



## **PUBLIC TRANSPARENCY REPORT** **2025**

**Nykredit Realkredit Group**

Generated 24-11-2025

# About this report

PRI reporting is the largest global reporting project on responsible investment.

It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders. This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2025 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Why we engage in responsible investment: At Nykredit, together with our subsidiary Sparinvest, responsible investment is a core part of our strategy. We aim to be a responsible financial partner to our customers and the businesses we support. Our commitment is to generate long-term value for clients while contributing positively to society. Our overall approach: We integrate ESG (Environmental, Social and Governance) factors into our investment processes to better understand material risks and opportunities. This integration forms the foundation of our stewardship approach, which includes direct and collaborative engagement with portfolio companies. Through our stewardship programme, we engage with companies on a range of issues - from climate change and norms-related matters to thematic and company-specific challenges.

These engagements take many forms: direct dialogues by Nykredit or Sparinvest, collaborative initiatives such as Climate Action 100+ and the Net Zero Engagement Initiative, and efforts led by service providers. Our stewardship efforts are guided by robust voting principles that address both climate-related and broader ESG concerns. For example, we regularly vote against proposals where board independence is lacking or where executive remuneration schemes are not aligned with long-term value creation and sustainability performance. Our major commitments: To strengthen our impact as active owners, we have committed to ensuring that all investments are either aligned with the Paris Agreement or on a credible path to alignment by 2030. This commitment supports our broader stewardship strategy and includes the ambition to exercise voting rights at general meetings for portfolio companies. In 2024, our climate targets were formally validated by the Science Based Targets initiative (SBTi).

This confirms that our targets are grounded in science and in line with the 1.5°C goal of the Paris Agreement. We recently reviewed and updated our investment product offering with a new methodology for defining sustainable investments. This includes revised product naming and enhanced sustainability criteria across all products, ensuring we meet both regulatory expectations and our own standards for responsible investment.

#### Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

In 2024, a key milestone was the approval of Nykredit's and the Sparinvest Fund's climate targets by the Science Based Targets initiative (SBTi). This validation confirms that our investment approach is scientifically aligned with the Paris Agreement and its goal to limit global warming to 1.5°C.

Stewardship remained a central focus throughout the year, as we carried out numerous norm-based engagements and cast our votes at more than 10,000 general meetings - often using our votes to advocate for stronger climate action and respect for human rights. Notably, we voted against management recommendations on climate-related issues when they were not aligned with our net zero goals, and supported shareholder proposals that pushed for more ambitious climate strategies.

We also pursued collaborative engagements on key ESG topics. This included Net Zero Engagement Initiative (NZEI) and Climate Action 100+. Further sector-level engagements involved banks and industrial companies, where we addressed themes including fossil fuel policy, green steel innovation, and credible transition plans.

Collectively, these efforts have strengthened our ability to drive change and contribute to decarbonisation - in line with our net zero target.

### Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Over the next two years, Nykredit has outlined a number of concrete steps to advance our commitment to responsible investment:

1. We will continue operationalising our 2030 target by developing interim milestones, including engagement priorities.
2. We will enhance transparency by publishing detailed voting rationales and expanding public reporting on engagement outcomes.
3. We plan to implement improved ESG data systems and analytics to strengthen sustainability assessments at both product and portfolio levels, enabling more precise tracking of sustainability performance.
4. In response to evolving regulation (e.g. SFDR, MiFID II), we will review and adapt our product offerings and sustainability labels to ensure continued compliance and clarity for customers. This includes applying our new methodology for defining sustainable investments across all portfolios.

### Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Ralf Magnussen

Position

CEO of Nykredit Asset Management, Nykredit Bank (subsidiary of Nykredit Realkredit Group)

Organisation's Name

Nykredit Realkredit Group

● A

**'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.**

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# OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

## OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

### OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- ☒ (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- ☐ (B) Directive on AIFM (2011/61/EU) [European Union]
- ☐ (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- ☒ (D) EU Taxonomy Regulation [European Union]
- ☐ (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- ☐ (F) IORP II (Directive 2016/2341) [European Union]
- ☐ (G) Law on Energy and Climate (Article 29) [France]
- ☒ (H) MiFID II (2017/565) [European Union]
- ☐ (I) Modern Slavery Act [United Kingdom]
- ☐ (J) PEPP Regulation (2019/1238) [European Union]
- ☒ (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- ☐ (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- ☒ (M) SFDR Regulation (2019/2088) [European Union]
- ☐ (N) SRD II (Directive 2017/828) [European Union]
- ☐ (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- ☐ (P) Climate Risk Management (Guideline B-15) [Canada]
- ☐ (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- ☐ (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- ☐ (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- ☐ (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- ☐ (U) SEC Expansion of the Names Rule [United States of America]
- ☐ (V) SEC Pay Ratio Disclosure Rule [United States of America]
- ☐ (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- ☐ (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- ☐ (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- ☐ (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- ☐ (AA) Financial Markets Conduct Act [New Zealand]
- ☐ (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- ☐ (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- ☐ (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- ☐ (AE) Modern Slavery Act (2018) [Australia]

- ☐ (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- ☐ (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- ☐ (AH) JSE Limited Listings Requirements [South Africa]
- ☐ (AI) Other
- ☐ (AJ) Other
- ☐ (AK) Other
- ☐ (AL) Other
- ☐ (AM) Other
- ☐ (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

**During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?**

- ☐ (A) Asset Owners Stewardship Code [Australia]
- ☐ (B) Código Brasileiro de Stewardship [Brazil]
- ☐ (C) New Zealand Stewardship Code
- ☐ (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- ☐ (E) Stewardship Code [United Kingdom]
- ☐ (F) Stewardship Framework for Institutional Investors [United States of America]
- ☐ (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- ☒ (H) **Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]**
- ☒ (I) **Luxflag ESG Label [Luxembourg]**
- ☐ (J) RIAA Responsible Investment Certification Program [Australia]
- ☐ (K) SRI Label [France]
- ☐ (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- ☐ (M) Code for Institutional Investors 2022 [Malaysia]
- ☐ (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- ☐ (O) Corporate Governance Guidelines [Canada]
- ☐ (P) Defined Contribution Code of Practice [United Kingdom]
- ☐ (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- ☐ (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- ☐ (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- ☐ (T) OECD Guidelines for MNEs - Responsible Business Conduct for Institutional Investors [Global]
- ☐ (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- ☒ (V) **Net Zero Asset Managers (NZAM) Initiative [Global]**
- ☐ (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- ☒ (X) **Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]**
- ☒ (Y) **The Net Zero Investment Framework (NZIF) 2.0 [Global]**
- ☐ (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- ☐ (AA) Global Reporting Initiative (GRI) Standards [Global]
- ☐ (AB) IFC Performance Standard [Global]
- ☐ (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- ☐ (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
- ☐ (AE) Other
- ☐ (AF) Other
- ☐ (AG) Other
- ☐ (AH) Other
- ☐ (AI) Other
- ☐ (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

# ORGANISATIONAL OVERVIEW (OO)

## ORGANISATIONAL INFORMATION

### REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL
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What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2024

## SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL
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Does your organisation have subsidiaries?

- ☒ (A) Yes  
☐ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL
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Are any of your organisation's subsidiaries PRI signatories in their own right?

- ☐ (A) Yes  
☒ (B) No

# ASSETS UNDER MANAGEMENT

## ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

**What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?**

**USD**

(A) AUM of your organisation, including subsidiaries not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 70,879,396,908.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

## ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	41.1%	2%
(B) Fixed income	49.5%	0%
(C) Private equity	0%	0.9%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0.9%
(F) Hedge funds	4.4%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	1.1%	0.1%
(J) Off-balance sheet	0%	0%

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

Includes asset types such as cash and derivatives.

**(I) Other - (2) Percentage of Externally managed AUM - Specify:**

Primarily consists of minor allocations to instruments or strategies that do not fall within standard asset class definitions.

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

### (1) Listed equity

(A) Active	100%
(B) Passive	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	0%	100%
(E) Private equity	0%	100%
(G) Infrastructure	0%	100%

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

**Provide a further breakdown of your internally managed listed equity AUM.**

(A) Passive equity 39%

(B) Active – quantitative 3.8%

(C) Active – fundamental 57.2%

(D) Other strategies 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

**Provide a further breakdown of your internally managed fixed income AUM.**

(A) Passive – SSA 4.4%

(B) Passive – corporate 1%

(C) Active – SSA 4.8%

(D) Active – corporate 12.5%

(E) Securitised 77.3%

(F) Private debt 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED HEDGE FUND

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 HF	CORE	OO 5	OO 11	PUBLIC	Asset breakdown: Internally managed hedge fund	GENERAL

**Provide a further breakdown of your internally managed hedge fund assets.**

(A) Multi-strategy 0%

(B) Long/short equity 0%

(C) Long/short credit 100%

(D) Distressed, special situations  
and event-driven fundamental 0%

(E) Structured credit 0%

(F) Global macro 0%

(G) Commodity trading advisor 0%

(H) Other strategies 0%

## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

**What percentage of your organisation's externally managed assets are managed by PRI signatories?**

90%

## GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

**How much of your AUM in each asset class is invested in emerging markets and developing economies?**

### AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(7) >50 to 60%
(C) Fixed income – corporate	(2) >0 to 10%
(D) Fixed income – securitised	(2) >0 to 10%
(F) Private equity	(3) >10 to 20%
(H) Infrastructure	(3) >10 to 20%
(I) Hedge funds	(2) >0 to 10%

## STEWARDSHIP

### STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	(5) Private equity	(7) Infrastructure	(8) Hedge funds	(11) Other
(A) Yes, through internal staff	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**Does your organisation have direct investments in listed equity across your hedge fund strategies?**

- ☐ (A) Yes  
☒ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?**

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?**

	Percentage of your listed equity holdings over which you have the discretion to vote
(A) Listed equity – active	(11) >90 to <100%
(B) Listed equity - passive	(11) >90 to <100%

## STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

**Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.**

Stewardship, excluding (proxy) voting  
(K) Other

Our organisation does not conduct stewardship activities within the 'Other' asset class category as we do not hold any investments in real estate, which is the only asset class we classify under this category.

## ESG INCORPORATION

### INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

**For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?**

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(A) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - active - quantitative	<input checked="" type="radio"/>	<input type="radio"/>
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Fixed income - securitised	<input checked="" type="radio"/>	<input type="radio"/>
(N) Hedge funds - Long/short credit	<input checked="" type="radio"/>	<input type="radio"/>

(V) Other: Includes asset types such as cash and derivatives.

☐

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## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

**For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?**

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Primarily consists of minor allocations to instruments or strategies that do not fall within standard asset class definitions.	<input type="radio"/>	<input checked="" type="radio"/>

## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

**For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?**

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Primarily consists of minor allocations to instruments or strategies that do not fall within standard asset class definitions.	<input type="radio"/>	<input checked="" type="radio"/>

## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

**For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?**

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>

(K) Other: Primarily consists of minor allocations to instruments or strategies that do not fall within standard asset class definitions.

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## ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

**Describe why your organisation does not currently incorporate ESG factors into your investment decisions and/or in the selection, appointment and/or monitoring of external investment managers.**

Internally managed  
(O) Other

ESG integration is not applicable for derivatives and cash due to their nature. We do not hold real estate investments.

Externally managed  
(Z) Other

ESG integration is not applicable for derivatives and cash due to their nature. We do not hold real estate investments.

## ESG STRATEGIES

### LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

**Percentage out of total internally managed active listed equity**

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	0%

(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	100%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

**What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?**

**Percentage coverage out of your total listed equity assets where a screening approach is applied**

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	0%
(C) A combination of screening approaches	100%

## FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?**

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Screening alone	0%	0%	0%
(B) Thematic alone	0%	0%	0%
(C) Integration alone	0%	0%	0%
(D) Screening and integration	100%	0%	100%
(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	0%	100%	0%
(H) None	0%	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	0%	0%	0%

(C) A combination of screening approaches

100%

100%

100%

## ESG/SUSTAINABILITY FUNDS AND PRODUCTS

### LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

**Do you explicitly market any of your products and/or funds as ESG and/or sustainable?**

☒ (A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of total AUM that your ESG and/or sustainability-marketed products or funds represent:

5%

- ☐ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- ☐ (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

**Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?**

☒ (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications

Provide the percentage of total AUM that your labelled and/or certified products and/or funds represent:

1.5%

- ☐ (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

**Which ESG/RI certifications or labels do you hold?**

- ☐ (A) Commodity type label (e.g. BCI)
- ☐ (B) GRESB
- ☐ (C) Austrian Ecolabel (UZ49)
- ☐ (D) B Corporation
- ☐ (E) BREEAM
- ☐ (F) CBI Climate Bonds Standard
- ☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie

- ☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- ☐ (I) EU Ecolabel
- ☐ (J) EU Green Bond Standard
- ☒ (K) Febelfin label (Belgium)
- ☐ (L) Finansol
- ☐ (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- ☐ (N) Greenfin label (France)
- ☐ (O) Grüner Pfandbrief
- ☒ (P) ICMA Green Bond Principles
- ☐ (Q) ICMA Social Bonds Principles
- ☐ (R) ICMA Sustainability Bonds Principles
- ☐ (S) ICMA Sustainability-linked Bonds Principles
- ☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
- ☐ (U) Le label ISR (French government SRI label)
- ☐ (V) Luxflag Climate Finance
- ☐ (W) Luxflag Environment
- ☐ (X) Luxflag ESG
- ☐ (Y) Luxflag Green Bond
- ☐ (Z) Luxflag Microfinance
- ☐ (AA) Luxflag Sustainable Insurance Products
- ☐ (AB) National stewardship code
- ☐ (AC) Nordic Swan Ecolabel
- ☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- ☐ (AE) People's Bank of China green bond guidelines
- ☐ (AF) RIAA (Australia)
- ☐ (AG) Towards Sustainability label (Belgium)
- ☐ (AH) Other

## PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

**What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?**

### Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive	8%
(B) Fixed income - passive	1%

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

**What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?**

**Percentage of your total environmental and/or social thematic bonds labelled by the issuers**

(A) Green or climate bonds	100%
(B) Social bonds	0%
(C) Sustainability bonds	0%
(D) Sustainability-linked bonds	0%
(E) SDG or SDG-linked bonds	0%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

# SUMMARY OF REPORTING REQUIREMENTS

## SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(A) Listed equity – passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) Listed equity – active – quantitative	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(E) Fixed income – SSA	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(G) Fixed income – securitised	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(N) Hedge funds – Long/short credit	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

(Z) External manager selection,  
appointment and monitoring (SAM)  
– infrastructure

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## SUBMISSION INFORMATION

### REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☒ (A) Publish as absolute numbers
- ☐ (B) Publish as ranges

# POLICY, GOVERNANCE AND STRATEGY (PGS)

## POLICY

### RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☒ (E) Guidelines on sustainability outcomes
- ☒ (F) Guidelines tailored to the specific asset class(es) we hold
- ☒ (G) Guidelines on exclusions
- ☒ (H) Guidelines on managing conflicts of interest related to responsible investment
- ☒ (I) Stewardship: Guidelines on engagement with investees
- ☒ (J) Stewardship: Guidelines on overall political engagement
- ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (L) Stewardship: Guidelines on (proxy) voting
- ☐ (M) Other responsible investment elements not listed here
  - ☐ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

**Additional context to your response(s): (Voluntary)**

Our formal responsible investment policy covers overall ESG approach, environmental, social, governance factors, sustainability outcomes, asset class-specific guidelines, exclusions, conflict of interest management, and stewardship practices including engagement and proxy voting.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- ☒ (C) Specific guidelines on other systematic sustainability issues

Specify:

Basic guidelines on nature risk/biodiversity, and on defence, are included.

- ☐ (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

## Additional context to your response(s): (Voluntary)

The policy includes clear guidelines on climate change, human rights, reflecting our commitments under Paris Agreement, UNGC and OECD guidelines.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

### Which elements of your formal responsible investment policy(ies) are publicly available?

☒ **(A) Overall approach to responsible investment**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(B) Guidelines on environmental factors**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(C) Guidelines on social factors**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(D) Guidelines on governance factors**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(E) Guidelines on sustainability outcomes**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☐ **(H) Specific guidelines on other systematic sustainability issues**

☒ **(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(J) Guidelines on exclusions**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☒ **(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

- ☐ (L) Stewardship: Guidelines on engagement with investees
- ☐ (M) Stewardship: Guidelines on overall political engagement
- ☐ (N) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (O) Stewardship: Guidelines on (proxy) voting

Add link:

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

- ☐ (Q) No elements of our formal responsible investment policy(ies) are publicly available

**Additional context to your response(s): (Voluntary)**

Our formal responsible investment policy, exclusions, stewardship policy, and climate transition plans are publicly disclosed on Nykredit's website.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

**Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?**

- ☒ (A) Yes

Elaborate:

Yes, our policy explicitly links responsible investment practices to fiduciary duty, ensuring alignment with long-term client interests.

- ☐ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?**

- ☒ (A) Overall stewardship objectives
- ☒ (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- ☒ (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- ☒ (D) How different stewardship tools and activities are used across the organisation
- ☒ (E) Approach to escalation in stewardship
- ☒ (F) Approach to collaboration in stewardship
- ☒ (G) Conflicts of interest related to stewardship
- ☒ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (I) Other
- ☐ (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

### Additional context to your response(s): (Voluntary)

Reporting is done to the board, sustainability committees, and publicly through annual reports, UN PRI reports, and stewardship reports.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

### Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- ☒ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- ☒ (B) Yes, it includes voting principles and/or guidelines on specific social factors
- ☒ (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- ☐ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

### Additional context to your response(s): (Voluntary)

Our voting principles, contained in our Stewardship Framework, specifically cover our approach to voting on environmental, social, and governance issues (including topics such as climate change and transition, nature risks, human rights, as well as board composition, diversity, remuneration, reporting, and audit).

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

### Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- ☐ (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- ☐ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- ☐ (C) We rely on the policy of our external service provider(s)
- ☐ (D) We do not have a policy to address (proxy) voting in our securities lending programme
- ☒ (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

**What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?**

### Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment						
(B) Guidelines on environmental factors					(7) 100%	
(C) Guidelines on social factors						
(D) Guidelines on governance factors						

### Additional context to your response(s): (Voluntary)

The Policy applies to all investment products, including those classified as sustainable or responsible, as well as those without such classification. It covers Nykredit's investments on behalf of customers and Nykredit's proprietary investments. The Policy applies to all asset classes and covers investments managed by Nykredit as well as investments made by external asset managers appointed by Nykredit. To a limited extent, certain types of underlying instruments may deviate from this Policy. This applies, for example, to index-linked derivatives and certain types of unlisted, illiquid, alternative investments due to the characteristics of these instruments. We aim to reduce such cases.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

**What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?**

### AUM coverage

(A) Specific guidelines on climate change					(1) for all of our AUM	
(B) Specific guidelines on human rights					(1) for all of our AUM	

(C) Specific guidelines on other systematic sustainability issues

(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ (A) Listed equity

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ (11) 100%

☒ (B) Fixed income

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ (11) 100%

☒ (C) Private equity

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ (11) 100%

☒ (E) Infrastructure

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%

- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☑ (F) Hedge funds

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?**

☑ (A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☑ (B) Passively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

## GOVERNANCE

### ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

**Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?**

- ☒ (A) Board members, trustees, or equivalent  
☒ (B) Senior executive-level staff, or equivalent  
Specify:

The Board of Directors approves the Sustainable Investment Policy, which is reviewed at least annually. Prior to the approval by the Board of Directors, the Policy is presented to other relevant boards and committees. Nykredit's Sustainable Investment Committee is tasked with the duty of making decisions on, for example, the implementation of this Sustainable Investment Policy. The Head of Nykredit Asset Management chairs Nykredit's Sustainable Investment Committee.

- ☒ (C) Investment committee, or equivalent  
Specify:

Nykredit's Sustainable Investment Committee as well as the Boards of Directors of the individual investment funds will annually evaluate the efforts and the need to further develop this Policy (see comment above on Sustainable Investment Committee).

- ☒ (D) Head of department, or equivalent  
Specify department:

As noted above, the Head of Nykredit Asset Management chairs Nykredit's Sustainable Investment Committee. The Policy is implemented by the relevant business units, including Asset Management, and heads of department within asset management are responsible for relevant implementation.

- ☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

**Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?**

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input type="checkbox"/>	<input type="checkbox"/>

(L) Stewardship: Guidelines on engagement with other key stakeholders	<input type="checkbox"/>	<input type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

**Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?**

☒ (A) Yes

Describe how you do this:

Through participation in transparent bodies such as Finans Danmark and Dansif, Nykredit participates in certain policy related engagement. Our overall stewardship and responsible investment practices including oversight by the Sustainable Investment Committee are designed to align with responsible investment principles such as those of the PRI. Additionally, our Code of Conduct also notes that: Nykredit aims to actively support Denmark's long-term, stable and sustainable development, and corporate responsibility is therefore ingrained in the Group's core values, strategy and core business. Nykredit is committed to minimising any negative impacts from the Group's business and to contributing positively to society by creating maximum shared value for Nykredit's owners and customers and Denmark as a whole. All staff members are expected to be guided by this commitment every single day.

- ☐ (B) No
- ☐ (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

**In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?**

☒ (A) Internal role(s)

Specify:

Implementation is handled by internal dedicated ESG resources, and by internal investment teams, with responsible investment principles integrated at all levels of the investment process. Our two ESG teams are the Sustainability and Stewardship team, and the Sustainability Reporting and Governance team. However, we place a strong emphasis on integration of responsible investment into investment teams, and on investment teams training and building experience in ESG integration and stewardship.

☒ (B) External investment managers, service providers, or other external partners or suppliers

Specify:

For alternative investments, our approach to responsible investment is primarily implemented through external investment managers. We conduct due diligence to ensure alignment with our responsible investment principles and maintain ongoing monitoring of their responsible investment integration practices. More broadly across asset classes, our responsible investment work has reference to data from service providers, with data integrated into our internal implementation of responsible investment.

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Describe: (Voluntary)

While board evaluation does not formally include RI KPIs, senior executives have RI performance metrics linked to their compensation.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

- (1) KPIs are linked to compensation

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

While board evaluation does not formally include RI KPIs, senior executives have RI performance metrics linked to their compensation.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?**

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input checked="" type="radio"/>	<input type="radio"/>

**Additional context to your response(s): (Voluntary)**

Senior staff are trained on climate change, human rights, and sustainability topics.

## EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?**

- ☒ (A) Any changes in policies related to responsible investment
- ☐ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☒ (E) Climate-related commitments
- ☒ (F) Progress towards climate-related commitments
- ☒ (G) Human rights-related commitments
- ☒ (H) Progress towards human rights-related commitments

- ☐ (I) Commitments to other systematic sustainability issues
- ☐ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

#### Additional context to your response(s): (Voluntary)

These elements are primarily communicated through our annual sustainability report (CSRD) or ESG reports, supplemented by disclosures required under the Sustainable Finance Disclosure Regulation (SFDR). This ensures transparency and consistency in how we track and communicate our responsible investment progress.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

#### During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☒ (A) Yes, including governance-related recommended disclosures
- ☒ (B) Yes, including strategy-related recommended disclosures
- ☒ (C) Yes, including risk management-related recommended disclosures
- ☒ (D) Yes, including applicable metrics and targets-related recommended disclosures

- ☐ (E) None of the above

Add link(s):

<https://www.nykredit.com/en-gb/samfundsansvar/Responsible-Investment/sustainable-investments-policy-temp/>

#### Additional context to your response(s): (Voluntary)

Reports provide updates on climate commitments, including applicable metrics and targets-related recommended disclosures, aligned with TCFD recommendations, as part of the annual reporting.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

#### During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

- ☒ (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)

Link to example of public disclosures

<https://www.nykreditinvest.dk/globalassets/nykreditinvest.dk/pdf/methodologies-related-to-sustainable-investments-nykreditinvest.pdf>

- ☒ (B) Disclosures against the European Union's Taxonomy

Link to example of public disclosures

[https://reports.sparinvest.dk/SFDRPeriodicalReport\\_DK0060361046\\_da.pdf](https://reports.sparinvest.dk/SFDRPeriodicalReport_DK0060361046_da.pdf)

- ☐ (C) Disclosures against the CFA's ESG Disclosures Standard

☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

We disclose in alignment with the CDP (Carbon Disclosure Project) framework and are a signatory to the Net Zero Asset Managers Initiative (NZAMI).

Link to example of public disclosures

<https://myportal.cdp.net/my-requests>

☐ (E) Disclosures against other international standards, frameworks or regulations

☐ (F) Disclosures against other international standards, frameworks or regulations

☐ (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

☒ **(A) Yes, we publicly disclosed all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

<https://www.nykredit.com/globalassets/nykredit.com/pdf/sustainable-investment-policy.pdf>

☐ (B) Yes, we publicly disclosed some of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

☐ (C) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

☐ (D) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

## STRATEGY

## CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**Which elements do your organisation-level exclusions cover?**

☒ **(A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services**

☒ **(B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries**

☒ **(C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact**

☒ **(D) Exclusions based on our organisation's climate change commitments**

☐ (E) Other elements

☐ (F) Not applicable; our organisation does not have any organisation-level exclusions

## Additional context to your response(s): (Voluntary)

Nykredit's general exclusion list is available on Nykredit's website. A detailed description of Nykredit's applicable exclusion criteria, including information on international norms, agreements and standards referenced in the exclusions, can be found in Nykredit's Methodologies related to Sustainable Investments. General exclusion criteria: Nykredit excludes companies that expand their production in contravention of the International Energy Agency's (IEA) conclusions. Nykredit also excludes companies involved in unconventional extraction of fossil fuels or the production of thermal coal. In exception cases, Nykredit may invest in companies engaged in the activities mentioned above, if Nykredit has a legitimate expectation that the company may be influenced via stewardship to transform and develop its business in line with the IEA's Net Zero Emissions by 2050 scenario.

For further information, please refer to Nykredit's Methodologies related to Sustainable Investments. Nykredit excludes controversial weapons across all products. (Reference is made to Nykredit's Methodologies related to Sustainable Investments for the definition of controversial weapons. The definition is based on external guidelines, such as the EU Convention on Certain Conventional Weapons). Nykredit excludes companies whose business and/or conduct is structurally assessed to be in violation of international guidelines, norms or conventions, and which are unresponsive to dialogue or engagement, or where, for other reasons, the potential for improvement is deemed low. If a company is assessed to have a potential breach, an action plan will be prepared. Engagement progress is continuously evaluated, and within two years of initiating the engagement, an assessment must be made as to whether the progress is sufficient or whether the company should be excluded. Nykredit excludes companies involved in the production of tobacco products, including e-cigarettes. Sanctions: Nykredit complies with EU sanctions.

In addition, Nykredit has chosen to comply with selected parts of US and UK sanctions. In cases where sanctions are imposed on new issues only, Nykredit takes it a step further by excluding existing issues as well. This means that Nykredit generally excludes all issues from companies that become subject to financial sanctions in accordance with the aforementioned sanction regimes. In certain instances, Nykredit can choose to exclude an entire market, if the country and its leadership show contempt for human rights and international laws. This could be a further escalation in case of international sanctions and will be made on the basis of an assessment of whether a company listed in the country can act freely and in a manner such that the company does not indirectly contribute to the oppression of the population committed by the regime. Government bonds: At Nykredit, we focus on ensuring a minimum standard for compliance with fundamental human rights.

To this end, we use a range of indicators from international, non-governmental organisations. The principles for the minimum standards are that Nykredit will not invest in government bonds from countries with a very low level of democracy and freedom as well as a high prevalence of modern slavery.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

## How does your responsible investment approach influence your strategic asset allocation process?

### ☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

### ☒ (B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

### ☒ (C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

### ☒ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation

- (3) for a minority of our AUM subject to strategic asset allocation  
Specify: (Voluntary)

Exclusions are based on climate, sectoral, norm-based, and sanction-related criteria. ESG and sustainability risks directly influence asset allocation decisions.

- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

## STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?**

	(1) Listed equity	(2) Fixed income	(3) Private equity	(5) Infrastructure	(6) Hedge funds
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Additional context to your response(s): (Voluntary)

In terms of engagement, our overarching principle is to focus on exercising meaningful engagements with an impact on material factors. Therefore, the selection and prioritisation of engagements are key, with our focus areas reflecting issues that we believe have a high potential impact across portfolios. These issues include climate, other thematic areas, including nature-related risks and human rights, and international norms and conventions. In addition, we identify other material company-specific ESG risks or opportunities that may be relevant when initiating engagements. Reference is made to Nykredit's Stewardship Framework for further information on our approach to selecting and prioritising engagements. In terms of voting, our voting principles outline key considerations on corporate governance and other issues related to voting. The purpose of these principles is to minimise risks and enhance value creation, guided by the principle of serving the long-term interests of our investors.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?**

In terms of voting, we strive to exercise all voting rights. Our voting principles set out key considerations on corporate governance and other areas related to voting. Our voting processes facilitate review of all agenda items, and we vote against resolutions which are inconsistent with our voting principles. Nykredit uses proxy adviser services to assist with operational aspects of voting. These service companies provide customised research on voting agendas, based on Nykredit's defined policies and voting principles. In actively-managed strategies, voting agendas are subject to internal case-by-case review, with our investment teams playing a key role reviewing agenda items, the customized proxy-adviser research, and other data and research as considered material.

In passively-managed strategies, the customized proxy-adviser research is a key input, with internal case-by-case review by the ESG team for shareholder meetings of particular materiality due to the size of holdings or specific issues. In terms of engagement, our overarching principle is to focus on exercising meaningful engagements with an impact on material factors. Therefore, the selection and prioritisation of engagements are key, with our focus areas reflecting issues that we believe have a high potential impact across portfolios. Our engagement priorities are reflected in our three main categories of engagement:

- Thematic: There are various mega-trends such as climate change or structural challenges that may be relevant for many companies across sectors or within specific sectors. Addressing these issues requires not only the efforts of one company, but rather the joint efforts of many. Examples include human rights concerns in supply chains, and nature risks such as the decline in biodiversity.
- Norms-related: Where our ongoing monitoring identifies concerns around adherence to international standards, we may see potential to engage, and adopt a two-pronged approach: we endeavour to push for remediation of the issue and for change to prevent recurrence.
- Other company-specific ESG risks or opportunities: We analyse and monitor specific areas where we can encourage companies to mitigate risks or exploit opportunities that can deliver positive environmental or societal impacts and bolster financial resilience and corporate value.

Within these categories, materiality and the potential for meaningful change are key inputs to our prioritisation:

- We consider the materiality of the ESG issue to the specific holding, and in aggregate across portfolios.
- The size of holding forms part of the consideration, as larger exposures typically imply higher materiality to portfolios, and higher ownership stakes can suggest higher potential for our engagement to lead to meaningful impact. In addition, within specific engagement categories, we have more specific frameworks for engagement prioritisation. For details, please refer to Nykredit's Stewardship Framework.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?**

- ☒ (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- ☐ (B) We collaborate on a case-by-case basis
- ☐ (C) Other
- ☐ (D) We do not join collaborative stewardship efforts

**Additional context to your response(s): (Voluntary)**

Our engagements are usually either direct, collaborative, or led by service providers. The potential for specific, targeted work in direct engagements is well complemented by the potential for collaborative and service provider led engagement to have significant impact in addressing widespread, endemic issues. Direct engagements: These engagements are planned and run by Nykredit/Sparinvest alone. We aim to benefit from the strengths of genuine integration into our investment teams, combined with dedicated resources in the ESG team. In our active, fundamental strategies, engagement is typically planned and run by members of our investment teams. The aim is to leverage the teams' specific knowledge of the company.

It also sends a clear message to the investee company that the issue is material to investment analysis and decisions. Our investment teams are supported by our ESG team, who also run engagements on behalf of our passive strategies. Collaborative engagements: we consistently make use of collaborative engagement and recognise the value of collective action, typically on thematic or endemic issues which are material across portfolios; however, we would not state that we always prioritise collaborative efforts wherever possible, because experience suggests that in certain situations direct engagements can be equally or more impactful. Examples of collaborative engagement include those via initiatives such as Climate Action 100+, the PRI, and the Net Zero Engagement Initiative of the IIGCC. There can also be collaborative engagement outside such initiatives on certain issues.

In such engagements, we will typically either have a role as a lead investor, running the engagement with one company on behalf of various investors, or as a supporting investor. (While collaborative engagements can be a constructive way to effect change, we note that they can involve investors with a wide array of perspectives, and our involvement in such an engagement is not an indication of full support for all perspectives endorsed by the organisation, initiative or collaborating investors. When collaborating, Nykredit acts independently. This means, for example, that all investment decisions, and decisions in relation to voting, are made independently by us. We act independently in determining our strategies, policies and processes, reflecting the best interests of our clients). Service provider engagements: Some engagements are carried out and led by professional service providers, as this can be a structured way to lend scale to engagement. In some cases, we may join engagement meetings, and we maintain a strong feedback loop with our service providers.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.**

Our engagements are usually either direct, collaborative, or led by service providers. The potential for specific, targeted work in direct engagements is well complemented by the potential for collaborative and service provider led engagement to have significant impact in addressing widespread, endemic issues. Direct engagements: These engagements are planned and run by Nykredit/Sparinvest alone. We aim to benefit from the strengths of genuine integration into our investment teams, combined with dedicated resources in the ESG team. In our active, fundamental strategies, engagement is typically planned and run by members of our investment teams. The aim is to leverage the teams' specific knowledge of the company.

It also sends a clear message to the investee company that the issue is material to investment analysis and decisions. Our investment teams are supported by our ESG team, who also run engagements on behalf of our passive strategies. Collaborative engagements: we consistently make use of collaborative engagement and recognise the value of collective action, typically on thematic or endemic issues which are material across portfolios; however, we would not state that we always prioritise collaborative efforts wherever possible, because experience suggests that in certain situations direct engagements can be equally or more impactful. Examples of collaborative engagement include those via initiatives such as Climate Action 100+, the PRI, and the Net Zero Engagement Initiative of the IIGCC. There can also be collaborative engagement outside such initiatives on certain issues.

In such engagements, we will typically either have a role as a lead investor, running the engagement with one company on behalf of various investors, or as a supporting investor. (While collaborative engagements can be a constructive way to effect change, we note that they can involve investors with a wide array of perspectives, and our involvement in such an engagement is not an indication of full support for all perspectives endorsed by the organisation, initiative or collaborating investors. When collaborating, Nykredit acts independently. This means, for example, that all investment decisions, and decisions in relation to voting, are made independently by us. We act independently in determining our strategies, policies and processes, reflecting the best interests of our clients). Service provider engagements: Some engagements are carried out and led by professional service providers, as this can be a structured way to lend scale to engagement. In some cases, we may join engagement meetings, and we maintain a strong feedback loop with our service providers.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Rank the channels that are most important for your organisation in achieving its stewardship objectives.**

- ☒ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**  
Select from the list:  
☒ **1**
- ☒ **(B) External investment managers, third-party operators and/or external property managers, if applicable**  
Select from the list:  
☒ **4**
- ☒ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**  
Select from the list:  
☒ **3**
- ☒ **(D) Informal or unstructured collaborations with investors or other entities**  
Select from the list:  
☒ **5**
- ☒ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**  
Select from the list:  
☒ **2**
- ☐ (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?**

- ☒ **(A) Example(s) of measures taken when selecting external service providers:**  
Our organisation conducts due diligence when selecting external service providers for stewardship activities. This includes assessing providers' alignment with our stewardship policies, their track record on ESG integration and engagement. We evaluate their expertise in relevant sectors and markets, as well as their capacity to escalate issues effectively. We also consider the reporting and transparency provided by service providers, as this is key to our ability to monitor their implementation, and carry out our own reporting.
- ☒ **(B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:**  
The proxy voting agreement with our service provider is structured around a customised set of voting principles, based upon the voting principles set out in our Stewardship Framework, and as such is specifically tailored to our policy.
- ☒ **(C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:**

One key factor considered in selecting external service providers is assessing their reporting and transparency, as we utilise this on a rolling basis to monitor their activities. In terms of voting, our voting process inherently involves a customised set of voting principles based upon which we receive customised agenda research, and we have in house processes for reviewing that research and making voting decisions. (Details may be found in our Stewardship Framework). This process inherently means that we interact and monitor closely on an ongoing basis with voting relating activities by the external service provider. Additionally, annual reviews are used for further monitoring. In terms of engagement, the external service provider provides detailed information on ongoing engagements, as well as annual reporting, which facilitates both ongoing and annual monitoring. We also participate in certain service provider led engagements, which further enhances our insights and ability to monitor.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

#### How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Our organisation ensures a strong connection between stewardship activities and investment decision-making through integrated processes and ongoing communication. Insights gained from stewardship engagements are systematically fed back into the investment teams to inform asset selection, portfolio management, and risk assessment. We note that our approach to both voting and engagement places emphasis on direct involvement by investment teams. Active investment teams review all voting agendas for holdings in funds managed by the team. Investment decision-making priorities help shape our stewardship focus areas, ensuring that engagement efforts target the most material ESG issues relevant to our portfolios. In our active, fundamental strategies, engagement is typically planned and run by members of our investment teams. The aim is to leverage the teams' specific knowledge of the company. It also sends a clear message to the investee company that the issue is material to investment analysis and decisions. Similarly, in collaborative engagements, our participation is often led by members of the investment teams.

When stewardship activities are delegated to external managers or service providers, we require them to align their engagement efforts with our investment objectives and regularly report on progress. We also evaluate how stewardship outcomes influence investment decisions during our oversight and monitoring processes, ensuring consistent integration throughout the investment lifecycle.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

#### If relevant, provide any further details on your organisation's overall stewardship strategy.

Our approach to sustainability feeds directly into our stewardship programme. We recognise that a broad range of ESG factors can have a material impact on investment risk and returns (financial materiality), as well as on the environment and wider society (environmental and social materiality). Through stewardship activities - monitoring, engagement and voting - we seek to sustain the longterm value of our investments, encouraging companies both to mitigate sustainability risks and exploit sustainability opportunities. For further details, please see our Stewardship Policy and Stewardship Framework.

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?**

☒ **(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

- ☐ (1) in all cases
- ☒ **(2) in a majority of cases**
- ☐ (3) in a minority of cases

☒ **(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

- ☒ **(1) in all cases**
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases
- ☐ (D) We do not review external service providers' voting recommendations
- ☐ (E) Not applicable; we do not use external service providers to give voting recommendations

**Additional context to your response(s): (Voluntary)**

Nykredit uses proxy adviser services to assist with operational aspects of voting. However, the service provider provides customised research on voting agendas, based on Nykredit's defined policies and voting principles. As such, the structure is inherently designed to ensure that the recommendations are based on our voting principles.

In actively-managed strategies, all voting agendas are subject to internal case-by-case review before votes are instructed, with our investment teams playing a key role reviewing agenda items, the customized proxy-adviser research, and other data and research as considered material. In passively-managed strategies, the customized proxy-adviser research is a key input, with internal case-by-case review by the ESG team for shareholder meetings of particular materiality due to the size of holdings or specific issues.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How is voting addressed in your securities lending programme?**

- ☐ (A) We recall all securities for voting on all ballot items
- ☐ (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- ☐ (C) Other
- ☐ (D) We do not recall our securities for voting purposes
- ☒ **(E) Not applicable; we do not have a securities lending programme**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- ☒ (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- ☐ (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- ☐ (C) We vote in favour of shareholder resolutions only as an escalation measure
- ☐ (D) We vote in favour of the investee company management's recommendations by default
- ☐ (E) Not applicable; we do not vote on shareholder resolutions

**Additional context to your response(s): (Voluntary)**

We will generally be supportive of constructively phrased shareholder resolutions targeting increased disclosure of climate data, strengthened governance or other actions on climate-related issues, and other environmental and social issues such as nature risks and human rights.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- ☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- ☒ (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- ☐ (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- ☐ (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- ☒ (A) Yes, for all (proxy) votes

Add link(s):

<https://www.nykreditinvest.dk/baredygtighed/nykredit-voting-dashboard/>

- ☐ (B) Yes, for the majority of (proxy) votes
- ☐ (C) Yes, for a minority of (proxy) votes
- ☐ (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?**

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?**

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale	(2) for a majority of votes	(3) for a minority of votes
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

**(A) Yes, we publicly disclosed the rationale - Add link(s):**

<https://www.nykreditinvest.dk/baredygtighed/nykredit-voting-dashboard/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?**

We are continuously working to strengthen our control environment regarding voting data. One example is the increased cross-functional collaboration between the ESG team and our data team to set up controls. Recently, we have been working on establishing a completeness control to ensure - to the extent possible - that proxy voting for the accounts that ought to be voted is actually executed. Furthermore, we maintain frequent dialogue with our service provider to stay up to date on recent developments, such as obstacles in the value chain.

## STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

**For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

**(1) Listed equity**

(A) Joining or broadening an existing collaborative engagement or creating a new one	<input checked="" type="checkbox"/>
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	<input checked="" type="checkbox"/>
(C) Publicly engaging the entity, e.g. signing an open letter	<input type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input checked="" type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>
(G) Litigation	<input type="checkbox"/>

(H) Other ☐

(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings ○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

- ☐ (A) Joining or broadening an existing collaborative engagement or creating a new one
- ☐ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) **Not investing**
- ☐ (D) Reducing exposure to the investee entity
- ☐ (E) Divesting
- ☐ (F) Litigation
- ☐ (G) Other
- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**Describe your approach to escalation for your SSA and/or private debt fixed income assets.**

(A) SSA - Approach to escalation

Given the nature of SSA, direct shareholder actions such as voting or filing resolutions are generally not applicable. Our government bond investments are based on compliance with Danish, EU and international law as well as consideration of financial risks and opportunities resulting from politico-economic factors in the investment process. Democracy, political legitimacy, respect for human rights and focus on responsible development contribute to economic stability and growth, particularly in developing and middle-income countries. This may have a positive impact on government bond returns. Conversely, unstable political regimes can pose financial risks. Countries with a high level of sustainability will, all things being equal, generally be assessed as more resilient and thus more capital-preserving. In order for Nykredit's investments in government bonds to generate societal value and make a difference, we include sustainability considerations about the issuer country in our investment processes. Nykredit aims to both manage the risks of the investments and exploit the potential of identifying whether a country is developing in a positive direction. The aim of including sustainability considerations is also to push investments in the direction of countries that are undergoing positive societal development. At Nykredit, we focus on ensuring a minimum standard for compliance with fundamental human rights. To this end, we use a range of indicators from international, non-governmental organisations. The principles for the minimum standards are that Nykredit will not invest in government bonds from countries with a very low level of democracy and freedom as well as a high prevalence of modern slavery. As a general rule, Nykredit will align with Danish and European foreign policy and ensure that our investments provide benefit and create value. Therefore, purchasing government bonds in a country that is adversely impacted as a result of Danish and European foreign policy may conflict with the principle of creating benefits and value, as well as undermine the effect of the foreign policy pursued. In cases where it is considered important to take a wait-and-see approach, or where more thorough analysis is required, the Sustainable Investment Committee may decide that the case needs to be reassessed within a clearly defined, reasonable timeframe before the final decision is made.

An overall assessment of a country, and not a specific case, can lead to a country being excluded. Government bond exclusions do not automatically apply to state-owned companies in the country in question.

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

**Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?**

- ☐ (A) Yes, we engaged with policy makers directly
- ☐ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☒ (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

**Additional context to your response(s): (Voluntary)**

We did not engage with policy makers directly or indirectly during the reporting year. However, we were in dialogue with regulatory authorities, including the Danish Financial Supervisory Authority (Finanstilsynet), particularly on matters relevant to financial regulation and responsible investment practices. While these dialogues were not formal policy engagements, they provided important context for aligning our responsible investment approach with evolving regulatory expectations.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

**During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?**

- ☒ (A) We participated in 'sign-on' letters
- ☒ (B) We responded to policy consultations
- ☐ (C) We provided technical input via government- or regulator-backed working groups
- ☐ (D) We engaged policy makers on our own initiative
- ☐ (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

☒ (A) We publicly disclosed all our policy positions

Add link(s):

<https://www.nykreditinvest.dk/baredygtighed/nykredit-voting-dashboard/>

☐ (B) We publicly disclosed details of our engagements with policy makers

☐ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

## STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Dialogue with Barclays on financed emissions

(1) Led by

- ☐ (1) Internally led
- ☐ (2) External service provider led

☒ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In collaboration with other investors, we have engaged with the UK bank Barclays on financed emissions, with a particular focus on financing of oil and gas activities. In December 2023, Sparinvest (part of Nykredit) and other investors co-filed a resolution at Barclays in relation to the bank's climate strategy. Subsequent to extensive engagement with Barclay's senior leadership, in February 2024 Barclays published a revised Climate Change Statement, which included a number of new commitments, including a halt to direct financing of upstream oil and gas expansion projects, and further restrictions on clients involved in oil and gas expansion. In response to the positive steps taken and the constructive dialogue, the Funds withdrew the resolution while the need for further steps was highlighted. Barclays is actively participating in the engagement and at the end of 2024, our investment management team along with other investors met with the bank's CEO to discuss the bank's progress.

(B) Example 2:

Title of stewardship activity:

Ongoing climate dialogue with UBS

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

We continue to have an ongoing engagement with the Swiss bank UBS. Nykredit met the bank in April and discussed both UBS's decarbonisation targets for lending and the integration of Credit Suisse into the climate targets. Discussion specifically focused on UBS's targets for fossil fuels (oil, gas and coal) and financed emissions. While UBS notes that it is ahead of its emission reduction targets for the fossil fuel sector, we argue that the policy could be more stringent in terms of financing of fossil fuel expansion projects. A key focus for UBS is the integration of Credit Suisse both into UBS's approach to climate specifically, but also into UBS's standards of governance and broader corporate culture.

(C) Example 3:

Title of stewardship activity:

Nykredit's dialogue with Shell on emission targets and climate strategy

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure

- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Our investment team held a number of meetings with the energy company Shell in the year as part of the ongoing engagement. The company released its new sustainability plan earlier in 2024, and as part of this release it removed an interim emission intensity target for 2035. Nykredit communicated their dissatisfaction with this removal to the company. However, the company did introduce a scope 3 absolute emission target. The previous strategy focused on emission intensity, which theoretically could allow a company to continue expanding its production of fossil fuels while pivoting away from oil and towards natural gas, so a key engagement ask had been the target setting for scope 3 absolute emissions. At the general meeting, the Funds supported the company's Energy Transition Strategy due to the incorporation of scope 3 absolute emissions targets. However, Nykredit also supported a shareholder proposal advising Shell to align its business strategy with the Paris Agreement.

(D) Example 4:

Title of stewardship activity:

(1) Led by

- ☐ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

It would be nice to have a non-climate example. Isn't there any text about the VW engagement on human rights, and them pulling out of the plant? (JHES).

(E) Example 5:

Title of stewardship activity:

(1) Led by

- ☐ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

## CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

### Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Nykredit has identified both climate-related risks and opportunities that may materially affect our investments within our standard planning horizon of 3 to 10 years. These are assessed as part of our responsible investment framework, which integrates environmental, social and governance (ESG) considerations across asset classes. Our approach is aligned with the Task Force on Climate-related Financial Disclosures (TCFD), and we actively integrate the expectations of the EU Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy in our investment and risk management practices. Furthermore, Nykredit has committed to achieving Net-Zero financed emissions by 2050, with intermediate targets guiding our current risk and opportunity assessments.

Identified Climate-related risks: Transition risks: These include regulatory and policy changes (e.g. phase-out of fossil fuels, mandatory disclosure requirements), which can impact companies in high-emission sectors such as energy, utilities, transport, and manufacturing.

Stranded asset risk: Assets linked to fossil fuel extraction or carbon-intensive operations risk becoming uneconomic or obsolete under stronger climate policies and declining demand.

Reputational and litigation risks: Companies with inadequate climate governance or exposure to fossil fuel expansion face heightened scrutiny and may present increased financial and reputational risk.

Identified climate-related opportunities: Investments in green technologies and renewable energy infrastructure: As part of the transition to a low-carbon economy, we identify growth potential in clean energy and energy efficiency.

Green bonds and sustainability-linked bonds: These instruments support the financing of climate-aligned activities and are increasingly integrated into our fixed income portfolios.

Companies with credible transition plans: We view firms with science-based targets, robust climate governance, and transparent disclosures as better positioned to deliver long-term value.

Monitoring and risk management approach: Nykredit applies a formalised pre- and post-trade ESG compliance and monitoring process, managed by our internal investment compliance team.

This process includes climate-specific indicators such as fossil fuel exposure, and alignment with the EU Taxonomy. Portfolio-level climate risks are assessed through scenario analysis, emissions tracking, and external ESG data sources. These tools are also used to inform our engagement and voting activities, with a focus on issuers' progress towards Net-Zero alignment. We conduct active ownership, including direct dialogue with companies, escalation where necessary, and participation in collaborative investor initiatives on climate.

☐ (B) Yes, beyond our standard planning horizon

☐ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

### Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

☒ (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Climate change has significant environmental, societal and financial impacts, and we recognise the need for a global transition to lower emissions. This means that, besides the physical risks of climate change, our investments are exposed to both transition risks and opportunities as societies and companies transition towards a climate-neutral economy. Nykredit wants to invest in alignment with the Paris Agreement while promoting the green transition across sectors and asset classes. We have committed to carbon neutrality across all investments on an aggregated basis by 2050. At Nykredit, we do not aim to achieve our target merely by excluding companies. If we are to succeed in achieving carbon neutrality by 2050, our investee companies must make real progress. Climate-related physical and transition risks have a potential impact on the long-term viability and value of companies.

We aim to address this by building an understanding of the climate profile of our investments and the nature of their potential transition towards climate neutrality. This monitoring and analysis links with our stewardship practices, as we see significant potential in working with the companies, encouraging them to adapt, mitigate both physical and transition risks, and seize climate-related opportunities. We do this both directly and through collaborative initiatives. A reduction of fossil fuel emissions is vital in our efforts against climate change. Nykredit promotes the necessary green transition of global energy production. We expect the companies our products invest in to share this ambition.

Nykredit's efforts build on the Paris Agreement and acknowledged climate science as reflected in reports by and scenarios from the IPCC, the International Energy Agency (IEA) and others. The IEA predicts that fossil fuels will play an inevitable role in global energy production for years to come. Nykredit acknowledges this along with the fact that companies involved in the exploration, extraction or production of fossil fuels today have both an opportunity and an obligation to play an active and positive role in the green transition by moving their businesses away from fossil fuels and into renewable energy sources. As part of our climate efforts, we participate in initiatives such as NZAM, SBTi, IIGCC and CA100+. For further information regarding Nykredit's work with climate in the investment portfolio and our position on fossil fuels, please refer to Nykredit's Climate Transition Plan, Fossil Fuels Policy, Stewardship Policy and Stewardship Framework.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

#### Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

##### ☒ (A) Coal

Describe your strategy:

Specifically on coal, certain funds carry tighter restrictions, but across our entire range our general approach is:

In general, Nykredit does not invest in companies that expand their production in contravention of the IEA's conclusions, nor does Nykredit invest in companies involved in unconventional extraction of fossil fuels or the production of thermal coal.

This means that:

- Nykredit does not invest in companies in which more than 5% of the capital expenditure (CapEx) is used to expand production in contravention of the IEA's Net Zero Emissions scenario.

- Nykredit does not invest in companies that derive more than 5% of revenues from the production of thermal coal. From 2030, Nykredit will have zero tolerance for the production of thermal coal.

For power generation applications of coal, see Utilities below.

For potential exceptions, see Additional Context comment below.

Note that our Stewardship Framework details our approach to climate engagement, including on fossil fuels.

##### ☒ (B) Gas

Describe your strategy:

Specifically on gas, certain funds carry tighter restrictions, but across our entire range our general approach is:

In general, Nykredit does not invest in companies that expand their production in contravention of the IEA's conclusions, nor does Nykredit invest in companies involved in unconventional extraction of fossil fuels or the production of thermal coal.

This means that:

- Nykredit does not invest in companies in which more than 5% of the capital expenditure (CapEx) is used to expand production in contravention of the IEA's Net Zero Emissions scenario.
- Nykredit does not invest in companies that derive more than 5% of revenue from unconventional extraction of oil and gas or drilling in the Arctic.

For power generation applications of gas, see Utilities below.

For potential exceptions, see Additional Context comment below

Note that our Stewardship Framework details our approach to climate engagement, including on fossil fuels.

☒ **(C) Oil**

Describe your strategy:

Specifically on oil, certain funds carry tighter restrictions, but across our entire range our general approach is:

In general, Nykredit does not invest in companies that expand their production in contravention of the IEA's conclusions, nor does Nykredit invest in companies involved in unconventional extraction of fossil fuels or the production of thermal coal.

This means that:

- Nykredit does not invest in companies in which more than 5% of the capital expenditure (CapEx) is used to expand production in contravention of the IEA's Net Zero Emissions scenario.
- Nykredit does not invest in companies that derive more than 5% of revenue from unconventional extraction of oil and gas or drilling in the Arctic.

For power generation applications of oil, see Utilities below.

For potential exceptions, see Additional Context comment below

Note that our Stewardship Framework details our approach to climate engagement, including on fossil fuels.

☒ **(D) Utilities**

Describe your strategy:

Energy production from fossil fuels

The principles below apply to companies producing energy from fossil fuels.

Nykredit does not invest in companies that produce energy from coal, unless the company has a plan for phasing out energy production from fossil fuels. This means that:

- Nykredit does not invest in companies in which more than 5% of revenue comes from coal-based energy production. From 2030, Nykredit will have zero tolerance against energy production from thermal coal.
- Nykredit may, however, invest in companies that have a credible plan for phasing out energy production from fossil fuels

☒ **(E) Cement**

Describe your strategy:

We do not have specific exclusion criteria relating to cement, but consider it a high-emitting sector of significant relevance in our assessment of climate risk, and in our stewardship work.

Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(F) Steel**

Describe your strategy:

We do not have specific exclusion criteria relating to steel, but consider it a high-emitting sector of significant relevance in our assessment of climate risk, and in our stewardship work.

Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(G) Aviation**

Describe your strategy:

We do not have specific exclusion criteria relating to aviation, but consider it a high-emitting sector of significant relevance in our assessment of climate risk, and in our stewardship work. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(H) Heavy duty road**

Describe your strategy:

We do not have specific exclusion criteria relating to heavy duty road. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(I) Light duty road**

Describe your strategy:

We do not have specific exclusion criteria relating to light duty road. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(J) Shipping**

Describe your strategy:

We do not have specific exclusion criteria relating to shipping, but consider it a high-emitting sector of significant relevance in our assessment of climate risk, and in our stewardship work. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(K) Aluminium**

Describe your strategy:

We do not have specific exclusion criteria relating to aluminium, but consider it a high-emitting sector of significant relevance in our assessment of climate risk, and in our stewardship work. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(L) Agriculture, forestry, fishery**

Describe your strategy:

We do not have specific exclusion criteria relating to AFF. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(M) Chemicals**

Describe your strategy:

We do not have specific exclusion criteria relating to chemicals. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(N) Construction and buildings**

Describe your strategy:

We do not have specific exclusion criteria relating to construction and buildings. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(O) Textile and leather**

Describe your strategy:

We do not have specific exclusion criteria relating to construction and buildings. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☒ **(P) Water**

Describe your strategy:

We do not have specific exclusion criteria relating to water. Nykredit has set a transition ambition as part of our commitment to NZAM. The ambition also applies to our total AuM and follows the guidelines of the Net Zero Investment Framework (NZIF). The NZIF serves as a framework tool for the development of a concrete path to achieve real transformation. Nykredit's ambition is that 70% of the financed emissions in high-intensity sectors can be classified as either "achieving" or "aligned", or that they must be subject to engagement. By the end of 2030, this proportion must have risen to 90%.

☐ **(Q) Other**

- ☐ (R) We do not have a strategy addressing high-emitting sectors

**Provide a link(s) to your strategy(ies), if available**

<https://www.nykredit.com/globalassets/nykredit.com/pdf/fossil-fuels-policy.pdf>

**Additional context to your response(s): (Voluntary)**

As general context to this section, we note that Nykredit's Fossil Fuels Policy plays a key role in our climate transition plan. Reducing emissions from fossil fuels is a crucial part of society's ambitions to mitigate climate change. Nykredit is committed to supporting the necessary green transition of global energy production. We expect the companies we finance and invest in to share this commitment. Against this background, our Fossil Fuels Policy sets the framework for Nykredit's lending to and investment in companies involved in the exploration, extraction or production of fossil fuels. The basis of the policy is the International Energy Agency's (IEA) Net Zero Emissions by 2050 scenario, which sets out that no new coal mines or oil and gas fields may be developed and that coals must be phased out of energy production in all OECD countries by 2030.

The policy implies that Nykredit:

- does not provide financing to companies involved in the exploration, extraction or production of fossil fuels – unless it is for separated green activities.
- generally excludes from our investment universe companies that expand their production in violation of the IEA's 2050 scenario.

Like the IEA, Nykredit acknowledges that fossil fuels will play an inevitable role in global energy production for years to come. Nykredit also acknowledges that companies involved in the exploration, extraction or production of fossil fuels today have both an opportunity and an obligation to play an active and positive role in the green transition by moving their businesses away from fossil fuels and into renewable energy sources. Nykredit's policy builds on the general principle that companies acting in conflict with the IEA's conclusions will be excluded, but Nykredit still reserves the possibility of financing specific and necessary renewable energy expansions and investing in companies that make massive investments in accelerating the green transition and have a credible Paris-aligned transition plan. In exception cases, Nykredit may, however, invest in companies engaged in the activities mentioned above, provided that Nykredit has a legitimate expectation that the company may be influenced via active ownership to transform and develop its business in line with the IEA's Net Zero Emissions scenario. This requires, among other things, that a company meets at least one of the following criteria: o Objectives that are in line with the objective of maintaining global temperature increases below 1.5 degrees and a maximum of two degrees o A Transition Pathway Initiative score of at least 4 o A sufficient/substantial share of CapEx targeting green assets o Plans for the phasing out of existing production and reserves. - Nykredit may also invest in specific activities that contribute to the green transition in companies engaged in the activities mentioned above. This presupposes that the investment can be limited to these activities, for example through green corporate bonds or a collaboration on infrastructure assets. Our Stewardship Framework details our approach to climate stewardship. Nykredit continuously engages with companies about their green transition.

Such engagement is prioritised according to the sectors with the most significant risks and where Nykredit can most realistically make its voice heard. Nykredit engages with companies alone and also participates actively in climate-focused engagements through Climate Action 100+ and Net Zero Engagement Initiative (NZEI). When Nykredit finds it relevant to engage with a company but cannot do so independently or collaboratively with other investors, Nykredit may appoint a third-party service provider to facilitate the engagement. The objective of engagement differs depending on the company's sector and specific climate challenges, and engagement may be escalated in alignment with Nykredit's active ownership policy. At the same time, Nykredit has a policy of voting at all general meetings and a voting policy that incorporates climate considerations.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

- ☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- ☐ (B) Yes, using the One Earth Climate Model scenario
- ☒ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- ☐ (D) Yes, using other scenarios
- ☐ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

- ☒ (A) Yes, we have a process to identify and assess climate-related risks

(1) Describe your process

Climate transition processes are embedded in our Sustainable Investment Policy, and using the governance structures applicable to the policy. Climate risks are reported the same way as other sustainability risks.

(2) Describe how this process is integrated into your overall risk management

Climate related risk are identified as financial risks which need to be mitigated either through engagement or divestment.

☒ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

Nykredit manages climate-related risks through a combination of exclusionary criteria, active ownership, ESG integration, and portfolio construction. Climate scenarios and temperature alignment data are used to inform long-term investment strategy, in line with our climate commitments.

(2) Describe how this process is integrated into your overall risk management

Climate related risk are identified as financial risks which need to be mitigated either through engagement or divestment.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?**

- ☐ (A) Exposure to physical risk
- ☐ (B) Exposure to transition risk
- ☐ (C) Internal carbon price

☒ **(D) Total carbon emissions**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

● **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nykreditinvest.dk/globalassets/nykreditinvest.dk/pdf/methodologies-related-to-sustainable-investments-nykreditinvest.pdf>

☒ **(E) Weighted average carbon intensity**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

● **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nykreditinvest.dk/globalassets/nykreditinvest.dk/pdf/methodologies-related-to-sustainable-investments-nykreditinvest.pdf>

☒ **(F) Avoided emissions**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

● **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nykreditinvest.dk/globalassets/nykreditinvest.dk/pdf/methodologies-related-to-sustainable-investments-nykreditinvest.pdf>

☒ **(G) Implied Temperature Rise (ITR)**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

● (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nykredit.com/globalassets/nykredit.com/samfundsansvar/pdf/klimamalsatninger-2030/nykredit-group-climate-transition-plan.pdf>

- ☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- ☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
- ☐ (J) Other metrics or variables
- ☐ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☒ (A) Scope 1 emissions

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed

● (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.nykreditinvest.dk/baredygtighed/nykredit-voting-dashboard/>  
[https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit/2024/nykredit\\_q4\\_24\\_2025-02-05\\_en.pdf](https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit/2024/nykredit_q4_24_2025-02-05_en.pdf)

☒ (B) Scope 2 emissions

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed

● (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

[https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit/2024/nykredit\\_q4\\_24\\_2025-02-05\\_en.pdf](https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit/2024/nykredit_q4_24_2025-02-05_en.pdf)

☒ (C) Scope 3 emissions (including financed emissions)

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed

● (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

[https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit/2024/nykredit\\_q4\\_24\\_2025-02-05\\_en.pdf](https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit/2024/nykredit_q4_24_2025-02-05_en.pdf)

- ☐ (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

- ☒ (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

**Additional context to your response(s): (Voluntary)**

Yes, Nykredit has identified specific sustainability outcomes connected to our investment activities. We recognize both the intended positive impacts, such as the promotion of the green transition and reduction of greenhouse gas emissions, and potential unintended negative outcomes, including environmental and social risks. Through our responsible investment framework and active ownership, we continuously monitor and address these outcomes to align with our commitment to the Paris Agreement and international sustainability standards.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☒ (B) The UNFCCC Paris Agreement
- ☒ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☒ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☒ (E) The EU Taxonomy
- ☒ (F) Other relevant taxonomies

Specify:

International Capital Market Association (ICMA) taxonomies - for ESG bond market standards.

- ☒ (G) The International Bill of Human Rights
- ☒ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (I) The Convention on Biological Diversity
- ☒ (J) Other international framework(s)

Specify:

NZAMI (Net Zero Asset Managers Initiative).

- ☐ (K) Other regional framework(s)
- ☒ (L) Other sectoral/issue-specific framework(s)

Specify:

CDP.

- ☐ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

**What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?**

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☐ (B) Consult with key clients and/or beneficiaries to align with their priorities
- ☒ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☒ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☒ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

**Additional context to your response(s): (Voluntary)**

Our approach to identifying the most important intended and unintended sustainability outcomes is closely linked to our Principal Adverse Impact (PAI) assessment under the SFDR framework. The PAI indicators provide a structured and data-driven foundation for identifying material negative sustainability outcomes across asset classes, particularly those related to environmental and social harm. By systematically monitoring and reporting on PAI indicators, we are able to determine which sustainability outcomes - such as GHG emissions, biodiversity impact, social and employee matters, and governance practices - are most relevant to our investment activities and carry the greatest potential for adverse effects. This analysis is integrated into our due diligence and ongoing monitoring processes.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?**

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

**Additional context to your response(s): (Voluntary)**

Yes, Nykredit has taken concrete actions to address specific sustainability outcomes connected to its investment activities. We actively work to prevent and mitigate potential negative impacts, such as greenhouse gas emissions and human rights risks, through our robust ESG integration and active ownership practices. This includes setting clear exclusion criteria for fossil fuel activities, engaging with investee companies to improve their sustainability performance, and promoting transparency and accountability. In addition, Nykredit systematically identifies and manages Principal Adverse Impacts (PAIs). We monitor key sustainability indicators to assess how our investments may negatively affect environmental and social factors, and we use this information to adjust our investment decisions and engagement priorities. Through this proactive approach, we aim to minimize adverse impacts while supporting positive outcomes aligned with our commitment to responsible investment.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

**Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?**

- ☒ (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- ☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- ☐ (C) We have been requested to do so by our clients and/or beneficiaries
- ☒ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- ☒ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- ☒ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- ☐ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- ☐ (H) Other

## HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

**During the reporting year, what steps did your organisation take to identify and take action on the actual and potential negative outcomes for people connected to your investment activities?**

- ☒ (A) We assessed the country level context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

We monitor our investments on an ongoing basis, including for adherence to international standards and norms. These include widely acknowledged UN conventions such as the UN Global Compact, the UNGPs on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. This process provides insights into ESG risks faced by our investments. If we identify a signal of violation of international norms, we assess the case before deciding next steps. Assessments are conducted on a case-by-case basis and we include different factors related to the specific holding and/or relative to the portfolio as part of the assessment. The factors may vary depending on materiality of the specific holding, its sector group, and/or the incident. Country-level factors are specifically relevant for government bond investments, where we take into consideration financial risks and opportunities resulting from political and economic factors. To this end, we use a range of indicators from international, non-governmental organisations. The principles for the minimum standards are that Nykredit will not invest in government bonds from countries with a very low level of democracy and freedom as well as a high prevalence of modern slavery.

- ☒ (B) We assessed the sector context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

We monitor our investments on an ongoing basis, including for adherence to international standards and norms. These include widely acknowledged UN conventions such as the UN Global Compact, the UNGPs on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. This process provides insights into ESG risks faced by our investments. If we identify a signal of violation of international norms, we assess the case before deciding next steps. Assessments are conducted on a case-by-case basis and we include different factors related to the specific holding and/or relative to the portfolio as part of the assessment. The factors may vary depending on materiality of the specific holding, its sector group, and/or the incident.

☒ **(C) We assessed the human rights performance of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

We monitor our investments on an ongoing basis, including for adherence to international standards and norms. These include widely acknowledged UN conventions such as the UN Global Compact, the UNGPs on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. This process provides insights into ESG risks faced by our investments. These may include insights into risks associated with negative human rights outcomes, depending on the results of the monitoring at that time. If we identify a signal of violation of international norms, we assess the case before deciding next steps. Assessments are conducted on a case-by-case basis and we include different factors related to the specific holding and/or relative to the portfolio as part of the assessment. The factors may vary depending on materiality of the specific holding, its sector group, and/or the incident.

☒ **(D) We monitored severe and emerging human rights controversies to understand how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

We monitor our investments on an ongoing basis, including for adherence to international standards and norms. These include widely acknowledged UN conventions such as the UN Global Compact, the UNGPs on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. This process provides insights into ESG risks faced by our investments. These may include insights into risks associated with negative human rights outcomes, depending on the results of the monitoring at that time. If we identify a signal of violation of international norms, we assess the case before deciding next steps. Assessments are conducted on a case-by-case basis and we include different factors related to the specific holding and/or relative to the portfolio as part of the assessment. The factors may vary depending on materiality of the specific holding, its sector group, and/or the incident.

☒ **(E) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities**

Specify:

If our investment monitoring identifies potential negative outcomes connected to our investment activities, we may see potential to engage. In that case, we aim to adopt a two-pronged approach: we endeavour to push for remediation of the issue and for change to prevent recurrence.

Explain how these activities were conducted:

Engagement priority is given to companies based on the gravity of the issue. For example, engaging a company with a confirmed recent violation of norms may be prioritised over a company with a past violation where the company has already taken meaningful steps to remediate and prevent recurrence. Engagements are conducted either directly with companies; in collaboration with others, or via a service provider. If engagements do not progress as desired, we may choose to escalate. We assess the appropriate escalation steps on a case-by-case basis, and, in line with our engagement prioritisation, consider the materiality of the matter and the potential for meaningful change when determining the need for escalation.

- ☐ (F) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potential negative outcomes for people connected to your investment activities?**

☒ **(A) Workers**

Sector(s) for which each stakeholder group was included

- ☐ (1) Energy
- ☐ (2) Materials
- ☒ (3) **Industrials**
- ☐ (4) Consumer discretionary
- ☐ (5) Consumer staples
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☐ (8) Information technology
- ☐ (9) Communication services
- ☐ (10) Utilities
- ☐ (11) Real estate

☒ **(B) Communities**

Sector(s) for which each stakeholder group was included

- ☒ (1) **Energy**
- ☐ (2) Materials
- ☐ (3) Industrials
- ☐ (4) Consumer discretionary
- ☐ (5) Consumer staples
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☐ (8) Information technology
- ☐ (9) Communication services
- ☐ (10) Utilities
- ☐ (11) Real estate

☒ **(C) Customers and end-users**

Sector(s) for which each stakeholder group was included

- ☐ (1) Energy
- ☐ (2) Materials
- ☐ (3) Industrials
- ☐ (4) Consumer discretionary
- ☐ (5) Consumer staples
- ☒ (6) **Healthcare**
- ☐ (7) Finance
- ☐ (8) Information technology
- ☐ (9) Communication services
- ☐ (10) Utilities
- ☐ (11) Real estate

☐ (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, what information sources did your organisation use to identify the actual and potential negative outcomes for people connected to its investment activities?**

☒ **(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

We use the corporate disclosures as input before making investment decision as well as validating the information that our service providers deliver. The information is also used in the evaluation of the company as well as specific engagement activities.

☒ **(B) Media reports**

Provide further detail on how your organisation used these information sources:

We use media reports as input before making investment decision as well as validating the information that our service providers deliver. The information is also used in the evaluation of the company as well as specific engagement activities.

☒ **(C) Reports and other information from NGOs and human rights institutions**

Provide further detail on how your organisation used these information sources:

We use information from NGOs and human rights institutions as input before making investment decision as well as validating the information that our service providers deliver. The information is also used in the evaluation of the company as well as specific engagement activities.

☐ (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

☒ **(E) Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

We use information from our data provider to evaluate the companies in our portfolio as well as specific engagement activities.

☒ **(F) Human rights violation alerts**

Provide further detail on how your organisation used these information sources:

We use information from human rights violation alerts before making investment decision as well as validating the information that our service providers deliver. The information is also used in the evaluation of the company as well as specific engagement activities.

☐ (G) Sell-side research

☒ **(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

We use information from investment networks before making investment decision as well as validating the information that our service providers deliver. The information is also used in the evaluation of the company as well as specific engagement activities.

☐ (I) Information provided directly by affected stakeholders or their representatives

☐ (J) Social media analysis

☐ (K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?**

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

☒ **(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

During the reporting year, we identified and assessed potential negative human rights outcomes connected to our investments, and addressed these through active ownership programmes which include encouraging access to remedy. However, we are conservative about the ability to assume a direct causal link between our engagement and the enabling of access to remedy.

☐ (C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

# MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

## OVERALL APPROACH

### EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

	(1) Listed equity (active)	(5) Private equity	(7) Infrastructure
<b>Organisation</b>			
(A) Commitment to and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior-level oversight and accountability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>			
(D) Adequate resourcing and incentives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Investment Process</b>			
(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Stewardship</b>			
(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(O) Results of stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Performance and Reporting</b>			
(P) ESG disclosure in regular client reporting	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

**Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?**

- ☒ (A) Incorporation of their responsible investment policy into advisory services
- ☒ (B) Ability to accommodate our responsible investment policy
- ☒ (C) Level of staff's responsible investment expertise
- ☒ (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- ☒ (E) Other

Specify:

Commitment to continuous improvement in responsible investment practices, including participation in industry initiatives (e.g., PRI, TCFD), transparency in reporting, and alignment with international sustainability standards.

- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- (G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers

## POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

**If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.**

**Provide example(s) below**

(A) Selection	At Nykredit, the selection of external managers for private equity and infrastructure funds involves a thorough assessment of their commitment to responsible investment (RI) principles. Our due diligence process includes a comprehensive evaluation of the manager's ESG policies, integration methodologies, and track record in managing ESG risks and opportunities. We assess whether the managers align with internationally recognized frameworks such as the UN Principles for Responsible Investment (PRI) and evaluate their ability to influence portfolio companies or projects on sustainability issues. In private equity, we focus on the manager's capacity to implement ESG considerations throughout the investment lifecycle, including deal sourcing, value creation, and exit strategies. For infrastructure, we emphasize managers' approaches to environmental impact, social responsibility, and governance structures in long-term assets. The selection process is supported by detailed ESG questionnaires and direct engagement with the managers to ensure transparency and alignment with Nykredit's RI objectives.
(B) Appointment	Appointment processes include ongoing dialogue to ensure managers understand and commit to delivering on our responsible investment criteria.
(C) Monitoring	Nykredit has established an ESG questionnaire as part of its monitoring framework to assess external private equity and infrastructure managers' compliance with our responsible investment criteria. This questionnaire supports periodic reviews of ESG reporting, progress against agreed objectives, and identification of any material ESG incidents within portfolio companies or assets. We use a combination of questionnaire responses, manager reports, external ESG assessments, and direct dialogue to evaluate ESG integration effectiveness. In 2025, we plan to further strengthen and formalize this monitoring process by enhancing engagement with managers and expanding our tools and resources to ensure continuous improvement in ESG practices. This ongoing development will ensure that responsible investment remains a key priority throughout the investment lifecycle.

## SELECTION

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

- ☒ (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
  - ☐ (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
  - ☐ (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

#### Organisation

- ☒ (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- ☒ (1) for all of our mandates
  - ☐ (2) for a majority of our mandates
  - ☐ (3) for a minority of our mandates

- ☒ (B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- ☒ (1) for all of our mandates
  - ☐ (2) for a majority of our mandates
  - ☐ (3) for a minority of our mandates

- ☒ (C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

- ☒ (1) for all of our mandates
  - ☐ (2) for a majority of our mandates
  - ☐ (3) for a minority of our mandates

#### People and Culture

- ☒ (D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

**Investment Process**

☒ (F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

**Performance and Reporting**

☒ (I) ESG disclosure in regular client reporting

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (J) Inclusion of ESG factors in contractual agreements

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☐ (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

☒ (A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates

- (3) for a minority of our mandates
- ☑ **(B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities**
  - Select from dropdown list
    - **(1) for all of our mandates**
    - (2) for a majority of our mandates
    - (3) for a minority of our mandates
- ☑ **(C) Their participation in collaborative engagements and stewardship initiatives**
  - Select from dropdown list
    - (1) for all of our mandates
    - (2) for a majority of our mandates
    - **(3) for a minority of our mandates**
- ☑ **(D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**
  - Select from dropdown list
    - (1) for all of our mandates
    - (2) for a majority of our mandates
    - **(3) for a minority of our mandates**
- ☑ **(E) Details of their engagement activities with policy makers**
  - Select from dropdown list
    - (1) for all of our mandates
    - (2) for a majority of our mandates
    - **(3) for a minority of our mandates**
- ☑ **(F) Their escalation process and the escalation tools included in their policy on stewardship**
  - Select from dropdown list
    - **(1) for all of our mandates**
    - (2) for a majority of our mandates
    - (3) for a minority of our mandates
- (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## MONITORING

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

	(1) Listed equity (active)	(5) Private equity	(7) Infrastructure
<b>Organisation</b>			
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>			
(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

☒

☒

☒

## Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

☒

☒

☒

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

☒

☒

☒

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

☒

☒

☒

## Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)

☐

☒

☒

(J) Inclusion of ESG factors in contractual agreements

☐

☒

☒

(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

☐

☐

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.**

During the reporting year, Nykredit adopted an ESG questionnaire specifically designed for external managers within alternative investments, including private equity and infrastructure. This questionnaire enables us to systematically monitor how managers integrate responsible investment principles into their investment processes. It covers key ESG criteria relevant to these asset classes, such as environmental impact, social responsibility, and governance practices.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(5) Private equity	(7) Infrastructure
(A) At least annually	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) On an ad hoc basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

	(5) Private equity	(7) Infrastructure
(A) Any changes in their policy(ies) or guidelines on stewardship	<input type="checkbox"/>	<input type="checkbox"/>
(B) The degree of implementation of their policy(ies) or guidelines on stewardship	<input type="checkbox"/>	<input type="checkbox"/>
(C) How they prioritise material ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) How they prioritise risks connected to systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Their investment team's level of involvement in stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	<input type="checkbox"/>	<input type="checkbox"/>
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(I) Whether they participated in collaborative engagements and stewardship initiatives	<input type="checkbox"/>	<input type="checkbox"/>
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	<input type="checkbox"/>	<input type="checkbox"/>
(K) Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) We did not monitor our external investment managers' stewardship practices during the reporting year	<input type="radio"/>	<input type="radio"/>

**(K) Other - Specify:**

At Nykredit, when we invest in infrastructure and private equity through fund structures, we are committed to conducting thorough due diligence on external fund managers. To ensure consistency with Nykredit's Responsible Investment Policy, we evaluate how well the manager's ESG practices align with our principles and expectations. To the extent possible, Nykredit monitors ongoing ESG compliance throughout the investment period based on a "comply or explain" model.

## ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.**

During the reporting year, Nykredit engaged with external investment managers through due diligence calls and meetings focused on responsible investment practices. In these interactions, we provided detailed feedback on their ESG data submissions and overall integration efforts. This dialogue allowed us to highlight areas of strength as well as opportunities for improvement, fostering a collaborative approach to enhancing their responsible investment frameworks. Our constructive feedback supports continuous improvement and aligns managers' practices more closely with Nykredit's responsible investment expectations.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(5) Private equity	(7) Infrastructure
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**(F) Other - Specify:**

Escalation of concerns to our internal investment committee for strategic decision-making and formal documentation in manager evaluation records.

## VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

**For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?**

	(1) Listed equity (active)	(5) Private equity	(7) Infrastructure
(A) We checked that the information reported was verified through a third-party assurance process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We checked that the information reported was verified by an independent third party	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We checked for evidence of internal monitoring or compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**(D) Other - Specify:**

We conducted internal verification for listed equity under SFDR, and for alternative investments by cross-checking reported RI practices and outcomes against publicly available data, benchmark reports, engagement records, and fund-level disclosures (e.g., PRI Transparency Reports, SFDR, TCFD).

# LISTED EQUITY (LE)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1
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**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, we have a formal process that includes scenario analyses	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but it does not include scenario analyses			
(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion	○	○	○
(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies	○	○	○

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?**

	(1) Active - quantitative	(2) Active - fundamental
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(1) in all cases	(1) in all cases	(1) in all cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases	(2) in a majority of cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(2) in a majority of cases	(2) in a majority of cases	(2) in a majority of cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases	(2) in a majority of cases
(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process	○	○	○

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.**

ESG factors are incorporated into the fundamental analysis of equities across several of our funds. When evaluating an investment, we assess sector-specific sustainability risks such as climate change exposure, resource efficiency, governance practices, business ethics, and labour standards. In addition to ESG integration, Nykredit applies a set of exclusion criteria to ensure alignment with our responsible investment principles. Companies are excluded from the investment universe if they are involved in activities such as the production of controversial weapons (e.g., cluster munitions or landmines), significant coal-related operations, repeated violations of international norms (e.g., human rights or anti-corruption), or persistent environmental damage. These exclusions are applied across all relevant investment funds and are based on both third-party screening and internal assessments. The majority of our investment products are classified under the Sustainable Finance Disclosure Regulation (SFDR) as either Article 8 or Article 9 funds.

These funds either promote environmental or social characteristics (Article 8) or have sustainable investment as their objective (Article 9). ESG integration and exclusions form a core part of the investment process for these products, which are also subject to enhanced sustainability requirements, including minimum safeguards, alignment with EU taxonomy criteria, and regular reporting on sustainability outcomes.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM

(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(3) for a minority of our AUM

(3) for a minority of our AUM

(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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## PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 21	N/A	PUBLIC	Passive investments	1

**Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.**

At Nykredit, ESG integration is embedded even in our passively managed strategies through ESG-benchmarks.

As an example, we applied overweight to companies with strong performance on material ESG metrics - such as carbon intensity in utilities and manufacturing, data privacy in tech, and supply chain transparency in consumer goods. These benchmarks were based on MSCI ESG scores.

We also reduced weights or excluded companies with significant controversies or poor scores on financially material ESG factors - particularly those involved in severe environmental incidents, weak governance practices, or lacking credible climate transition plans. This approach allowed us to maintain benchmark-like exposure while improving the fund's ESG profile and reducing long-term sustainability risks.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 8	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

**How does your organisation select the ESG index(es) or benchmark(s) for your passive listed equity assets?**

☒ (A) We commission customised indexes

Explain:

We commission customised indexes through our index provider, MSCI.

☒ (B) We compare the methodology amongst the index providers available

Explain:

We do an in-depth analysis of different methodologies amongst the index providers available and compare the different options.

☒ (C) We compare the costs of different options available in the market

Explain:

We do take this factor into consideration. However, our main focus is on (A) and (B).

☒ (D) Other

Specify and explain:

Where relevant, we assess whether the index is aligned with global frameworks such as the EU Paris-Aligned Benchmark (PAB), and whether it supports our net-zero commitments.

## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

**What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?**

- ☒ (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- ☒ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☒ (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☐ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

	(1) Active - quantitative	(2) Active - fundamental
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion	<input type="radio"/>	<input type="radio"/>

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

**Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.**

Nykredit makes principle-based decisions on the exclusion of companies - for example, when they fail to respect international norms or agreements. These decisions are based on our core values. Our experience shows that Nykredit is still able to deliver competitive returns on our investments. We believe such exclusions may help reduce long-term sustainability risks, even though that is not the primary rationale behind the decision. One example could be a divestment of a sanctioned company, which subsequently faces operational restrictions due to those sanctions.

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☒ (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- ☐ (D) We do not share the above information for all our listed equity assets subject to ESG screens

**Additional context to your response(s): (Voluntary)**

The list of ESG screens applied to our listed equity strategies is publicly available and published on our website, ensuring transparency for all stakeholders. To ensure that clients understand the implications of ESG screening - such as deviations from standard benchmarks, sector weightings, or potential impacts on performance - we provide detailed explanations through our annual SFDR reports.

# FIXED INCOME (FI)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1
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**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a formal process that includes scenario analyses		(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses			
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?**

**(1) SSA**

**(2) Corporate**

(A) We incorporate it into the forecast of financial metrics or other quantitative assessments

(2) for a majority of our AUM

(2) for a majority of our AUM

(B) We make a qualitative assessment of how material ESG factors may evolve

(C) We do not incorporate significant changes in material ESG factors

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?**

- (A) At both key counterparties' and at the underlying collateral pool's levels
- (B) At key counterparties' level only
- **(C) At the underlying collateral pool's level only**  
Explain: (Voluntary)

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways			
(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○	○

## PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Passive investments	1

**Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.**

At Nykredit, ESG integration is embedded even in our passively managed strategies through ESG-benchmarks.

As an example, we applied overweight to companies with strong performance on material ESG metrics - such as carbon intensity in utilities and manufacturing, data privacy in tech, and supply chain transparency in consumer goods. These benchmarks were based on MSCI ESG scores.

We also reduced weights or excluded companies with significant controversies or poor scores on financially material ESG factors - particularly those involved in severe environmental incidents, weak governance practices, or lacking credible climate transition plans. This approach allowed us to maintain benchmark-like exposure while improving the fund's ESG profile and reducing long-term sustainability risks.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 10	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

**How does your organisation select the ESG index(es) or benchmark(s) for your passive fixed income assets?**

☒ **(A) We commission customised indexes**

Explain:

We commission customised indexes through our index provider, MSCI.

☒ **(B) We compare the methodology amongst the index providers available**

Explain:

We do an in-depth analysis of different methodologies amongst the index providers available and compare the different options.

☒ **(C) We compare the costs of different options available in the market**

Explain:

We do take this factor into consideration. However, our main focus is on (A) and (B).

☐ **(D) Other**

**Additional context to your response(s): (Voluntary)**

In addition to commissioning custom indexes and comparing methodologies and costs, we also assess how well ESG indexes align with our broader sustainability objectives, such as climate risk mitigation and net-zero targets. For certain passive fixed income allocations, we consider alignment with EU Climate Benchmarks (e.g., Paris-Aligned).

## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**How are material ESG factors incorporated into your portfolio risk management process?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process			
(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

**Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.**

At Nykredit, environmental and social factors are part of our overall risk assessment and portfolio construction process within fixed income. In recent years, we have gradually integrated ESG considerations more systematically. While ESG was not the primary driver of returns in these cases, it served as an additional lens for risk management and helped inform more balanced investment decisions. Overall, incorporating ESG did not lead to immediate or significant performance differences, but it contributed to a more robust long-term investment framework, consistent with Nykredit's commitment to responsible investment.

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	PLUS	OO 20, OO 21	N/A	PUBLIC	Thematic bonds	3

**What percentage of environmental, social and/or other labelled thematic bonds held by your organisation has been verified?**

**As a percentage of your total labelled bonds:**

(A) Third-party assurance	(5) >75%
(B) Second-party opinion	(5) >75%
(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA)	(5) >75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

**What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?**

- ☒ (A) The bond's use of proceeds
- ☒ (B) The issuers' targets
- ☒ (C) The issuers' progress towards achieving their targets
- ☒ (D) The issuer profile and how it contributes to their targets
- ☐ (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in

- (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

**During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?**

- ☐ (A) We engaged with the issuer
- ☐ (B) We alerted thematic bond certification agencies
- ☐ (C) We sold the security
- ☐ (D) We blacklisted the issuer
- ☐ (E) Other action
- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☒ (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

# HEDGE FUNDS (HF)

## POLICY

### INVESTMENT GUIDELINES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 1	CORE	OO 21	N/A	PUBLIC	Investment guidelines	1, 4, 6

**What activities, practices and/or relationships are covered by your organisation's responsible investment policy(ies) for the majority of your hedge fund assets?**

- ☐ (A) Our ESG requirements of prime brokers
- ☒ **(B) Our ESG requirements for administrators and custodians**
- ☐ (C) Our ESG requirements regarding (proxy) voting service providers (or other third-party providers), where applicable
- ☐ (D) How breaches in our responsible investment policy are communicated to clients
- ☒ **(E) How ESG is incorporated into our long and/or short exposures**
- ☒ **(F) Whether sectors, issuers, equities and/or asset types are excluded from the portfolio due to ESG factors**
- ☒ **(G) How we engage with underlying investees, issuers or real assets**
  - (H) Our responsible investment policy(ies) does not specifically cover activities, practices and/or relationships for our hedge fund assets

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 2	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your hedge fund strategies?**

#### (3) Long/short credit

(A) Yes, our investment process incorporates material governance factors

(1) for all of our AUM

(B) Yes, our investment process incorporates material environmental and social factors

(1) for all of our AUM

(C) Yes, our investment process incorporates material ESG factors into risk assessment and the risk profile of the underlying exposures

(1) for all of our AUM

(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion

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(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors

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## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 3	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your hedge fund strategies?**

### (3) Long/short credit

(A) Yes, we have a formal process that includes scenario analyses

(1) for all of our AUM

(B) Yes, we have a formal process but it does not include scenario analyses

(C) We do not have a formal process for our hedge fund strategies; our investment professionals monitor and review the implications of changing ESG trends at their discretion

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(D) We do not monitor and review the implications of changing ESG trends on our hedge fund strategies

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## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your investment research incorporate material ESG risks and opportunities into the selection of listed companies or issuers of corporate debt?**

#### (3) Long/short credit

(A) We incorporate material governance-related risks and opportunities that may affect the products and services delivered by listed companies or issuers of corporate debt

(1) in all cases

(B) We incorporate material environmental and social risks and opportunities that may affect the products and services delivered by listed companies or issuers of corporate debt

(1) in all cases

(C) We incorporate material environmental and social risks and opportunities that may arise from how listed companies or issuers of corporate debt undertake their operations

(1) in all cases

(D) We incorporate material environmental and social risks and opportunities linked to a listed company or issuer or corporate debt supply chain

(1) in all cases

(E) Other

(F) Our investment research does not incorporate material ESG risks and opportunities into the selection of listed companies or issuers of corporate debt

o

(G) Not applicable, our strategy does not invest directly in listed companies or issuers of corporate debt

o

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**Where you invest in commodities or other asset classes, either directly or through other financial instruments, provide an example of how you incorporate material ESG factors into your research, investment strategy, engagement or portfolio construction.**

At Nykredit, we do not invest in physical commodities, nor do we gain indirect exposure through derivatives, ETFs, or structured products. However, we may allocate to other asset classes such as hedge funds, and in these cases, ESG factors are incorporated solely through exclusion criteria.

We require that all strategies adhere to Nykredit's exclusion list, which forms the basis of our responsible investment policy.

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

### (3) Long/short credit

(A) Material ESG factors contribute to the selection of individual assets and financial instruments within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(B) Material ESG factors contribute to the portfolio weighting of individual assets and financial instruments within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(C) Material ESG factors contribute to the sector, country or regional weighting of assets and financial instruments within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(D) Material ESG factors contribute to determining the construction of short positions

(1) for all of our AUM

(E) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(1) for all of our AUM

(F) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

o

**(E) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process - Specify:**

ESG factors contribute to our portfolio construction through both pre- and post-trade monitoring of exclusion criteria.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 7	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**Describe how information or data on material ESG factors influenced weightings and portfolio construction in each of your main hedge fund strategies during the reporting year.**

**Internally managed hedge fund strategies**

**Example**

(C) Long/short credit

At Nykredit, ESG integration in our internally managed hedge fund strategies, including long/short credit, is focused solely on applying exclusion criteria. During the reporting year, ESG factors influenced portfolio construction indirectly, as we applied Nykredit's exclusion criteria rather than using active ESG scoring or engagement. In our long/short credit strategy, we used ESG data to screen out issuers that didn't meet Nykredit's minimum standards. This included:

- Companies involved in controversial weapons, such as cluster munitions and landmines
- Issuers with significant involvement in thermal coal, either through mining or coal-based power generation
- Companies in serious breach of international norms, including the UN Global Compact and OECD Guidelines.

## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 8	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**What compliance processes do you have in place to ensure that your hedge fund assets subject to negative exclusionary screens meet the screening criteria?**

- ☒ (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- ☒ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☒ (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☐ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens
- ☐ (E) Not applicable; we do not conduct negative exclusionary screening on our hedge fund assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 9	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your hedge funds, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

#### (3) Long/short credit

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual securities, issuers and financial instruments

☐

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other securities, issuers and financial instruments exposed to similar risks and/or incidents

☐

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities



(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents



(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their own discretion



(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process



# SUSTAINABILITY OUTCOMES (SO)

## SETTING TARGETS AND TRACKING PROGRESS

### SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☒ **(A) Sustainability outcome #1**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☐ (1) The UN Sustainable Development Goals (SDGs) and targets

☒ **(2) The UNFCCC Paris Agreement**

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

☒ **(1) Environmental**

☐ (2) Social

☐ (3) Governance-related

☐ (4) Other

(3) Sustainability outcome name

Net Zero Asset Managers initiative (NZAMI)

(4) Number of targets set for this outcome

☐ (1) No target

☒ **(2) One target**

☐ (3) Two or more targets

☐ (B) Sustainability outcome #2

☐ (C) Sustainability outcome #3

☐ (D) Sustainability outcome #4

☐ (E) Sustainability outcome #5

☐ (F) Sustainability outcome #6

☐ (G) Sustainability outcome #7

☐ (H) Sustainability outcome #8

☐ (I) Sustainability outcome #9

☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

**(A1) Sustainability Outcome #1: Target details**

(A1) Sustainability Outcome #1:	Net Zero Asset Managers initiative (NZAMI)					
(1) Target name	Carbon Intensity reduction 60%					
(2) Baseline year	2020					
(3) Target to be met by	2030					
(4) Methodology	Task Force on Climate-Related Financial Disclosures (TCFD) recommendation for calculating carbon footprint					
(5) Metric used (if relevant)	tCO2e/million DKK					
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based					
(7) Baseline level or amount (if relevant):	24					
(8) Target level or amount (if relevant)	10					
(9) Percentage of total AUM covered in your baseline year for target setting	100%					
(10) Do you also have a longer-term target for this?	(2) No					

## FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- ☒ (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- ☐ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- ☐ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
- ☐ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
- ☐ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
NZAM 1	PLUS	NZAM, SO 3	SO 3.1, SO 3.2	PUBLIC	Focus: Setting net-zero targets	General

Select the relevant asset class breakdown for your organisation to report on your net-zero targets.

- ☒ (A) PRI's standard asset class breakdown
- ☐ (B) Asset class breakdown as per the NZAOA's Target Setting Protocol

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net zero targets per asset class.

(A) PRI asset class breakdown

☒ Listed equity

### Target details

#### (A) PRI asset class breakdown: Listed equity

(1) Baseline year 2022

(2) Target to be met by 2028

(3) Emissions included in target

(1) Scope 1  
(2) Scope 2

(4) Methodology

As part of our commitment to the Net Zero Asset Managers initiative (NZAM), Nykredit has established CO2 reduction targets and adheres to its recommended guidelines. For equities, the figures represent temperature ratings, based on IPCC climate scenario.

(5) Metric used

(9) Other

(6) Baseline amount

2.76

(7) Current amount (if different from baseline amount)

2.29

(8) Targeted reduction with respect to baseline

47%

(9) Percentage of total AUM covered in your baseline year for target setting

100%

(10) If coverage is below 100% for this asset class, explain why

☒ **Fixed income**

#### Target details

#### (A) PRI asset class breakdown: Fixed income

(1) Baseline year

2022

(2) Target to be met by

2028

(3) Emissions included in target

(1) Scope 1  
(2) Scope 2

(4) Methodology

As part of our commitment to the Net Zero Asset Managers initiative (NZAM), Nykredit has established CO2 reduction targets and adheres to its recommended guidelines. For corporate bonds, the figures represent temperature ratings, based on IPCC climate scenario.

(5) Metric used

(9) Other

(6) Baseline amount

2.92

(7) Current amount (if different from baseline amount)	2.55
(8) Targeted reduction with respect to baseline	49%
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) If coverage is below 100% for this asset class, explain why	
<input type="checkbox"/> Private equity <input type="checkbox"/> Real estate <input type="checkbox"/> Infrastructure <input type="checkbox"/> Hedge funds <input type="checkbox"/> Forestry <input type="checkbox"/> Farmland <input checked="" type="checkbox"/> Other	
<b>Target details</b>	
<b>(A) PRI asset class breakdown: Other</b>	
(1) Baseline year	2022
(2) Target to be met by	2028
(3) Emissions included in target	(1) Scope 1 (2) Scope 2
(4) Methodology	As part of our commitment to the Net Zero Asset Managers initiative (NZAM), Nykredit has established CO2 reduction targets and adheres to its recommended guidelines. For fixed income - securitised, the figures represent carbon footprint (kgCO2e/m2/year based on SDA, CRREM 1,5°(Denmark).
(5) Metric used	(9) Other
(6) Baseline amount	12.42
(7) Current amount (if different from baseline amount)	12.68
(8) Targeted reduction with respect to baseline	7%
(9) Percentage of total AUM covered in your baseline year for target setting	100%

(10) If coverage is below 100% for this asset class, explain why

## TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

**Does your organisation track progress against your nearest-term sustainability outcomes targets?**

### (A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: Net Zero Asset Managers initiative (NZAMI)

Target name: Carbon Intensity reduction 60%

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

**During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?**

### (A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1: Net Zero Asset Managers initiative (NZAMI)

(1) Target name Carbon Intensity reduction 60%

(2) Target to be met by 2030

(3) Metric used (if relevant) tCO2e/million DKK

(4) Current level or amount (if relevant)

(5) Other qualitative or quantitative progress

(6) Methodology for tracking progress

## INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

### LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
  - Select from drop down list:
    - ☒ (1) Individually
    - ☒ (2) With other investors or stakeholders
- ☒ (B) Stewardship: engagement with external investment managers
  - Select from drop down list:
    - ☒ (1) Individually
    - ☐ (2) With other investors or stakeholders
- ☐ (C) Stewardship: engagement with policy makers
- ☐ (D) Stewardship: engagement with other key stakeholders
- ☐ (E) Capital allocation
- ☐ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

## STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

### (A) Across all sustainability outcomes

#### (1) Describe your approach

As a baseline, across all funds, all holdings and potential investments are screened on a rolling basis for compliance with international norms in the areas of human rights, labour rights, the environment and climate. This includes widely recognised UN conventions: UN Global Compact, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, the Paris Agreement and conventions concerning controversial weapons. This information is used to inform both investment decisions and our stewardship programme.

Our engagements are usually either direct, collaborative or led by service providers. We often find it can be powerful to combine these methods. Generally, we seek to act as constructive partners to our investee companies, and this means we may also bring third parties into the dialogue - for example, liaising between the company and an NGO regarding best practice on the specific issue. The fact that we as investors may vote at general meetings highlights that our investments represent actual ownership of companies.

At Nykredit, we consider the thoughtful and proper exercise of those voting rights on behalf of investors to be one of our core responsibilities as an asset manager. We are committed to providing transparency in both our voting process and our actual voting decisions, which we disclose via our website.

Nykredit uses proxy adviser services to assist with operational aspects of voting. These advisers provide research on voting agendas, based on Nykredit's defined policies and principles for voting. This information is supplemented with other data and own research used in our investment processes. Our active investment teams play a key role in this process, with voting being an important element in the stewardship of the investments. In the active, fundamental investment strategies, the investment team will analyse agendas against this policy and in the context of dialogue or engagement with the holdings assess how best to vote.

Concurrently, Nykredit's Stewardship team reviews agendas across investment strategies, assessing.

#### (2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings

#### (3) Example

## (B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: Net Zero Asset Managers initiative (NZAMI)

### (1) Describe your approach

During 2024, we continued our work engaging with banks on climate targets. Our aim is to encourage 1.5°C aligned target setting for financed emissions. Recognizing not only the importance of long-term targets, but for urgent short-term action, we urge prompt setting of appropriate targets and pathways for the financing of higher-emitting sectors. We consider both the rigour and scope of targets.

While it is increasingly common for banks to have targets related to lending activity, we are encouraging clearer commitments related to capital market financing. Our focus with the banks is on encouraging real world emissions reductions, both through helping their clients transition, and reducing financing of activities incapable of transition. While some banks are more advanced than others, our engagement is broad-based, recognizing that this is a sector-wide issue.

The engagement also links closely with our voting activity. The AGM season saw many banks with climate-related shareholder resolutions, and/or Say-on-Climate proposals introduced by the banks themselves, and in such situations, we generally voted in a manner supporting a robust approach to climate. Progress on this issue is generally incremental, with additional policy statements and funding commitments introduced by some of the banks during the year.

Furthermore, Nykredit has for several years engaged with the steel manufacturer Arcelormittal on climate risks and other issues. Primary steel manufacturing is extremely carbon intense, but the material is crucial for infrastructure development, and specifically for transition related infrastructure.

(2) Stewardship tools or activities used

(1) Engagement  
(2) (Proxy) voting at shareholder meetings

(3) Example

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

☒ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

By 2030, 100% of invested funds should be aligned with, aligning with, or subject to engagement to encourage alignment with, a 1.5° C pathway.

Select from the list:

- ☒ 2  
☐ 4

☒ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

Through active ownership of high-emission companies to encourage alignment with a 1.5° C pathway.

Select from the list:

- ☒ 1

- 4

☒ (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.

Describe how you do this:

Through active ownership.

Select from the list:

☒ 3

- 4

☐ (D) Other

## STEWARDSHIP WITH EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	OO 5, SO 5	N/A	PUBLIC	Stewardship with external investment managers	2

During the reporting year, how did your organisation, or the external service providers acting on your behalf, engage with external investment managers to ensure that they take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

### (A) Across all sustainability outcomes

(1) Describe your approach

When selecting external investment managers, Nykredit considers the manager's ability to create value and benefit society. This approach extends to their investments. Prior to selection, the investment manager's investment process is analysed, including its alignment with Nykredit's sustainable investment policy. We incorporate ESG factors when monitoring external investment managers. During the reporting year, we engaged with our external investment managers, to ensure that their responsible investment practices were in line with our sustainable investment policy.

### (B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

Net Zero Asset Managers initiative (NZAMI)

(1) Describe your approach

# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☒ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☒ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☒ (E) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (F) We did not verify the information submitted in our PRI report this reporting year

### THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

- ☒ (A) Policy, governance and strategy
  - Select from dropdown list:
    - ☐ (1) Data assured
    - ☐ (2) Processes assured
    - ☒ (3) Processes and data assured
- ☐ (B) Manager selection, appointment and monitoring
- ☒ (C) Listed equity
  - Select from dropdown list:
    - ☒ (1) Data assured
    - ☐ (2) Processes assured
    - ☐ (3) Processes and data assured
- ☒ (D) Fixed income
  - Select from dropdown list:
    - ☒ (1) Data assured
    - ☐ (2) Processes assured
    - ☐ (3) Processes and data assured
- ☒ (H) Hedge funds

Select from dropdown list:

- ☒ (1) Data assured
- ☐ (2) Processes assured
- ☐ (3) Processes and data assured

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 3	PLUS	CBM 1	N/A	PUBLIC	Third-party external assurance	6

#### Provide details of the third-party external assurance process regarding the information submitted in your PRI report.

##### (1) Description of the third-party external assurance process

The PRI report was not subject to dedicated external assurance. However, selected data inputs used in the PRI submission, such as climate-related metrics, ESG integration disclosures, and sustainability risk reporting - were included in Nykredit's annual reporting processes, which underwent limited assurance in accordance with ISAE 3000. The assurance covered the accuracy and completeness of non-financial disclosures relevant to our responsible investment activities. This assurance did not extend to the structure or narrative of the PRI submission itself.

##### (2) Assurance standard(s) used by the third-party assurance provider

- ☐ (A) PAS 7341:2020
  - ☒ (B) ISAE 3000 and national standards based on this
  - ☐ (C) Dutch Standard 3810N (Assurance engagements regarding sustainability reports)
  - ☐ (D) RevR6 (Assurance of Sustainability)
  - ☐ (E) IDW AsS 821 (Assurance Standard for the Audit or Review of Reports on Sustainability Issues)
  - ☐ (F) Accountability AA1000 Assurance Standard (AA1000AS)
  - ☐ (G) IFC performance standards
  - ☐ (H) SSAE 18 and SOC 1
  - ☐ (I) Other national auditing/assurance standard with guidance on sustainability; specify:
  - ☐ (J) Invest Europe Handbook of Professional Standards
  - ☐ (K) ISAE 3402 Assurance Reports on Controls at a Service Organisation
  - ☐ (L) AAF 01/20
  - ☐ (M) AAF 01/06 Stewardship Supplement
  - ☐ (N) ISO 26000 Social Responsibility
  - ☐ (O) ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information
  - ☐ (P) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements
  - ☐ (Q) PCAF
  - ☐ (R) NGER audit framework (National Greenhouse and Energy Reporting)
  - ☐ (S) Auditor's proprietary assurance framework for assuring RI-related information
  - ☐ (T) Other greenhouse gas emissions assurance standard; specify:
- (3) Third-party external assurance provider's report that contains the assurance conclusion

## INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

#### Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☐ (A) Board, trustees, or equivalent
  - ☒ (B) Senior executive-level staff, investment committee, head of department, or equivalent
- Sections of PRI report reviewed
- ☒ (1) the entire report

- (2) selected sections of the report
- (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year