

dlr·kredit



Investor presentation

August 2025

DLR in short



DLR offers mortgage lending funded by Covered Bonds (SDO)



The primary income sources are administration fees, fees and commissions, as well as portfolio earnings (securities).



DLRs loan portfolio was DKK 206.0bn at the end of June 2025



Around half of the portfolio is agriculture, with the other half being other property segments



All loans are distributed through DLRs 41 owner banks, who each covers losses on the portfolio distributed



DLR had 280 employees end June 2025, of which 44 are valuation experts



Return on equity is 4.4% in Q2 2025



DLRs Total equity was DKK 17.4bn at end of Q2 2025 with a capital ratio at 23.1%



DLR expects a result for 2025 between DKK 1.3b to DKK 1.5b.

Danish mortgage lending – Stable low risk lending

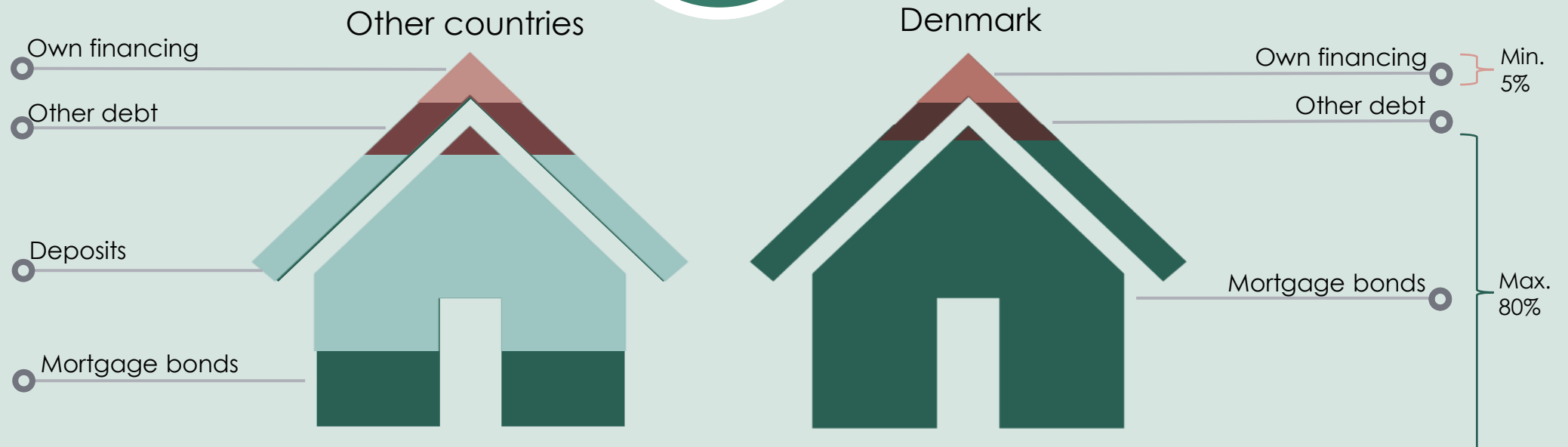
Fundamental structure

- Specialized real estate financing system unique to Denmark
- Mortgage credit institutions only provide loans secured by real estate
- Loans are exclusively financed through the issuance of bonds, not through deposits
 1. High level of security
 2. Transparency
 3. Stable conditions for both borrowers and investors

Regulatory framework and risk management

- Subject to the Danish Financial Supervisory Authority's regulations on credit assessment and property valuation
- Lending is only granted based on a valuation of the property value and an assessment of the borrower's financial situation
- Loans are typically very secure and granted within statutory loan-to-value limits
- The balance principle limits the institution's market risk
Loans cannot be terminated by the institution unless they are in default


Stable low
risk lending



Danish mortgage lending – 1:1

One-to-one connection

- Direct link between each loan and specific bonds
- Interest rate and terms reflect current market conditions
- Ensures transparent borrowing costs
- The borrower can repay the loan at market price by purchasing the corresponding bonds
- Provides flexibility and the opportunity for active debt management, e.g. through refinancing

Influence on the Danish economy

- Mortgage loans accounts for over 70% of all lending in Denmark
- Covers both homeowners and large parts of the business sector
- Mortgage lending continued during the financial crisis
- Has contributed to financial stability and economic growth
- Mortgage bonds are considered very safe investments, both nationally and internationally



Agenda

— **Interim financial results H1 2025**

Lending and credit risk

Capital structure and rating

Funding

Sustainability

Interim report H1 2025

Financial summary

- DLR achieved a pre-tax profit of DKK 771m, driven by a:
 - Increasing core income
 - Satisfactory loan portfolio growth
 - Low losses and impairments

Outlook for 2025

- Unchanged expectation of a pre-tax profit of DKK 1,300m – 1,500m
- The lower level compared to 2023 – 2024 is primarily due to lower returns on the investment portfolio
- Continued growth in lending and satisfactory financial conditions among customers
- However, we are facing an intensified risk environment with significant geopolitical uncertainty
- Domestically, key elements in the

implementation of the Green Tripartite Agreement remain outstanding, notably regarding the new nitrogen regulation model

Lending activity

- In H1, the loan portfolio grew by DKK 6.8bn (3.4%) compared to DKK 4.6bn (2.4%) during the same period in 2024
- DLR's loan portfolio was DKK 206.0bn by the end of June split into 49.4% agriculture and 50.6% commercial/owner-occupied

Own funds

- At the end of H1, the capital base was DKK 18.1bn, and the capital ratio was 23.1%
- The result for H1 is not included in the capital base, as no audit review of the financial statements has been conducted. Including the result, the capital ratio is 23.8%
- DLR has a very comfortable buffer to the regulatory capital requirement at 17.1%

Sustainability and ESG-risk

- Since November 2023, DLR has been digitally collecting ESG information from our clients for use in credit assessments and portfolio analysis. Out of a total of 9,779 clients surveyed, 8,258 have completed the questionnaire, resulting in a response rate of 84.4%.
- In 2025, DLR's effort in terms of ESG risks will increasingly be focused on data mapping credit-related ESG risks and integrating these into credit assessments and property valuations
- DLR is working systematically to strengthen the data foundation for its lending portfolio. Through collaboration with e-nettet, ESG data is being collected on climate, agriculture, and buildings
- In June 2025, DLR was awarded a place on CDP's *Supplier Engagement Assessment A List*

Income statement

(DKK ^m)	H1 2025	H1 2024	Index
Administration fee income	1,015	980	104
Other core income, net	55	44	125
Interest expenses, subordinated debt	-30	-22	133
Interest expenses, senior debt	-37	-32	117
Fee and commission income, net	-292	-298	98
Core income	712	672	106
Staff costs and administrative expenses, etc.	-208	-190	110
Other operating expenses	-1	-8	7
Core profit before impairment of loans, advances and receivables	503	474	106
Impairment of loans, advances and receivables, etc.	-13	-26	52
Portfolio earnings (securities)	281	342	82
Profit before tax	771	791	97
Profit after tax	571	585	98

Profit before tax DKK^m



Return on securities portfolio holdings

- DLR's securities portfolio is invested in variable rate covered bonds, with maturities of up to five years, primarily
- DLR's gross portfolio earnings amounted to DKK 360m in H1 2025, which is DKK 186m lower than in 2024 as a result of the lower interest rate level
- DKK 5.7bn of DLR's securities portfolio of DKK 25.1bn are funded through issuance of capital and debt instruments
- When calculating the net portfolio earnings, an internal interest rate (CIBOR3) on DLR's capital and debt issuance is deducted. Consequently, the net portfolio earnings amounted to DKK 281m

(DKKm)	H1 2025	H1 2024
Bonds, interest rates	300	388
Bonds, value adjustments	49	47
Interest rates, credit institutions	7	10
Currency, value adjustments	1	0
Shares, value adjustments	3	0
Return on securities holdings, gross	360	446
CIBOR-interest rate on capital and debt instruments issued ¹⁾	-70	-100
Other	-9	-3
Return on securities holdings, net	281	342

1) The interest rate is calculated as the CIBOR part of the interest rate expenses on issued capital and debt instruments

Note: The sum of individual entries may differ from total sums due to rounding

Agenda

Interim financial results H1 2025

— **Lending and credit risk**

Capital structure and rating

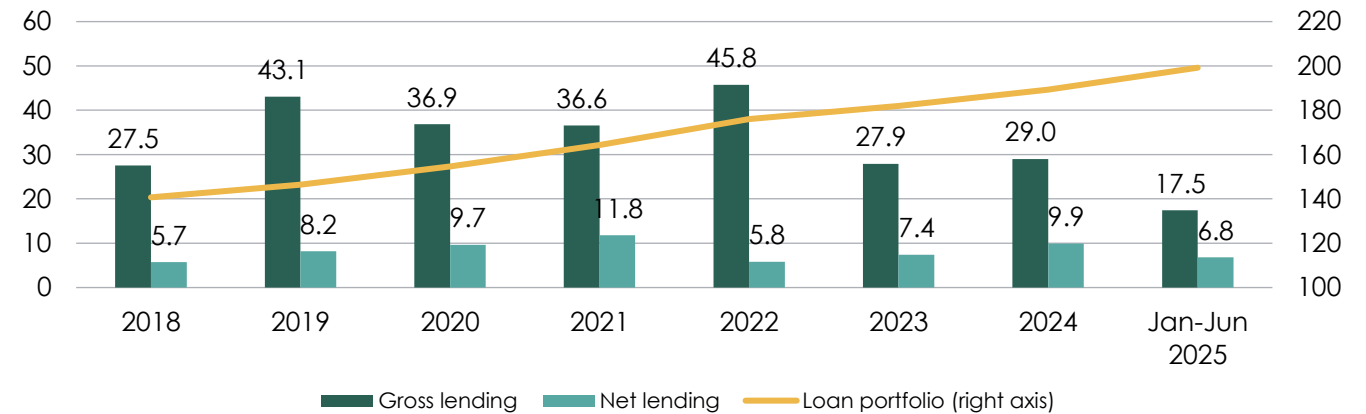
Funding

Sustainability

Lending activity

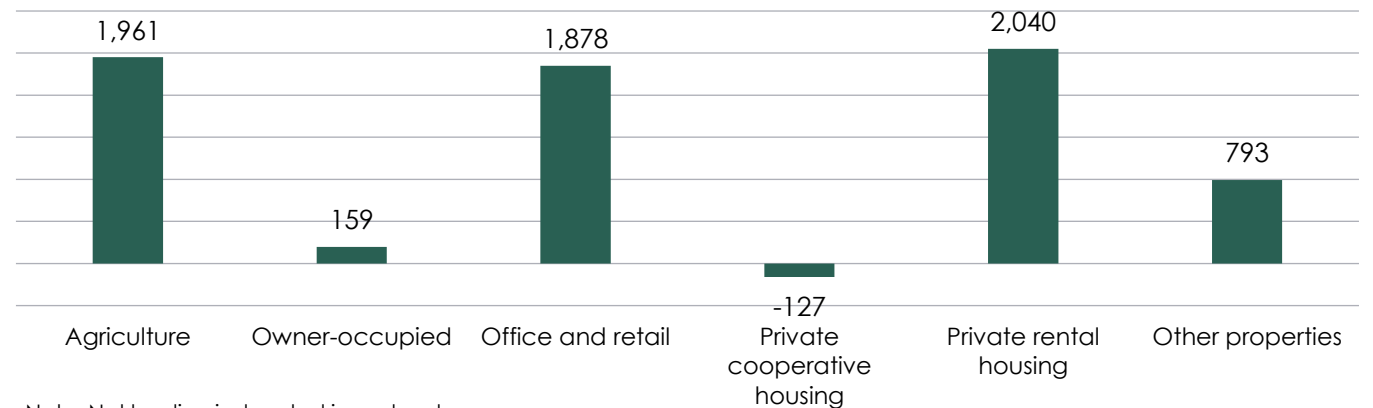
- DLR's loan portfolio expanded by DKK 6.8bn during H1 2025, against DKK 4.6bn during the same period 2024
- In H1 2025, DLR has experienced lending growth within all three main lending categories: agriculture, office/retail and private rental housing
- DLR's gross lending was DKK 17.5bn during H1 2025, against DKK 13.5bn in H1 2024
- At the end of H1 2025, DLR's loan portfolio was DKK 206.0bn

Gross and net lending and loan portfolio (DKKbn)



Note: Gross and net lending are denoted in nominal value

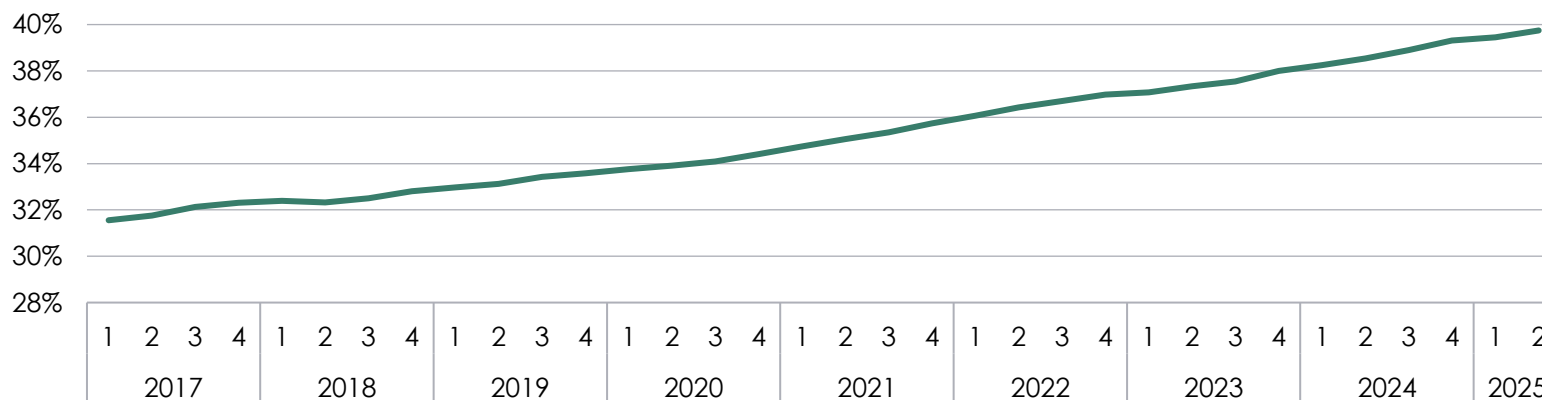
DLR's net lending on property segment in H1 2025 (DKKbn)



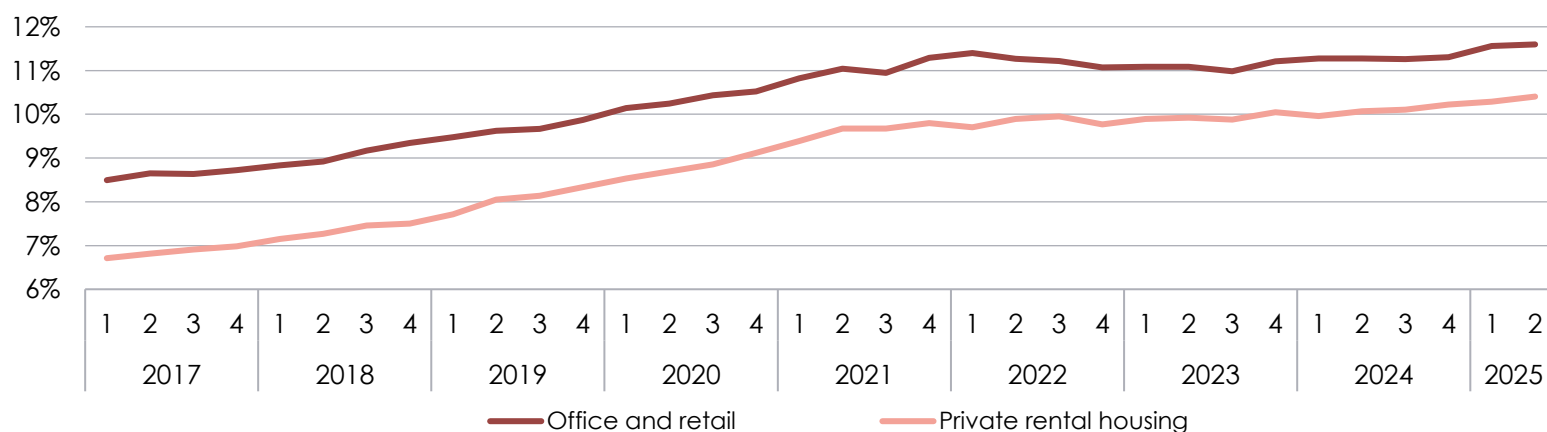
Note: Net lending is denoted in cash value

DLR market shares

DLR market share – Agriculture portfolio



DLR market share – Commercial loan portfolio



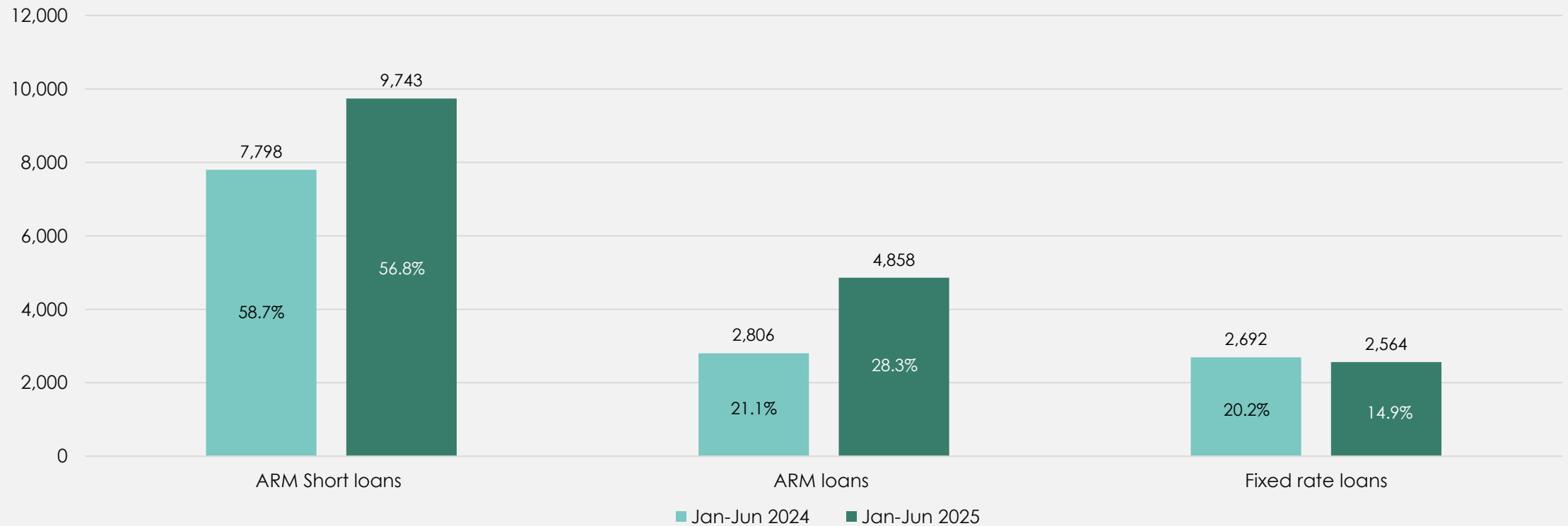
Sources: DLR and Finance Denmark

- DLR's total loan portfolio of DKK 206.0bn at the end of June 2025 represents a share of 6.4% of Danish mortgage banks' total outstanding mortgages of DKK 3,227bn
- DLR's market share within agricultural lending has increased since 2015 and stood at 39.7% at the end of June 2025
- DLR's market share to commercial properties has remained stable in recent years, though with a slightly increasing trend since the end of 2024. At the end of June 2025, DLR's market share for office and retail and private rental housing was 11.6% and 10.4%, respectively

DLR's disbursed loans

- Distributed on loan types

DLRs gross lending distributed on selected loan types (DKKm)



Note: Gross lending calculated at cash value

Loan portfolio

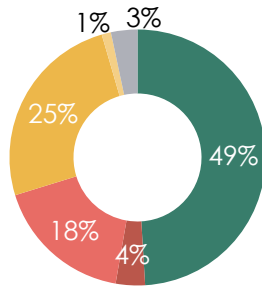
- Distributed on property categories and types of loans

Loan portfolio end June 2025			Distribution on loan types					
	Outstanding bond debt (DKKbn)	Distribution on property categories	Fixed rate loans	ARM short	ARM 1Y/2Y	ARM 3Y/4Y	ARM 5Y	Other floating rate loans
Agriculture	101.7	49.4%	11.5%	71.2%	2.5%	3.2%	11.2%	0.4%
Owner occupied incl. residential farms	11.6	5.6%	53.9%	17.0%	3.7%	6.5%	18.1%	0.8%
Office and retail	36.0	17.5%	27.6%	41.7%	2.3%	6.2%	21.9%	0.3%
Private residential rental housing	47.7	23.2%	26.0%	42.5%	1.9%	10.9%	18.5%	0.2%
Private cooperative housing	3.8	1.9%	72.3%	8.7%	0.5%	3.5%	14.7%	0.3%
Other properties	5.2	2.5%	43.6%	42.9%	1.6%	1.4%	10.5%	0.0%
Total	206.0	100.0%	22.0%	54.5%	2.4%	5.6%	15.2%	0.3%

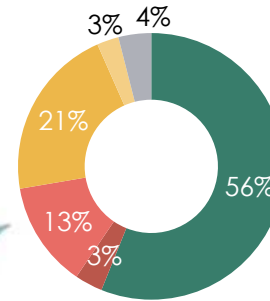
Geographical distribution of lending

- Outstanding debt at end June 2025

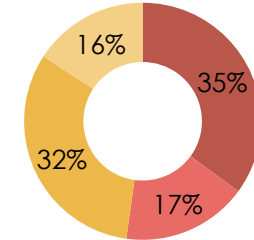
Central Jutland
DKK 63.7bn (30.9%)



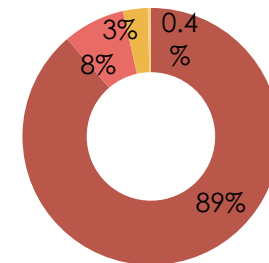
Northern Jutland
DKK 43.7bn (21.2%)



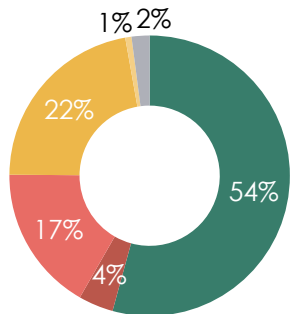
Greenland
DKK 3.3bn (1.6%)



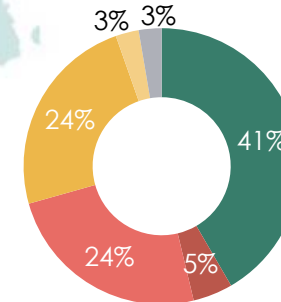
Faroe Island
DKK 2.0bn (1.0%)



Southern Jutland and Funen
DKK 55.8bn (27.1%)



Zealand/Capital
DKK 37.5bn (18.2%)



- Agricultural properties
- Owner-occupied dwellings
- Office and retail properties
- Private rental housing properties
- Co-operative housing properties
- Other properties

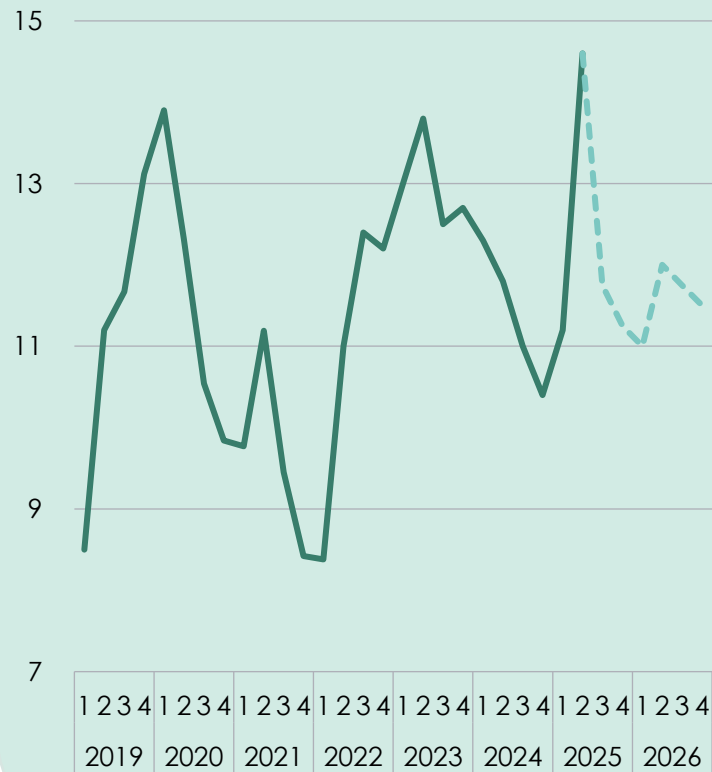
The agricultural sector in H1 2025

- Agriculture performed well in 2024 – which continued in the first half of 2025. Generally favorable terms of trade ensured farmers a satisfactory income – though with differences between the various sectors
- The global dairy market has in recent years been characterized by a slight increase in demand, while production has not increased. This has led to an upward trend in milk prices, which are expected to remain at a high level in 2025
- Piglet producers also experienced good profitability in Q2 2025, supported by continued high demand. The price gap between exports and domestic sales is expected to narrow in H2 2025, while overall price relations are expected to remain satisfactory
- The competitiveness of the Danish slaughter pig sector has been, and continues to be, under pressure. Settlement prices for pork have increased and are expected to remain at a relatively strong level in 2025. However, high piglet purchase prices continue to challenge profitability for slaughter pig producers. For 2025, production in the EU is expected to remain stable or decline, a development that is expected to support pork prices
- The price of wheat has been declining since 2022 but remains at an acceptable level and higher than before 2022. Weather conditions during the 2025 growth season have been more favorable than in 2023 and 2024, supporting positive expectations for the 2025 harvest yield, but with pressure on grain prices
- The development was reflected in land prices, which continued the upward trend from previous years. However, the trend appears to be declining in certain areas



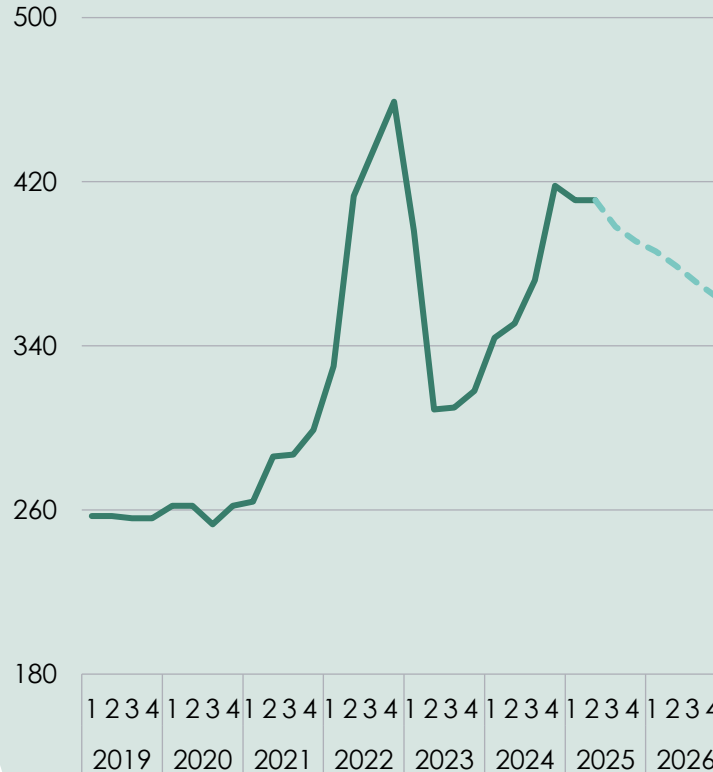
Development in agricultural product pricing

Development in pork price quotation (DKK/kg)

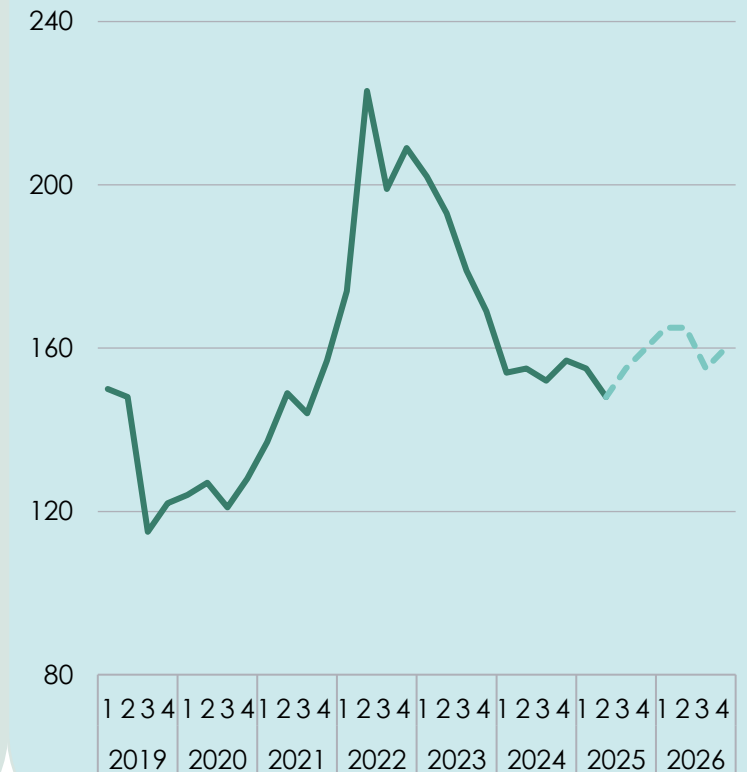


Source: SEGES
Note: Forecast, March 2025

Milk price quotation (DKK 0.01/kg)



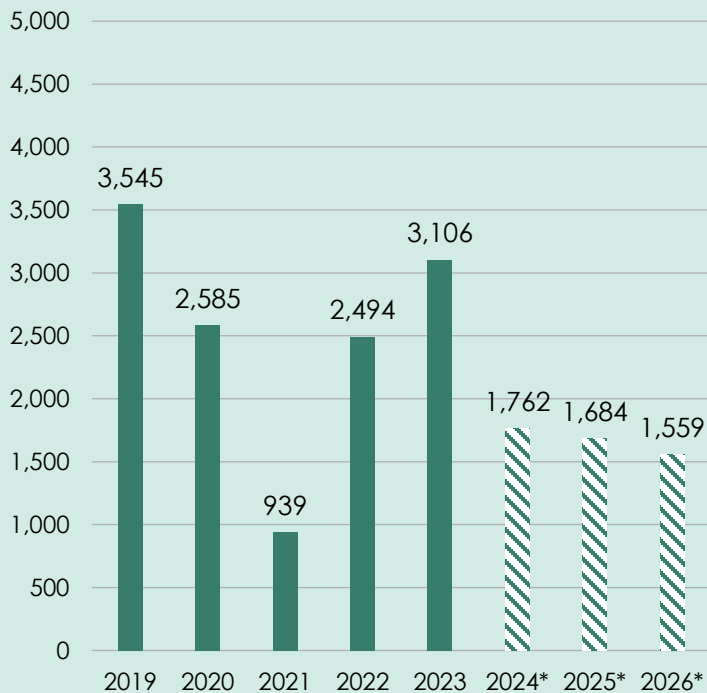
Price on wheat (DKK/100 kg)



Agriculture income

- Measured in operating income before owner compensation

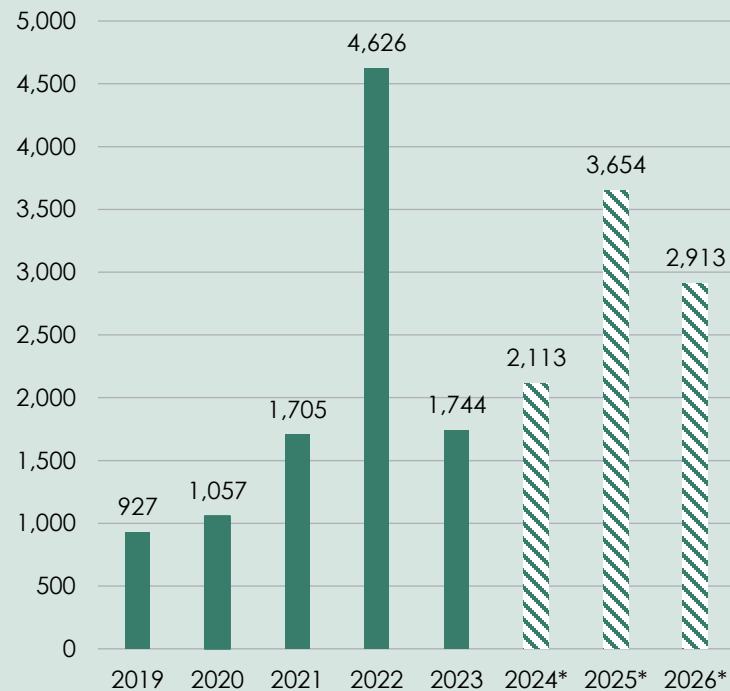
**Pork producers
(DKKt)**



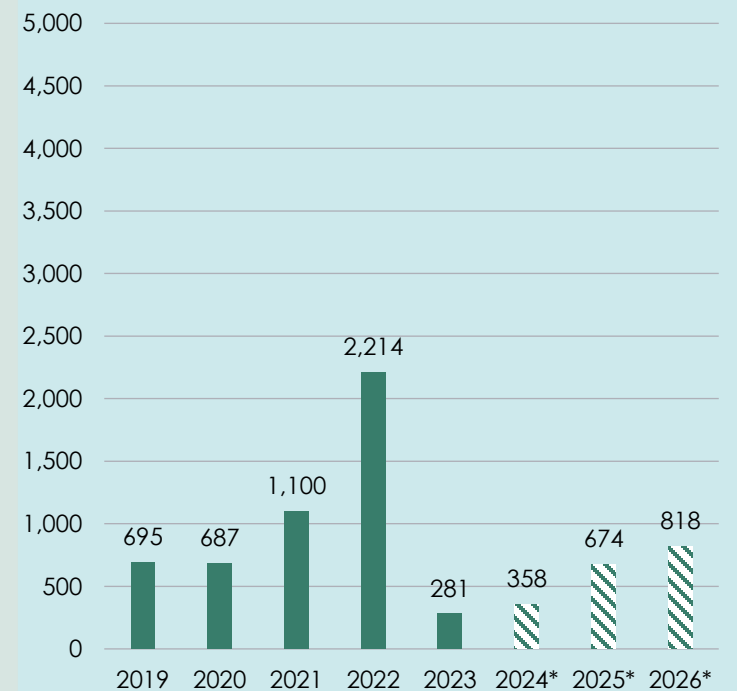
Source: SEGES

Note: The income statistics cover conventional full-time farms, and the forecasts are prepared by SEGES, March 2024

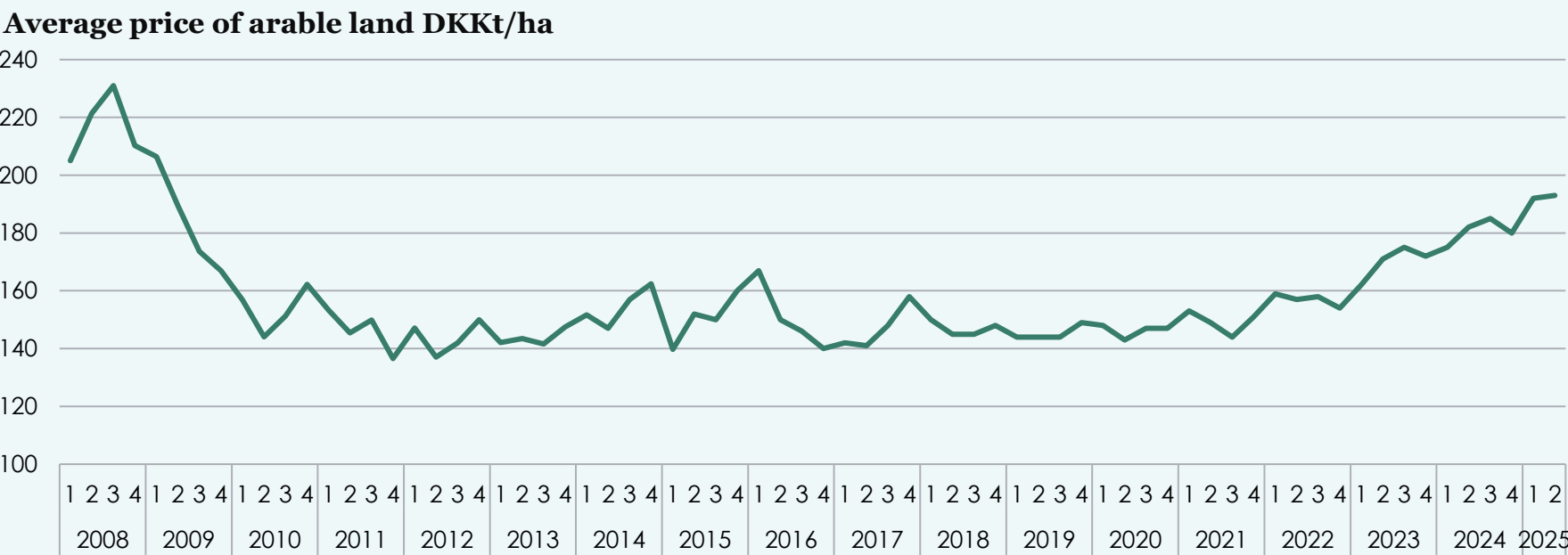
**Milk producers
(DKKt)**



**Crop producers
(DKKt)**



Price on agricultural land and commercial real estate



Source: DLR, based on registered purchases and sales of agricultural properties with more than 10 ha of arable land, excluding buildings

Stable prices on commercial real estate
Price indices of DLR's assessed value of commercial real estate (2004 = index 100)

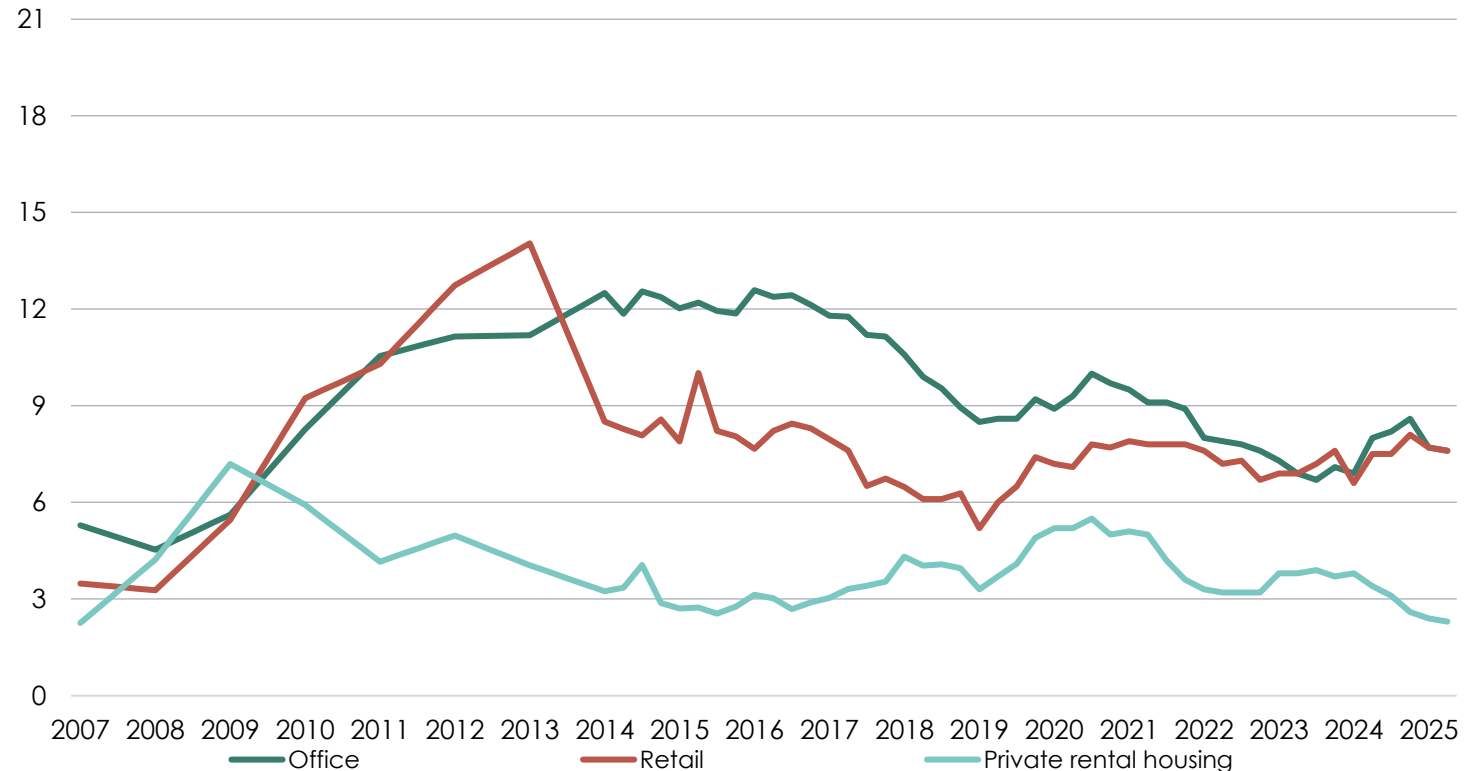


Source: DLR

The commercial real estate market

- Vacancy rates remain at a relatively low level for the three property categories
- Residential rental properties have seen a continued decrease in vacancy rates, reaching the lowest level since 2007, with a vacancy rate of 2.3 percent
- Vacancy rates for office and retail properties showed a slight upward trend during 2024, but now appear to have stabilized

Development in vacancy rates (%)

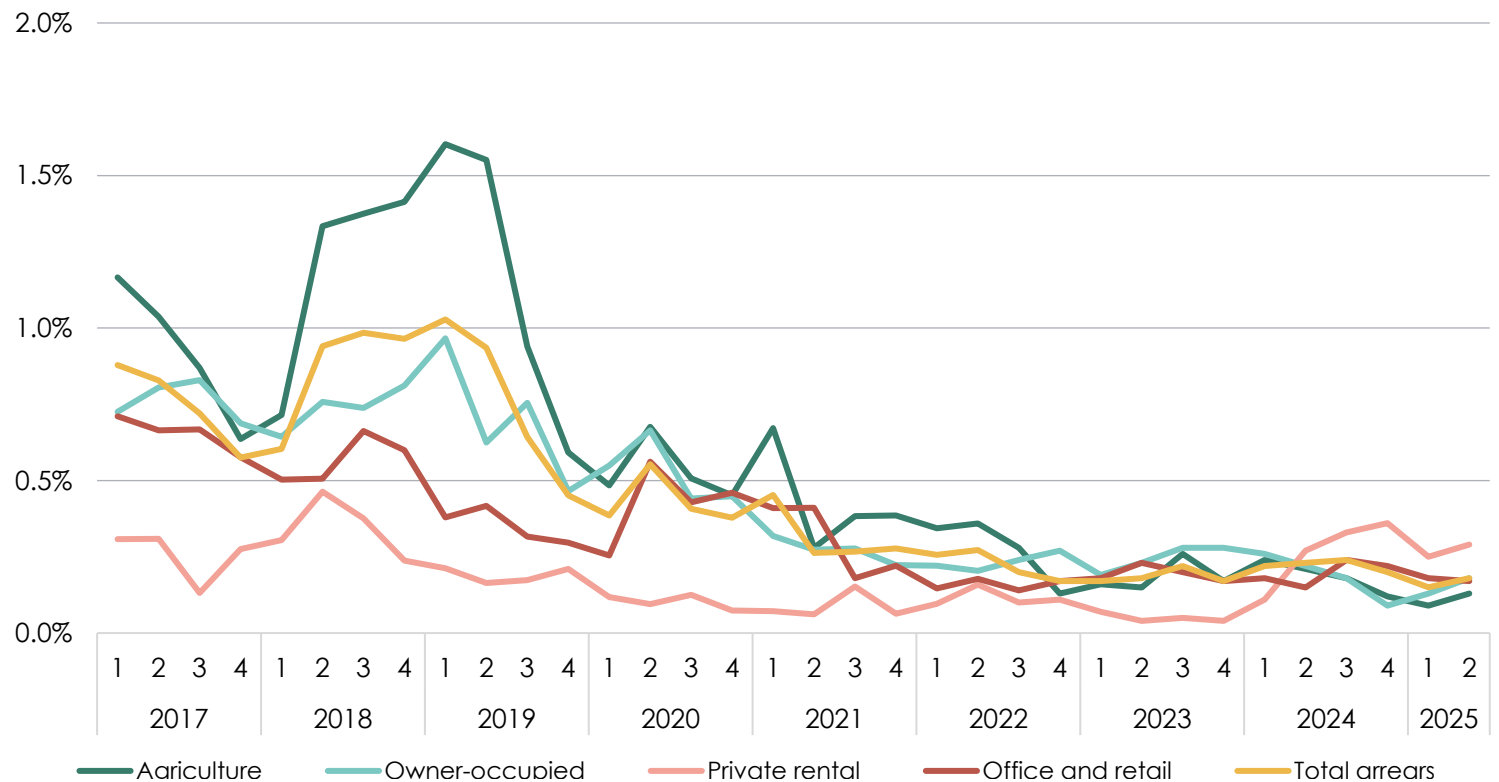


Source: EjendomDanmark

Arrears

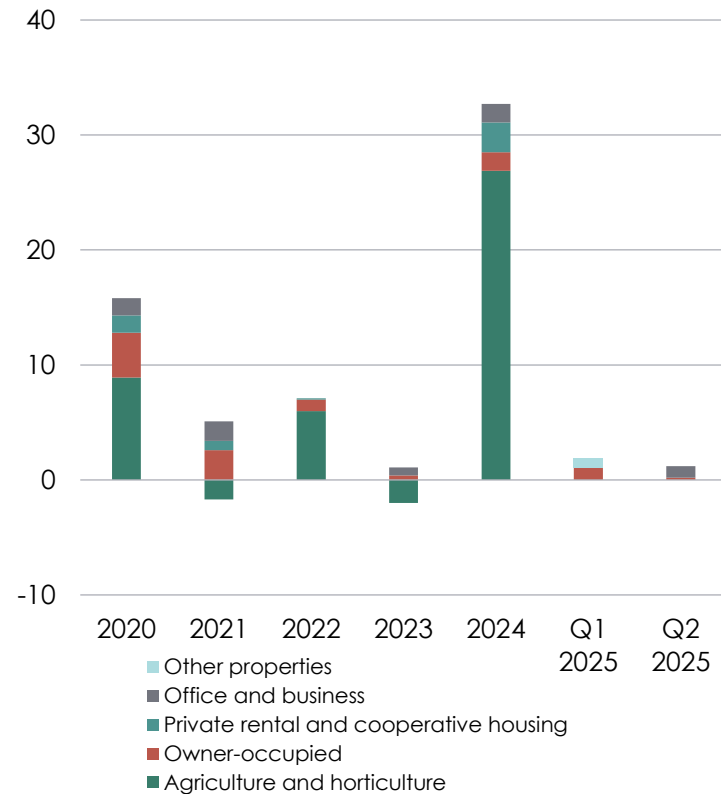
- Overall, the arrears ratio – measured as the percentage of mortgage payments in arrears 3½ months past the due date – was 0.18% in mid-July 2025, against 0.23% in mid-July 2024
- The arrears are low for all DLR's major business segments
- Arrears for private rental increased during 2024 to 0.36% in mid-January but have since fallen to 0.29% in mid-July 2025. The increase refers primarily to a few individual cases

The borrowers' ability to pay timely keeps being high 105-days arrears, pct. of term payments



Losses and provisions

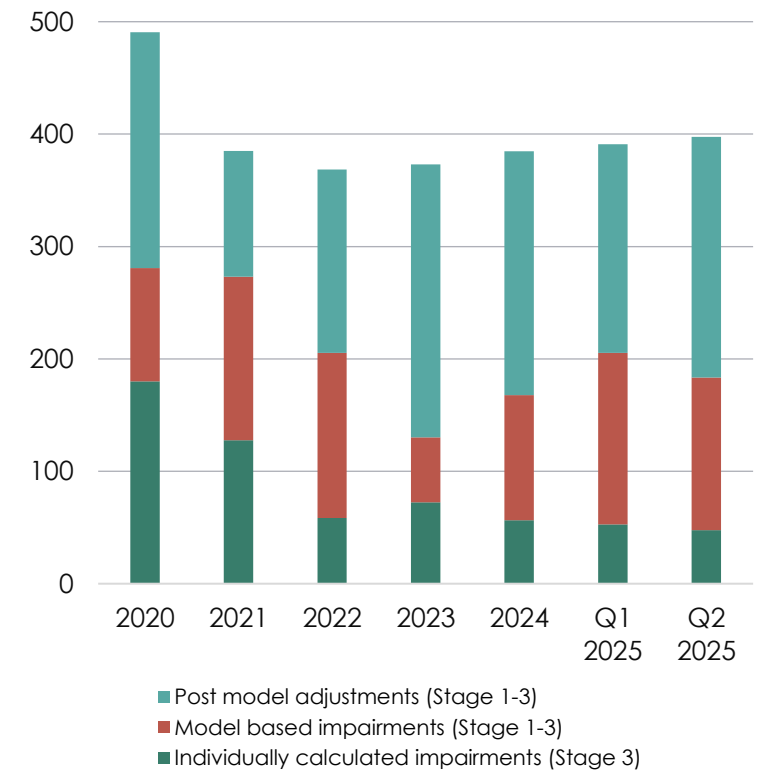
Actual loan losses before loss offsetting (DKKm)



Accumulated impairment provisions distributed by property (DKKm)



Accumulated impairment provisions distributed by impairment types (DKKm)

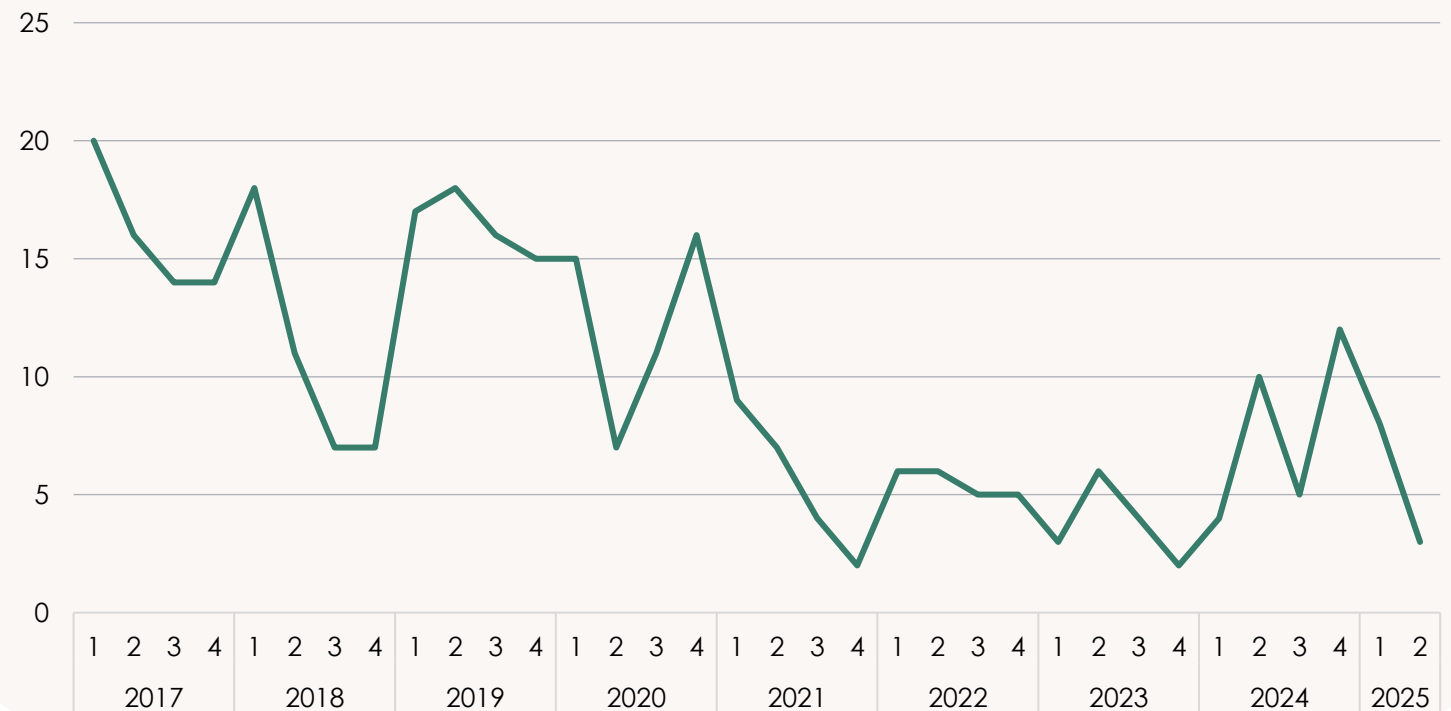


Note: The change in DLR's total losses from 2023 to 2024 is primarily due to a loss on a loan to one specific horticultural property. The loan is one of the few older loans not covered by DLR's loan loss guarantee concept.

Forced sales

- The number of completed forced sales of properties in which DLR held a mortgage was 3 in Q2 2025
- DLR holds a single property acquired through forced sale - acquired during Q4 2024

Forced Sales - Properties where DLR holds a mortgage (number)



Agenda

Interim financial results H1 2025

Lending and credit risk

— **Capital structure and rating**

Funding

Sustainability

DLR's own funds

(DKKm)	H1 2025	End-2024	End-2023
Equity			
- Distributable reserved	15,026	15,222	14,794
- Non-distributable reserves	2,417	2,399	2,355
Total equity	17,443	17,622	17,149
CET1 (total equity after capital deduction)	16,386	16,471	16,044
Tier 2 capital	1,715	1,694	1,298
Own funds	18,101	18,165	17,342
Total risk exposure	78,325	76,581	72,158
Total capital ratio, % ¹⁾	23.1	23.7	24.0
Capital requirement, % ²⁾	17.1	16.6	15.3
Capital surplus, %-points	6.0	7.2	8.7

1) The result for H1 2025 is not included in the capital base – including the result, the capital ratio amounts to 23.8%

2) The capital requirement as of the end of H1 2025 consists of the individual solvency need of 9.6%, supplemented by the SIFI requirement, which for DLR amounts to 1.0%, as well as a capital conservation buffer of 2.5% and a countercyclical capital buffer of 2.5%. Additionally, a systemic requirement of 0.01% has been added for the Faroe Islands and a systemic requirement of 1.5% for loans to real estate companies in Denmark

Capital structure

DLR's capital ratios

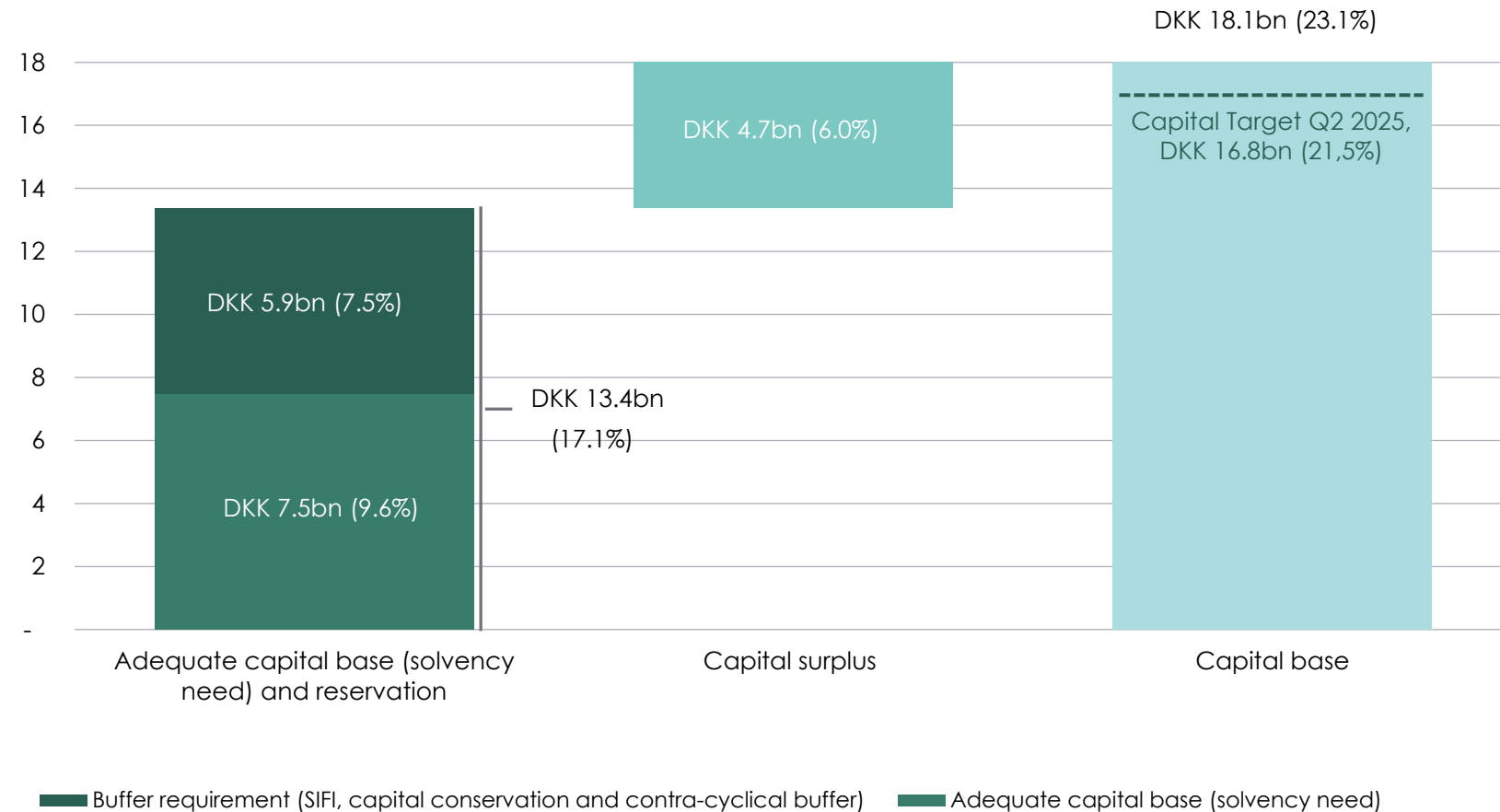


- The capital ratio was 23.1% at the end of June 2025 following a marginal decrease of 0.7 percentage points since end 2024 due to increased risk exposures from increased lending
- The decline in the capital ratio since 2022 is due to dividend payments of DKK 750m in both 2023 and 2024
- As a result of the transition to CRR3 at the beginning of 2025, DLR's risk-weighted exposures increased DKK 1.7bn in H1
- The main changes related to credit risk are due to:
 - Growth in the loan portfolio
 - Introduction of a 10% LGD floor
 - Increase in the conversion factor for loan offers and loan commitments from 20% to 40%
- However, this increase is partly offset by a reduction in a supervisory-imposed block reservation
- Risk-weighted exposures for operational risk rose by DKK 1.3bn, driven by CRR3 in combination with DLR's higher earnings

Capital requirement and capital ratio

- At the end Q2 2025, DLR's own fund were DKK 18.1bn, while the total capital requirement amounted to DKK 13.4bn (17.1%)
- Consequently, DLR had a capital surplus of DKK 4.7bn (6.0%)
- DLR has set a target for its capital ratio of 23.0% end-Q4-2024, while the targets for the tier 1 capital ratio and the common equity tier 1 capital ratio was 21.0% and 19.5%, respectively
- From January 2025 DLR has defined a capital ratio target of 21.5%, which reflects effects from new capital regulation (CRR) from the beginning of 2025. This target remains active

DLR's capital requirement and capital ratio end-Q2 2025 (DKKbn)



Note: The discrepancy between the total capital requirement and adding up its subcategories is due to rounding

Solvency need statement

DKKm	Q2		Q1		Q4		Q3	
	2025		2025		2024		2024	
	Standard	IRB	Standard	IRB	Standard	IRB	Standard	IRB
Credit risk	3,632	2,045	3,533	2,059	3,490	2,126	3,429	2,126
Supplements to 8% requirement ¹⁾	724		499		509		526	
Market risk	205		192		233		181	
Supplements to 8% requirement	500		494		497		480	
Operational risk	384		384		277		240	
Supplements to 8% requirement	0		0		0		0	
Other circumstances	0		0		0		0	
Adequate capital base, total	7,491		7,161		7,133		6,982	
Total risk exposure STA/IRB	78,325		77,097		76,581		74,703	
Of which from credit risk	45,396	25,568	44,168	25,737	43,630	26,580	42,864	26,581
Individual solvency need, %	9.56		9.29		9.31		9.35	
Statutory adequate capital base	7,491		7,161		7,133		6,982	
Supplements due to statutory requirements	0		0		0		0	
Individual solvency need after supplements, %	9.56		9.29		9.31		9.35	
SIFI-requirement, %-points	1.00		1.00		1.00		1.00	
Capital preservation buffer, %-points	2.50		2.50		2.50		2.50	
Countercyclical buffer, %-points	2.50		2.50		2.50		2.50	
Systemic buffer Denmark (real estate companies) ²⁾	1.52		1.49		1.23		1.22	
Systemic buffer Faroe Island, %-points	0.01		0.01		0.02		0.02	
Total statutory capital requirement, %-points	17.09		16.78		16.56		16.59	

1) The increase in the credit risk supplements relates to a new pillar II supplement of DKK 220m, which raises the individual solvency need by 0.27 percentage points

2) The systematic buffer requirement will tie up additional capital in DLR from 2025 due to CRR3

Ownership structure

	30. June 2025		30. June 2024
	Share capital (DKKm)	Share of share capital (%)	Share of share capital (%)
Local Banks	294	51.5%	50.6%
Nationwide Banks	98	17.2%	18.1%
- Spar Nord Bank	24	4.2%	4.6%
- Jyske Bank	14	2.4%	3.0%
Nykredit Realkredit	69	12.2%	12.2%
PRAS	41	7.2%	7.2%
PRIPS2022¹⁾	21	3.6%	3.6%
DLR	46	8.1%	8.1%
Other Banks	1	0.2%	0.2%
Total	570	100%	100%

1) PRIPS 2022 is a company, which is owned by 12 of DLR's owner-banks

DLR's ratings with S&P

S&P Global

DLR Kredit A/S

SACP	bbb+	+	Support	+1	+	Additional Factors	0
Anchor	bbb+		ALAC Support	+1		Issuer Credit Rating	
Business Position	Moderate	-1	GRE Support	0		A- / Stable / A-2	
Capital and Earnings	Very Strong	+2	Group Support	0		Resolution Counterparty Rating	
Risk Position	Moderate	-1	Sovereign Support	0		A / -- / A-1	
Funding	Adequate						
Liquidity	Adequate	0					
Comparable Ratings Analysis							

- On August 19th 2025, S&P affirmed DLR's issuer credit rating (ICR) of A- with a stable outlook
- The rating is supported by an ALAC-uplift of +1
- The high issuer credit rating adds an extra buffer of 2 unused 'uplifts' to the AAA-rating of DLR's covered bonds
- DLR's covered bonds are supported by a further high over-collateralization of Capital Center B compared to S&P's OC-requirements
- S&P's latest report on DLR can be found here: <https://dlr.dk/en/investor/rating/>

Agenda

Interim financial results H1 2025

Lending and credit risk

Capital structure and rating

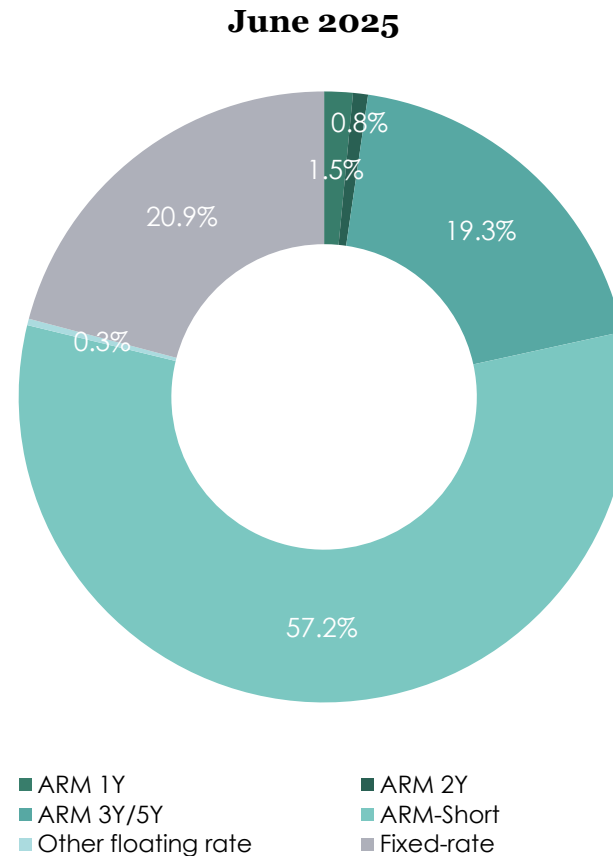
— **Funding**

Sustainability

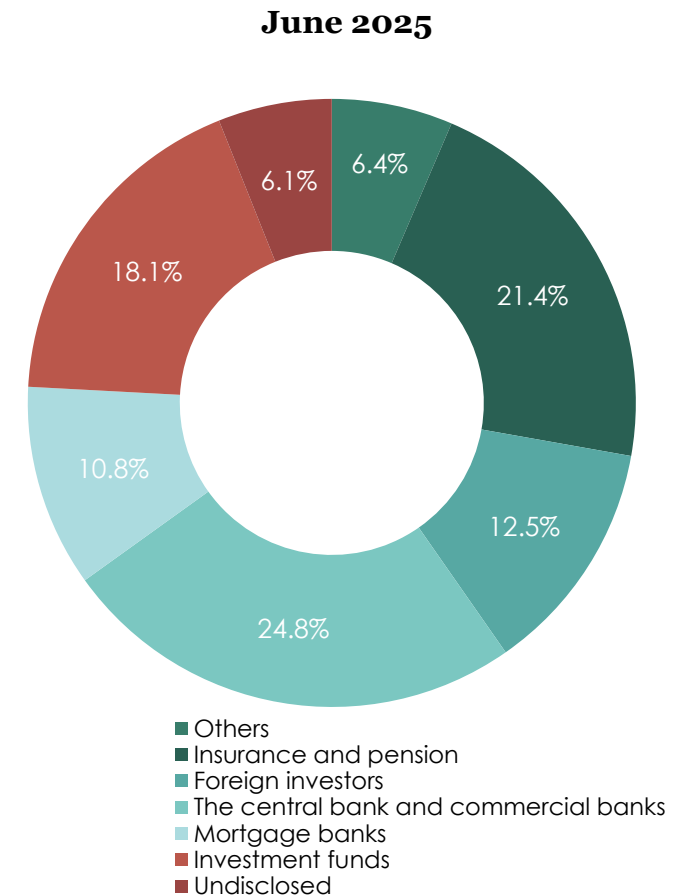
A well-balanced funding structure

- DLR has a diversified funding structure both in terms of maturities and bond types
- DLR issued bonds were split by 57.2% ARM-Short-bonds, 20.9% fixed rate callable bonds with long maturities, 19.3% ARM-bonds (3-5Y) by end June 2025
- DLR has a well-diversified investor base

DLR's outstanding bonds distributed by loan types they finance



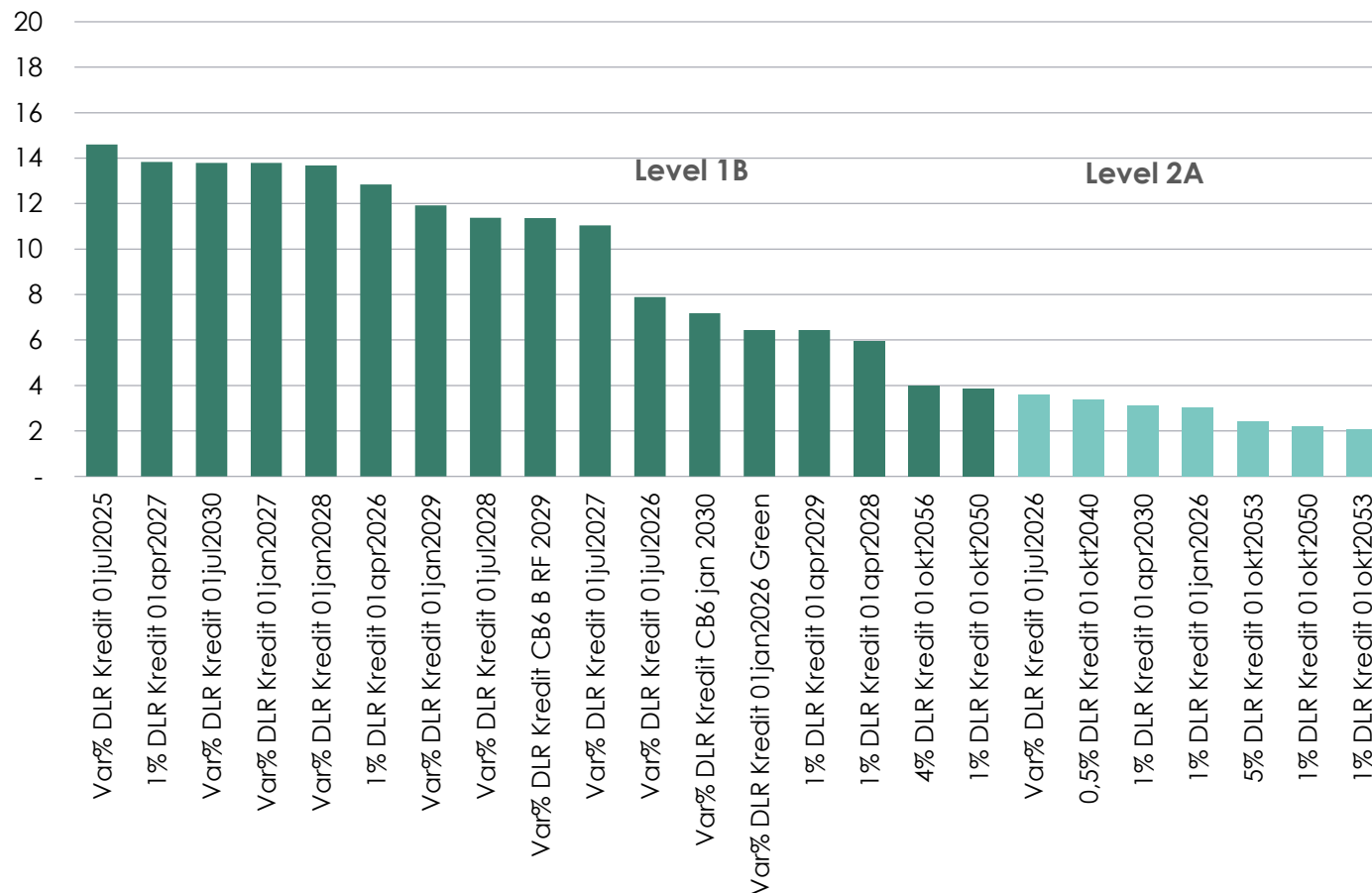
Owner-distribution of DLR issued bonds



DLR's covered bond series

DLRs bond series that meets LCR size requirements June 2025

DKKbn



LCR bond size requirements

- 86% of DLR's total amount of outstanding bond amount currently comply with the LCR bond size requirement for Level 1B (EUR +500m) or Level 2A (EUR +250m)
- A low demand for fixed-rate mortgages has resulted in not all DLR's callable bonds be LCR-compliant
- In December 2024, DLR changed the funding of ARM short to a new CIBOR6M Jan2030, which during H1 2025 obtained LCR status 1B
- The following bonds series open for issuance comply with the LCR bond size requirements:
 - ARM -Short – CIBOR6 01jan2030 (Level 1B)
 - Green ARM-Short – CIBOR6 01jan2026 Green (Level 1B)
 - ARM 4Y – 1% 01apr2029 (Level 1B)
 - ARM 3Y – 1% 01apr2028 (Level 1B)
 - Callable fixed rate – 4% 01okt2056 (Level 1B)
 - ARM 5Y – 1% 01apr2030 (Level 2A)
 - ARM 1Y – 1% 01jan2026 (Level 2A)

Refinancing

- of bonds maturing in the coming 12 months

DKK 35.6bn DLR covered bonds are up for refinancing within the next 12 months

- Refinancing of ARM-bonds amounts to DKK 17.6bn and refinancing of ARM-Short-bonds/Green ARM-Short-bonds amount to DKK 17.9bn
- In 2020, it was decided to change the refinancing date for the ARM less frequently refinanced from October to April, and new 3Y-5Y ARM loans have subsequently been funded in April-series
- The changes were made because DLR for some time has focused on establishing a funding structure with fewer and larger series to support bond liquidity
- DLR therefore no longer holds auctions in August

Maturity date	Bond type	Loan type	Currency	Refinancing frequency	Amount (DKKm)
01-01-2026	SDO	Green ARM-Short	DKK	5 y	6,438
01-01-2026	SDO	ARM	DKK & EUR	1-5 y	4,788
01-04-2026	SDO	ARM	DKK	3-5 y	12,848
01-07-2027	SDO	ARM-Short	DKK	1-2 y	11,503
Total					35,576

Issued senior debt and capital

- DLR has issued DKK 5.7bn capital and debt instruments of which DKK 4bn is in SNP-format
- DLR also covers the debt buffer requirement with the current level of SNP
- On May 28, 2025, DLR issued SEK 1.5bn SNP to refinance SNP of DKK 1bn maturing on 1 July 2025
- On November 20, 2024, DLR issued Tier 2 supplementary capital amounting to SEK 1bn and DKK 400m
- On December 6, DLR redeemed Tier 2 supplementary capital of DKK 650m issued in 2019

Type	Currency (DKK/SEKm)	Amount (DKKm)	Issue date	Maturity date	Maturity (years)	Reference rate	Spread
SNP	DKK 700	700	15-06-2022	02-07-2026	4	3M CIBOR	1.25%
SNP	DKK 300	300	15-06-2022	02-07-2026	4	Fixed rate	2.99%
SNP	DKK 1,000	1,000	20-06-2023	01-07-2027	4	3M CIBOR	2.40%
SNP	DKK 1,000	1,000	06-06-2024	01-07-2028	4	3M CIBOR	1.90%
SNP	SEK 1,500	1,009	28-05-2025	02-07-2029	4	3M STIBOR	1.90%
Tier 2 (10nc5)	DKK 650	650	14-10-2022	14-10-2032	10	3M CIBOR	4.25%
Tier 2 (10.25nc5.25) – (SEK 1bn)	SEK 1,000	673	20-11-2024	20-02-2035	10,25	3M STIBOR	2.85%
Tier 2 (10.25nc5.25)	DKK 400	400	20-11-2024	20-02-2035	10,25	3M CIBOR	2.60%
Total, senior debt and capital		5,732					

Agenda

Interim financial results H1 2025

Lending and credit risk

Capital structure and rating

Funding

— **Sustainability**

Sustainability in DLR

ESG data

ESG data on borrowers

- DLR has actively participated in e-nettet's efforts to improve ESG data and digitalization in the financial sector
- Three ESG solutions in e-nettet:
 - Climate → Improved data on physical climate risks
 - ESG Business → Improved CO₂e data on agriculture properties
 - Consumption and Emissions → Enhanced CO₂e data on buildings
- DLR shares relevant information with its shareholder banks, including data on energy performance certificates, primary heating sources, organic farming and windmills

Sustainability information from borrowers

- Since September 2022, DLR has been sending ESG questionnaires to all new borrowers and already customers applying for new loans. DLR generates ESG reports based on the responses
- These reports supplement information used by loan officers in DLR and banks advisors in DLR's partner banks in assessing customers' ESG factors
- From October 2024, the reports have been expanded to show how borrowers perform relative to a relevant benchmark

'Green Denmark': Agreement for implementation

Key elements of the agreement

- Tax on agricultural biological greenhouse gas emissions from 2030
- Reductions in nitrogen emissions through land conversion and a new regulatory model
- Land fund of DKK 43bn for the withdrawal of carbon-rich peatlands, afforestation, and strategic land acquisitions
- Growth path focused on generational change and strong, sustainable food production

DLR's considerations

- DLR assesses that the Danish farmers overall can manage the agreement in a way that aligns with the political objective of developing, rather than dismantling, the sector
- The agreement will reduce Denmark's total agricultural area by 15% over the next 20 years. This will lead to structural changes in the agricultural sector

Sustainability targets and focus areas for 2025

Explore the possibility of expanding the criteria for green loans to include CO₂e-reducing measures in the agricultural sector's biological processes

Expand questions about customers' ESG matters to include additional information on biodiversity

Send a report with the customer's own ESG responses directly to the customer via e-Boks, including comparative data from DLR's other customers

Provide further training for DLR's valuation experts in sustainability and ESG risks

Host meetings with larger shareholder banks and joint meetings with smaller shareholder banks on ESG credit risks

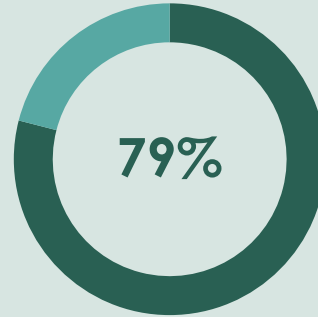
Focus on well-being for leaders and employees in DLR through local well-being initiatives

What information do agricultural customers provide regarding their ESG matters?

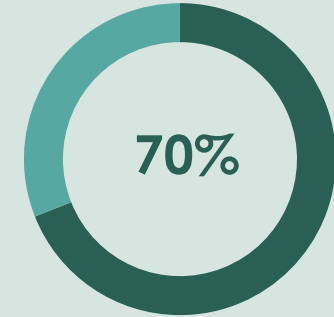
Since November 2023, DLR has been digitally gathering ESG disclosures from our mutual customers to assess ESG factors in credit decisions and at the portfolio level.

We collect data directly from new customers applying for loans, as well as from already customers seeking new loans or refinancing existing ones.

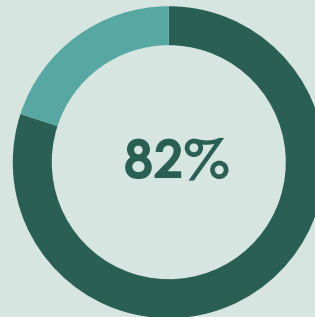
Since November 2023, we have distributed ESG-related questionnaires to 9,779 customers and received responses from 8,258, resulting in a highly satisfactory response rate of 84.4%



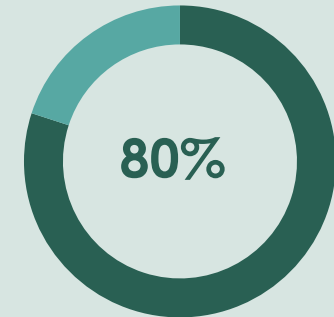
promotes biodiversity on the property



uses one or more green energy sources



operates the land fully or partially using precision agriculture



hires interns, apprentices, students or similar

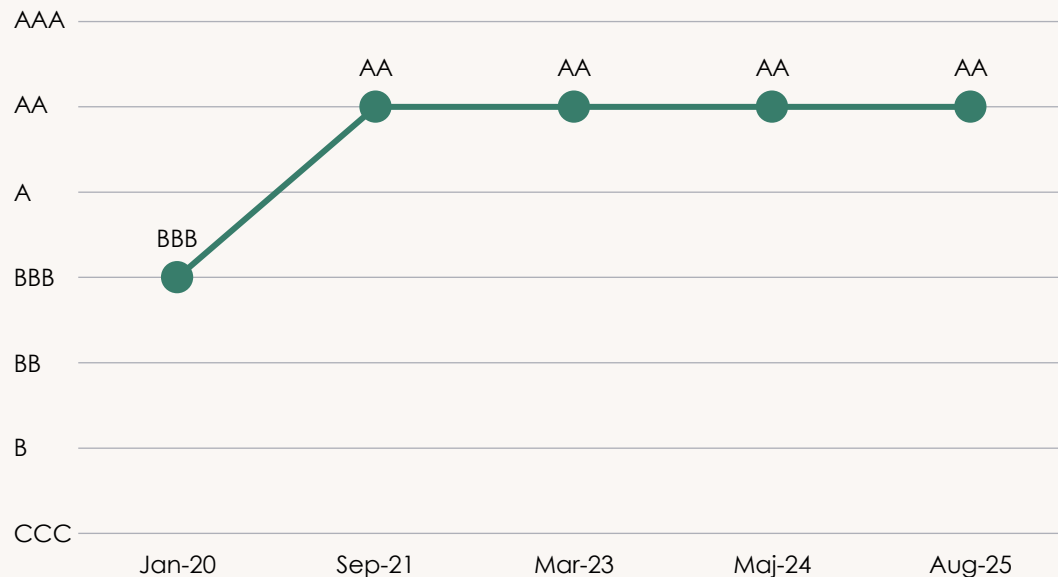
ESG rating

DLR receives sustainability ratings from MSCI and CDP. The ratings are based on publicly available information and have been conducted independently of DLR

MSCI

- On August 5th 2025, MSCI affirmed DLR's ESG rating of AA

DLRs MSCI rating history



CDP

- In June 2025, DLR was awarded a place on CDP's *Supplier Engagement Assessment A-list*, classifying DLR among the top-performing companies regarding governance, targets and value chain engagement.

Category	Score
Governance and business strategy	A
Targets	A
Supplier engagement	A
Risk management processes	A
Scope 3 emissions incl. verification	C-
Overall score	A



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