationary impulse as temporary and continue cutting interest rates, with rates moving lower than in the baseline in 2026. Normalising inflation and lower interest rates, on the other hand, may lead to a stronger recovery than assumed in the baseline scenario.

At the end of the fourth quarter of 2024 adjustments to model-based allowances/provisions (management judgements) amounted to NOK 221m (NOK 92m at the end of the third quarter 2024 and NOK 92m at the end of 2023). The management judgements cover expected credit losses not yet adequately captured by the IFRS 9 modelled outcome. The cyclical management judgement allowance

amounted to NOK 217m at the end of the fourth quarter of 2024 (NOK 88m at the end of 2023) and the reserve covering issues identified in the IFRS 9 model to be later covered in model updates (structural reserve) amounted to NOK 4m (NOK 4m at the end of 2023).

## Scenarios

31 Dec 2024	2025	2026	2027	Probability weight
<b>Favourable scenario</b>				20%
GDP growth, %	2.2	1.4	0.8	
Unemployment, %	3.8	3.8	3.6	
Change in household consumption, %	2.7	2.3	1.9	
Change in house prices, %	4.2	2.8	2.6	
<b>Baseline scenario</b>				60%
GDP growth, %	1.8	0.5	0.5	
Unemployment, %	4.0	4.0	4.8	
Change in household consumption, %	2.7	1.9	1.5	
Change in house prices, %	2.8	2.5	1.9	
<b>Adverse scenario</b>				20%
GDP growth, %	-1.7	0.2	0.5	
Unemployment, %	4.8	5.0	4.8	
Change in household consumption, %	2.4	1.6	1.5	
Change in house prices, %	-5.8	0.5	2.6	

31 Dec 2023	2024	2025	2026	Probability weight
<b>Favourable scenario</b>				10%
GDP growth, %	2.4	1.1	0.8	
Unemployment, %	3.1	3.2	3.4	
Change in household consumption, %	1.9	2.4	2.7	
Change in house prices, %	1.2	2.9	3.4	
<b>Baseline scenario</b>				50%
GDP growth, %	0.4	1.0	1.1	
Unemployment, %	3.6	3.8	3.8	
Change in household consumption, %	0.1	1.9	2.5	
Change in house prices, %	0.8	2.2	2.8	
<b>Adverse scenario</b>				40%
GDP growth, %	-1.7	0.2	0.4	
Unemployment, %	4.4	4.8	4.9	
Change in household consumption, %	-1.2	0.8	1.2	
Change in house prices, %	-6.7	-1.5	2.0	

## 2.6 Credit portfolio

Including on- and off-balance sheet exposures and exposures related to securities, the total credit risk exposure at year end was NOK 514.5bn (NOK 382.5bn last year). More information and breakdown of exposure according to the CRR definition is presented in the Capital and Risk Management Report (Pillar 3 report) at [nordea.com/en/investors/capital-and-risk-reports-pillar-3](https://nordea.com/en/investors/capital-and-risk-reports-pillar-3).

On-balance lending consists of fair value lending and amortized cost lending and constitutes the major part of the credit portfolio. Amortized cost lending is the basis for impaired loans allowances and loan losses. Credit risk in lending is measured and presented as the principle amount of on-balance sheet claims, i.e. loans to credit institutions and to the public-, and off-balance sheet potential claims on customers and counterparties, net after



allowances. Credit risk exposure also includes the risk related to derivative contracts, which was NOK 92m at year end (NOK 26m).

Nordea Eiendoms kreditt's total lending to the public increased to NOK 450bn at the end of 2024 (NOK 334bn). The portfolio includes residential mortgage loans as well as loans to holiday homes, secured by properties in Norway, and secured construction loans for residential properties and holiday homes. Including off-balance sheet exposures the total credit risk exposure at year end was NOK 501.9bn (NOK 369.4bn). Lending to credit institutions amounted to NOK 1.9bn at the end of the year (NOK 2.5bn), placed in the parent bank as cash accounts payable on demand or placement with a fixed term. Nordea Eiendoms kreditt also has interest bearing securities amounting to NOK 10.6bn at the end of 2024 (NOK 10.6bn).

## 2.7 Scoring distribution

One way of assessing credit quality is through analysis of the distribution across risk grades for scored household customers.

During 2024 Nordea introduced new retail IRB models, improving risk parameter calculations which slightly shifted the scoring composition downwards, while the underlying credit quality did not deteriorate. 74,6% (93%) of the performing retail exposures are scored C- or higher, which indicates a probability of default of 1% or lower. One of the main causes for the scoring composition shifting downwards is contagion from customers exposures in the group.

Information on scoring distribution in the lending portfolio is shown in Note 3.5 "Loans".

## 2.8 Impaired loans (Stage 3)

Impaired loans gross in Nordea Eiendoms kreditt increased during the year from NOK 1,033m in 2023 to NOK 1,368m in 2024 and corresponded to 30bps (31bps) of total loans. 18% of impaired loans gross are servicing loans and 82% are non-servicing loans. Impaired loans net, after allowances for Stage 3 loans, amounted to NOK 1,206m (NOK 871m), corresponding to 27bps (26bps) of total loans. Allowances for Stage 3 loans amount to NOK 162m (NOK 162m). Allowances for Stages 1 and 2 amounted to NOK 280m (NOK 198m). The ratio of allowances for impaired loans in relation to impaired loans is 12% (16%) and the allowance ratio for loans in Stages 1 and 2 is 0,06% (0,06%) of total loans in Stages 1 and 2.

## 2.9 Past due loans

The table below shows loans past due 6 days or more that are not considered impaired.

### Past due loans excluding impaired loans

NOKm	31 Dec 2024	31 Dec 2023
6-30 days	3 367	2 618
31-60 days	698	499
61-90 days	197	186
>90 days	130	147
<b>Total</b>	<b>4 392</b>	<b>3 450</b>
Past due not impaired loans divided by loans to the public after allowances	1,0 %	1,0 %

The development is closely monitored related to potential negative impact of high interest rates and inflation. Nordea Eiendoms kreditt has not taken over any properties for protection of claims due to default.

Loan losses amounted to NOK 88.2 in 2024 (NOK 47.1m). This corresponds to a loan loss ratio of 2.4 basis points (1.4 basis points).

## 3. ESG (Environmental, Social and Governance) related risk

Nordea defines ESG risk as the risk of negative financial impact over the short to longer term, stemming from the direct or indirect impact that environmental (including climate), social and governance issues may have on Nordea. It is important for us to integrate ESG assessments into our risk management frameworks.

EU Taxonomy set the standard for classification of economic activities and regulation in this area is under development.

The Sustainability statement available in Nordea's Annual Report published at [nordea.com/en/investors/group-annual-reports/](https://nordea.com/en/investors/group-annual-reports/) covers the Nordea Group and its subsidiaries.

## 4. Counterparty credit risk

Counterparty credit risk is the risk that Nordea Eiendoms kreditt's counterparty in an interest or currency derivative contract defaults prior to maturity of the contract and that Nordea Eiendoms kreditt at that time has a claim on the counterparty. Counterparty credit risk can also exist in repurchasing agreements and other securities financing transactions. Nordea Eiendoms kreditt enters into derivative contracts in order to hedge positions that arise through lending and funding activities. The exposure at the end of 2024 for Nordea Eiendoms kreditt was NOK 12m (NOK 111m). 100% of the exposure and 100% of the current exposure net was towards financial institutions. Nordea Eiendoms kreditt uses only counterparties in the Nordea group in derivative transactions. For information about financial instruments subject to master netting agreement, see Note 3.4 "Offsetting".

## 5. Market risk

Market risk is the risk of loss on Nordea Eiendoms kreditt's positions in the non-trading book as a result of changes in market rates and parameters that affect the market values or net interest income flows. Market risk exist irrespective of the accounting treatment of the positions. The market risk appetite for Nordea Eiendoms kreditt is expressed through risk appetite statements issued by NE Board. The statements are defined for the banking book as Nordea Eiendoms kreditt does not have any trading book assets.

The second line of defence ensures that the risk appetite is appropriately translated through relevant committees into specific risk appetite limits for Group Treasury. Group Treasury is responsible for managing the market risk according to intra group outsourcing agreement.

As part of the overall Risk Appetite Framework (RAF), holistic and bespoke stress tests are used to measure the market risk appetite and calibrate limits to monitor and control the full set of material market risk factors to which Nordea Eiendoms kreditt is exposed.

### 5.1 Non-traded market risk

The non-traded market risks that Nordea Eiendoms kreditt is exposed to are interest rate risk,



customer behavioural risk and credit spread risk. In Nordea Eiendomskreditt it principally arises from the core banking business, related hedges and regulatory or other external requirements (e.g. liquid asset buffer).

Group Treasury is responsible for the risk management of all non-traded market risk exposures in the Nordea Group's balance sheet, including Nordea Eiendomskreditt.

To ensure a clear division of responsibilities within Group Treasury, the banking book risk management is divided across several frameworks – each with a clear risk mandate and specific limits and controls.

Interest rate risk in the banking book (IRRBB) is the current or prospective risk to Nordea Eiendomskreditt's capital and/or income arising from adverse movements in interest rates and customer behaviour. Market risks are managed centrally by Group Treasury and include gap risk, basis risks, credit spread risk and behavioural risk.

Due to the lending structure in Nordea Eiendomskreditt's home market Norway, most of the contractual interest rate exposures are floating rate while fixed rate lending only constitutes a small part of the loan book. Consequently, wholesale funding is also issued in or swapped to floating rate format. The resulting residual repricing gap risk and fixing risk are managed by Group Treasury for Nordea Eiendomskreditt. The net outright interest rate risk stemming from the repricing gaps, together with the limited fixed interest rate risk, are hedged with interest rate swaps (IRS).

Liquid assets held to satisfy liquidity buffer requirements are managed with minimal market risk exposure in accordance with the Liquidity Buffer frameworks.

## 5.2 Measurement of market risk

IRRBB Economic value (EV) of equity stress tests considers the change in EV of interest-bearing banking book assets, liabilities and derivative exposures resulting from interest rate movements, independently of the accounting classification and ignoring credit spreads and commercial margins. The model assumes a run-off balance sheet and includes behavioural modelling for pre-payments. Changes in the EV of the equity of the banking book are measured and limited against the 6 standardised scenarios defined by the Basel Committee on Banking Supervision (BCBS). The exposure limit under this metric is measured against the worst outcome out of the 6 scenarios measured.

The net interest income (NII) risk metric measures the change in net interest income relative to a baseline scenario, resulting in a NII risk value over a one-year horizon. The model uses a constant balance sheet assumption, implied forward rates and behavioural modelling for pre-payments. IRRBB earnings risk is measured and limited against a +/-200bp shock in line with regulatory guidance for NII measurement.

The fair value stress loss (FVSL) risk measure considers the potential revaluation risk relating to positions held under fair value accounting classifications.

EV and NII sensitivities are measured using the Basel interest rate shocks while FVSL sensitivities are measured using internally defined Risk Appetite Framework (RAF) scenarios. The exposure limit is measured against the

worst outcome from the relevant scenarios. The RAF scenarios are calibrated to reflect severe but plausible events and are designed to test specific exposures that are, or may be held, under the approved mandate.

The FVSL RAF scenarios are applied to both the banking book and the trading book portfolios (where relevant), and the Board risk appetite limit considers the combined impact across both. The FVSL metric is monitored daily. A range of EV risk scenarios are estimated daily for management information purposes, but fully calculated and monitored monthly against risk appetite limits. The NII and earnings risk metrics are monitored monthly.

The measurement of IRRBB is dependent on key assumptions applied in the models. The most material assumptions relate to the modelling of embedded behavioural options in both assets and liabilities. The behavioural option held by Nordea Eiendomskreditt's lending customers to execute early loan prepayments is estimated using prepayment models. On the other hand Nordea has floor options towards customers stemming from the fact that customer rates are modelled to not go negative. Furthermore, issued bonds also contain floors because Nordea currently does not charge negative rates to investors in bonds issued by Nordea Eiendomskreditt.

## 5.3 Market risk analysis

At the end of the year, the loss for NII was NOK 520.6m for the 200 bps down scenario (NOK 581.5m). The most severe impact from the Basel scenarios on EV was NOK 101.5m loss at end of year 2024 (NOK 87.5m). The most severe impact from the RAF scenarios measuring FVSL was NOK 67.4m per year end 2024.

## 6. Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, and includes legal risk. Operational risk is inherent in all of Nordea Eiendomskreditt's businesses and operations. Consequently, all managers are accountable for the operational risks related to their area of responsibility, and responsible for managing these risks within risk limits and risk appetite limits in accordance with the operational risk management framework. NE CRO constitutes the 2LoD risk control function for operational risk and is responsible for developing and maintaining the overall operational risk management framework as well as for monitoring and controlling the operational risk management of the 1LoD.

The 2LoD control function monitors and controls that operational risks are appropriately identified, assessed and mitigated. The 2LoD control function also follows-up on risk exposures towards risk appetite limits and assesses the adequacy and effectiveness of the operational risk management framework and framework implementation. Staff within the 2LoD control function are responsible for preparing and submitting regular risk reports on all material risk exposures including risk appetite limit utilization and operational risk incidents to NE CRO, who thereafter reports to NE CEO in NE management and NE Board.

Nordea has closely monitored geopolitical developments, such as in Ukraine and the Middle East, during 2024 and continues to do so. Throughout the year Nordea has witnessed elevated threat levels for cyber security and also for physical security across the Nordics. Nordea has taken actions to address the increased risk.

Nordea



Nordea supports a hybrid working model and preventive measures focusing on e.g. awareness communications and training activities, as well as preventive and compensating controls have been put in place to mitigate operational risk related to remote working.

The RAS for operational risk is expressed in terms of:

- 1) residual risk level
- 2) total loss amount from incidents and management of Incidents.

### 6.1 Management of operational risk

The Nordea Group's Group Board Directives on Risk, Risk Appetite and Internal Governance, which have been adopted by NE Board, set the principles for the management of risks in Nordea Eiendoms kreditt. Based on these principles, the Nordea Group has established supporting internal rules for operational and compliance risk that form the overall operational risk and compliance risk management frameworks. These also apply to Nordea Eiendoms kreditt. Management of operational and compliance risk includes all activities aimed at identifying, assessing and measuring, responding and mitigating, controlling and monitoring and reporting on risks. Risks are identified through various processes as detailed in the following section.

### 6.2 Risk and control self-assessment (RCSA)

The Risk and Control Self-Assessment process ensures an overview and assessment of operational and compliance risks for Nordea Eiendoms kreditt. The process improves risk awareness and enables the effective assessment, control and mitigation of identified risks. Furthermore, the Risk and Control Self-Assessment process and its results provide the basis and input for risk reporting at Nordea Eiendoms kreditt.

### 6.3 Change Risk Management and Approval (CRMA) framework

The purpose of the Change Risk Management and Approval process is to ensure that risks arising from a change are identified, assessed and managed before a change is approved and implemented. This is to ensure that no unexpected incidents occur when going live with the change.

The Change Risk Management and Approval process must be applied to all relevant types of change and development initiatives, including but not limited to, involving changes to new or changed processes, organisational changes, information and communication technology changes, new outsourcing arrangements and exceptional transactions.

### 6.4 Issue Management

Issues are defined as deficiencies in the control environment, i.e. defects and/or quality matters within the internal control environment for managing risk. When such deficiencies are discovered, they must be reported as issues. The Issue Management Framework consists of multiple processes across all three lines of defence identified in different risk management processes, and they together fall under the purpose of issues and action management.

### 6.5 Incident Reporting Management

The objectives of Incident Reporting Management are to ensure appropriate handling and reporting of detected incidents to minimize the impact on Nordea Eiendoms kreditt and its customers, prevent reoccurrence,

and reduce the probability and impact of future incidents. In addition, the Incident Management shall secure timely notification to defined external bodies and parties, including relevant supervisory authorities.

### 6.6 Raising Your Concern (RYC)

The objectives of the RYC ("whistleblowing") process are to ensure that Nordea Group employees and customers have the right to and feel safe when speaking up if they witness or suspect misconduct or unethical behaviour. The RYC process encompasses ways to report a suspected breach of ethical standards, or breach of internal or external rules. Concerns can be raised openly, confidentially or anonymously by individuals. The RYC process also outlines rules and procedures for how RYC investigations are conducted.

### 6.7 Complaints Handling

The objective of complaints handling is to ensure customer satisfaction and to identify pain points for IT-development or process changes. Complaints handling is managed by the customer responsible units together with the "Customer Ombudsman" as regulated by an intra-group agreement. Reporting on the number and types of complaints is produced monthly and presented to members of NE management together with ongoing or proposed mitigating actions per complaint area.

### 6.8 Third Party Risk Management (TPRM)

The objective of Third Party Risk Management is to ensure that risks related to third parties and third party activities, including but not limited to outsourcing, are appropriately identified, assessed and managed before entering into, during as well as when exiting a third party arrangement. Third Party Risk Management ensures that risks associated with third parties and third party activities are kept within risk appetite and risk limits.

While Nordea Eiendoms kreditt may delegate day-to-day operational activities to Third Parties (TPs), Nordea Eiendoms kreditt always remains fully accountable and responsible and must demonstrate effective over-sight and governance of the procured or outsourced services and functions.

### 6.9 Business Continuity and Crisis Management (BC & CM)

The Business Continuity and Crisis Management framework ensures the capability to handle extraordinary events and crises and assures the continued delivery and recovery of prioritised products, services and processes to predefined acceptable levels. Extraordinary events and crisis situations are timely and appropriately escalated and responded to through pre-established structures. The capabilities are validated by testing and exercising the organisation and established plans to ensure to protect its resources (e.g. people, premises, technology and information), supply chain, interested parties and reputation, before a disruptive incident occurs. This includes ensuring that roles and responsibilities are clear, known and communicated to all involved.

### 6.10 Information Security Management

The objective of Information and Communication Technology Risk Management is to ensure that information and communication technology and data management risks are appropriately identified, assessed and managed. The Nordea Group maintains an Information Security Management System for implementation



of the principles and requirements for information security, with the overall objective to preserve the confidentiality, integrity and availability of Nordea's information and information entrusted to Nordea and Nordea Eiendoms kreditt, by applying a risk-based methodology.

### 6.11 Cyber security

Introducing new technologies, exploring new ways of doing business and connecting with customers widen bank's attack surface. At the same time, entities that pose cyber threats are becoming more organised, resourceful and experienced. Nordea focuses not only on maintaining effective basic information security controls but also on enhancing its cyber defence with new tools and functions for security, detection and response. Nordea develops innovative security practices to meet new business demands, such as robust mobile applications and proactive customer support for fraud detection and prevention.

### 6.12 Significant/Key Operating Processes (SiOPs)

The objective of the SiOPs framework is to identify and document SiOPs to ensure risks and controls in the most important processes are assessed and managed, for these processes to operate as intended, which includes ensuring Nordea Eiendoms kreditt's customers are offered products and services in a compliant, safe and timely way.

### 6.13 Reputational Risk

The objective of Reputational Risk Management is to protect the Nordea Group's and Nordea Eiendoms kreditt's reputation. Reputational risk is defined as the risk of damage to the trust in the Nordea brand from our customers, employees, authorities, investors, partners and the general public with the potential for adverse financial impact. Reputational risk is often an impact from, or a cause of, other types of risks, e.g. credit, liquidity, market, operational, compliance and legal risks inherent in the business. A reputational risk framework with guiding principles for managing reputational risk has been developed. The framework is strongly linked with the risk management framework and related processes for identifying, assessing and mitigating risk. It includes considering stakeholders' perceptions in the decision-making processes.

### 6.14 Minimum own funds requirement for operational risk

Nordea Eiendoms kreditt's own funds requirements for operational risk are calculated according to the standardised approach. In this approach, the institution's activities are divided into eight standardised business lines and the gross income-based indicator for each business line is multiplied by a predefined beta coefficient. The consolidated own funds requirement for operational risk is calculated as the average of the last three years' own funds requirement.

## 7. Compliance risk

Nordea defines compliance risk as the risk of failure to comply with applicable regulations and related internal rules. Management of compliance risk is governed by Nordea's Compliance Risk Appetite Statement which also sets out the requirements for the mitigation of compliance risk. Employees throughout Nordea are accountable for the compliance risks related to their mandate and for managing these risks in accordance with the Compliance Risk Management Framework. The key governance principle for management of risks at Nordea is the three Lines of Defence ("LoD") model.

1LoD is represented by the staff in Nordea Eiendoms kreditt performing business activities as well as staff in the Nordea Group operating under intra-group agreement on account of Nordea Eiendoms kreditt. All employees in the 1LoD have a role of understanding and adhering to prudent risk management and are accountable for managing compliance risks as part of performing their tasks. All managers are fully responsible for the risks they assume and are accountable for ensuring compliance with applicable regulations within their respective area of responsibility. Hence, they are responsible for ensuring that the appropriate organisation, governance, controls, procedures and support systems are implemented to ensure a sufficient system of internal controls.

Group Risk (GR) and Group Compliance (GC) represent Nordea's independent second line of defence (2LoD) control function. GR & GC oversee the implementation of the financial and the non-financial risk policies and according to a risk-based approach, monitor and control the Risk Management Framework including the Compliance Risk Management Framework and oversee that all risks that Nordea is or could be exposed to, are identified, assessed, monitored, managed and reported on. GR is organized in divisions with individual risk type responsibility. The following divisions are part of GR; Group Credit Risk Control, Model Risk & Validation, Group Financial Risk Management & Control, Group Operational Risk, Risk Models, Chief Security Office, Enterprise-wide Risk Management and Recovery & Resolution Planning, CRO Office and Country CROs.

Group Compliance (GC) constitutes the compliance function for Nordea Eiendoms kreditt according to intra-group agreement and is responsible for developing and maintaining the risk management framework for managing compliance risks in cooperation with other functions in GR and for guiding the business in their implementation of the framework to ensure continuous adherence to the framework. GC is responsible for regular reporting on annual compliance plan to NE Board and NE CEO at least quarterly. GC reports on the status and development of Nordea Eiendoms kreditt's compliance risks including information on major deficiencies along with consequence analyses and emerging risks and trends; status and key observations from monitoring activities and investigations; general updates on Financial Supervisory Authority interactions and impact; and preparations on regulatory changes. The reports shall also contain recommendations on actions to be undertaken to mitigate compliance risk.

Group Internal Audit (GIA) represents the 3LoD according to intra-group agreement. GIA conducts risk based and general audits and shall assess whether the internal control framework is both effective and efficient, including assessing whether existing policies and procedures and Group internal Rules remain adequate and comply with legal and regulatory requirements, and with the risk appetite and strategy of Nordea. GIA is also in charge of the independent review of 1LoD and 2LoD including ensuring that the segregation of duties is defined and established between risk management (1LoD) and risk control (2LoD).

### 7.1 Customer Protection

The aim of Customer Protection is to ensure fair treatment of customers and fair customer outcomes. Treating customers fairly include open and



transparent communication, meeting the customer needs (outcome focused), employee awareness, honest and open approach in customer complaints and communication as well as timely, accurate and relevant management information. The key areas covered in Customer Protection are financial advice (including mortgage credit offering), product governance arrangements, employee knowledge and competence, and customer complaints handling. Customer Protection related to advisory activities seeks to ensure that advice given to the customers meets customers' needs and circumstances; the advice given on suitable products; and that lending is responsible. Customer Protection related to products and services consists of delivering high quality, good, and valuable products and services which meet customer needs. This means defining and meeting target market, delivering value for money and provision of fair product materials and customer communications. It is also important to manage conflicts of interest in relation to products and services. Customer complaints are an important tool for monitoring customer protection. The complaints handling framework has in the recent years been developed and the process is renewed with clear and regular reporting, a strong feedback culture, root cause analysis and mitigating activities.

## 7.2 Conduct Risk Management

Conduct risk is defined as the risk of inappropriate culture and behaviour of employees, or the risk that intentional or unintentional actions across the end to end customer lifecycle can lead to unfair outcomes and harm for customers or disrupt market integrity. Conduct risk management approaches are continuously developed to ensure that culture and employee behaviours are consistent with the values, and that employees deliver fair outcomes for customers across all stages of the customer lifecycle. This includes driving a strong focus on putting the customer first in the business strategy, the design and development of products, the sales, and the ongoing service provided to Nordea Eiendoms kreditt's customers. All employees, including part-time employees and consultants, are required to undertake annual Code of Conduct training as part of their Licence to Work to ensure proper awareness and knowledge of the ethical principles.

## 7.3 Financial Crime Prevention

Financial crime is a serious threat to the security and integrity of the global financial system, and cooperation between banks and authorities is what is required to fight it. It is a joint responsibility to improve safety in the global financial system. The Nordea Group is committed to comply with applicable laws and regulations concerning anti-money laundering, counter terrorist financing, sanctions, tax evasion, bribery and corruption in the jurisdictions in which Nordea operates. Nordea and Nordea Eiendoms kreditt will not accept being exploited for money laundering or any other types of financial crime. Therefore, a number of Group Internal Rules has been established by the Nordea Group in order to achieve robust and consistent standards of compliance. These have been adopted by the NE Board and support the broader customer strategy, values and vision, and provide a uniform set of risk management principles and mandatory standards for Nordea Eiendoms kreditt and the Nordea Group as a whole.

It is important for Nordea Eiendoms kreditt that robust risk-based due diligence measures are conducted when onboarding new customers, and on a continuous basis. By knowing customers and counterparties well, screening and

monitoring activities can be performed to detect suspicious or illegal activity and reported to the authorities for further investigation. Nordea Eiendoms kreditt has outsourced to the customer responsible units in the Nordea Group to perform all due diligence measures and regulated this service in an intra group outsourcing agreement.

To detect suspicious transactions, monitoring systems and controls are in place to detect transaction activities that are outside normal activity patterns. Every year, these processes generate hundreds of thousands of alerts in the Nordea Group, although only a fraction is for Nordea Eiendoms kreditt's customers. All alerts are managed and, where necessary, investigated for potential suspicious activity which may result in a Suspicious Activities Report being filed with the relevant authorities in the relevant jurisdictions.

Nordea Eiendoms kreditt also has an obligation to comply with all international and local sanctions programmes. Nordea Eiendoms kreditt's customers and their transactions are therefore screened against applicable sanctions lists to ensure adherence to sanctions requirements. In recent years, considerable improvements have been implemented to reduce financial crime risks through significant investment in technology, capabilities and more sophisticated assessment techniques.

## 8. Liquidity risk

### 8.1 Liquidity management

During 2024, Nordea Eiendoms kreditt continued to benefit from its prudent liquidity risk management, in terms of maintaining a diversified and strong funding base and a diversified liquidity buffer. Nordea Eiendoms kreditt maintained a strong liquidity position throughout the year despite the continued volatility in global markets driven by geopolitical and macroeconomic uncertainty. Nordea Eiendoms kreditt issued NOK 72.5bn in long-term funding in 2024. Throughout 2024, Nordea Eiendoms kreditt remained compliant with the requirement for Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR).

### 8.2 Liquidity risk definition and identification

Liquidity risk is the risk that Nordea Eiendoms kreditt can only meet its liquidity commitments at an unsustainably high price or, ultimately, is unable to meet its obligations as they come due.

Nordea Eiendoms kreditt is exposed to liquidity risk in its lending, investment, funding, off-balance sheet exposures and other activities which could result in negative cash flow mismatch. Nordea Eiendoms kreditt's liquidity management is an integral part of the Nordea Group's liquidity risk management.

### 8.3 Management principles and control

Liquidity risk in the Nordea Group is managed across three lines of defence:

- The first line of defence consists of Group Treasury and the business areas (Nordea Eiendoms kreditt included). Group Treasury is responsible for the day- to- day management of the liquidity positions, liquidity buffers, external and internal funding including the mobilisation of cash around the Nordea Group, and funds transfer pricing. Nordea Eiendoms kreditt and Group Treasury have entered into an intra-group agreement for the purpose of liquidity risk management.

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- The second line of defence, which includes Nordea Eiendomskreditt CRO and units within the Nordea's Group Risk (GR) acting in accordance with intra-group agreement, are responsible for providing independent oversight of, and challenge to the first line of defence.
- The third line of defence includes Group Internal Audit, which is responsible for providing independent oversight of the first and second lines of defence.

Nordea Eiendomskreditt's Board of Directors defines the liquidity risk appetite by setting limits for applied liquidity risk metrics. The risk appetite is anchored to liquidity stress testing results over specified time horizons as well as regulatory requirements and has implications for the nature and scope of activities undertaken by Nordea. The risk appetite framework and supporting liquidity risk limits and thresholds will ensure prudent hedging activities and mitigate the overall liquidity risk of Nordea Eiendomskreditt.

#### 8.4 Liquidity risk management strategy

Nordea Eiendomskreditt's liquidity management strategy is based on policy statements resulting in various liquidity risk measures, limits and organisational procedures.

The objective of liquidity risk management is to ensure that Nordea Eiendomskreditt can always meet its cash flow obligations, including on an intraday basis, across market cycles and during periods of stress. Nordea Eiendomskreditt strives to diversify its sources of funding to a larger pool of investors and seeks to establish and maintain relationships with investors in order to ensure market access.

Nordea Eiendomskreditt's funding programme is limited to long-term covered bonds. Short- and medium-term funding are arranged as intra-group loans priced at market rate. Trust is fundamental in the funding market. Therefore, Nordea Eiendomskreditt periodically publishes information

on the liquidity situation and the cover pool. Furthermore, Nordea Eiendomskreditt regularly performs stress testing of the liquidity risk position and the cover pool to capture relevant risk drivers. Nordea Eiendomskreditt is covered by the Nordea Group's business contingency plans for liquidity crisis management.

#### 8.5 Liquidity risk measurement

To ensure funding in situations where Nordea Eiendomskreditt is in urgent need of cash and the normal funding sources do not suffice, Nordea Eiendomskreditt holds a liquidity buffer. The liquidity buffer consists of central bank eligible, high credit quality and liquid securities that can be readily sold or used as collateral in funding operations.

Liquidity risk management focuses on both short-term liquidity risk and long-term structural liquidity risk. Liquidity risk is limited by the Board of Directors via the liquidity stress coverage ratio metric stipulating that the liquidity buffer needs to be sufficient to cover peak cumulative stressed outflows experienced over the first 90 days of a combined stress event, whereby Nordea Eiendomskreditt is subject to a market-wide stress similar to what many banks experienced in 2007-08, as well as idiosyncratic stress corresponding to a three-notch credit rating downgrade. This metric and the regulatory liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) form the basis for Nordea's liquidity risk appetite, which is reviewed and approved by the Board at least annually.

#### 8.6 Liquidity risk analysis

The Liquidity Coverage Ratio (LCR) according to the LCR Delegated Act was 1130% (1780%) at the end of the year. Nordea Eiendomskreditt does not have other significant currencies than Norwegian krone.

The Liquidity Stress Coverage (LSC) and Liquidity Stress Horizon (LSH) were at the end of the year 3,699% (210%) and 904 days (172 days) respectively. Net Stable Funding Ratio (NSFR) was at the end of the year 115.2% (115.1%).



## Auditor's report



To the General Meeting of Nordea Eiendomskreditt AS

### Independent Auditor's Report

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of Nordea Eiendomskreditt AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Nordea Eiendomskreditt AS for 10 years from the election by the general meeting of the shareholders on 6 June 2015 for the accounting year 2015.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

##### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, 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 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 with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in 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 in accordance with ISAs, we exercise professional judgment 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. We 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

### Opinion

As part of the audit of the financial statements of Nordea Eiendoms kreditt AS, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name nek-2024-12-31-en.xhtml, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

### Management's Responsibility

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

### Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Hallvard Aara, 7 March 2025  
PricewaterhouseCoopers AS  
Hallvard Aara  
State Authorised Public Accountant



## Statement by the Chief Executive Officer and the Board of Directors

### Pursuant to Section 5-5 of the Securities Trading Act

The Chief Executive Officer and the Board of Directors have today considered and approved the Board of Director's Report and the annual accounts of Nordea Eiendomskreditt AS for 2024, including comparative figures for 2023 (the "2024 Annual Report").

The Annual Report has been prepared in accordance with IFRS as adopted by the EU, and additional Norwegian disclosure requirements pursuant to the Accounting Act, the Regulations for Annual Accounts and the Securities Trading Act. According to our best knowledge, the 2024 Annual Report has been prepared in accordance with the applicable accounting standards and gives a true and fair view of the company's assets, liabilities and net profit as of 31 December 2024 and as of 31 December 2023.

According to our best knowledge, the Board of Directors' report gives a true and fair view of the company's activities, results and financial position including disclosure of related party transactions and the description of the most relevant risk factors the company faces the coming year.

#### Nordea Eiendomskreditt AS Oslo, 7 March 2025

Randi Marjamaa  
Chair

Gro Elisabeth Lundevik  
Vice Chair

Ola Littorin  
Board member

Asbjørn Rødal  
Board member

Tina Sandvik  
Board member

Lene Steinum  
Board member

Lars Espevik  
Board member

Elen M. Sticksrud  
Chief Executive Officer



## Board of Directors and Auditor

### Board of Directors

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#### Chair

**Randi Marjamaa**

Nordea Bank Abp, filial i Norge  
Head of Personal Banking Norway, Nordea  
Country Senior Executive, Nordea Norway  
Board member since 2023

#### Members

**Gro Elisabeth Lundevik**

University of Agder, Senior Advisor,  
Economic and property division  
Investor and professional board member  
Vice Chair, Board member since 2019

**Ola Littorin**

Nordea Bank Abp, filial i Sverige  
Head of Long Term Funding & Structuring, Group  
Treasury, Nordea  
Board member since 2013

**Tina Sandvik**

Nordea Bank Abp, filial i Sverige  
Head of Products and Development, Personal Banking,  
Nordea  
Board member since 2023

**Lene Steinum**

Nordea Bank Abp, filial i Norge  
Programme Manager, Group Technology, Nordea  
Board member since 2022

**Asbjørn Rødal**

Independent consultant and non-executive board member  
with 25 years' experience as partner in global audit firm  
Board member since 2023

**Lars Espevik**

Nordea Bank Abp, filial i Norge  
General Counsel Business Banking, Nordea  
Branch Manager Norway, Nordea  
Head of Legal Norway, Nordea  
Board member since 2024

#### Auditor

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**PricewaterhouseCoopers AS**

Hallvard Aarø  
Authorised Public Accountant



## Contact information

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### Nordea Eiendoms kreditt AS

Visiting address:	Essendropsgate 7
Postal address:	P.O. Box 1166 Sentrum, 0107 Oslo
Telephone:	+47 22 48 50 00
Internet:	<a href="http://www.nordea.no">www.nordea.no</a>



## Skattedirektoratet

Saksbehandler  
Rune Tystad

Deres dato  
13.11.2015

Vår dato  
07.12.2015

Telefon  
977 59 464

Deres referanse  
Marianne Glatved

Vår referanse  
2015/1086679

NORDEA EIENDOMSKREDITT AS  
Postboks 1166 Sentrum  
0107 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Nordea Eiendomskreditt AS, org.nr. 971 227 222

- Vi viser til deres brev av 13. november 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Nordea Eiendomskreditt AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Nordea Eiendomskreditt AS, dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Nordea Eiendomskreditt AS er et heleid datterselskap av Nordea Bank Norge ASA. Organisasjonsstrukturen i Nordea-konsernet er nordisk med engelsk som arbeidsspråk internt, og i stor grad også eksternt. Dette gjelder også for Nordea Eiendomskreditt. Selskapet er et bolighypotekforetak som kjøper utlånsporteføljer fra morbanken etter behov. Selskapets boliglånskunder blir varslet dersom deres boliglån blir overført til Nordea Eiendomskreditt AS, men all kundekontakt fortsetter gjennom Nordea Bank Norge ASAs kontornett. Selskapet er derfor av den oppfatning at kundene fortsatt forholder seg til Nordea Bank Norge ASA, og at det ikke er stor interesse for selskapet sine regnskapstall blant utlånskundene. På innlåns siden retter all aktivitet seg mot profesjonelle investorer og kontraktspartner, der interessen for regnskapsrapporter antas å være større. Selskapets tre aktive obligasjonsprospekter er alle utformet kun på engelsk. Selskapet har fått dispensasjon fra Oslo Børs til å utarbeide delårsrapporter kun på engelsk.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et heleid datterselskap og at eierkretsen er begrenset. Arbeidsspråket er engelsk. Selskapet har fått dispensasjon fra Oslo børs til å offentliggjøre opplysninger på norsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*