

Nordea

# ESG Green Disclosure and Investor Perspectives: Significance of Covered Bond Label Harmonised Transparency Template

**Kenn Urhøj**  
*ESG Methodology lead*

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## Greenhouse-gas emissions data needs

### **Sustainable investments model**

most of our funds have sustainable investment targets

Enables portfolios focused on share of sustainable energy

### **Net-Zero Asset Managers initiative**

We include covered bonds where the portfolios emissions are in line with the Carbon Real Risk Estate Monitor pathways

Enables portfolios focused on alignment with the Paris agreement

### **Partnership for Carbon Accounting Financials (PCAF) emission reporting**

PCAF has just ended hearing period for an emissions methodology includes covered bonds

Enables clients to do their scope 3 emission reporting

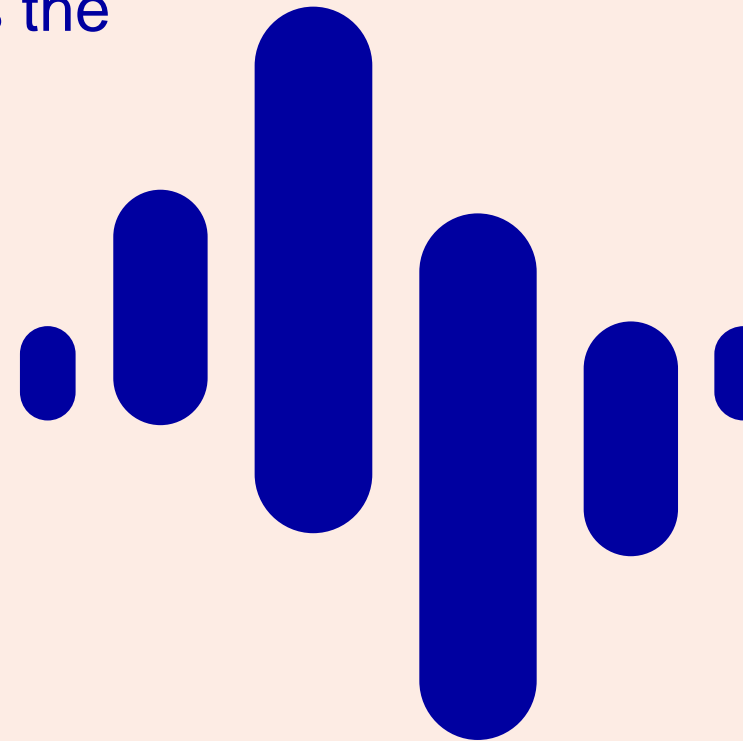
## **Sustainable Investments**

How far the cover-pool is on the journey towards alignment with the Paris agreement

Looking at energy use/intensity and energy composition as the EU Taxonomy on ownership and acquisition of buildings

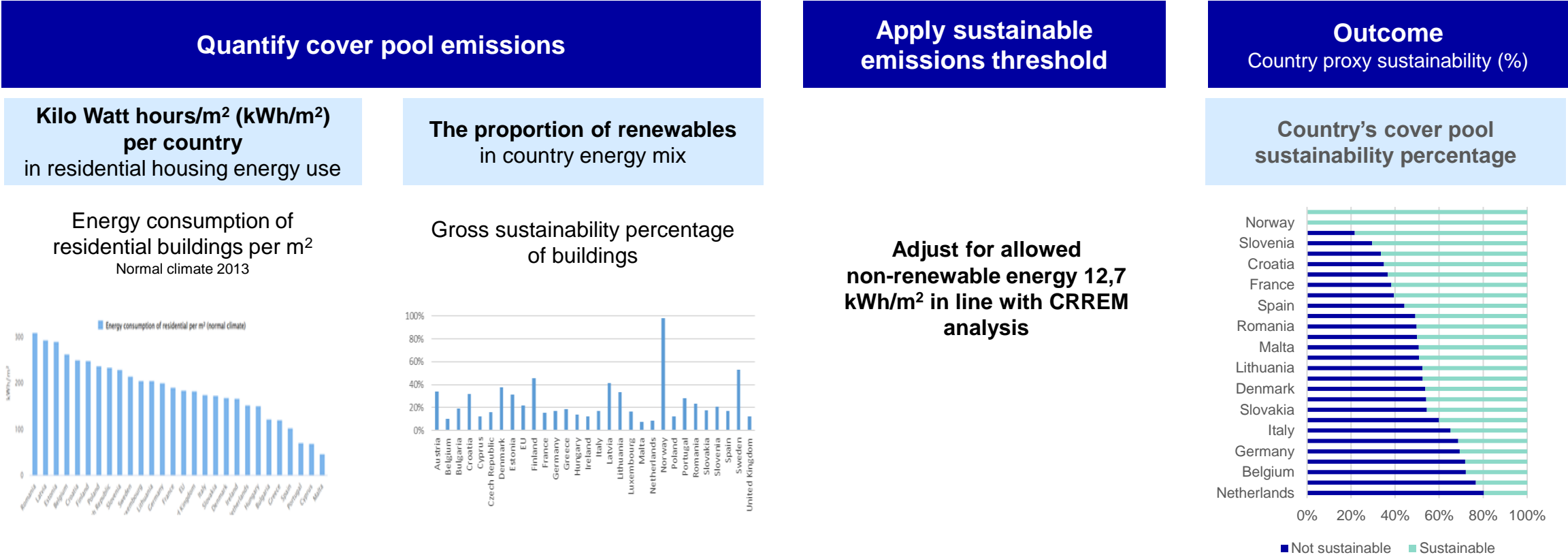
## **For clients**

Possibility to construct a portfolio allocating capital to cover-pools longer along the path to sustainability



# Cover-pool sustainability in the Nordea AM model

Based on EU Taxonomy for ownership and acquisition of buildings, Carbon Risk Real Estate Monitor (CRREM) pathways



Data on this slide is calculations based on Eurostat 2022 data

# Case Study: Denmark

## Calculating the national level energy breakdown

Denmark

Total consumption in Gigawatt-hours

52.550

Fossil Fuels				Renewables and low carbon neutral							Other non-sust.		
Coal	Oil	Natural Gas	Waste	Hydro	wind	Tide	Geo-thermal	Solar-thermal	Solar PV	Nuclear	Non sust. biofuels	others	% pass
4.364	258	1.536	1.765	16	16.054	0	0	0	1.309	0	7.741	0	53%

Non - renewable

Renewables and biofuels

Mixed

			Electricity		Heat	
Solid Fossil Fuel	Natural gas	Oil and petroleum	Total	Sust.	Total	Sust.
0	6.734	1.836	12.740	12.740	10.833	5.697
					20.405	335

Fossil Fuels				Renewables and low carbon neutral							Other non-sust.		
Coal	Oil	Natural Gas	Waste	Hydro	wind	Tide	Geo-thermal	Solar-thermal	Solar PV	Nuclear	Non sust. biofuels	others	% pass
9.025	558	14.057	28.512	0	0	0	27	0	2.282	0	73.240	12.834	2%



## **Net-Zero Asset Managers initiative**

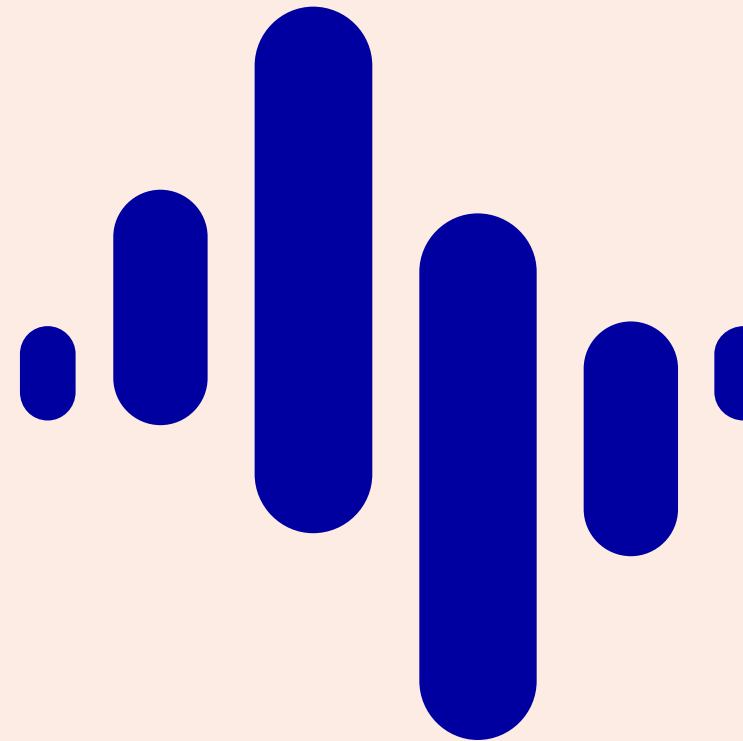
If the portfolio is managed in a way that is in line with the Paris-alignment

Looking at Paris-alignment pathways for the countries

### **For clients**

Possibility to construct a portfolio allocating capital to countries that is ahead vs the Paris-alignment

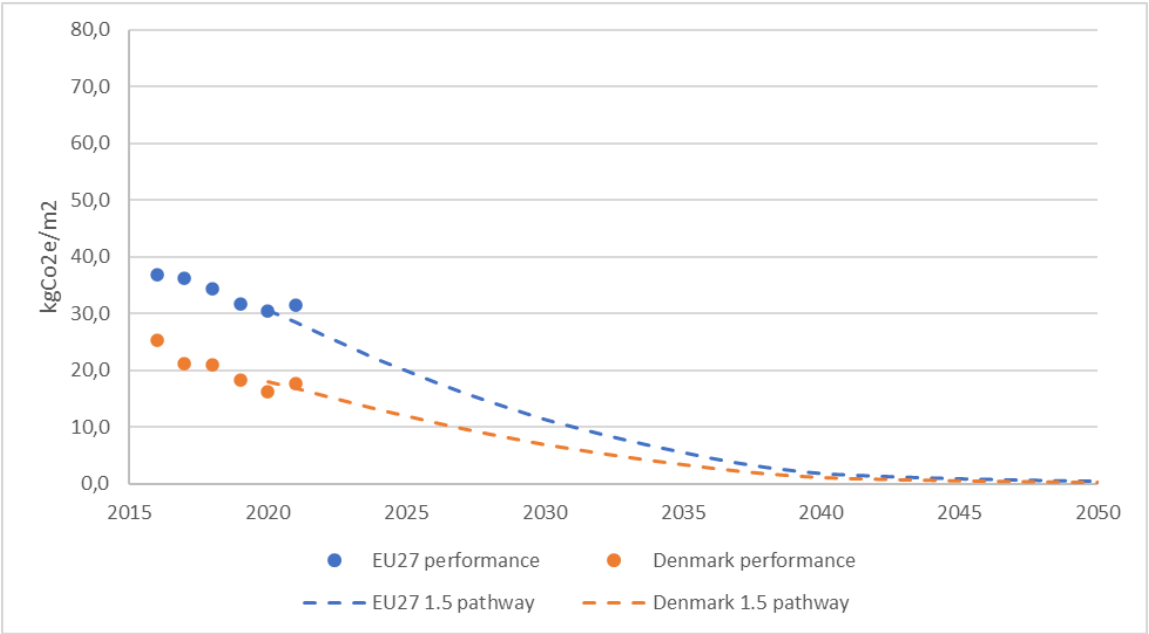
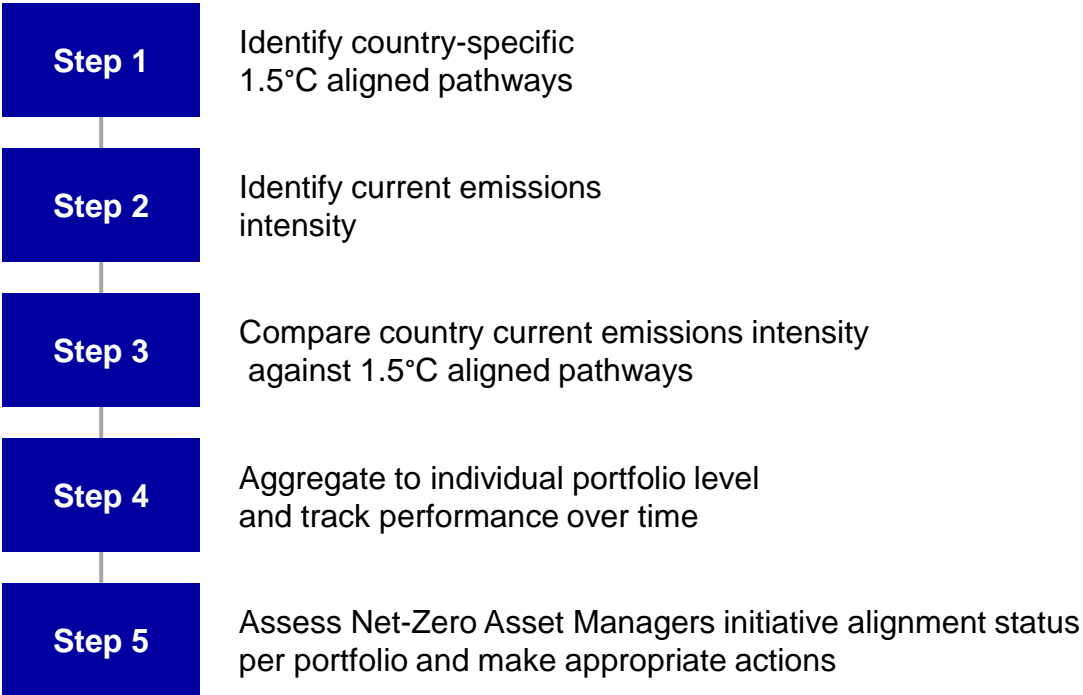
Engagements for disclosures and preferential interest-rate loans for energy improvements



# Case Study

## Monitoring

Holdings are subject to ongoing monitoring in relation to 2030 1.5°C aligned pathways for greenhouse-gas emission equivalents per square meter (GHGe/m<sup>2</sup>) at portfolio level



# Harmonised Transparency Template by Covered Bond Label

Template prepared for most of the information we need

## Harmonised Transparency Template

**2024 Version**

**Denmark**

**Nordea Kredit Realkreditatieselskab, CC 2**

**Reporting Date: 10/2/2025**

**Cut-off Date: 30/12/2024**



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Covered Bond Label Disclaimer

Worksheet D & Onwards (If Any): National Transparency Template

Worksheet E: Optional ECB-ECAIs data

Worksheet F1: Sustainable M data

Worksheet G1: Crisis M Payment Holidays



# Harmonised Transparency Template by Covered Bond Label

## Tab B. HTT Mortgage Assets

15. EPC Information of the financed RRE - optional			Nominal (mn)	Number of dwellings	% Residential Loans	% No. of Dwellings
M.7A.15.1	A		39.756.5	15306	11.8%	7.4%
M.7A.15.2	B		16.873.7	7132	5.0%	3.4%
M.7A.15.3	C		67.174.3	30395	19.9%	14.6%
M.7A.15.4	D		50.074.9	27039	14.8%	13.0%
M.7A.15.5	E		17.043.2	10401	5.1%	5.0%
M.7A.15.6	F		6.528.7	4538	1.9%	2.2%
M.7A.15.7	G		3.381.9	2706	1.0%	1.3%
M.7A.15.8	Estimate A		15.179.9	8280.296017	4.5%	4.0%
M.7A.15.9	Estimate B		10.837.1	7914.969511	3.2%	3.8%
M.7A.15.10	Estimate C		40.373.8	32350.88018	12.0%	15.6%
M.7A.15.11	Estimate D		37.369.5	31029.60865	11.1%	14.9%
M.7A.15.12	Estimate E		16.730.9	15117.23275	5.0%	7.3%
M.7A.15.13	Estimate F		8.658.1	8572.904145	2.6%	4.1%
M.7A.15.14	Estimate G		5.587.1	5834.108752	1.7%	2.8%
M.7A.15.15					0.0%	0.0%
M.7A.15.16					0.0%	0.0%
M.7A.15.17					0.0%	0.0%
M.7A.15.18	no data		1.645.3	1235	0.5%	0.6%
M.7A.15.19	Total		337.214.7	207852	100.0%	100.0%
OM.7A.15.1						
OM.7A.15.2						
OM.7A.15.3						
16. Average energy use intensity (kWh/m2 per year) - optional			Nominal (mn)	Number of dwellings	% Residential Loans	% No. of Dwellings
M.7A.16.1	$\leq 52.5 + 1,650/M^2$		39.756.5	15306	11.8%	7.4%
M.7A.16.2	$\leq 70 + 2,200/M^2$		16.873.7	7132	5.0%	3.4%
M.7A.16.3	$\leq 110 + 3,200/M^2$		67.174.3	30395	19.9%	14.6%
M.7A.16.4	$\leq 150 + 4,200/M^2$		50.074.9	27039	14.8%	13.0%
M.7A.16.5	$\leq 190 + 5,200/M^2$		17.043.2	10401	5.1%	5.0%
M.7A.16.6	$\leq 240 + 6,500/M^2$		6.528.7	4538	1.9%	2.2%
M.7A.16.7	$> 240 + 6,500/M^2$		3.381.9	2706	1.0%	1.3%
M.7A.16.8	Estimate: $\leq 52.5 + 1,650/M^2$		15.179.9	8280.296017	4.5%	4.0%
M.7A.16.9	Estimate: $\leq 70 + 2,200/M^2$		10.837.1	7914.969511	3.2%	3.8%
M.7A.16.10	Estimate: $\leq 110 + 3,200/M^2$		40.373.8	32350.88018	12.0%	15.6%
M.7A.16.11	Estimate: $\leq 150 + 4,200/M^2$		37.369.5	31029.60865	11.1%	14.9%
M.7A.16.12	Estimate: $\leq 190 + 5,200/M^2$		16.730.9	15117.23275	5.0%	7.3%
M.7A.16.13	Estimate: $\leq 240 + 6,500/M^2$		8.658.1	8572.904145	2.6%	4.1%
M.7A.16.14	Estimate: $> 240 + 6,500/M^2$		5.587.1	5834.108752	1.7%	2.8%
M.7A.16.15					0.0%	0.0%
M.7A.16.16					0.0%	0.0%
M.7A.16.17					0.0%	0.0%
M.7A.16.18	no data		1.645.3	1235	0.5%	0.6%
M.7A.16.19	Total		337.214.7	207852	100.0%	100.0%

# Harmonised Transparency Template by Covered Bond Label

## Tab B. HTT Mortgage Assets

20. CO2 emission - by dwelling type - as per national availability		Ton CO2 (per year)	Ton CO2 (per year) (LTV adjusted)	kg CO2/m2 (per year)
M.7A.20.1	House, detached or semi-detached	497.827.6	240.495.5	[For completion]
M.7A.20.2	Flat or Apartment	30.118.7	14.694.8	[For completion]
M.7A.20.3	Bungalow	0.0	0.0	[For completion]
M.7A.20.4	Terraced House	0.0	0.0	[For completion]
M.7A.20.5	Multifamily House	40.900.1	12.899.7	[For completion]
M.7A.20.6	Land Only	0.0	0.0	[For completion]
M.7A.20.7	other	0.0	0.0	[For completion]
M.7A.20.8	no data	0.0	0.0	[For completion]
M.7A.20.9	Total	568.846.4	268.090.0	
M.7A.20.10	Weighted Average			[For completion]

B.20. Enables us to follow the new Partnership for Carbon Accounting Financials (PCAF) standard

kg CO<sub>2</sub>e/m<sup>2</sup> would be the golden number for our sustainable investment and Net Zero Asset Management method

Only very few issuers provide this number

# Harmonised Transparency Template by Covered Bond Label

## Tab F1. Sustainable M data

1. Share of sustainable loans in the total mortgage program					
	1. Amount of sustainable loans	Nominal (mn)	Number of loans	% Nominal (mn) to total mortgage program	% No. of Loans to total mortgage program
SM.1.1.1	EE mortgage loans	66.457.3	20.639	16.2%	9.0%
SM.1.1.2	Social impact mortgage loans	70.9	75	0.0%	0.0%
SM.1.1.3	other	0.0	0	0.0%	0.0%
SM.1.1.4	Total sustainable mortgage loans	66.528.2	20.714	16.2%	9.0%

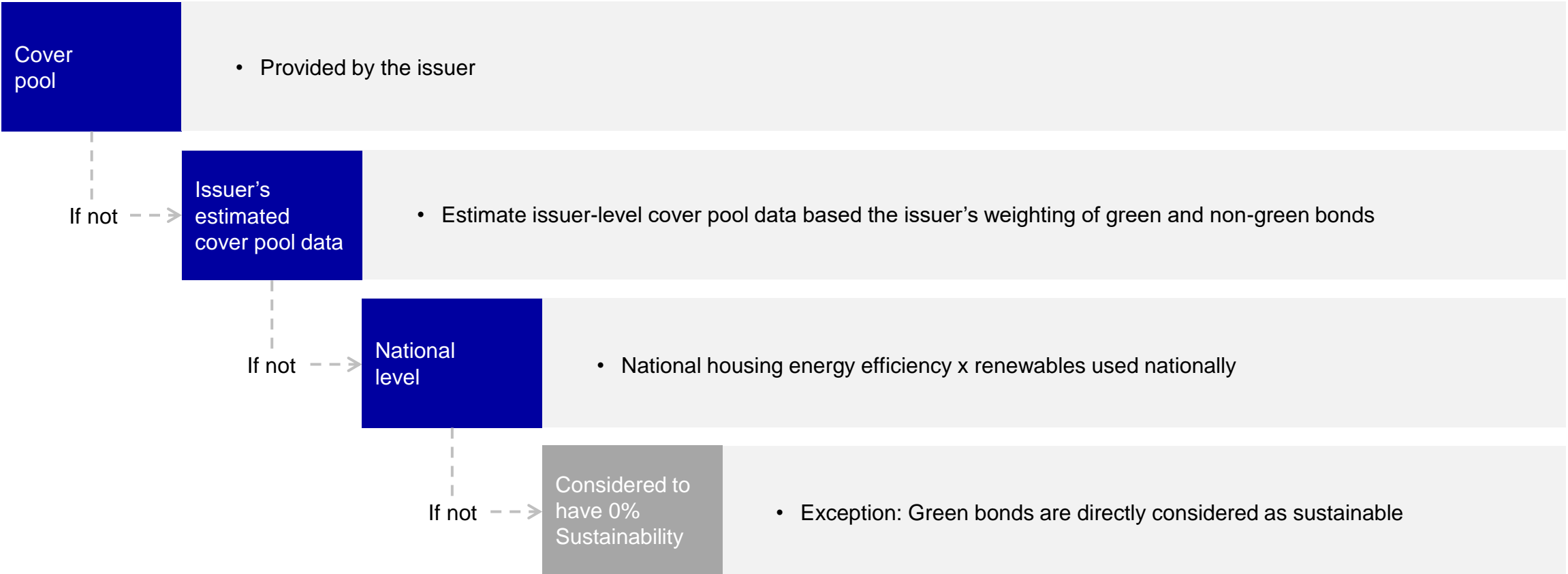
F1.1. Enables us to understand how inclusive you are in terms of labelled bonds.

- Too high numbers here would indicate that the issuer
- A. Has a profile that differs significantly from the mean
  - B. Is generous in defining what can be in a labelled bonds

It matters to us as an investor to be able to assess if it is A or B

# Environmental or Social Contribution

Quantifying cover pool emissions (or suitable proxy data)



## Current status in the market

Nordea Asset Management track 218 issuers of covered bonds

**146 use the Harmonized Transparency Template (HTT)**

80 link directly to HTT via Covered Bond Label page  
25 link to own page with a direct link to the HTT  
14 link to own page with a generic link that do not point at the HTT

**31 fill out Energy Performance Certificate (EPC) scores**

This we use to differentiate issuers and see if the issuer differs from the country's total "cover-pool"

**22 fill out the energy intensity**

This we use to directly in our sustainable investment model

**13 fill out the financed emissions**

This we will be using for the Partnership for Carbon Accounting Financials (PCAF) reporting of financed emissions

**33 fill out share of green/social**

We would adjust issuers sustainability level based on issued green bonds – Not all issuers report the same – some report share issued others share eligible – we need both

# Disclaimer

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