Climate Report 2025

Realkredit Danmark
February 2026

Contents

The information in this report is subject to uncertainties arising from limitations in underlying methodologies and due to constantly evolving data. We strive to capture improvements in the foundation for this report and to be transparent in the changes we make.

Foreword

Dear reader,

Sustainability remains a cornerstone of our strategy, in line with of our ambition to support the essential transition towards a sustainable society. Even against a backdrop of shifting geopolitical landscapes that may relegate the sustainability agenda from the forefront of political priorities, we remain steadfast in our efforts to drive positive change.

We observe that our progress towards achieving our 2030 ambition of reduced financed emissions in our lending portfolio remains on track. However, the path to a carbon-neutral economy is not linear, and ongoing incentives and policy changes are still required to facilitate sustainable and financially viable investments in energy efficiency and in the transformation of buildings. But with this understanding, we remain attentive to external developments that may hamper or support future progression.

For our customers and for our business, the transition poses risks – but it also presents opportunities. In 2025, we continued to enhance our advisory services to help customers navigate the risks and seize the opportunities presented by this transformation. Through close collaboration with our strong partners, we are developing guidance and solutions that empower our customers to make informed decisions in their own sustainability transitions.

A key element in further reducing the emissions from energy consumption in buildings is access to green electricity and district heating produced by renewable energy sources. We offer financial options to support this critical transformation of national energy systems to the extent the production facilities and distribution networks are mortgageable, which is also to the benefit of the real estate sector.

Kamilla Hammerich Skytte, CEO

Realkredit Danmark's emission reduction ambitions

Ambitions for emission intensity reductions

We have set 2030 intermediate carbon emission reduction ambitions within key segments in our lending portfolio. Aligned with the Danske Bank Group's Climate Action Plan[1], our plan at Realkredit Denmark is dynamic and evolves in line with the maturation of our knowledge, data improvements and development within the real estate industry and agricultural sector. Our emission reduction ambitions cover **personal mortgages** and **commercial real estate** – with **an expectation for the Danish portfolio of around a 75% emission reduction against a 2020 baseline**. The progress of our climate ambitions is subject to, and largely driven by, developments in public policy and transition within the utilities sector. Because of this, we align our reduction ambitions with the Danish government's planned fossil fuel reductions in power and heat production and with the continued conversion of fossil fuel heating sources to renewable electricity-power sources, which is key for buildings transitioning away from fossil fuel-based heating. However, reaching our emission reduction ambitions is also dependent on the homeowners and commercial building investors improving the energy efficiency of their buildings.

For **agriculture**, the tripartite Agreement on a Green Denmark (***Aftale om et Grønt Danmark***)[2] is the key driver for the green transition of the Danish agricultural sector over the coming years. In addition to setting a preliminary roadmap for reaching the agricultural sector's CO_2e reduction target, this tripartite agreement includes a carbon tax and also addresses the protection and restoration of natural environments. The agreement made it possible for us in 2024 to formulate our ambition to reduce emission intensity by 2030 by 30-45% (tCO_2e/mDKK) for Realkredit Danmark's agriculture portfolio in relation to 2020 levels. Our ambition is highly dependent on political action, the practical execution of the agreed actions and the implementation of new technologies to support a sustainable agriculture sector.

Commercial real estate

Commercial real estate **covers both residential and non-residential buildings**.

Emissions data for buildings in Denmark is calculated using energy performance certificates (EPCs), which express the building's expected energy usage multiplied by the emission factors published by the Danish Energy Agency for the corresponding primary energy source.

Personal mortgages

Personal mortgages **covers owner-occupied dwellings and holiday homes**.

For personal mortgages, EPCs and emission factors are used to calculate carbon emissions from owner-occupied dwellings. Emissions data for holiday homes is calculated using Finans Danmark's standard emission for each holiday home.

Agriculture

Agriculture **covers crop producing farmland and livestock production**.

Emissions data for agriculture is calculated using ConTerras farm-level emission estimates for Danish farms. The estimates are based on the size of farmland, crop type, animals, fertiliser use, manure management, etc. Forestry is not currently included.

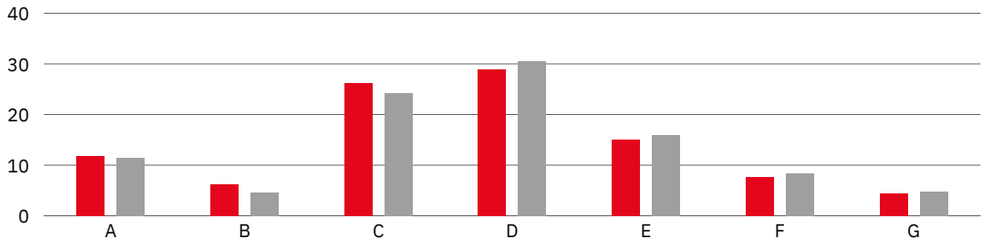
[1] *The Danske Bank Group's Climate Action Plan, January 2023: Climate Action Plan.*
[2] *Tripartite agreement (Aftale om et Grønt Danmark), 24 June 2024, Aftale om et Grønt Danmark.*

Progress on our climate ambitions

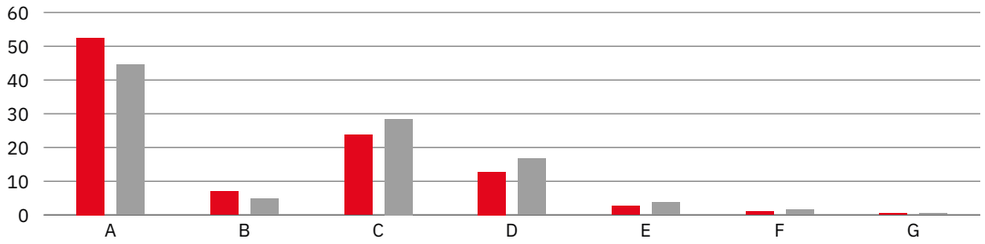
EPC scores are improving

In Realkredit Danmark's portfolio of single-family homes, 18% of buildings with a valid EPC are scored A or B – and 73% have an EPC score of D or better. In our 2020 Greenhouse Gas Footprint report, the corresponding figures were 16% and 71% respectively. At the lower end of the scale, 27% of the portfolio now has an EPC score of E, F or G. In 2020, the corresponding number was 29%. Distributions are based on the count of buildings.

Distribution of EPC scores (% of no. of buildings) – single-family homes 2025 (red) vs. 2020 (grey)



Distribution of EPC scores (% of no. of buildings) – residential CRE 2025 (red) vs. 2020 (grey)



Source: The Danish Energy Agency (Energistyrelsen) via e-nettet.

For the residential part of our commercial real estate (CRE) portfolio, the proportion of buildings with an EPC score of A and B has increased from 49% in 2020 to 59% in 2025. The proportion of buildings rated A to D increased from 94% to 96%, and the proportion of buildings rated E, F and G decreased from 6% to 4% during the same period.

The figures testify that the transition to a more energy-efficient society is moving in the right direction. Although we see improvements in EPC scores in our Danish portfolio for single-family homes in relation to 2020, the changes may not fully reflect actual energy performance improvements because EPCs have a validity of up to 10 years[3] and are typically only updated when buildings are sold. Because energy renovations are typically implemented when a building is retrofitted, there is a potential time lag in the EPC scores. As a result, energy-efficiency measures implemented in the intermediate period will not be reflected in the EPC score of the building until it is put up for sale.

For residential CRE, the EPC scores have improved significantly over the past years. The development is mainly driven by new buildings entering our portfolio that have better EPC scores than buildings leaving our portfolio.

The Energy Performance of Buildings Directive (EPBD), which aims to enhance the energy performance of buildings in the EU, will be transposed into national legislation by May 2026. The legislation will contain requirements for energy-efficiency improvements in the non-residential building stock and a requirement for a general decrease in the average energy use of the residential building stock. Consequently, the EPBD will drive improvement or progress of the energy efficiency of buildings over the coming years.

[3] *Because EPC scores for single-family homes remain valid for a period of 10 years, only 45.0% of single-family homes in our portfolio have a valid EPC – and for the total portfolio of EPC-eligible buildings, this figure stands at 56.7%.*

Single-family homes are switching to more energy-efficient heating sources

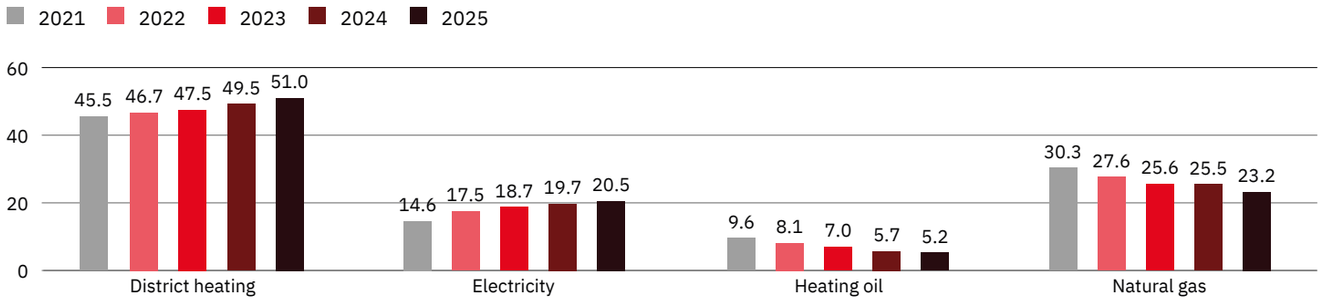
In our Danish portfolio, we see a shift away from fossil fuel-based heating systems, such as oil and natural gas, towards more energy-efficient sources, such as district heating or electricity. This is an important contributor to the positive trends observed in our Danish portfolio.

Taking a closer look at the types of heating in single-family homes[4], it is clear that the heating source plays a significant role for the building emissions. During 2022, the energy crisis caused many homeowners to change their home's heating source to a more energy-efficient heating source, such as a heat pump. This movement away from fossil fuel-based heating and electricity to more renewable heating and electricity generation is key to reducing building emissions. The bar chart below illustrates that this effect continued through 2025.[5]

The bar chart shows an increase in the use of electricity as a heating source and shows that the use of oil and gas decreased. Furthermore, there has been an increase in the use of district heating.

Our ability to achieve an expected 75% emissions reduction is heavily influenced by external factors and relies especially on the ongoing decarbonisation of the utilities sector in Denmark. The expansion of district heating networks as well as the decarbonisation of district heating and electricity production continues to be a cornerstone of Denmark's renewable and efficient energy system, and the success of this is key to ensuring that households in Denmark have a cleaner energy mix. Achieving this is a significant contributory factor in ensuring we can successfully reach our reduction target.

Change of heating source - distribution of single-family homes, % of number of buildings



[4] *Single-family homes ('parcelhuse') is a subsegment of owner-occupied dwellings.*
[5] *Figures for 2025 are based on portfolios as at end of Q3 2025, whereas the figures for previous years are based on portfolios as at year-end of the respective year.*

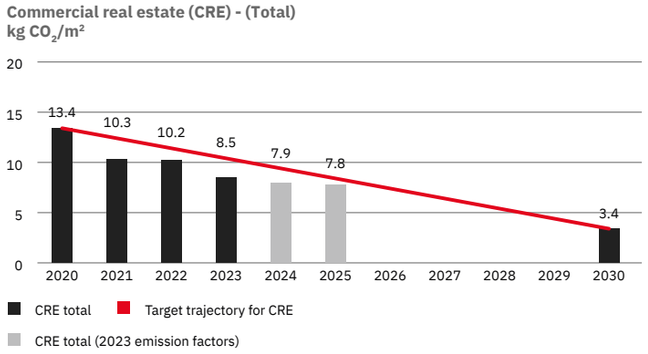
Commercial real estate emission reductions remain aligned with linear 2030 target trajectory, aided by a decarbonisation of heating systems and updated emission factors

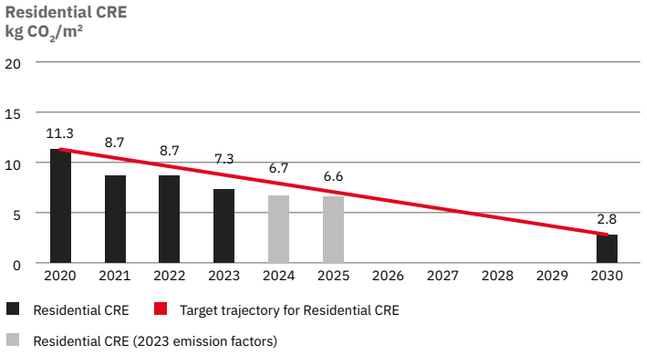
The building sector plays a pivotal role when it comes to meeting the EU's energy and climate objectives.[6] The European Commission reports that approximately 40% of energy consumption in the EU[7] and more than a third of the EU's energy-related greenhouse gas emissions originate from this sector.[8] It is therefore essential to address the commercial real estate (CRE) segment because this sector also has substantial societal impacts.

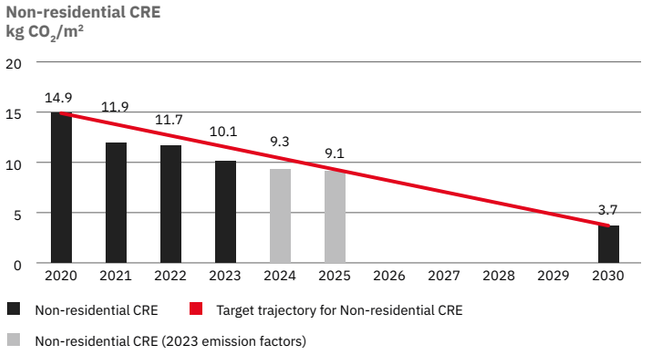
From 2020 to 2025, progress within the CRE segment was mainly driven by more accurate emission factors, but progress was also driven by an improvement in the energy performance of buildings in our portfolio.[9] In total, 5.3% of the buildings in our residential CRE portfolio that had a valid EPC score in 2020 had improved their EPC score by 2025.[10]

Emission intensity reductions in the total CRE segment are slightly below the linear trajectory towards 2030. In 2025, emission intensity decreased by 0.1 kg CO_2e/m^2 for CRE (total), 0.1 kg CO_2e/m^2 for residential CRE and 0.2 kg CO_2e/m^2 for non-residential CRE, which corresponds to respective percentage reductions of 1.3%, 1.5% and 2.2%. Total reductions since 2020 are 5.6, 4.7 and 5.8 kg CO_2e/m^2 in the three segments, corresponding to 41.8%, 41.6% and 38.9%, respectively.

Emission factors from the Danish Energy Agency, delivered by e-nettet, have been updated since our previous report. The updated emission factors for electricity, district heating and natural gas have been adjusted downwards, enabling more accurate calculations of our portfolio emissions. We have subsequently updated our data from 2020 to 2023, i.e. including the baseline, and 2023 data is applied from 2024 onwards because this is the most recently available data.







[6] *Energy efficiency targets and European Climate Law - Climate Action - European Commission.*
[7] *Energy Performance of Buildings Directive.*
[8] *Greenhouse gas emissions from energy use in buildings in Europe.*
[9] *Figures for 2025 are based on portfolios as at end of Q3 2025, whereas the figures for previous years are based on portfolios as at year-end of the respective year.*
[10] *When a single property comprises multiple buildings with varying energy-efficiency ratings, the conservative approach of assigning the lowest energy rating to the entire property is used.*

The path towards 2030: Commercial real estate

Actions

- Realkredit Danmark has been issuing green covered bonds to support sustainability-related activities in the Danish market since 2019. By the end of 2025[11], green bonds funding RD Cibor6® Green loans amounted to DKK 31.9 billion. Additionally, a SEK-denominated green mortgage covered bond introduced in 2020 has funded RD Stibor3® Green loans totalling DKK 2.4 billion over the same period.

- We have strengthened our partnerships with Comundo by reducing the entry cost and making it possible to integrate data into other ESG reporting solutions. Furthermore, we continue to develop our partnership with Sweco because renovation projects have slowed down during 2025 – partly due to the introduction of the EU Omnibus[12] simplification package in February 2025.

- In Denmark, we have continued our support for Real ESG -The Real Estate Reporting Framework. This includes adapting to the Voluntary Sustainability Reporting Standard for SMEs (VSME) for non-CSRD reporting companies. Additionally, we have joined a new non-profit association that owns and ensures maintenance of the framework.

- At Realkredit Danmark, we have seen a continual improvement in the energy performance of our building portfolio. The progress stems from a strategic shift towards financing new high-efficiency buildings and supporting renovations of existing buildings, while gradually exiting investments in buildings that have low levels of energy efficiency. However, the pace in the renovation and energy transformation of buildings has slowed following the introduction of the EU Omnibus because the Omnibus package has reduced the level of urgency among businesses to initiate energy efficiency-investments to meet reporting requirements.

- To promote and inspire sustainable transformation in the real estate sector, Realkredit Danmark, in collaboration with the Danish construction and building network ***Byggesocietetet***, awards its ***Det Grønne Fyrtårn*** ('The Green Lighthouse') prize in recognition of individuals, companies or organisations that have made a significant positive impact on sustainability and that have shown courage or innovation in the area of building renovation or redevelopment. The recipient of the prize receives DKK 100,000, which they can donate to a sustainable cause of their choice.

Outlook

- Looking ahead, the implementation of the EPBD is anticipated to be an important driver for reducing energy consumption in buildings. For the EPBD to effectively enhance energy performance while simultaneously facilitating economically viable renovations, it is essential to remove existing roadblocks faced by building owners. To support the transition of our customers, we will bring the topic of renovation of the less energy-efficient buildings into the dialogues we have with our customers.

- To meet our emission reduction ambitions, we rely on a wider transformation within the utilities sector, particularly the sector's shift from fossil fuel-based heating to more renewable solutions. With district heating already common in commercial real estate, the key change lies in transitioning the sources of power and heat generation of the combined heat and power plants. We work closely with our utilities customers to support and finance this transition.

- At Realkredit Danmark, we are committed to supporting energy grid companies in their efforts to expand net capacity, which is essential for accommodating the increased electrification of society. The recent elimination of the registration tax, as legislated in the approved Danish Finance Act for 2026, has already contributed to lower financing costs for grid operators. This facilitates the operators' expansion initiatives, enabling a more robust electricity grid that can meet increasing demands for renewable energy solutions. Our commitment to collaborating with these operators underscores our dedication to fostering a sustainable future for our business customers and the communities they serve. Together with Danske Bank, we provide advisory services and financing of the power grid expansion, often funded by green bonds.

[11] Amount as at the end of 2025 as opposed to CO_2e calculations in this report, which are based on portfolios as at end of Q3 2025.
[12] Omnibus I - European Commission.

Our personal mortgages segment shows improvements in EPC scores

In 2025[13], we observed a slight rise in average emission intensity of 0.04 kg CO_2e/m^2, corresponding to a 0.3% increase. The total reduction since 2020 is 6.4 kg CO_2e/m^2, which represents a 34.5% reduction.

In 2025, Realkredit Danmark conducted a customer survey in cooperation with YouGov. The results of the survey showed a continued low level of customer interest in energy renovations as energy prices, and consequently household costs for heating, remained low. Combined with a lack of consistency in public subsidy schemes, homeowners are at present more reluctant to undertake energy renovations. Despite the low level of interest in energy renovations, we observe slight improvements in EPC scores in our portfolio in relation to 2020.

The slowdown in the pace of emission intensity reduction in 2025 can be attributed to two main factors. The first is fewer homeowners investing in switching to more sustainable heating sources and in energy retrofits in general. The second is the fact that updated emission factors for 2024 and 2025 are still pending.

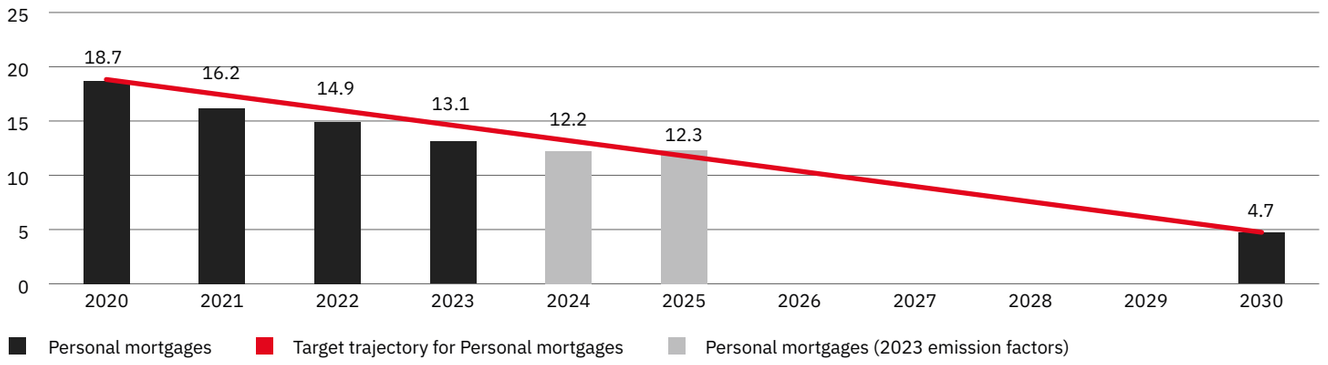
For our personal mortgages portfolio, the decarbonisation of electricity and heating systems will have a positive effect on the progression towards our targets.

Emission factors from the Danish Energy Agency, delivered by e-nettet, have been updated since our last report. The updated emission factors for electricity, district heating and natural gas have been adjusted downwards, enabling more accurate calculation of our portfolio's emissions. We have subsequently updated our data from 2020 to 2023 including the baseline.

Emission intensity factors for 2024 and 2025 are based on the latest published actual emission factors from 2023. Therefore, the ongoing decarbonisation of the energy grid in Denmark is not reflected in the numbers presented below.

The EPBD, which aims to enhance the energy performance of buildings in the EU, will be transposed into national legislation in 2026. At Realkredit Danmark, we are closely monitoring the preparation of the Danish implementation through our industry organisation, FIDA, and we will continue to support those of our customers who are looking to improve the energy performance of their homes.

Personal mortgages
kg CO_2/m^2



[13] *Figures for 2025 are based on portfolios as at end of Q3 2025, whereas the figures for previous years are based on portfolios as at year-end of the respective year.*

The path towards 2030: Personal mortgages

Actions

- We aim to support the energy efficiency of privately owned homes by encouraging the improvement of the EPC scores of homes in our mortgage portfolio. As part of this drive, we offer energy-improvement loans without establishment fees. In 2025, we expanded the range of renovation projects that are eligible for energy-improvement loans to include installation of battery systems for electricity storage and smart home solutions that optimise energy and heat consumption.

- In 2025, we introduced business-specific sustainability training through the Sustainability Unlocked platform. This initiative helps advisers, managers, support functions and valuation specialists to continually strengthen their sustainability expertise. By providing advisers with the skills and knowledge needed, we aim to make sustainable options, such as energy improvements, more accessible and easier to understand.

- Danske Bank is the first bank in Denmark to include household EPC data in its mobile banking app for customers. This feature offers Danske Bank and Realkredit Danmark customers valuable support by providing customers with insights into their home's energy performance and highlighting opportunities to improve energy efficiency.

Outlook

- The EPBD, which is designed to enhance energy efficiency in buildings across the EU, will be incorporated into national legislation by May 2026. In collaboration with Danske Bank, we will continue to explore new ways to support our customers in retrofitting their homes.

- Reaching our ambition of a 75% reduction in emissions is strongly dependent on external factors. The expansion of district heating continues to be a key component of Denmark's strategy for clean and efficient energy. Successfully expanding district heating is essential to creating a cleaner energy mix for Danish homes, which is a critical factor for enabling us to meet our own emissions intensity reduction ambitions.

Ambition for agriculture aims for a 30-45% emissions intensity reduction reflecting the tripartite agreement's[14] sector transition pathway — limited observed reductions

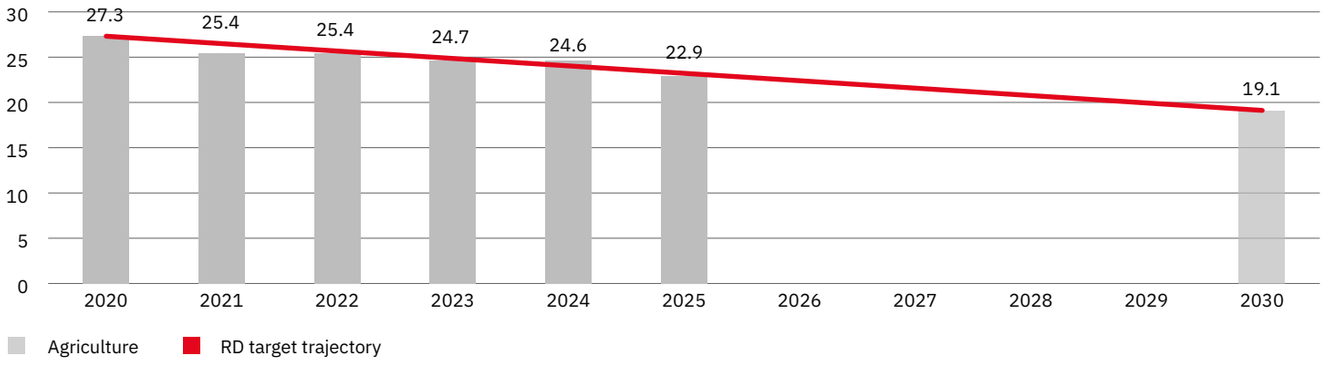
Stable and sustainable agricultural production is vital for ensuring that sufficient food can be supplied to an ever-growing global population. But the agricultural sector faces challenges in relation to its impact on climate and biodiversity. As well as being responsible for around 20%[15] of total Nordic CO_2e emissions, the sector also depletes natural resources and degrades biodiversity through its extensive use of land.

Our agricultural customers face both physical and transition risks due to climate change and shifts towards a low-carbon economy, but these challenges also present opportunities for improved agricultural practices.

At Realkredit Danmark, we have an important role to play in supporting our agriculture customers by providing advisory services and products aimed at helping these customers to navigate nature- and climate-related impacts, risks and opportunities.

Our 2030 ambition reflects the Danish national agricultural sector's ambition recalculated to a 2020 baseline using data from Denmark's Climate Status and Outlook 2024[16] report and draws on the SBTi's Forest, Land and Agriculture Target-Setting Guidance[17]. Our ambition is to achieve a 30-45% emissions intensity reduction by 2030 in relation to 2020 levels, primarily by supporting the implementation of the tripartite Agreement on a Green Denmark through our advisory services related to economic and financial needs and challenges when transitioning into more sustainable farming. Our ability to achieve the emissions reduction ambition depends heavily on the successful implementation of the green tripartite agreement.

Agriculture
Financed CO_2e / Exposure (t/mDKK)



The emissions intensity within our agriculture portfolio covered by our reduction ambition has decreased from 27.3 tCO_2e/mDKK in our baseline year 2020 to 22.9 tCO_2e/mDKK in 2025[18], which corresponds to a 16.1% reduction. The emission intensity reduction is following the target trajectory, but even though we observe limited reductions, we still do not observe a clear trend in carbon emissions in Denmark's agricultural sector. The results of carbon reduction efforts are expected to become evident in the future.

Emission factors for agriculture have been updated since our last report. Some changes in the agriculture segment are observed as a result of updates to farm-specific emission estimates obtained from the external data vendor ConTerra. This includes an update to peatland emission calculation methodology and revised emission factors used for calculating emissions from the atmospheric deposition.

For a description of the agriculture model and the changes made, please see appendix 1.

[14] Tripartite negotiations between the Danish Government, industry organisations and labour unions resulted in a political agreement to reduce carbon emissions and support biodiversity in the agricultural sector. The agreement was approved by the Danish parliament in November 2024: aftale-om-implementering-af-et-groent-danmark.
[15] Nordic Stocktake – Pathways to Climate Neutrality: Nordic Stocktake – Pathways to Climate Neutrality.
[16] Klimastatus og – fremskrivning 2024: Klimastatus og – fremskrivning 2024 (kefm.dk).
[17] The SBTi's Forest, Land and Agriculture Target-Setting Guidance: SBTi Guidance.
[18] Figures for 2025 are based on portfolios as at end of Q3 2025, whereas the figures for previous years are based on portfolios as at year-end of the respective year.

The path towards 2030: Agriculture

Actions

- Using the results from the transition risk assessments[19] that we conducted among our agriculture customers in 2024, a baseline was set to measure the development in emission intensity. The results from these assessments enhance our understanding of where our customers are in their climate transition and nature mitigation efforts, and they provide us with farm-specific operational data.
- By identifying key challenges, risks and opportunities, we are able to focus our efforts more effectively and refine our customer interactions to have the greatest positive impact. Our dialogues and follow-up engagements with our customers continue and are included in our transition risk assessments on the topic of climate, also in relation to the green tripartite agreement. This commitment will support us in achieving our target.
- In addition to our focus on climate, we also have a focus on nature and biodiversity because there are important feedback loops between nature and biodiversity factors and greenhouse gas emissions.

Outlook

- Achieving our 2030 target depends heavily on the successful implementation of the tripartite Agreement on a Green Denmark within the Danish agricultural sector. We remain committed to carrying out transition risk assessments with our customers and to continually refining and evolving our initiatives in alignment with the green tripartite agreement.
- Through our industry association, Finans Danmark, we participate in understanding and solving some of the financial issues related to implementing the initiatives of the green tripartite agreement.

[19] A transition risk assessment is an evaluation of financial and operational risks associated with the transition to a more sustainable business, including evaluation of customers' readiness for change, the impact of new regulations and market shifts.

CO_2e emissions Total portfolio

Continued reductions in financed CO_2e emissions of Realkredit Dannmark's total portfolio

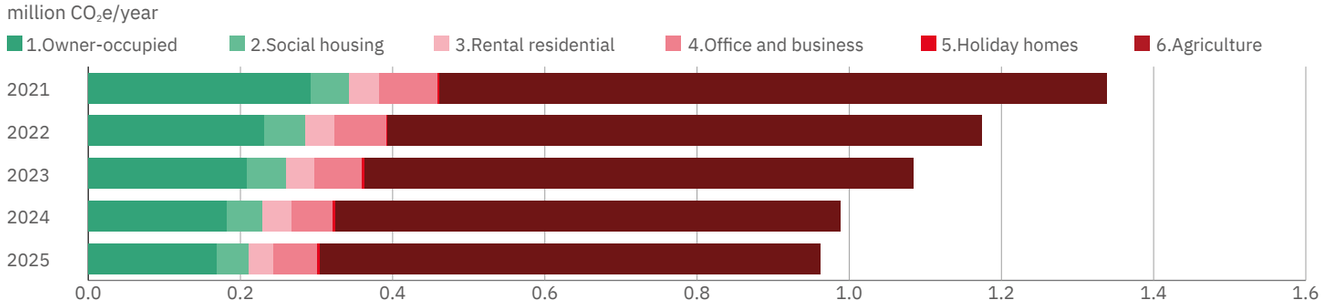
Further to our intensity targets, we also monitor financed emissions of the total portfolio of Realkredit Danmark. It should be noted that the customer segments used when calculating the intensity targets differ from those used in the following part of the report, where the primary focus is the building category rather than the type of customer (see box 1). Please note that changes in financed emissions also include changes in the underlying portfolio as well as changes in the loan-to-value (LTV) of the underlying portfolio. Please refer to appendix 2 for the corresponding numbers for total emissions.

When looking at financed emissions, all building categories have seen a reduction in financed emissions throughout the period covered.

The owner-occupied category has shown an even decrease in financed emissions during the reporting period and a total reduction of 57% since 2020. During 2022, some homeowners switched to a renewable heating source. The conversions were driven primarily by the energy crisis caused by the war in Ukraine. The transition was supported by various government incentives as well as by Realkredit Danmark and Danske Bank offering customers discounted energy-improvement loans.

Since 2022, we have seen a decline in the number of energy renovations as gas prices have fallen, lowering household energy costs.

Financed GHG emissions



Box 1: Differences in customer segments

Climate Action Plan (Customer segments)	Realkredit Danmark's total portfolio incl. app. 2 (Building categories)
Commercial real estate (residential)	Residential rental
Commercial real estate (non-residential)	Offices and business
Personal mortgages	Owner-occupied (single-family homes + owner-occupied flats)
Agriculture	Agriculture
Not monitored	Social housing Holiday homes

The offices and business building category has also shown an annual reduction in financed emissions, resulting in a total reduction in financed emissions of 44% during the period.

Agriculture is the category with the highest level of financed emissions. However, this category has also experienced a reduction in annual financed emissions, with a 30% decrease since 2020.

All building categories have experienced a drop in emissions since 2020, and all categories saw reductions in financed emissions during 2025[20] (see table 1) – except the offices and business category, which saw an increase of 1%. However, due to the loan size and price volatility in this category, the value of the underlying assets is more volatile due to price changes, which in turn affects LTV ratios and consequently the financed emissions. For further details on the development in emissions, please refer to appendix 2.

Emission factors from the Danish Energy Agency, delivered by e-nettet, have been updated since our last report. We have subsequently updated our data from 2020 to 2023, including the baseline.

Emissions for 2024 and 2025 are calculated using the latest published actual emission factors from 2023, so the ongoing decarbonisation of the energy grid in Denmark is not reflected in the numbers.

Changes in LTV ratios affect financed emissions. If house prices increase, the LTV ratio decreases, which in turn will result in a reduction in financed emissions (= total emission x LTV).

Therefore, for comparison of the development in different building categories, please also refer to the total emissions detailed in appendix 2.

Table 1

Change in financed emissions	2020-2025	2024-2025
Owner-occupied	-57%	-7%
Social housing	-42%	-13%
Rental residential	-45%	-9%
Office and businesses	-44%	1%
Holiday homes	-44%	-6%
Agriculture	-30%	-1%
Total	**-39%**	**-3%**

[20] Figures for 2025 are based on portfolios as at end of Q3 2025, whereas the figures for previous years are based on portfolios as at year-end of the respective year.

Appendix 1
Data and methodologies

Accounting principles and methodological considerations

The calculation of financed emissions for Realkredit Danmark's lending portfolio relies on a combination of internally developed models and external emission data sources. The model we use to calculate financed emissions for our lending portfolio has been validated by the Danske Bank Group's internal model risk management process.

Generally, the setup follows the industry-wide standard set by the Partnership for Carbon Accounting Financials (PCAF) and additional guidance developed by Finans Danmark. Some deviations have been implemented when considered appropriate.

In line with general efforts to increase data quality and data coverage, and to reflect evolving industry practices, the carbon emission models are subject to continual improvements and updates. In accordance with our recalculation policy, every model change has been applied to previous years' estimates and restated in this report. This is a natural consequence of model improvements and causes some of the historical emission figures to change in relation to previous reporting.

The update of emission factors used for calculating emissions for buildings has resulted in significant changes and revisions being made since the publication of our Climate Report 2024.

The financed emission calculation applies the most recently available information associated with the reporting year at the time of calculation. For agriculture, financed emissions for 2025 are based on portfolio and exposure data from the end of September 2025 as well as on customers' emission data from year-end 2024. This can result in situations where the exposure, financial data and the emissions are temporally misaligned. However, the calculation represents our most updated estimate given the available data. To level out similar misalignment in our next climate report, a recalculation of 2025 data will be carried out.

For **personal mortgages** and **commercial real estate**, financed emissions for 2025 are based on portfolio and exposure data from the end of September 2025 as well as on building emission data from the end of September 2025. Emissions are calculated using the emission factors available. The newest emission factors are from 2023, which is why emissions for 2024 and 2025 are calculated using 2023 emission factors.

Baseline recalculation policy – To consistently track and ensure relevance of the reported CO_2e emissions data and progress made on our climate targets, we recalculate base-line-year emissions if there are significant developments relating to changes in calculation methodologies, improvements in data accuracy or discovery of significant errors.

Deviations from the PCAF standard – Although the setup is designed to follow the industry-wide standard, some deviations have been implemented to match the Danske Bank Group's internal data structure and data availability, or to lower the expected volatility and complexity of calculating financed emissions over time. The most notable deviations from the PCAF standard, and the PCAF secretariat's recommendations, are that attribution factors for buildings are based on the market value of the asset at reporting date instead of value at origination. For more details on this matter, please refer to the publication Accounting Principles and Methodological Considerations, which is a standalone supplement to the Danske Bank Group's Climate Progress Report 2025.

High-level overview of financed emission sources and methodologies

Category	Emission data source	Methodology
Agriculture	ConTerra's farm-level emission estimates for Danish farms	The farm-level estimates from ConTerra are based on size of farmland, crop type, animals, fertiliser use, manure management, etc. The same methodology and emission factors as applied in the Danish National Inventory Report. Emissions related to agriculture customers with no match in the ConTerra data are estimated using extrapolations from the ConTerra-covered part. Emission figures from ConTerra are based on financial statements from agriculture customers. Consequently, emissions for 'private agriculture customers' are not part of the report. Note that forestry is currently not included in emission data from ConTerra and is therefore not part of the calculation of financed emission for agriculture customers either. The ConTerra data covers scope 1 emissions only. Attribution factors follow PCAF's business loan approach.
Commercial real estate	e-nettet, Danish Energy Agency	Covers scope 1 and 2 emissions related to heating. Energy consumption is estimated from EPC scores, or distribution of EPC scores from buildings with similar characteristics, combined with energy and emission factors related to primary heating source. Follows the guidance from Finans Danmark's Framework for Financed Emissions Accounting with some adjustments related to data availability. Attribution factors are based on building value at reporting date.
Personal mortgages	e-nettet, Danish Energy Agency	Covers scope 1 and 2 emissions related to heating. Energy consumption is estimated based on the EPC scores, or distribution of EPC scores from buildings with similar characteristics, combined with energy and emission factors related to primary heating source. Follows the guidance from Finans Danmark with some adjustments related to data availability. Attribution factors are based on building value at reporting date.

Appendix 2
CO_2e emissions per capital centre

CO_2e emissions by capital centre 2025[21]

2025	Total CO_2e (t)	Financed CO_2e (t)	Total CO_2e footprint (t/bn)	Financed CO_2e footprint (t/bn)	Portfolio coverage	Total CO_2e (t) 100% coverage	Kg CO_2e/m^2 (total)	Kg CO_2e/m^2 (financed)
Capital centre S	**523,949**	**183,260**	**2,162**	**756**	**97.1**	**607,568**	**10.6**	**3.2**
1.Owner-occupied	185,260	72,161	1,273	496	95.1	194,282	12.4	4.8
2.Social housing	86,150	11,169	3,714	481	99.8	86,307	10.0	1.3
3.Rental residential	51,573	13,840	1,199	322	99.1	52,019	8.1	2.2
4.Office and business	44,013	14,584	2,222	736	86.9	49,784	10.6	3.5
5.Holiday homes	3,600	1,065	513	152	99.3	3,626	3.4	1.0
6.Agriculture*	153,354	70,442	40,528	18,616	55.5	221,551	-	-
Capital centre T	**1,536,473**	**743,160**	**3,741**	**1,809**	**96.9**	**1,911,109**	**9.3**	**3.8**
1.Owner-occupied	211,934	91,204	947	408	96.5	219,449	11.5	5.0
2.Social housing	11,471	875	7,559	577	99.9	11,480	5.8	0.4
3.Rental residential	43,536	19,521	568	255	99.4	43,786	6.2	2.8
4.Office and business	104,356	41,705	1,500	600	87.3	117,608	9.0	3.6
5.Holiday homes	4,380	1,522	364	127	99.3	4,409	3.2	1.1
6.Agriculture*	1,160,797	588,333	42,584	21,583	69.5	1,514,376	-	-
Capital centre A	**42,560**	**19,522**	**773**	**355**	**99.3**	**42,839**	**6.7**	**3.1**
2.Social housing	42,560	19,522	773	355	99.3	42,839	6.7	3.1
Other reserves	**65,505**	**16,853**	**3,577**	**920**	**98.2**	**69,257**	**5.0**	**1.2**
1.Owner-occupied	17,872	4,724	6,497	1,718	90.4	19,584	16.2	3.1
2.Social housing	37,927	9,158	2,902	701	99.4	38,139	3.8	0.9
3.Rental residential	4,351	846	3,272	636	98.2	4,430	5.1	1.0
4.Office and business	2,272	735	2,394	774	91.7	2,461	4.9	1.6
5.Holiday homes	290	36	1,938	241	98.9	293	5.8	0.7
6.Agriculture*	2,794	1,355	45,608	22,112	44.4	4,349	-	-
Total	**2,168,487**	**962,795**	**2,985**	**1,325**	**97.3**	**2,630,773**	**9.0**	**3.2**

** Agriculture is not calculated based on m^2. Calculations are based on the new ConTerra model.*

[21] Figures for 2025 are based on portfolios as at end of Q3 2025, whereas the figures for previous years are based on portfolios as at year-end of the respective year.

CO_2e emissions by capital centre 2024[22]

2024	Total CO_2e (t)	Financed CO_2e (t)	Total CO_2e footprint (t/bn)	Financed CO_2e footprint (t/bn)	Portfolio coverage	Total CO_2e (t) 100% coverage	Kg CO_2e/m^2 (total)	Kg CO_2e/m^2 (financed)
Capital centre S	**548,569**	**205,219**	**2,167**	**811**	**97.0**	**605,484**	**10.7**	**3.5**
1.Owner-occupied	195,022	80,297	1,251	515	94.9	204,877	12.3	5.1
2.Social housing	85,844	12,715	3,771	558	99.8	85,998	10.4	1.5
3.Rental residential	51,853	15,438	1,219	363	99.1	52,324	8.3	2.5
4.Office and business	45,578	15,447	2,235	758	100.0	45,578	10.6	3.6
5.Holiday homes	3,915	1,227	519	163	99.3	3,942	3.5	1.1
6.Agriculture*	166,358	80,094	40,983	19,731	72.1	212,766	-	-
Capital centre T	**1,528,361**	**741,631**	**3,838**	**1,862**	**96.7**	**1,787,666**	**9.4**	**3.9**
1.Owner-occupied	216,213	95,419	978	432	96.2	224,361	11.5	5.1
2.Social housing	12,569	1,054	7,911	663	99.9	12,578	5.8	0.5
3.Rental residential	43,824	20,986	593	284	99.4	44,098	6.3	3.0
4.Office and business	103,467	40,068	1,597	619	100.0	103,467	9.2	3.6
5.Holiday homes	4,444	1,521	377	129	99.4	4,471	3.2	1.1
6.Agriculture*	1,147,844	582,583	45,444	23,065	78.1	1,398,690	-	-
Capital centre A	**41,995**	**21,360**	**768**	**390**	**99.3**	**42,276**	**6.8**	**3.5**
2.Social housing	41,995	21,360	768	390	99.3	42,276	6.8	3.5
Other reserves	**69,837**	**20,672**	**3,628**	**1,074**	**98.2**	**73,969**	**5.1**	**1.5**
1.Owner-occupied	19,978	5,625	6,341	1,786	90.3	21,908	16.1	3.4
2.Social housing	39,278	11,679	2,919	868	99.5	39,484	3.8	1.1
3.Rental residential	4,626	1,087	3,333	783	97.8	4,726	5.3	1.2
4.Office and business	2,469	815	2,437	804	90.4	2,707	5.1	1.7
5.Holiday homes	334	45	1,913	256	98.9	338	5.7	0.8
6.Agriculture*	3,150	1,421	46,109	20,796	47.4	4,806	-	-
Total	**2,188,762**	**988,883**	**3,017**	**1,363**	**97.2**	**2,654,709**	**9.1**	**3.4**

** Agriculture is not calculated based on m^2. Calculations are based on the new ConTerra model.*

[22] Figures for 2024 are based on portfolios as at end of Q4 2024, whereas the figures in the Climate Report 2024 were based on portfolios as at end Q3 2024.

CO_2e emissions by capital centre 2023

2023	Total CO_2e (t)	Financed CO_2e (t)	Total CO_2e footprint (t/bn)	Financed CO_2e footprint (t/bn)	Portfolio coverage	Total CO_2e (t) 100% coverage	Kg CO_2e/m^2 (total)	Kg CO_2e/m^2 (financed)
Capital centre S	**602,403**	**237,730**	**2,323**	**917**	**97.0**	**806,896**	**11.5**	**3.9**
1.Owner-occupied	215,713	90,645	1,336	562	95.1	226,356	13.3	5.6
2.Social housing	86,964	13,386	3,910	602	99.8	87,111	10.9	1.7
3.Rental residential	54,178	16,083	1,266	376	99.2	54,638	8.8	2.6
4.Office and business	48,154	15,920	2,382	787	100.0	48,154	11.9	3.9
5.Holiday homes	4,180	1,336	528	169	99.3	4,209	3.5	1.1
6.Agriculture*	193,214	100,360	40,610	21,094	-	386,427	-	-
Capital centre T	**1,611,727**	**798,745**	**4,026**	**1,995**	**96.8**	**2,814,057**	**10.0**	**4.3**
1.Owner-occupied	239,917	109,226	1,060	482	96.3	248,833	12.2	5.6
2.Social housing	14,655	1,395	7,832	746	99.9	14,665	5.9	0.6
3.Rental residential	46,754	22,619	650	315	99.3	47,093	6.7	3.2
4.Office and business	112,538	44,657	1,795	712	100.0	112,538	10.2	4.0
5.Holiday homes	4,830	1,710	402	142	99.3	4,863	3.2	1.1
6.Agriculture*	1,193,032	619,138	46,972	24,377	-	2,386,064	-	-
Capital centre A	**41,967**	**22,177**	**791**	**418**	**99.4**	**42,218**	**7.3**	**3.9**
2.Social housing	41,967	22,177	791	418	99.4	42,218	7.3	3.9
Other reserves	**81,737**	**25,911**	**3,797**	**1,204**	**98.3**	**89,902**	**5.5**	**1.7**
1.Owner-occupied	25,272	7,678	5,896	1,791	91.6	27,399	17.4	3.7
2.Social housing	42,341	13,592	2,966	952	99.5	42,550	3.9	1.2
3.Rental residential	5,098	1,293	3,330	844	97.8	5,208	5.6	1.4
4.Office and business	3,186	930	2,950	861	90.6	3,486	6.3	1.8
5.Holiday homes	425	56	1,963	257	99.3	428	5.0	0.7
6.Agriculture*	5,415	2,361	39,250	17,116	-	10,830	-	-
Total	**2,337,835**	**1,084,563**	**3,184**	**1,477**	**97.2**	**3,753,073**	**9.8**	**3.7**

** Agriculture is not calculated based on m². Calculations are based on the new ConTerra model.*

CO_2e emissions by capital centre 2022

2022	Total CO_2e (t)	Financed CO_2e (t)	Total CO_2e footprint (t/bn)	Financed CO_2e footprint (t/bn)	Portfolio coverage	Total CO_2e (t) 100% coverage	Kg CO_2e/m² (total)	Kg CO_2e/m² (financed)
Capital centre S	**725,310**	**271,574**	**2,707**	**1,014**	**96.9**	**983,378**	**13.6**	**4.1**
1.Owner-occupied	253,461	99,340	1,489	584	95.0	266,026	15.2	6.0
2.Social housing	104,601	13,210	5,149	650	99.8	104,767	13.9	1.8
3.Rental residential	61,258	15,563	1,449	368	99.1	61,811	10.2	2.6
4.Office and business	56,785	16,710	2,674	787	100.0	56,785	14.3	4.2
5.Holiday homes	4,456	1,360	532	162	99.2	4,492	3.6	1.1
6.Agriculture*	244,748	125,392	44,534	22,816	-	489,497	-	-
Capital centre T	**1,715,613**	**851,986**	**4,362**	**2,166**	**96.6**	**2,953,479**	**11.6**	**4.7**
1.Owner-occupied	280,194	121,232	1,232	533	96.2	290,968	14.0	6.1
2.Social housing	20,080	1,755	8,767	766	99.9	20,093	7.9	0.7
3.Rental residential	52,487	23,047	813	357	99.2	52,909	7.8	3.4
4.Office and business	130,930	50,066	2,163	827	100.0	130,930	11.5	4.4
5.Holiday homes	5,307	1,766	440	146	99.2	5,350	3.4	1.1
6.Agriculture*	1,226,615	654,119	46,615	24,858	-	2,453,230	-	-
Capital centre A	**49,392**	**21,421**	**1,029**	**446**	**99.4**	**49,704**	**9.1**	**4.0**
2.Social housing	49,392	21,421	1,029	446	99.4	49,704	9.1	4.0
Other reserves	**100,073**	**30,431**	**4,482**	**1,363**	**98.3**	**108,151**	**6.5**	**1.9**
1.Owner-occupied	31,707	9,759	6,531	2,010	91.9	34,281	19.1	4.5
2.Social housing	52,852	15,781	3,707	1,107	99.6	53,085	4.7	1.4
3.Rental residential	6,436	1,553	3,480	840	97.8	6,577	6.6	1.6
4.Office and business	3,848	1,042	3,829	1,036	90.2	4,226	7.5	2.0
5.Holiday homes	480	70	1,813	263	99.2	484	4.9	0.7
6.Agriculture*	4,749	2,226	47,362	22,202	-	9,498	-	-
Total	**2,590,388**	**1,175,412**	**3,541**	**1,607**	**97.1**	**4,094,712**	**11.4**	**4.0**

** Agriculture is not calculated based on m². Calculations are based on the new ConTerra model.*

CO_2e emissions by capital centre 2021

2021	Total CO_2e (t)	Financed CO_2e (t)	Total CO_2e footprint (t/bn)	Financed CO_2e footprint (t/bn)	Portfolio coverage	Total CO_2e (t) 100% coverage	Kg CO_2e/m² (total)	Kg CO_2e/m² (financed)
Capital centre S	**876,848**	**417,870**	**2,960**	**1,411**	**96.2**	**1,285,957**	**14.4**	**5.9**
1.Owner-occupied	295,049	143,432	1,478	718	95.1	309,631	16.4	8.0
2.Social housing	78,403	12,346	5,255	828	98.7	79,443	14.2	2.2
3.Rental residential	50,395	18,555	1,212	446	98.0	51,381	10.2	3.8
4.Office and business	55,831	22,766	2,561	1,044	100.0	55,831	14.3	5.8
5.Holiday homes	4,718	1,950	491	203	98.9	4,769	3.6	1.5
6.Agriculture*	392,451	218,822	45,610	25,431	-	784,902	-	-
Capital centre T	**1,663,666**	**870,508**	**4,505**	**2,357**	**96.3**	**2,843,318**	**12.3**	**5.4**
1.Owner-occupied	302,274	137,129	1,452	659	96.0	314,489	15.2	6.9
2.Social housing	17,172	3,275	2,457	469	98.2	17,485	7.9	1.5
3.Rental residential	48,274	22,869	859	407	98.7	48,881	7.6	3.6
4.Office and business	124,097	52,964	2,022	863	100.0	124,097	11.9	5.1
5.Holiday homes	5,376	1,813	479	161	99.2	5,421	3.5	1.2
6.Agriculture*	1,166,472	652,457	45,997	25,728	-	2,332,945	-	-
Capital centre A	**34,650**	**16,575**	**991**	**474**	**99.1**	**34,951**	**8.8**	**4.2**
2.Social housing	34,650	16,575	991	474	99.1	34,951	8.8	4.2
Other reserves	**107,214**	**36,880**	**4,822**	**1,659**	**97.4**	**126,158**	**7.7**	**2.5**
1.Owner-occupied	37,449	12,171	7,006	2,277	92.2	40,370	20.4	3.2
2.Social housing	43,846	15,323	3,258	1,139	98.9	44,329	5.1	1.8
3.Rental residential	6,026	1,569	3,846	1,002	96.4	6,246	7.0	1.8
4.Office and business	4,535	1,359	4,028	1,207	88.5	5,059	8.1	2.4
5.Holiday homes	566	100	1,808	319	99.3	569	4.9	0.9
6.Agriculture*	14,792	6,359	34,589	14,869	-	29,584	-	-
Total	**2,682,378**	**1,341,833**	**3,711**	**1,857**	**96.6**	**4,290,383**	**12.3**	**5.2**

** Agriculture is not calculated based on m². Calculations are based on the new ConTerra model.*

CO_2e emissions by capital centre 2020

2020	Total CO_2e (t)	Financed CO_2e (t)	Total CO_2e footprint (t/bn)	Financed CO_2e footprint (t/bn)	Portfolio coverage	Total CO_2e (t) 100% coverage	Kg CO_2e/m² (total)	Kg CO_2e/m² (financed)
Capital centre S	**932,481**	**474,371**	**3,456**	**1,758**	**96.2**	**1,322,106**	**17.6**	**8.0**
1.Owner-occupied	330,611	183,147	1,809	1,002	95.0	346,979	19.2	10.7
2.Social housing	98,748	17,263	6,999	1,224	98.7	100,078	18.4	3.2
3.Rental residential	62,530	24,721	1,705	674	97.8	63,892	13.9	5.5
4.Office and business	65,393	29,403	3,288	1,478	100.0	65,393	18.4	8.3
5.Holiday homes	4,679	2,258	534	258	99.0	4,724	3.6	1.7
6.Agriculture*	370,520	217,580	48,852	28,687	-	741,039	-	-
Capital centre T	**1,881,136**	**1,033,671**	**4,902**	**2,694**	**96.3**	**3,141,160**	**14.7**	**7.1**
1.Owner-occupied	376,446	191,534	1,718	874	96.0	391,611	17.5	8.9
2.Social housing	30,084	8,032	2,925	781	98.3	30,584	10.7	2.9
3.Rental residential	66,735	34,827	1,231	643	98.7	67,616	10.1	5.3
4.Office and business	158,602	70,744	2,552	1,139	100.0	158,602	14.7	6.6
5.Holiday homes	5,837	2,265	512	199	99.2	5,882	3.5	1.4
6.Agriculture*	1,243,432	726,269	46,687	27,269	-	2,486,864	-	-
Capital centre A	**37,847**	**21,048**	**1,289**	**717**	**99.1**	**38,193**	**12.5**	**7.0**
2.Social housing	37,847	21,048	1,289	717	99.1	38,193	12.5	7.0
Other reserves	**128,062**	**48,654**	**5,164**	**1,962**	**97.2**	**139,071**	**9.6**	**3.6**
1.Owner-occupied	48,099	17,468	6,991	2,539	92.7	51,634	22.2	6.8
2.Social housing	58,166	23,516	4,061	1,642	98.8	58,872	6.5	2.6
3.Rental residential	8,401	2,618	4,687	1,461	96.6	8,691	9.1	2.8
4.Office and business	7,171	2,132	5,627	1,673	87.8	8,048	11.6	3.4
5.Holiday homes	629	145	1,533	354	99.3	634	4.7	1.1
6.Agriculture*	5,596	2,773	46,938	23,259	-	11,192	-	-
Total	**2,979,526**	**1,577,744**	**4,210**	**2,229**	**96.5**	**4,640,529**	**14.9**	**6.9**

** Agriculture is not calculated based on m². Calculations are based on Realkredit Danmark's original model.*

Definitions used in the tables

Definitions	
Total CO_2e (t)	Calculated total CO_2e emissions based on methodology described in appendix 1
Financed CO_2e (t)	Current LTV x Total CO_2e (tonnes)
Total CO_2e footprint (t/bn)	Total CO_2e (tonnes) per issued loan (billion)
Financed CO_2e footprint (t/bn)	Financed CO_2e (tonnes) per issued loan (billion)
Portfolio coverage	Share of number of buildings in portfolio where it has been possible to calculate CO_2e emission
Total CO_2e (t) 100% coverage	Total emissions if possible to calculate CO_2e on each building in the portfolio ((100 - portfolio coverage) / 100 x Total CO_2e (tonnes)) + Total CO_2e (tonnes)
Kg CO_2e/m^2 (total)	Total CO_2e (tonnes) x 1,000 per m^2
Kg CO_2e/m^2 (financed)	Financed CO_2e (tonnes) x 1,000 per m^2

The calculated CO_2e emissions cover the emissions of a full year and are calculated for the portfolio as at year-end. However, figures for 2025 are based on the portfolio as at the end of September 2025. Please note that the figures in this appendix cannot readily be compared with the figures stated in Danske Bank's Climate Progress Report 2025 because customer segmentation and geographic scope differ. Furthermore, the calculation of CO_2e emissions for agriculture differs from the methodology used in the Climate Action Plan, see appendix 1.

At this stage, Realkredit Danmark has not been able to calculate CO_2e emissions from manufacturing exposures.

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