

Spar Nord Debt Investor Presentation

September 2024

Executive summary

Full-Service Danish Retail Bank

- Sixth largest bank in Denmark with nationwide operations
- Exclusive focus on household customers and local SMEs with mortgage loans facilitated from Totalcredit
- Strong reputation and customer satisfaction driven by a well-proven decentralized business model

Strong Performance, Asset Quality and Credit Rating

- ROE among the best in Denmark at 18.8% as of H1 2024 (5-year average 12.8%)
- 46% private customers and 54% corporate customers with well diversified sector exposure
- A1 (positive outlook) issuer rating by Moody's

Solid Capital Position and Liquidity

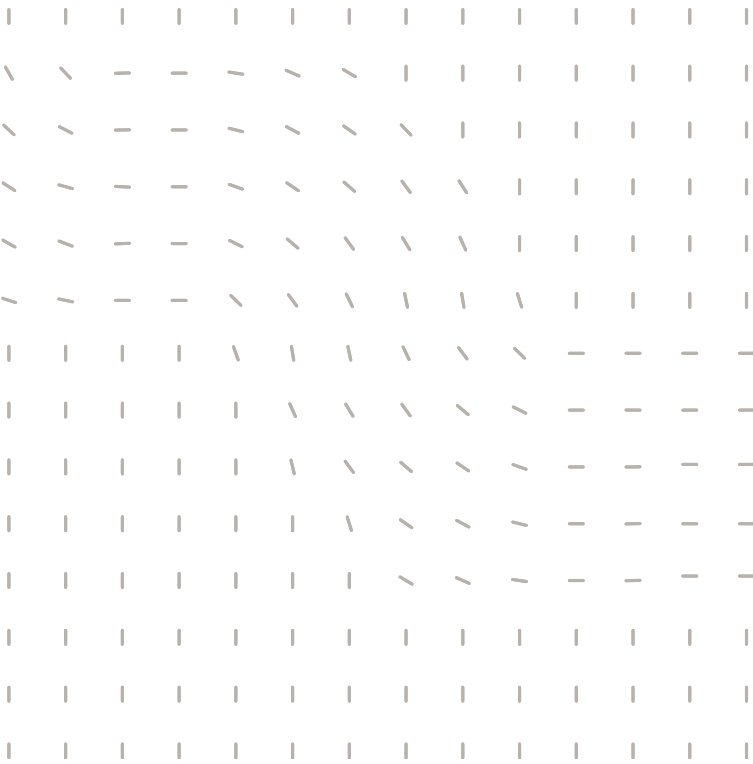
- CET1 ratio at 17.1% as of H1 2024 - well above 13.5% strategic target
- MREL and combined buffer percentage at 36.4% as of H1 2024 - 6.8% above requirement
- Liquidity Coverage Ratio at 313% as of H1 2024 - more than triple the statutory requirement of 100%

Sustainability and ESG at Spar Nord

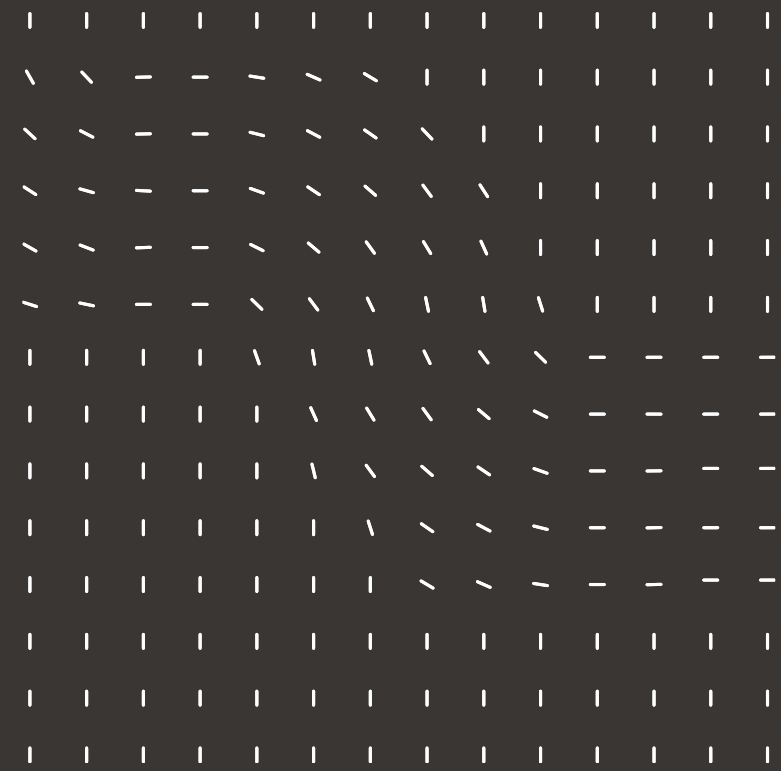
- ESG rating of "Low Risk" by Sustainalytics in 2024
- Action plans/targets in line with recommendations from Finance Denmark's Forum for Sustainable Finance
- 100% powered by green electricity from solar energy

Agenda

- 1 Introduction
- 2 Financial overview
- 3 Asset quality overview
- 4 Capital & liquidity overview
- 5 Sustainability at Spar Nord



Introduction



A robust Danish retail bank focusing on private customers and local businesses

Brief history

- Founded in 1824 as a savings bank – listed in 1990
- Since 2001, we have focused exclusively on household customers and local SMEs
- At the same time, we started our transformation from regional bank to nationwide presence
- We offer a full range of products and services (both own and distributed) to our core segments
- We enjoy high customer satisfaction and loyalty - potential for further growth in market-share
- Until now, our standardized approach to risk weighting has made for lower leverage and risk
- Spar Nord is a designated SIFI with corresponding MREL requirements being a key driver of funding requirements
- We expect to migrate to IRB models at the 2024/2025 changeover
- Our credit quality is strong and well positioned to face the prospects of more challenging years

Strategy and business model

1 Focus on households and local SMEs

StarPLUS loyalty program



- Focus on attracting and retaining private and SME customers
- Focus on loyalty benefits for customers who buy the whole package

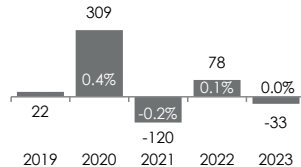
2 Strong reputation and customer satisfaction



- For seven out of eight years, Spar Nord has been named as the bank among the six largest banks in Denmark with the most satisfied business customers

3 Robust credit quality

Impairment percentage



- A persistently strong credit quality throughout the business cycle
- Strong centralised credit management
- Management estimates increased by DKK 622 million in 2019 to 2023

4 Decentralized business model



- Business model inspired by franchise philosophy
- Local decision making on customer and staff matters
- One brand and same products and concepts

Shareholders



- Spar Nord Foundation is the largest shareholder with **20%**
- Nykredit Realkredit A/S holds **19%**

- Several non-domestic investors hold a total of **23 %**
- Professional and institutional investors (incl. Spar Nord Foundation) hold a total of **72 %**

National foothold (YE2023)

North Denmark Region (34%)

Business volume DKK 115 billion (2013: 77)
FTE 321 (2013: 497)
Branches 21 (2013: 38)

Central Denmark Region (23%)

Business volume DKK 79 billion (2013: 39)
FTE 233 (2013: 241)
Branches 9 (2013: 16)

Region of Southern Denmark (12%)

Business volume DKK 42 billion (2013: 16)
FTE 133 (2013: 98)
Branches 9 (2013: 8)

Capital Region of Denmark (15%)

Business volume DKK 53 billion (2013: 11)
FTE 180 (2013: 76)
Branches 15 (2013: 5)

Region Zealand (15%)

Business volume DKK 53 billion (2013: 18)
FTE 143 (2013: 115)
Branches 8 (2013: 7)

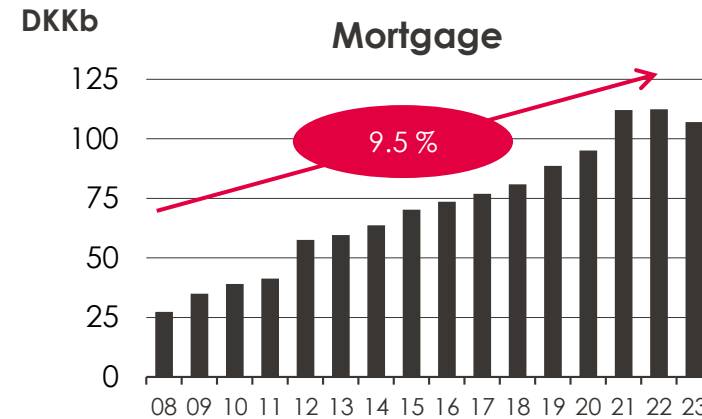
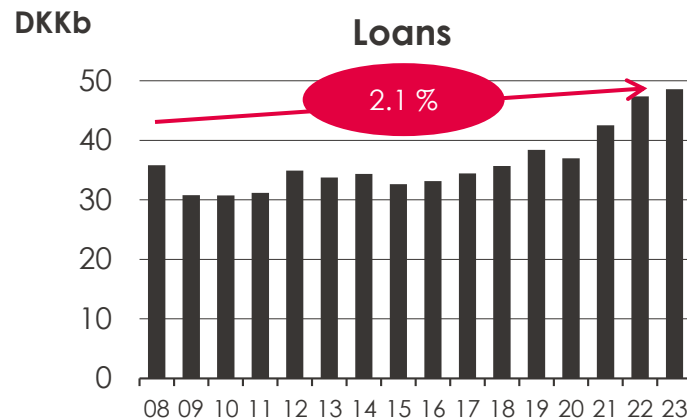
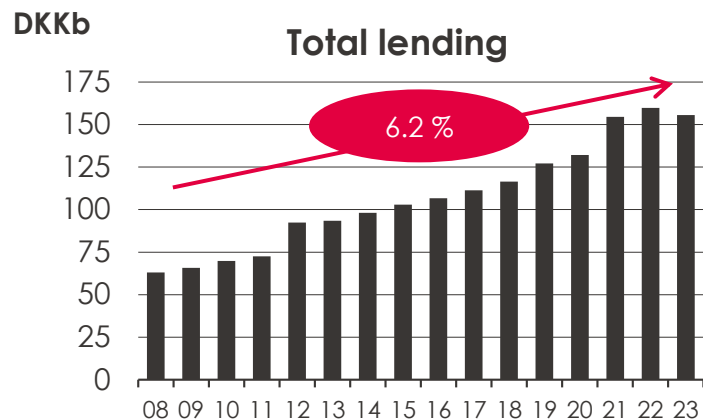
New Local Banks established in recent years

- **2020**
 - Branch in Herlev
- **2021**
 - Branch in Korsør
 - Branch in Solrød Strand
- **2022**
 - Branch in Hørsholm
 - Banking area on Nykøbing Falster
 - Banking area in Allerød
- **2023**
 - Branch in Helsingø
 - Banking area in Frederikssund

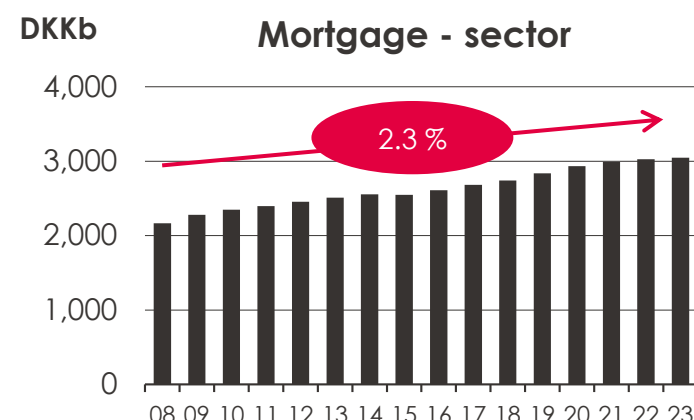
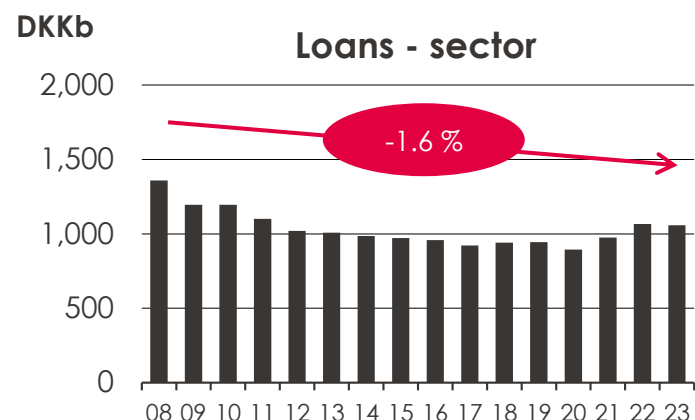
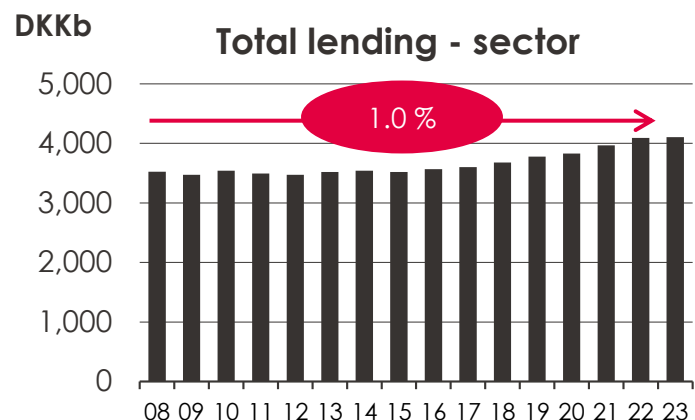
15 years with growth and steadily gaining market share

Historically Spar Nord has been growing more rapidly than the broader Danish banking sector

Spar Nord



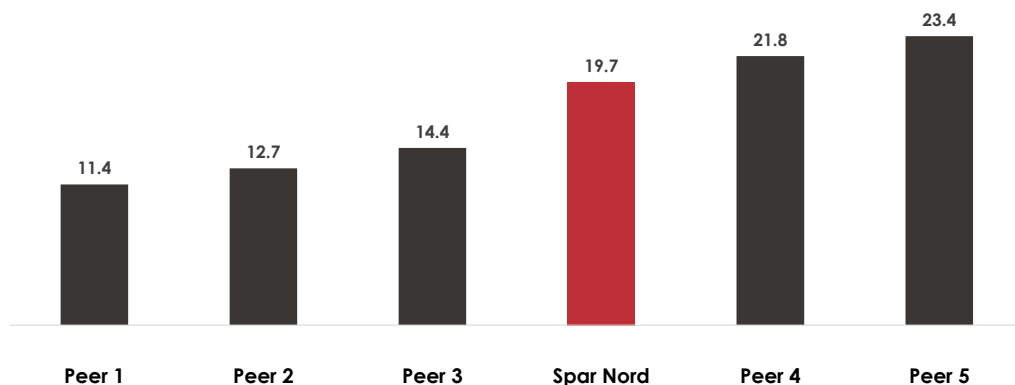
Danish Banking Sector



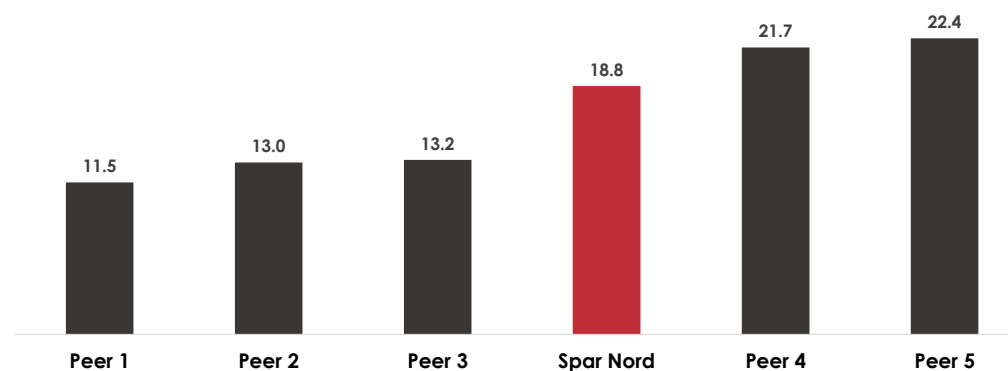
ROE among the best in Denmark

5-year average ROE well above most peers at 12.8%

ROE after tax 2023

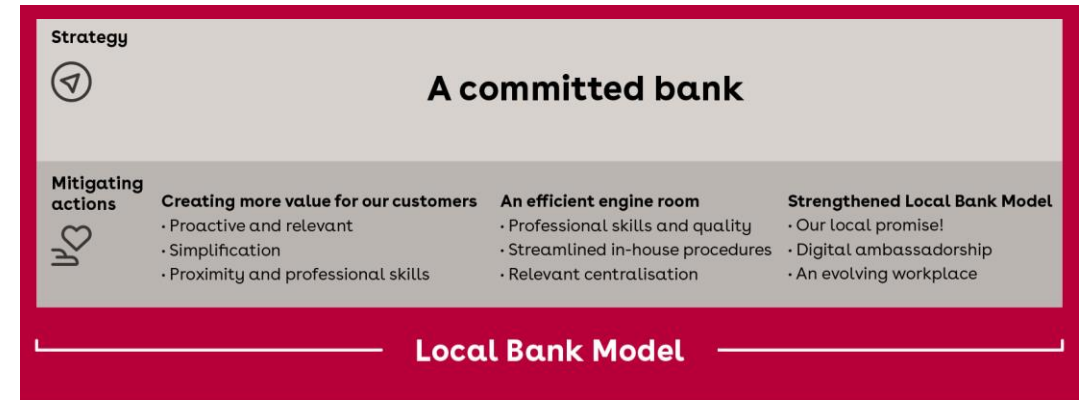
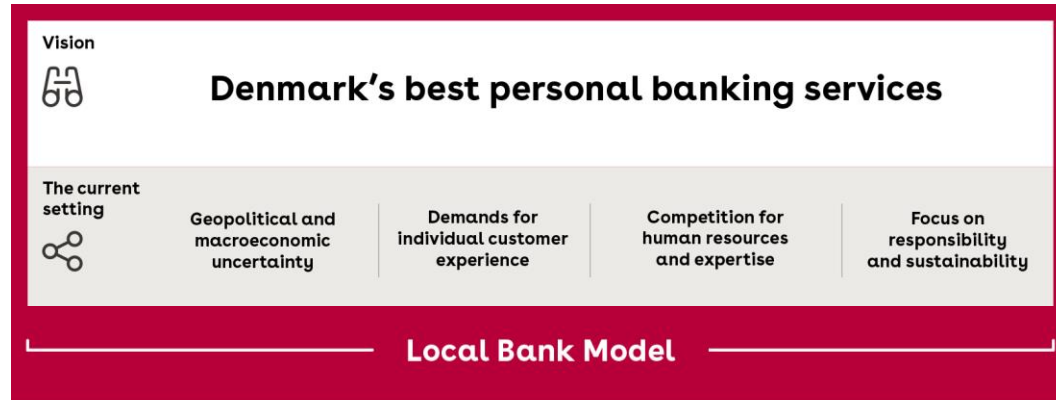


ROE after tax H1 2024



ROE (% after tax)	2019	2020	2021	2022	2023	Avg. ROE (5 year)	H1 2024
Peer 1	8.0	4.4	14.4	6.7	14.7	9.6	13.2
Peer 2	7.1	4.4	8.8	10.0	14.4	8.9	11.5
Spar Nord Bank	11.7	7.4	12.9	12.5	19.7	12.8	18.8
Peer 3	7.4	6.7	11.3	14.5	23.4	12.7	21.7
Peer 4	13.2	11.7	14.6	16.6	21.8	15.6	22.4
Peer 5	13.0	7.7	11.2	7.3	13.2	10.5	12.0
Average (Peer group)	10.1	7.1	12.2	11.3	17.9	11.7	16.6

Strategy and strategic actions 2023-25



- **Creating more value for our customers**

- Improved services to large business customers by establishing Large Corporate departments in Aarhus and Roskilde to complement the Aalborg location
- Improved personalised service by becoming even more proactive and relevant in our advisory services and other communications

- **An efficient engine room**

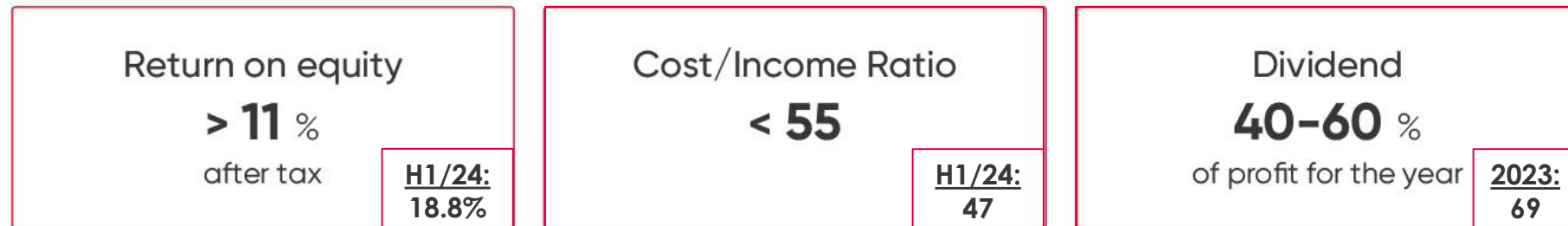
- Centralisation of administrative tasks – such as production and verification of business documents and financial analysis

- **Strengthened local bank model**

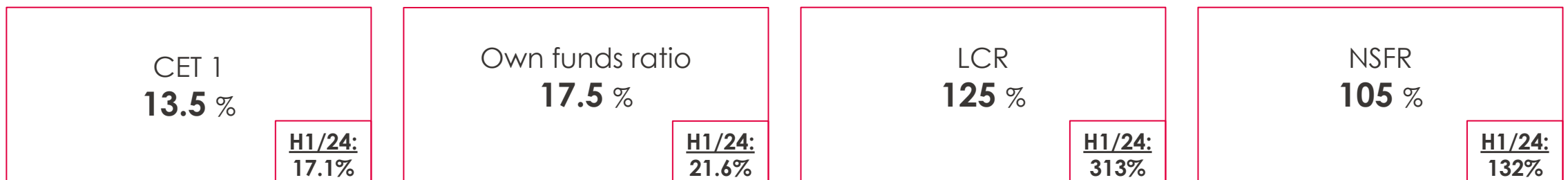
- Consolidation of Spar Nord's market position by giving employees an increased mandate to make decisions that concern customercentric areas and relations. This way, our employees should have an even greater opportunity to make a difference in the areas where they live – and where the Bank operates

Financial targets 2023-25

Strategic targets 2023-25



Based on an impairment ratio, which in the 2023-2025 strategy period is not expected to exceed 0.50



Financial overview

Financial highlights H1 2024

Profit

Profit of DKK 1,215m and **ROE of 18.8% p.a. after tax**

Core income

Core income of DKK 2,924m – **~6% growth since H1 2023**

Costs and expenses

Costs and expenses of DKK 1,379m, **~47% of core income** – slight increase from ~45% in H1 2023

Impairment charges

Loan impairments amounted to DKK -37m against DKK -4m in H1 2023

Lending

Bank and leasing lending **valued at DKK 57,5b**, up 1% from H1 2023

CET1 ratio

CET 1 ratio of 17.1% - up by 90bp from H1 2023

LCR ratio

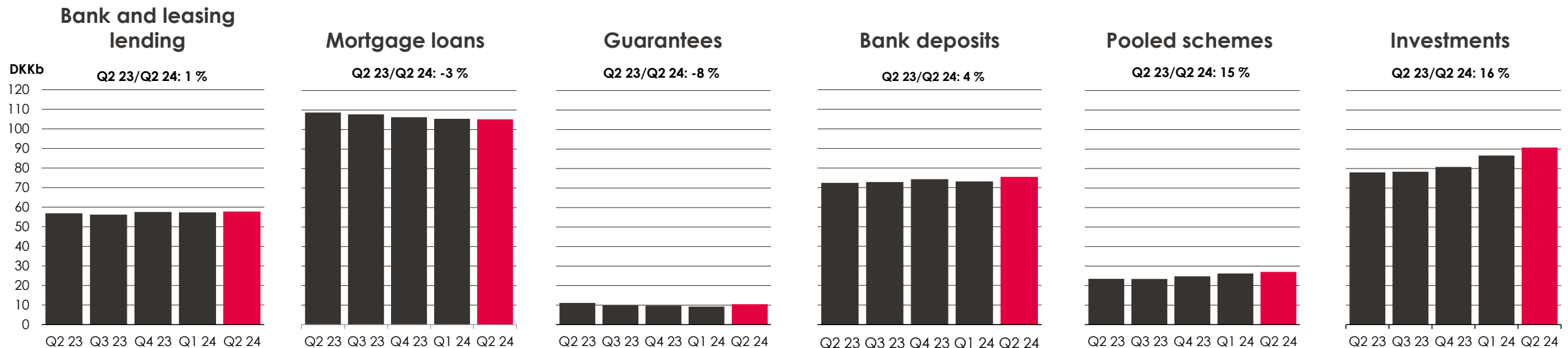
LCR ratio of 313% - significant increase from 252% in H1 2023

Share buyback

DKK 500m share buyback program, of which **DKK 195m have been conducted in H1 2024**

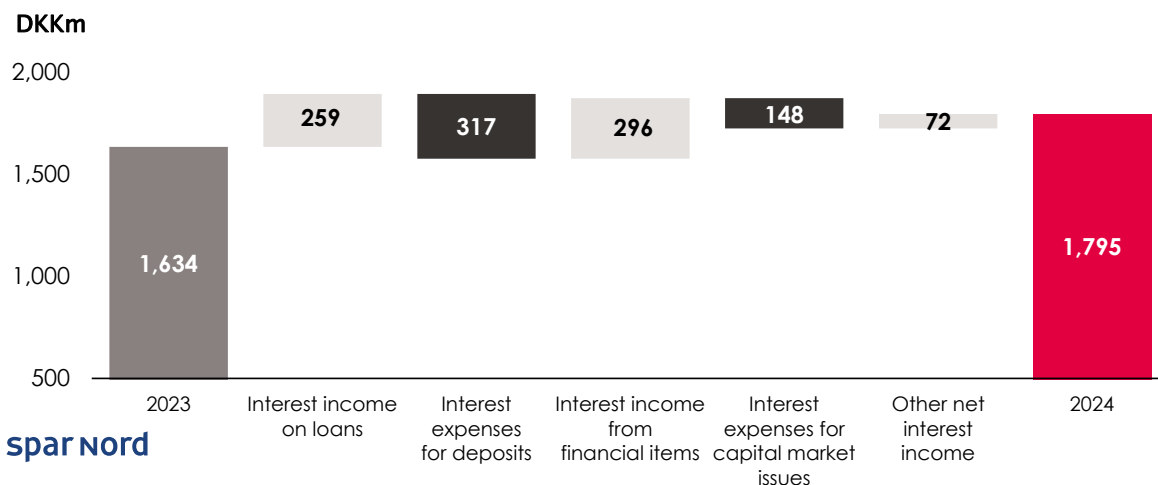
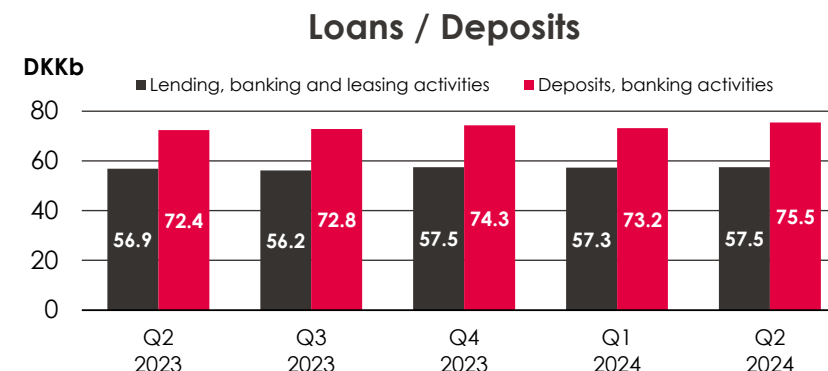
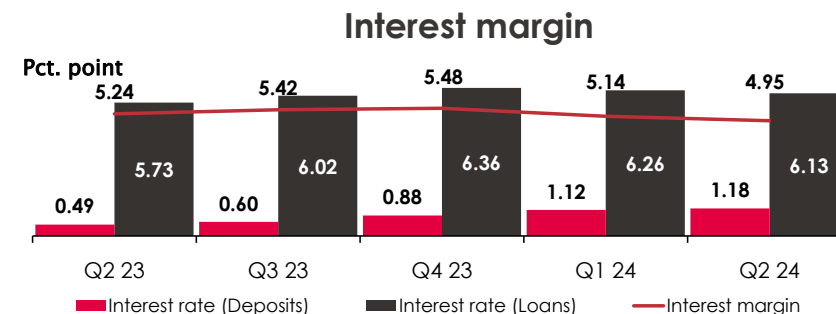
Growth in total business volume of 5% (y/y)

- End of H1 2024, total business volume amounts to DKK 371 billion – DKK 16 billion (5%) higher than end of H1 2023
- Growth in both bank and leasing lending and bank deposits
 - Bank and leasing lending were up by DKK 0.6 billion (Private: DKK 2.2 billion / Corporate: DKK -2.4 billion / Leasing: DKK 0.7 billion)
 - Bank deposits grew DKK 3.1 billion (Private: DKK 3.2 billion / Corporate: DKK -0.1 billion)
- Customers' invested assets were up DKK 12.6 billion while deposits in pooled schemes grew DKK 3.5 billion
- Decline in mortgage loans of DKK 3.5 billion and drop in guarantees of DKK 0.9 billion
 - By end of H1 2024, total originated mortgage loans were DKK 105.2 billion



Net interest income up by 10%

- **NII amounted to DKK 1,795 million versus DKK 1,634 million in H1 2023**
 - Net interest income relating to the placement of the Bank's excess liquidity increased by DKK 368 million due to higher market rates and increase in excess liquidity
 - Net interest income from loans and deposits decreased DKK 58 million due to lower average interest margin and growth in deposit volume
 - Interest margin of 4.95% in Q2 2024 was 29 bp. lower compared to Q2 2023 – and 19 bp. lower compared to Q1 2024
 - Relative to H1 2023, deposits placed in savings accounts and fixed-rate deposit products increased by around DKK 12 billion to a total of around DKK 20 billion
- **Lending growth of DKK 0.6 billion – y/y increase of 1%**
 - Lending to private customers up by DKK 2.2 billion (YTD: DKK 0,9 billion)
 - Growth in bank mortgage loans of DKK 1.7 billion (YTD: DKK 0.7 billion)
 - Leasing business has grown DKK 0.7 billion (YTD: DKK 0,3 billion)
 - Lending to corporates and SMEs down by DKK 1.6 billion (YTD: DKK -0.5 billion)
 - Lending to public-sector customers down by DKK 0.7 billion (YTD: DKK -0.7 billion)



DKKm	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Interest income on loans	780	824	863	866	858
Interest expenses for deposits	109	146	198	246	259
Net interest income, deposits and loans	670	679	665	620	599
Interest income from financial items	217	303	336	357	348
Other net interest income	69	82	89	92	100
Net interest income, liquidity surplus	287	385	425	449	448
Interest expenses for capital market issues	93	107	143	161	160
Total net interest income	865	957	947	909	887

Net fee income at the level of H1 2023

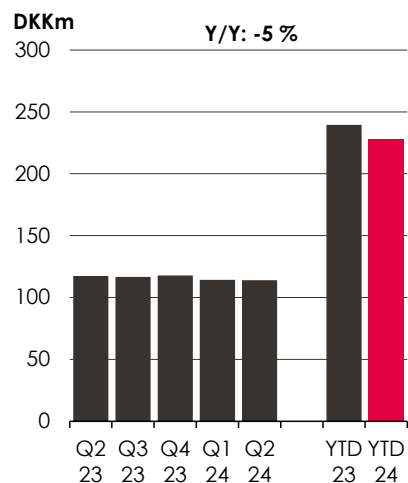
- Net fee income amounted to DKK 780 million versus DKK 776 million in H1 2023

- Satisfactory level of activity within securities trading and assets under management, where fee income continues to be positively affected by last year's increase in volume within assets under management
- Continued good activity within payment services and cards, insurance and pension
- Overall lower level of activity within the housing market
 - However, with increasing house transactions in the last months of the 2nd quarter of 2024

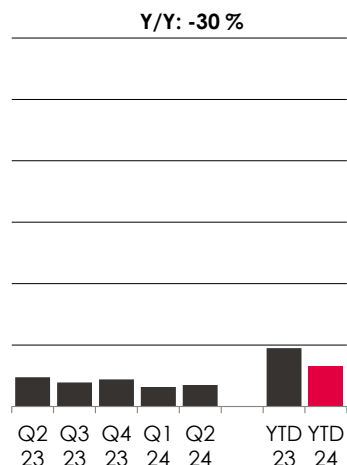
Trend in net fee income



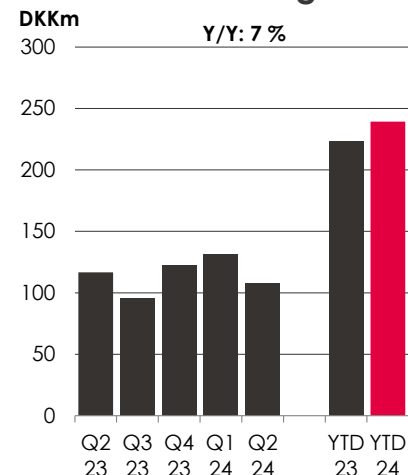
Mortgage



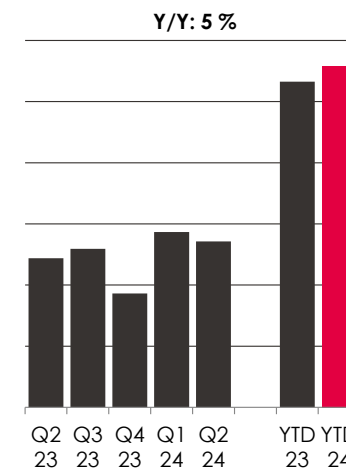
Other transactions fees



Securities trading and asset management



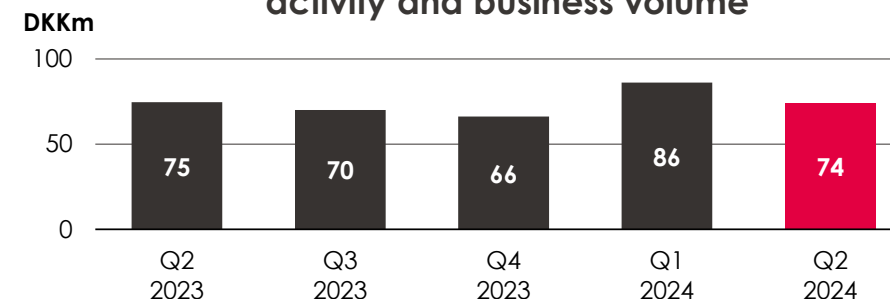
Other fees



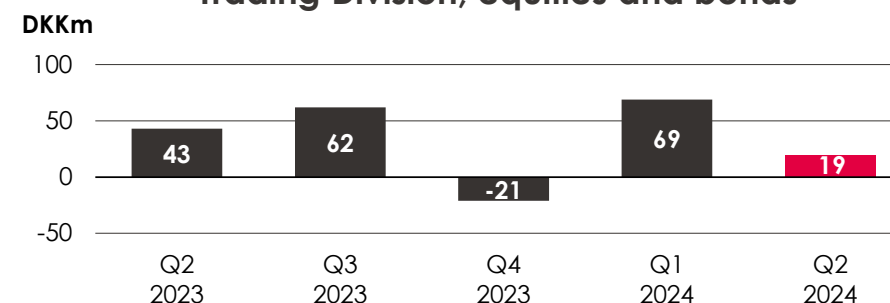
Satisfactory market value adjustments from both customer activity, strategic shares and own holdings

- Market-value adjustments and dividends amounted to DKK 248 million versus DKK 275 million in H1 2023
- Market value adjustments from customer activity and strategic shares of DKK 160 million
 - Market value adjustments and dividends on the portfolio of strategic shares in the financial sector of DKK 108 million – 11% higher than in H1 2023
 - Market value adjustments from currency trading and exchange rate gains amounted to DKK 53 million
- Market value adjustments on own holdings (equities and bonds) were DKK 88 million
 - In the Trading Division, market value adjustments on bonds etc. were DKK 74 million while equities were DKK 14 million
 - Market value adjustments on bonds were primarily attributable to tightening of credit spreads in Q1 2024
- Entire bond portfolio is recognised at fair value

Market value adjustments from customer activity and business volume



Trading Division, equities and bonds



DKKm	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Tangible assets incl. dividends	51	48	44	60	48
Currency trade and -agio	23	22	23	27	26
Market value adjustments from customer activity and business volume	75	70	66	86	74
Market value adjustments, equities	6	2	10	9	5
Market value adjustments, bonds, etc.	37	61	-31	60	14
Market value adjustments in Trading Division	43	62	-21	69	19
Total market value adj. and dividends	118	132	45	155	93

Costs/income ratio at 47

- **Total costs amounted to DKK 1,379 million versus DKK 1,252 million in H1 2023 (10%)**

- **Payroll costs increases by DKK 68 million (9%)**

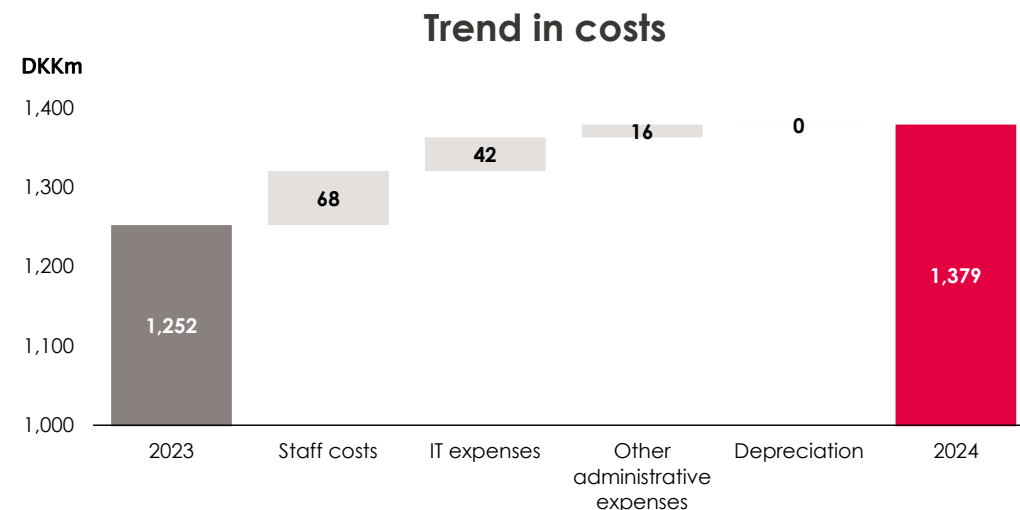
- Employed staff was on average 57 higher in H1 2024 compared to the same period last year
 - The increase was to a large extent driven by recent years' opening of new local banks and banking areas on Zealand and within Leasing and the Large Corporates area
- 1,724 employees (FTE) by end of H1 2024, which was 21 more than at year-end 2023
- Collective wage increases

- **Operating expenses up by DKK 58 million (12%)**

- Increase in IT costs related to both the bank's data centre, BEC and own IT projects. Including one-off costs for a total of DKK 18 million mainly related to cloud migration
- Increases in staff-related expenses and marketing costs mainly driven by one-off costs for activities relating to the Bank's 200th anniversary in May 2024 – a total of 15 million DKK in the period
- Excl. one-off costs, operating costs increase by 5%

- **Cost/Income Ratio of 47**

- Cost/Income Ratio in H1 2023: 45



Breakdown on cost types

Operating expenses (DKKm)	H1 2024	H1 2023	Change
Staff-related expenses	36	24	12
Travel expenses	9	10	-1
Marketing costs	39	32	7
IT expenses	345	302	42
Cost of premises	25	28	-3
Other administrative expenses	66	65	1
Depreciation	45	45	0
Operating expenses	565	507	58

Net reversal of impairments in 5 consecutive quarters

- **Loan impairments amounted to DKK -37 million against DKK -4 million in H1 2023**

- The positive trend in loan impairment charges under-lined an unchanged strong credit quality among the Bank's retail and corporate customers
- Underlying movement between private and business customers is related to the adjustment and recalculation of the management estimates regarding cyclical downturn and commercial real estate

- **At the end of H1 2024, total management estimate was increased by DKK 37 million to a total of DKK 699 million**

- The increase in management estimate was primarily related to continued uncertainty about a cyclical downturn, valuation of commercial real estate and the expected effects of the carbon tax on agriculture

DKKm / pct.	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
- Impairments, private	37	-37	-35	-109	-47
- Impairments, corporate	-42	12	31	77	43
Impairments of loans and advances	-5	-25	-4	-32	-4
Impairment ratio	0.0	0.0	0.0	0.0	0.0

DKKm	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Cyclical downturn	443	403	375	399	407
Commercial real estate	26	112	155	160	177
ESG	52	54	73	98	88
Model uncertainty etc.	92	79	59	44	27
Landprices	33	23	0	0	0
Total management estimates	646	671	662	701	699
<i>Of which Private customers</i>	364	326	273	213	165
<i>Of which Corporate customers</i>	282	346	389	488	534

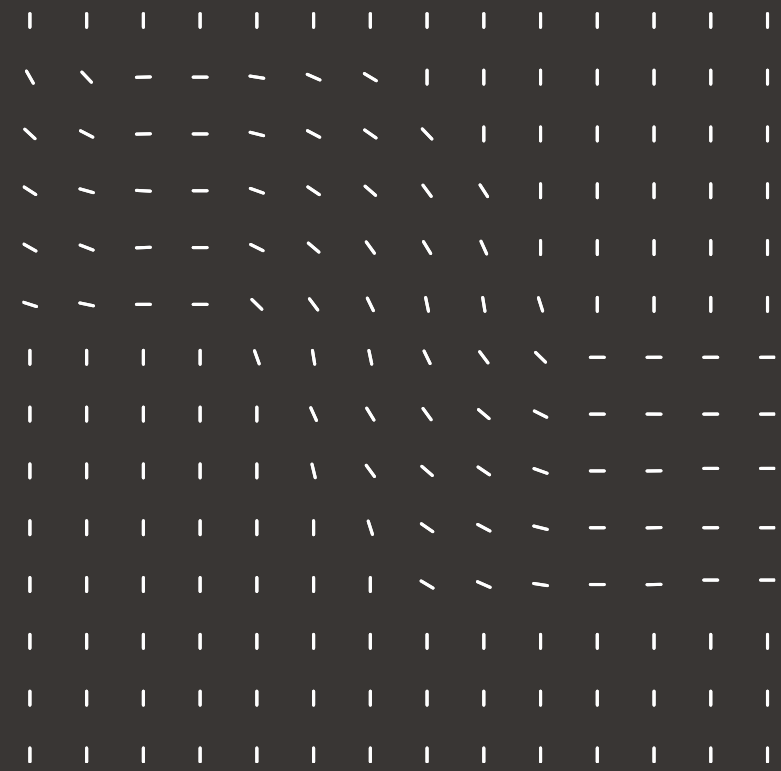
Financial guidance for 2024

- Updated on 19 June 2024

5 years trend

DKKm	2023	2022	2021	2020	2019
Core earnings before impairment	3,108	1,808	1,581	1,227	1,324
Impairments of loans and advances	-33	78	-120	309	22
Profit after tax	2,421	1,417	1,368	737	1,059
ROE after tax (pct.)	19.7	12.5	12.9	7.4	11.7

- **Core earnings before impairments are now expected of around DKK 2,600 – 3,000 million**
 - Core earnings before impairments of DKK 1,545 million in H1 2024
 - At the beginning of 2024, core earnings before impairments were expected of around DKK 2,400 – 2,900 million
- **Loan impairment charges are now expected at a level of around 0.10% of loans, advances and guarantees**
 - Loan impairments of DKK -37 million in H1 2024
 - At the beginning of 2024, impairments charges were expected at a level around 0.30% of loans, advances and guarantees
- **Profit after tax are now expected of around DKK 1,950 – 2,250 million**
 - Profit after tax of DKK 1,215 million in H1 2024
 - At the beginning of 2024, profit after tax were expected of around DKK 1,700 – 2,100 million



Asset quality overview

Maintaining strong credit quality is a very important ambition

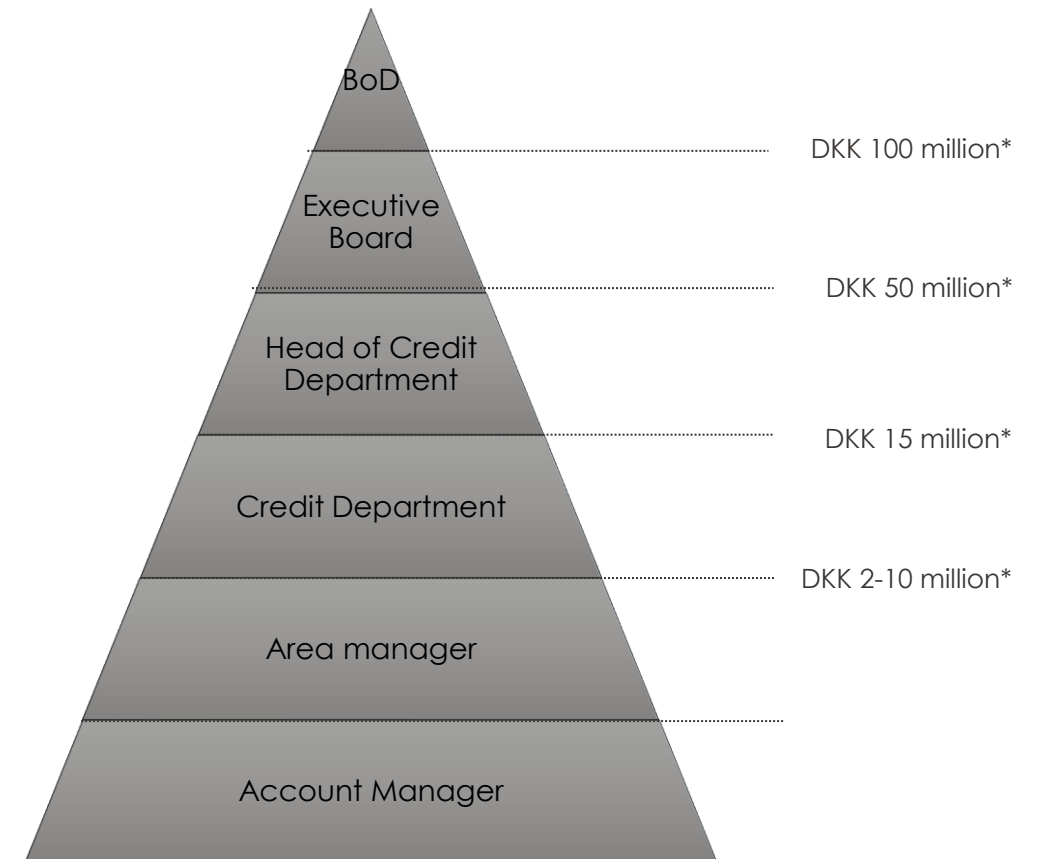
Comments

- Firm focus on household segment and local SMEs
 - Loan book is 46 % private customers and 54 % corporate customers*
 - Corporate portfolio is very diversified in terms of business sectors
 - Formal targets for industry diversification

Energy	max. 8%
Agriculture	max. 10%
Property	max. 15% (5% for speculative property financing)
Financing	max. 10%
Industry	max. 10%
Trading	max. 15%
 - Exposure is capped at DKK 1,000m for exposure groups within the same legal entity with more stringent requirements for collateral to secure exposure amounts exceeding DKK 500m
 - The unsecured share in the exposure group must not exceed DKK 250m
- Centralized monitoring of credit risk exposures by the Risk Management Department
 - Systematic screening of new retail exposures over DKK 100,000 and business exposures over DKK 300,000 form the basis for selection for a manual credit quality assessment.

*Excluding reverse repo transactions

Underwriting hierarchy



*half amount on new customer

Well diversified loan book

- Loan book is generally very well diversified on industries
 - No abnormal exposure to any business sectors
 - Largest sector exposure is property which accounts for 10%
- Exposure to private customers accounts for 46% of loans and guarantees – against a sector average of approx. 1/3

Loans and guarantees broken down by industry*

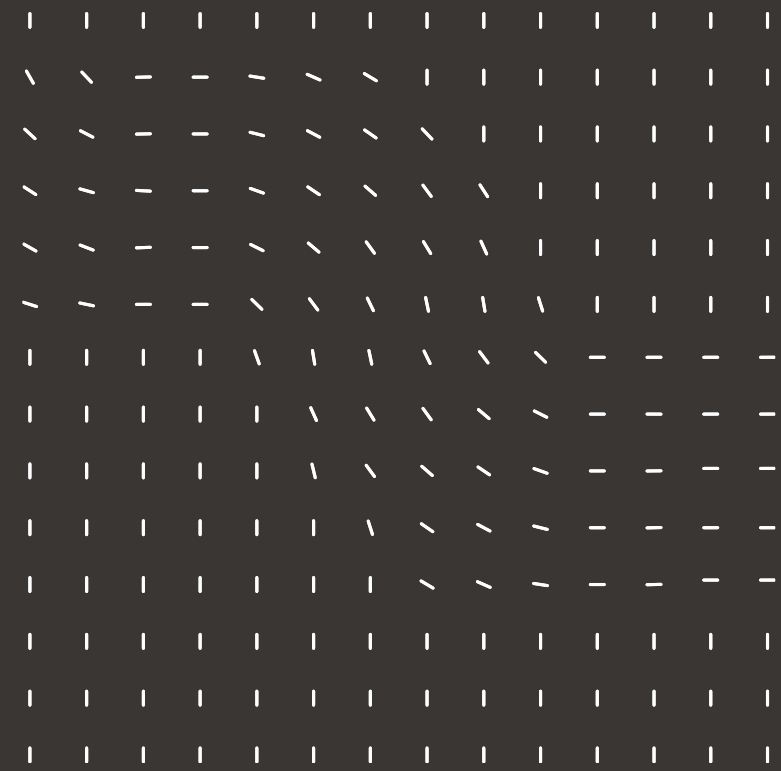
Industry	DKKm			Pct.		
	H1 '24	2023	2022	H1 '24	2023	2022
Public authorities	86	760	1,358	0.1	1.1	2.0
Agriculture	2,665	2,643	2,802	3.8	3.8	4.0
Fisheries	52	56	93	0.1	0.1	0.1
Industry	3,305	3,416	3,666	4.8	5.0	5.3
Utilities	1,976	1,872	2,159	2.8	2.7	3.1
Building and construction	3,693	3,046	3,106	5.3	4.4	4.5
Trade	5,309	4,465	4,977	7.6	6.5	7.2
Transport, Hotels and Restaurants	3,282	3,157	3,165	4.7	4.6	4.6
Information	374	351	330	0.5	0.5	0.5
Financing and insurance	3,472	4,231	4,469	5.0	6.1	6.4
Property	7,132	8,393	8,200	10.3	12.2	11.8
Other industries	6,063	6,241	5,580	8.7	9.1	8.1
Total Business customers	37,410	38,630	39,905	53.9	56.1	57.6
Private customers	31,991	30,234	29,385	46.1	43.9	42.4
Total	69,401	68,864	69,290	100	100	100

* Excl. reverse repo transactions

Total credit distribution by industry*

Bank loans and guarantees + Originated mortgage loans - 2024 Q2 (DKKm)								
Industry	Spar Nord On balance sheet			Spar Nord Off balance sheet	Originated mortgage loans		Total	Total in pct.
	Bank loans	SparXpres	Leasing loans	Guarantees	Totalkredit	DLR Kredit		
Public authorities	82		2	2	0	0	86	0.1
Agriculture and Fisheries	1,534		981	42	297	3,259	6,113	3.6
Industry	1,897		1,065	316	339	190	3,807	2.2
Utilities	912		971	81	30	21	2,015	1.2
Construction and engineering	2,042		1,307	268	799	312	4,728	2.8
Trade	4,179		795	267	901	477	6,619	3.9
Transport, hotels and restaurants	1,333		1,819	99	385	153	3,789	2.2
Informations	281		37	23	346	25	712	0.4
Financing and insurance	2,858		219	362	157	258	3,854	2.3
Property	6,803		33	170	1,786	3,526	12,319	7.3
Other industries	3,597		2,116	177	2,713	311	8,914	5.3
Total business customers	25,517		9,347	1,808	7,751	8,534	52,956	31.3
Private customers	23,719	519	10	3,348	87,034	1,739	116,369	68.7
Total	49,236	519	9,357	5,155	94,785	10,272	169,325	100.0

*Gross credit distribution excl. reverse repo transactions

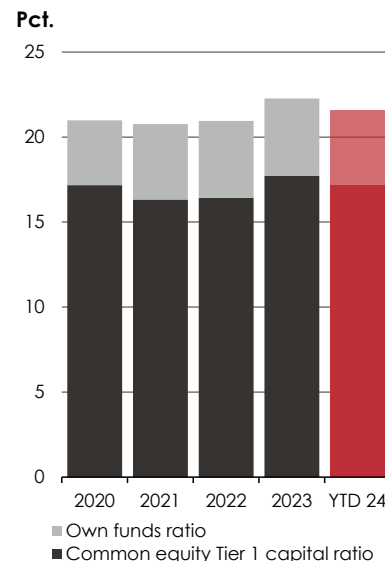


Capital & liquidity overview

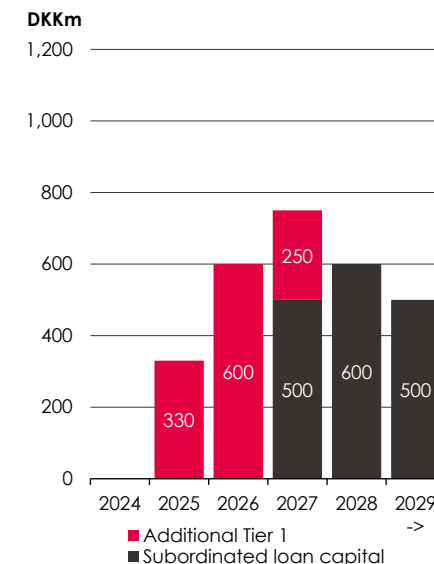
Capital coverage increased

- **Capital ratios**
 - CET1: 17.1 (strategic target: 13.5)
 - Own funds ratio: 21.6 (strategic target: 17.5)
- **Individual solvency requirement of 9.6% and combined buffer requirement of 6.4%**
 - Excess coverage of 5.3 percentage points or DKK 3.3 billion
- **Compared with Q1 2024, the Bank's CET1 ratio and own funds ratio were 0.2 percentage points higher**
 - The Bank's own funds was increased by DKK 266 billion and primarily driven by the recognition of the profit for the period less provisions for expected dividends
 - Total risk exposure increased DKK 0.7 billion
 - The higher risk exposure amount for credit risk was to a large extent attributable to an increase in loans, advances and guarantees to retail customers
 - The reduced risk exposure amount for market risk was mainly driven by lower gross interest rate risk

Capital ratios



Maturity profile for subordinated debt

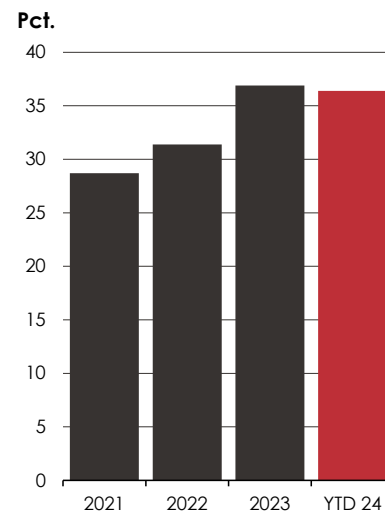


Pct. / DKKm	Q2 2024	Q1 2024	2023	2022
Common equity Tier 1 capital ratio	17.1	16.9	17.7	16.4
Additional Tier 1	1.9	1.9	1.9	1.9
Tier 1 capital ratio	19.0	18.8	19.7	18.4
Tier 2 capital	2.6	2.6	2.6	2.6
Own funds ratio	21.6	21.4	22.3	20.9
Total Risk Exposure	61,710	61,037	60,369	60,463
Of which Credit Risk	49,847	48,712	49,563	50,063
Of which Market Risk	3,782	4,244	3,958	3,901
Of which Operational Risk	8,081	8,081	6,848	6,499

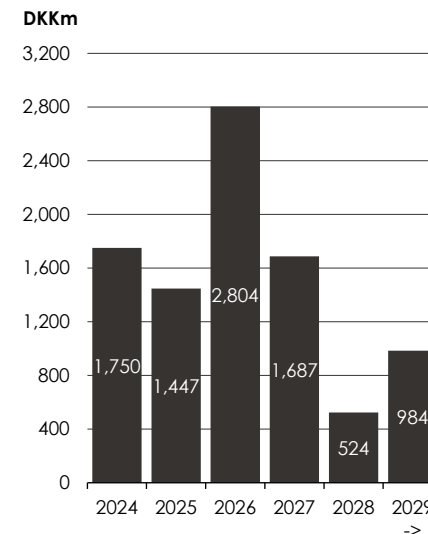
Comfortable coverage for MREL requirement

- MREL and combined buffer percentage was 36.4% which is 0.3 percentage points lower than at Q1 2024
 - Prepayment of DKK 750 million MREL capital (Senior Preferred) in May 2024
- Excess coverage against fully phased-in MREL and combined buffer requirement of 6.8 percentage points by H1 2024
 - At H1 2024, implementation of a sector-specific systemic risk buffer for exposures to real estate companies at a rate of 7% resulted in an increase in the MREL and combined buffer requirement of 0.9 percentage points
 - With due consideration to ensuring ongoing refinancing, an even maturity structure and the current opportunities and prices of issues, Spar Nord regularly considers the need for and timing of issuing additional MREL capital
 - Spar Nord currently expects to issue MREL capital for between DKK 1 and 2 billion (around EUR 130 – 270 million) during the remainder of 2024

MREL and combined buffer percentage



Maturity profile for MREL capital*



* MREL capital is shown with a minimum of 1 year to contractual maturity

MREL requirement and -coverage

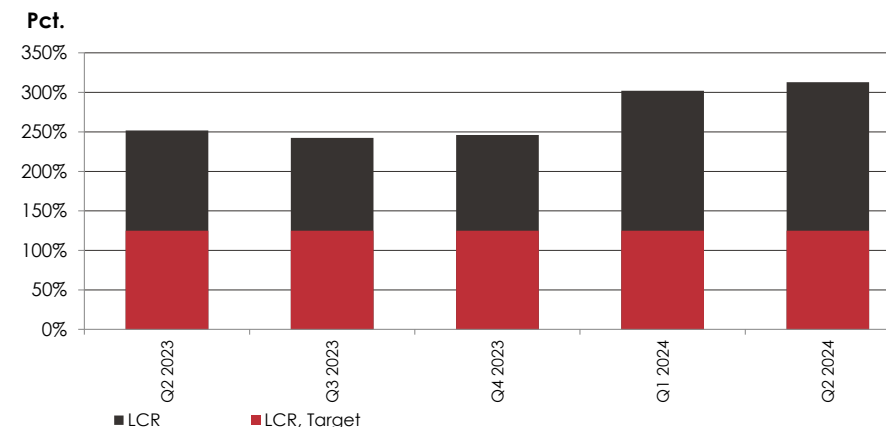
DKKb	Q2 2024	Q1 2024	2023	2022
Own funds	13.3	13.1	13.4	12.7
MREL capital	9.2	9.3	8.8	6.2
Deduction – separate combined buffer requirement	-4.0	-3.6	-3.6	-3.3
Total MREL-eligible liabilities	18.5	18.8	18.7	15.7

Pct.	Q2 2024	Q1 2024	2023	2022
MREL and combined buffer percentage	36.4	36.7	36.9	31.4
MREL and combined buffer requirement	29.6	29.0	29.0	27.2
Excess coverage, MREL requirement	6.8	7.7	7.8	4.2

Unchanged strong liquidity and funding

- **End of H1 2024, LCR stood at 313%**
 - Statutory requirement at 100% / Bank's own target at 125%
- **End of H1 2024, NSFR stood at 132%**
 - Statutory requirement at 100% / Bank's own target at 105%
- **End of H1 2024, deposits excluding pooled schemes amounted to DKK 75.5 billion or 72 % of the Bank's total funding**
 - 65% of the deposits excluding pooled schemes were covered by the Guarantee Fund
 - The sum of the 20 largest deposits accounted for 4% of the Bank's total deposits excluding pooled schemes

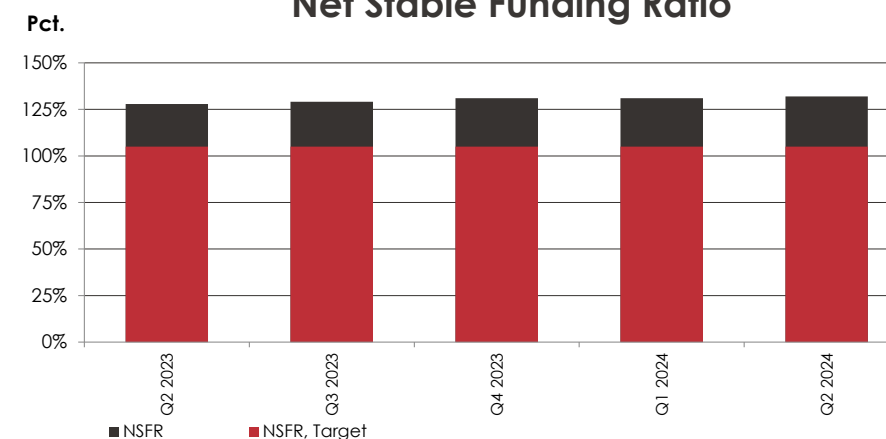
Liquidity Coverage Ratio



Funding profile

DKKb	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Money market funding	2.9	3.0	5.0	4.8	4.4
Deposits excluding pooled schemes	72.6	73.2	74.4	73.2	75.5
Issued bonds	6.3	6.5	9.3	9.8	9.1
Tier 2 capital and AT1 capital	2.8	2.8	2.8	3.0	2.8
Shareholders' equity	11.7	12.3	12.8	12.2	12.6
Total funding	96.3	97.7	104.4	103.0	104.4

Net Stable Funding Ratio



Strong and low risk customer deposit base

- **Overall, a conservative funding profile which gives rise to strong liquidity and funding metrics**

- Liquidity metrics by end of H1 2024: LCR = 313 % and NSFR = 132 %

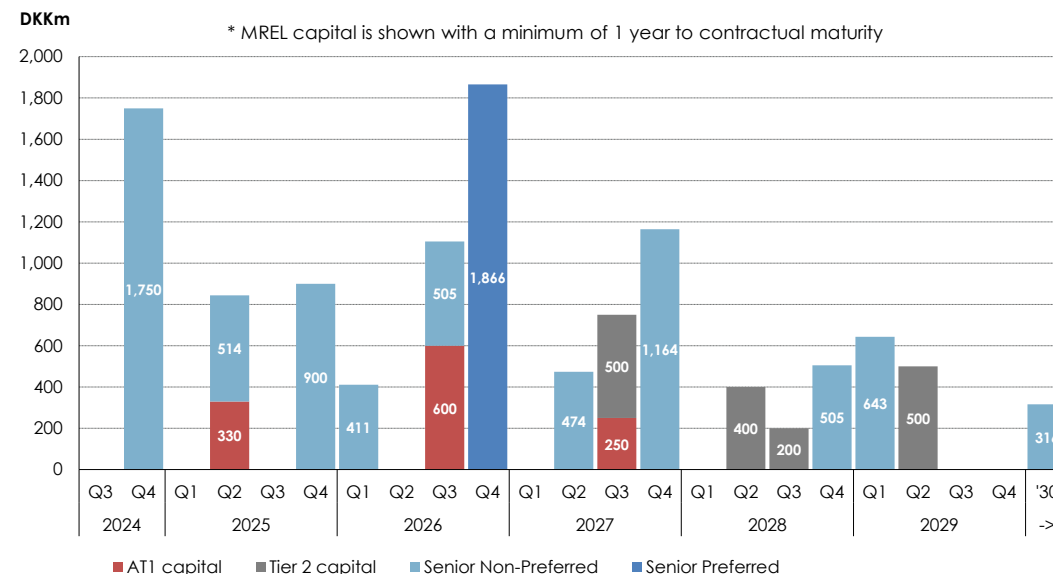
- **Majority of funding based on a strong customer deposit base**

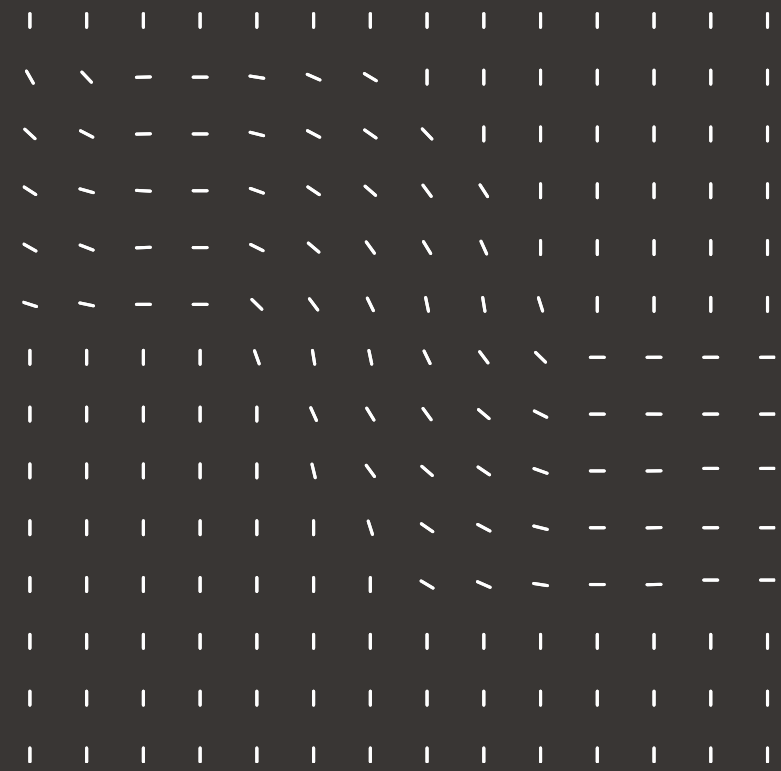
- A natural consequence of the Bank's business model with focus on private customers and SMEs
- Focus on full customer relationships contributes to large deposit base
 - By end H1 2024, average deposits were in the range of:
 - DKK 160,000 per retail customer
 - DKK 3.1m per corporate/non-retail customer
 - 65 % of the customer deposits are covered by the Danish deposit protection scheme
 - 77 % of retail deposits
 - 10 % of other deposits (sum of non-retail deposits, deposits from financial customers and repo transactions)

- **With MREL-requirement fully phased in from Jan. 2024, outstanding amount of MREL-capital expected around DKK 9bn**

Deposits excluding pooled schemes (DKKb)	2021	2022	2023	Q2 2024
Deposits, Retail customers	53.6	56.2	60.9	61.8
Deposits, Non-retail customers	9.2	13.5	12.3	12.6
Deposits, Financial customers	1.0	2.4	1.1	1.1
Deposits, Repo transactions	0.0	0.0	0.1	0.0
Deposits excluding pooled schemes	63.8	72.2	74.4	75.5

Customer deposits Supplementary metrics	2021	2022	2023	Q2 2024
Share of customer deposits covered by the Danish deposit protection schemes	67%	69%	64%	65%
Top 20 customer deposits / Total customer deposits	3%	7%	5%	4%





Sustainability at Spar Nord

ESG and sustainability in five workstreams

1.
**RESPONSIBLE
INVESTMENTS**

2.
**SUSTAINABLE
FINANCE**

3.
**GOVERNANCE
&
COMPLIANCE**

4.
**LOCAL
INVOLVEMENT**

5.
**OWN
FOOTPRINT**

UN INITIATIVES PROVIDE THE FRAMEWORK FOR ESG WORK

WE SUPPORT



ESG targets

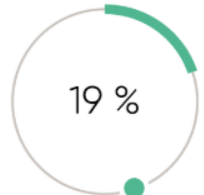
- Realized levels of YE 2023

Climate and environment



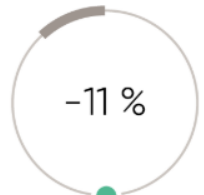
Investments

Reduction of financed emissions from investments in shares and corporate bonds made on behalf of customers by 30% in 2025 and 60% in 2030 compared to 2020 baseline.



Lending

Reduction of financed emissions from lending by 20% in 2025 and 45% in 2030 compared to 2021 baseline.



Own activities

Reduction of carbon emissions from the Bank's own activities by 30% in 2025 and 50% in 2030 compared to 2021 baseline.



Energy-friendly car loans

By 2025, 80% of all new loans for the financing of cars are to be for electric or plug-in hybrid vehicles.



Gender in management



Board of Directors

In 2025, the underrepresented gender is to represent at least 33% on the Board of Directors.



Other management levels

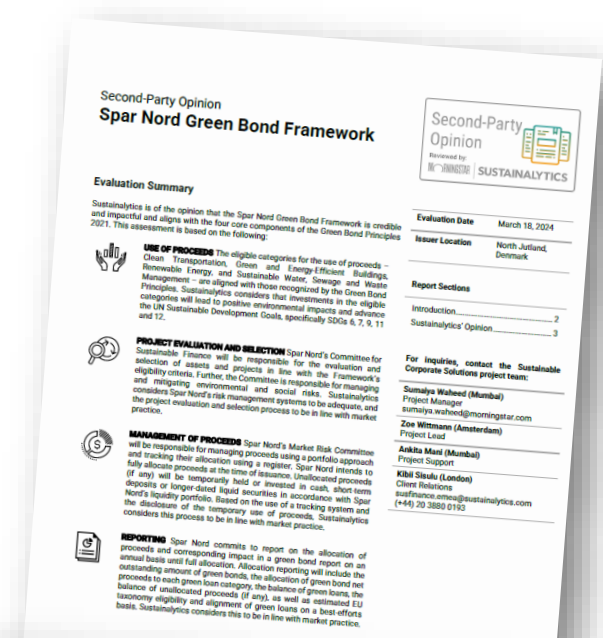
By 2026, the underrepresented gender is to represent at least 20% of the other management levels.

Green Bond Framework

- Key highlights

- **Inaugural Green Bond framework published March 2024**
 - Spar Nord has chosen to focus its sustainable finance efforts on specific loan products and projects supportive of the green transition.
- Framework aligned with the four core components of the ICMA Green Bond Principles
- The EU Taxonomy have been considered as guiding tools in defining eligibility criteria
- **Second party Opinion from Sustainalytics**

“Sustainalytics is confident that Spar Nord is well positioned to issue green bonds and that its Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.”



Eligible Green Loan Portfolio

Green Loan
Portfolio Aug 24

Clean Transportation

- Electric vehicles
- Electrical charging stations

DKK 0.9 billion
(EUR 125 million)

Green and energy efficient buildings

- New buildings with an energy demand at least 10% lower than the national requirements set for (NZEB) or stage certification of at least DGNB 'gold'
- Buildings with EPC class A or stage certification of at least DGNB 'gold'
- Major renovations
- Individual installations

DKK 2.6 billion
(EUR 350 million)

Renewable Energy

- Wind and solar energy
- District heating
- Bioenergy
- Heat pumps
- Manufacturing of renewable energy technologies

DKK 1.0 billion
(EUR 130 million)

Sustainable water, sewage and waste management

- Water and wastewater
- Waste management

DKK 0.1 billion
(EUR 12 million)

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Legal disclaimer

Certain statements in today's presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. Forward-looking statements (other than statements of historical fact) regarding our future results of operations, financial condition, business strategy and future objectives can generally be identified by terminology such as "targets", "beliefs", "expects", "intends", "plans", "assumes", "will", "may", "anticipates", "continues" or similar expressions.

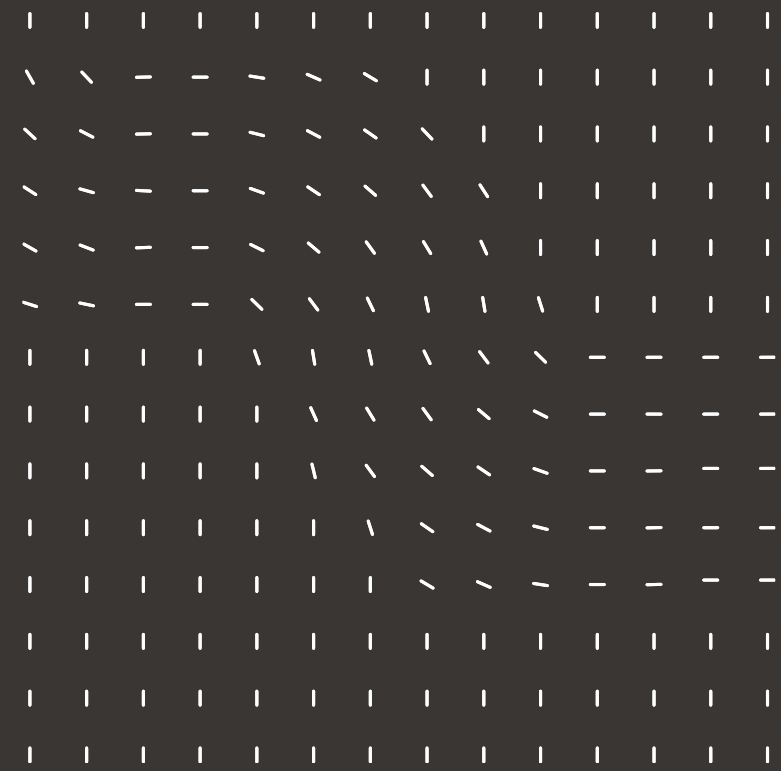
A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in the presentations including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks and changes in legislation.

We urge you to read our financial reports available on sparnord.com for a discussion of some of the factors that could affect our future performance and the industry in which we operate.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial condition or results could materially differ from that presented as anticipated, believed, estimated or expected.

Please note that we are not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

Appendix



Income statement

SPAR NORD BANK DKKm	Realized YTD 2024	Realized YTD 2023	Index	Realized Q2 2024	Realized Q1 2024	Index
Net interest income	1,795	1,634	110	887	909	98
Net fees, charges and commissions	780	776	100	375	405	93
Market-value adjustments and dividends	248	275	90	93	155	60
Other income	101	86	117	38	62	62
Core income	2,924	2,771	106	1,393	1,531	91
Staff costs	813	745	109	411	402	102
Operating expenses	565	507	112	281	284	99
Costs and expenses	1,379	1,252	110	692	687	101
Core earnings before impairment	1,545	1,519	102	701	845	83
Impairments of loans and advances	-37	-4	-	-4	-32	-
Profit before tax	1,582	1,523	104	705	877	80
Tax	366	344	106	159	207	77
Profit	1,215	1,178	103	546	670	82

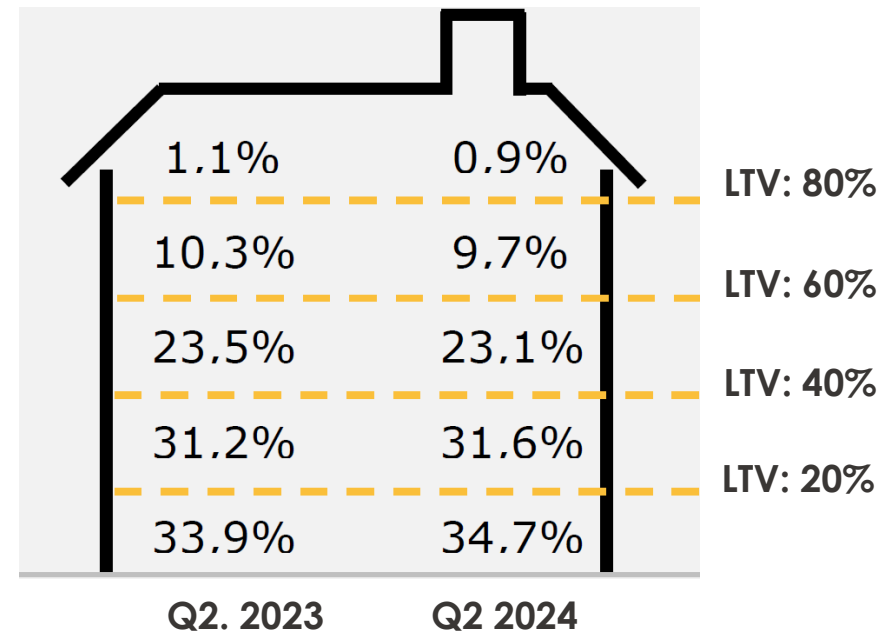
Facilitation of mortgage loans from Totalkredit

Mortgage facilitation overview

- A major part of Spar Nord's business consists of facilitating mortgage loans on behalf of Totalkredit (owned by Nykredit) and DLR-Kredit (DKK 105.2bn by H1 '24)
- When facilitating mortgage loans, Spar Nord is responsible for customer services, facilitation and initial credit assessment. Spar Nord then receives a share of the total income from the customer
- Risk of mortgage facilitation:
 - For Totalkredit private loans, Spar Nord is generally liable for losses on the cash part of the loan that exceeds 60% of the property's mortgage lending value
 - For Totalkredit business loans, Spar Nord is liable for 1/3 of the loan
 - On DLR-Kredit mortgage loans, Spar Nord is liable for a 2% guarantee plus a right of setoff
- In case of losses on loans facilitated by Spar Nord, a full or partial setoff will be made against the commission paid to Spar Nord for its loan-facilitation services
- Spar Nord records losses arisen on an ongoing basis, recognising them in impairment etc., so no losses are offset against future commission

Totalkredit Private – Spar Nord LTV & Historical loss rates for mortgages

- By end Q2 2024, 99.1% of Spar Nord's originated mortgage loans at Totalkredit were below 80% LTV and as much as 89.4% were below an LTV of 60%



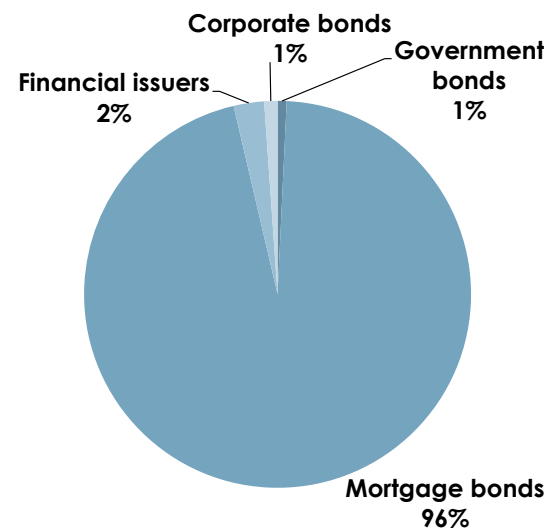
Totalkredit loans Private (DKKm)	Q2 '24-Q2 '23	2023	2022	2021	2020
Loss	10.0	13.1	11.2	11.0	11.9
Loans	94,898	95,868	100,047	97,870	80,599
Percentage	0.01%	0.01%	0.01%	0.01%	0.01%

A conservative liquidity portfolio

Comments

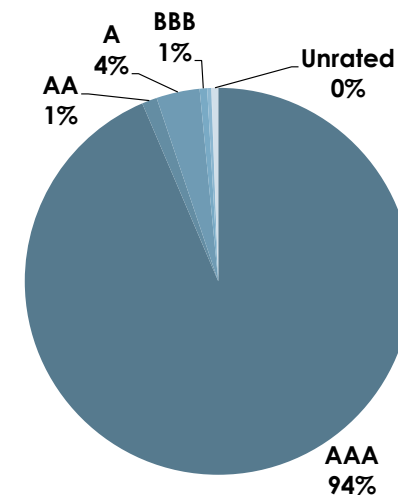
- Bond portfolio consists of 96% mortgage bonds
 - Of which 92% are from Danish mortgage issuers
- 94% of the bond portfolio are rated AAA
 - And only 1% are Non-investment grade
- Investment focus is on issuers from Denmark, Other Nordic Countries and to a lesser extend Euroland
- Entire bond portfolio booked at fair value

Bond portfolio by issuer type and rating



Bond portfolio by issuer type* (DKKm)	Q2	
	2024	2023
Government bonds	226	87
Mortgage bonds	28,719	29,463
Financial issuers	764	1,242
Corporate bonds	334	388
Total bonds	30,043	31,180

*Bond portfolio plus spot and forward purchases and sales



Bond portfolio by rating* (DKKm)	Q2	
	2024	2023
AAA	28,112	28,482
AA	379	485
A	1,088	1,615
BBB	187	285
BB	101	131
B	11	14
CCC	0	4
Unrated	165	164
Total bonds	30,043	31,180

*Bond portfolio plus spot and forward purchases and sales

Selected new ESG-initiatives

- **Sustainable finance**

- Free ESG-solution for corporate customers
 - The digital tool Validated supports corporate customers' transition plans and the dialogue between advisor and customer
 - The customer can easily and simply prepare climate accounting and ESG reports and follow their benchmark in relation to the industry
- Electric trucks as a new focus area for Spar Nord Leasing

- **Responsible investment**

- ESG-ratings displayed in the Mobile Bank
 - Providing customers with the possibility of an overview of their investments' ESG key figures

- **Governance**

- New independent whistleblower scheme administrated by third party
- New policy for anti-corruption and bribery



**IMPACT
REPORT**

POWERED BY

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