

Compliance statement concerning the Nykredit Markets's Indices

On filling in the compliance statement governed by Regulation (EU) 2016/1011 of 8 June 2016 on indices, Nykredit must state its reasons for choosing not to apply the provisions referred to in Article 26(1) of the Regulation concerning *non-significant benchmarks*. It must be clearly stated why it is appropriate for Nykredit not to comply with the provisions, cf Article 26(3). These are:

Article	Reasoning
Article 4(7) point (c) of the BMR	As indices are based on regulated data, it is considered unlikely that an employee has business connections that may compromise the benchmark activities.
Article 4(7) point (d) of the BMR	Indices are created based on the prices of government and covered bonds. The market for government and covered bonds is too vast for individual persons who are directly involved in the provision of indices to be able to affect these through bond trading.
Article 4(7) point (e) of the BMR	No employee has an interest in the development of the indices. Persons involved in the provision of indices have no contact with customers using the indices.
Article 4(8) of the BMR	Employees do not make estimates, and the customers may control the index calculations themselves, and the risk of manipulation is consequently low. In addition, Nykredit's business procedures include control procedures concerning indices.
Article 7(2) of the BMR	The Compliance function carries out such control as required.

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