Nordea

Enhanced disclosures for Nordea's oil and gas portfolio

March 2026

Contents

About this document

The purpose of this document is to provide an overview of and demonstrate transparency and accountability with respect to the Nordea Group's lending and investments to the upstream oil and gas sector. It complements and should be read in conjunction with the Sustainability Statement in our Annual Report, which includes disclosures on our environmental impacts, risks and opportunities. This publication has been prepared for information purposes only and is not part of the Corporate Sustainability Reporting Directive assurance engagement.

Disclaimer

This document contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Nordea believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Results could differ materially from those set out in the forward-looking statements due to various factors. These include but are not limited to (i) macroeconomic developments, (ii) changes in the competitive environment, (iii) changes in the regulatory environment and other government actions, and (iv) changes in interest rate and foreign exchange rate levels. This document does not imply that Nordea has undertaken to revise these forward-looking statements beyond what is required by applicable law or stock exchange regulations if and when circumstances arise that lead to changes following their publication.

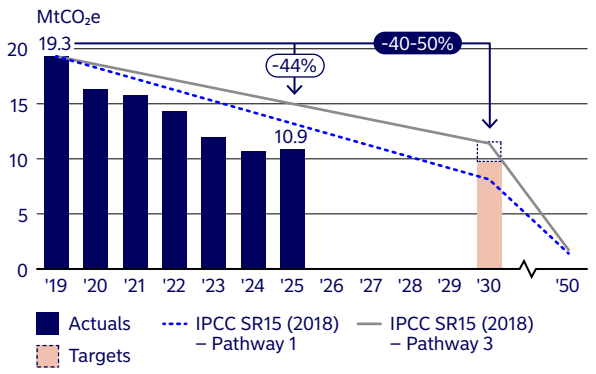
Enhanced disclosure of our exposure to the upstream oil and gas sector

In this report, we present voluntary disclosures for our upstream oil and gas[1] portfolio, providing additional transparency on our approach, exposures, targets and policies. Since 2019, we have significantly reduced our exposure to the oil and gas sector, making it one of the lowest sector exposures in both our lending and investment portfolios. The remaining exposure in our lending portfolio consists of a few carefully selected customers primarily operating on the Norwegian Continental Shelf, reflecting Norway's continued and prominent role in ensuring Europe's energy security amid elevated geopolitical risks. Upstream oil and gas companies are excluded from three-quarters of our investment funds. The remaining funds hold limited exposure to accommodate customers' preferences for investment strategies that replicate an index or a specific market and where broad exclusions are not feasible.

We have set a long-term objective to become a bank with net-zero emissions by 2050 at the latest, supported by a mid-term target to reduce absolute financed emissions in our lending portfolio by 40–50% by 2030. As at the end of 2025, we had reduced the financed emissions in our lending portfolio by 44%, which puts us well on track to deliver on our 2030 target (see the graph below).

We have placed sustainability at the core of our business strategy and made it integral to our operations, governance and risk management. As a leading Nordic financial services group, we are committed to supporting our customers' transitions to net zero and contributing to the climate objectives of the Nordic countries in an inclusive manner. Recognising that customers are at different stages in their transition journeys, we tailor our offerings to their needs and develop capabilities and solutions that finance the transition. As a responsible investor, we are committed to supporting the transition through active ownership and engagement with investees and asset managers as well as providing a strong sustainable investment offering. More information on our sustainability work and targets is available on the sustainability pages at nordea.com and in the Sustainability Statement in our Annual Report.

Our portfolio-wide 2030 target for the lending portfolio



Outlook for oil and gas

Global outlook

Oil and gas has historically played a pivotal role in global industrial development and economic growth. In 2024, they accounted for approximately 50% of the global primary energy mix, while in the Nordics they represent around 40% of total consumption. Despite rapid progress in low-carbon deployment, the Intergovernmental Panel on Climate Change (IPCC) concludes that primary energy from coal, oil and natural gas must decline substantially by 2030 to remain aligned with a 1.5°C pathway. Phasing out thermal coal remains the most urgent priority due to its outsized contribution to cumulative warming.

There is a sharp divergence between projected oil and gas demand under current policies and trajectories consistent with 1.5°C. In the International Energy Agency's (IEA) Stated Policies Scenario (STEPS)[2], global oil demand plateaus around 2030 and gas demand grows until 2035, with notable regional differences: advanced economies face demand decline, China's demand growth shows signs of slowing down, while demand continues to grow in emerging and developing economies. Industry outlooks also point to persistent long-term oil demand under current policies, with global oil demand projected to increase through 2035, with growth primarily driven by petrochemicals, aviation, and continued transport demand in emerging markets[3]. These trends are insufficient for limiting global temperature rise to 1.5°C, which requires materially faster action across both demand and supply.

In the IEA's Net Zero Emissions by 2050 Scenario (NZE2050), oil and gas demand decline steeply, driven by electrification, efficiency, and behavioural change. Despite declining demand, both fuels will still play a role in the global economy through 2050. Continued investment in oil and gas supply is needed to maintain existing production rates, while the overall decline in demand implies that no new

1. The upstream segment of the oil and gas industry is in Nordea's Annual Report referred to as exploration and production (E&P).
2. IEA (2025), World Energy Outlook 2025 and The Implications of Oil and Gas Field Decline Rates.
3. IEF (2026), Outlooks Comparison Report.

long-lead-time conventional oil and gas projects would need to be approved for development. In the NZE2050 scenario, oil demand is estimated to fall by 40% by 2035, and by 2050, oil and gas production must decline by around 75% relative to 2024 levels with most of the remaining demand being for non-energy purposes.

While these outlooks and scenarios provide insights into future potential supply and demand trajectories, global energy markets continue to be shaped by geopolitical uncertainty. Increasing strategic rivalry between major economies and Russia's war in Ukraine have heightened supply risks and price volatility in global oil and gas markets, reinforcing the need for orderly transition pathways that manage the need for both accelerated decarbonisation and near-term system reliability.

European outlook

The European Union (EU) has adopted a long-term policy objective to achieve a net-zero greenhouse-gas economy by 2050 and has formally agreed on a 2040 climate target to reduce net emissions by 90% relative to 1990. Together with national 2030 and 2035 targets and sectoral roadmaps across Member States, these policies imply structurally lower demand for oil and gas over time.

Europe's gas system is undergoing a profound shift. As Russian pipeline gas is scheduled to be phased out by end of 2027[4], the EU has diversified its supply by increasing imports of liquified natural gas (LNG) from the United States and Qatar, alongside higher pipeline imports from Norway, Algeria and Azerbaijan. While diversification strengthens resilience, it also exposes Europe to global LNG competition and price volatility, particularly during winter peaks or in tight global markets. In parallel, the accelerated build-out of renewables, storage, grids and demand-side flexibility remains essential to reducing exposure to fossil fuel price swings and meeting climate targets.

Policy frameworks increasingly guide capital away from new high-carbon assets and towards transition-enabling activities. The EU's public finance and investment guidelines currently exclude support for new oil and gas developments in the Arctic, and its longer-term strategies suggest a structural decline in Europe's demand for oil and gas, including from the Norwegian Continental Shelf, particularly beyond 2040. However, Europe's gas demand has proven more persistent than previously anticipated, and the ongoing geopolitical situation has reinforced the importance of a secure and reliable supply. As a result, parts of the EU's long-term strategy may need to be revisited to balance decarbonisation objectives with the practical requirements of maintaining energy security during the transition.

Nordic outlook

Across the Nordics, oil and gas demand is significantly lower than the European average, supported by high shares of renewable energy, strong interconnection and long-standing climate policies. However, demand remains persistent in several sectors, notably process industries, heavy road transport, aviation and shipping, where technological alternatives are not yet fully scalable. In Denmark, natural gas continues to play a role in district heating and combined heat and power, illustrating how even highly decarbonised energy systems remain dependent on fossil fuels during the transition.

Current policy frameworks, including carbon pricing, efficiency standards and sectoral roadmaps, have driven emission reductions across the region, but are not yet sufficient to fully phase out oil and gas demand in these hard-to-abate segments. As a result, the Nordic countries continue to face structural transition challenges despite being among the most advanced regions globally in decarbonising their economies.

Norway and European energy security

Norway plays a uniquely strategic role in Europe's energy landscape, with its oil and gas production remaining central to national value creation while also providing essential support to energy system stability in Europe during the transition towards climate neutrality. Prior to 2022, more than 40% of the EU's gas imports and around 30% of oil imports[5] originated from Russia. Europe's subsequent import diversification has further elevated the role of Norwegian pipeline gas, which accounted for roughly 30% of total EU gas demand in 2024[6].

As Europe deepens cooperation with external energy partners, potential long-term implications must be managed. New fossil infrastructure may create lock-in risks, raise lifecycle emissions, and increase dependency on suppliers with weaker governance and environmental safeguards. By comparison, activity on the Norwegian Continental Shelf increasingly focuses on near-field exploration with rapid subsea tie-back of commercial discoveries to existing infrastructure, limiting the need for new surface installations. Additionally, electrification from shore has become the standard for approving new field development plans after 2020, displacing gas-fired turbines and substantially reducing operational emissions. Norway also maintains some of the lowest methane emission levels globally through stringent regulation and advanced monitoring. Together, these factors reduce transition risks and lock-in effects and enhance the environmental performance and resilience of Norwegian suppliers relative to global peers.

This position is further reinforced by the 2022 EU-Norway energy partnership[7], which underscores shared commitments and strategic alignment on energy security and climate ambition. The partnership recognises Norway's capacity to remain a major supplier to Europe beyond 2030, including responsible exploration and investment to offset decline at mature fields and highlights cooperation on offshore renewables, hydrogen and large-scale carbon capture and storage (CCS), which are essential components of Europe's long-term decarbonisation strategy.

Against this backdrop, Norway is likely to remain a cornerstone of Europe's energy security during the transition. Its role extends beyond current gas supply to supporting the broader transformation of Europe's energy system through low-carbon fuels, renewable energy development and expansion of safe and permanent CO_2 storage capacity. At the same time, as European climate policy continues to tighten and demand for fossil fuels structurally declines, particularly post-2040, Norway's energy partnership with the rest of Europe must continue to evolve in a manner that manages lock-in risks, prioritises emissions reductions, and aligns with long-term climate objectives.

4. Council of the EU, Russian gas imports (2026)
5. Eurostat, EU trade with Russia (2025) (2025)
6. Gassco, Record delivery of natural gas in 2024 (2025)
7. European Comission, EU-Norway energy cooperation (2026)

Lending portfolio

We retain a risk-based and very restrictive approach to the oil and gas sector, recognising that the energy transition introduces elevated risks to the long-term economic viability of fossil fuel-based activities. We fully support the need to accelerate the transition away from fossil fuels, both as an imperative to reach global climate goals and as a priority to enhance energy security and independence. We also acknowledge that the transition is complex and that recent geopolitical developments have underscored the critical importance of energy security and independence.

Our activities reflect, to a varying extent, the economic structures of our Nordic home markets and their respective transition strategies and energy security contributions. While Nordic economies have largely phased out fossil fuels from their energy systems, Norway's oil and gas sector remains economically significant and plays an increasingly important role as a reliable energy partner to the rest of Europe, contributing to energy security and independence in the markets where Nordea operates.

As part of our restrictive approch we have already phased out lending to drilling rigs and offshore service vessels. Within upstream oil and gas we restrict our exposure to a very limited number of carefully selected customers operating primarily on the Norwegian Continental Shelf.

Alongside these limitations we seek to support real-economy transition by developing products and solutions to support our customers to reduce emissions, finance their transition and engage in dialogue on practical next steps to improve their environmental performance. By combining a risk-based and restrictive approach to the oil and gas sector with targeted transition support across sectors and constructive dialogue, we support the transition away from fossil fuels while also supporting secure and stable access to energy today.

Managing risks and impacts

Our sector and thematic framework translate our sustainability strategy, risk management and double materiality assessment into consistent minimum boundaries and engagement expectations for climate vulnerable sectors. Sector specific guidelines outline restrictions and requirements for activities associated with the highest unmitigated environmental or social risks. These guidelines assist us in managing ESG-related risks and limiting negative impacts linked to our financing activities.

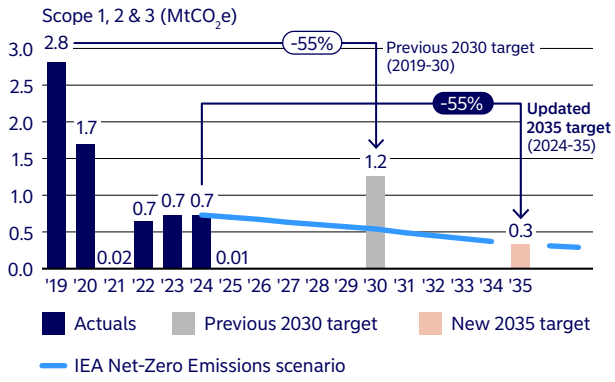
In order to support effective management of risks and impacts in relation to the oil and gas sector, we do not enter into new business relationships with companies active in oil and gas exploration and production. In addition, we do not provide or facilitate project financing dedicated to expanding exploration and production of oil and gas, including related infrastructure[8] ; exploration and production of oil and gas through ultra-deep drilling[9] ; exploration and production of unconventional oil and gas[10] ; exploration or production of oil and gas in the Arctic[11].

Climate- and environmental-related risks are integrated in our credit assessment through the identification of specific risk drivers and assessment of their potential credit risk impact. For customers assessed as more vulnerable to climate- and environmental risks, including those operating in the oil and gas sector, a more comprehensive assessment is performed. When ESG-related risks are considered sufficiently material to affect the credit rating, an ESG rating override can be applied. Furthermore, we assess the maturity of customers' transition plans, including those operating in the the oil and gas sector. The assessment of transition plans includes, but is not limited to, targets and commitments, governance arrangements, reporting and implementation plans.

While climate-related risks are an integrated part of the credit process, we do not make lending decisions in the upstream oil and gas sector conditional on the existence of net-zero aligned transition plans. In our customer engagement we focus on practical next steps to improve environmental performance and set expectations aligned with industry leading practices.

To further assist the management of associated risks and impacts, we have implemented an emissions reduction target for our existing upstream oil and gas lending portfolio. Following our strong progress in reducing financed emissions from lending to upstream oil and gas, we have updated our initial 2030 target, set in 2022, with a new target for 2035. This updated target aims for a 55% reduction in absolute financed emissions from upstream oil and gas by 2035, compared to 2024. It aligns with the target metric, pathway and ambition required by the Science Based Target initiative in its Net Zero Standard for Financial Institutions.

Our target for upstream oil & gas



8. Includes new Liquified Natural Gas (LNG) import (regasification) and export (liquification) terminals.
9. Ultra-deep drilling refers to offshore drilling activities conducted in water depths exceeding 1,500 meter.
10. Defined as shale oil, shale gas and oil sands that require specialised extraction techniques such as hydraulic fracking or thermal recovery.
11. Nordea uses the definition of the Arctic as offshore locations enclosed by the southernmost extent of winter sea ice above the Arctic Circle.

Alignment with our long-term objective

We have made a long-term commitment to achieve net-zero emissions by 2050, aligned with the EU Climate Law and the more ambitious objective set out in the Paris Agreement. Substantial efforts have been made by different organisations, academia and the financial industry to translate and operationalise what net zero means for financial institutions, since the vast majority of the emissions relate to the assets, activities and clients they finance.

We have implemented a comprehensive set of climate targets based on the best available scientific knowledge and guidance, taking outset in making global financial flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, as set out in the Paris Agreement.

In alignment with the best available guidance and the reference made in the Paris Agreement, we interpret being aligned with our long-term objective and making our financial flows consistent with a low-carbon pathway to be demonstrated at portfolio level. This does not imply that all customers, assets or activities must individually be aligned with a net zero trajectory at any given point towards 2050.

We are reducing our financed emissions and phasing out fossil fuel lending faster than pathways limiting the global temperature rise to 1.5°C. Since 2019, we have reduced our portfolio-wide financed emissions by 44%, fully aligned with our target trajectory set in accordance with IPCC's 1.5°C pathways. Over the same period, lending to upstream oil and gas has been reduced by more than 99%, leaving only a very limited number of carefully selected customers. To further support the redirection of capital towards the transition, we have facilitated EUR 235 billion in sustainable and green solutions since 2022. Green and sustainability-linked assets now account for 15% of total assets, almost double the share since 2022 and clearly demonstrating our commitment to financing the transition.

While oil and gas will continue to play an important role as economies transition to low-carbon substitutes, we recognise that certain extraction activities are especially problematic and cause elevated environmental harm. We have therefore implemented a complete stop for project financing dedicated to expansion of oil and gas, extraction activities in the Arctic region and extraction using unconventional drilling methods.

In our decision to continue supporting a very limited number of customers, we have carefully weighed energy security considerations against environmental harm and impediments to reaching global climate goals. We acknowledge that a limited share of our customers' operations may fall under the above-mentioned activities that cause elevated environmental harm or are misaligned with scenarios ruling out the need for further expansion of oil and gas, such as the IEA's Net Zero Emissions by 2050 scenario. At the same time, we also recognise that a majority of these customers' operations contribute to a secure, affordable and reliable energy supply in Europe. By restricting project financing to especially harmful activities, implementing a full stop for new business relationships and limiting existing and future exposure through target setting, we believe we can support European energy security, while maintaining control of the risks and impacts associated with the operations of our remaining customers.

We believe that we have a responsibility to contribute to both an accelerated transition towards a low-carbon economy and energy security priorities in the jurisdictions and regions where we operate. Through our strategy, actions and direction, we are aligned with our long-term objective to achieve net zero emissions by 2050, and our progress is consistent with the emission reduction objective set out in the EU Climate Law and the call to align financial flows with a low-carbon pathway as outlined in the Paris Agreement.

Selected indicators for the lending portfolio

The table below provides a detailed overview of selected indicators for our upstream oil and gas portfolio, utilising both internal data and externally available information. We have reduced our exposure to upstream oil and gas significantly over the past years, representing 0,001% of total on-balance lending by end-2025. Between 2019 and 2025, the on-balance sheet lending decreased by 99,7% and total exposure, including undrawn credit facilities, decreased by 69%. For total drawn and undrawn exposure the weighted average CO_2 intensity of our upstream portfolio is 6.2 $kgCO_2$/boe, a reduction of 54% since 2019, and less than half of the global average CO_2 intensity compared to the world's foremost publicly traded, private, and state-owned oil and gas companies that are IOGP members.

The table includes both on-balance sheet lending and undrawn loan commitments. Our emissions reduction targets and general reporting are based on the on-balance sheet lending as this reflects the actual exposure and, impact of our operations and is the approach recommended by the Partnership for Carbon Accounting Financials (PCAF). Undrawn loan commitments are included in this disclosure for transparency with regard to our potential exposure and associated risk assessment.

To ensure transparency of the data quality used to calculate financed emissions, we use the data quality score developed by the Partnership for Carbon Accounting Financials (PCAF). Please see the Sustainability Statement in the Annual Report 2025 for details. Our financed emissions methodology is available here.

Indicator	2025	2024	2019	Δ 25-19
On-balance sheet lending[12]				
On balance sheet lending (EURm)	3	74	884	-99.7%
– *Share of total lending (%)*	0.001%	0.02%	0.31%	n/a
Financed emissions, scope 1, 2 and 3 (tCO_2e)[13]	11,954	729,109	2,810,756	-99.6%
– *Share of total financed emissions (%)*	0.02%	1.0%	3.8%	n/a
Weighted average CO_2 intensity of exploration and production ($kgCO_2/boe$)[14]	6.7	8.7	15.5	-57%
Weighted average CO_2 intensity alignment in distance to IEA NZE2050 in %[15]	-84%	-80%	No data	n/a
Financed oil and gas production (kboe/d)[16]	0.1	5.0	20.8	-99%
Financed unconventional oil and gas production (kboe/d)[16]	0.01	0.02	No data	n/a
Exposure to Arctic drilling (Y/N)[17]	N	N	Y	-100%
Undrawn loan commitments[18]				
Undrawn loan commitments (EURm)[19]	445	515	550	-19%
Undrawn potential financed emissions, scope 1, 2 and 3 (tCO_2e)[20]	No data	No data	No data	No data
Weighted average CO_2 intensity of exploration and production ($kgCO_2/boe$)[14]	6.2	6.4	11.5	-46%
Undrawn potential financed oil and gas production (kboe/d)[20]	No data	No data	No data	No data
Undrawn potential financed unconventional oil and gas production (kboe/d)[20]	No data	No data	No data	No data
Exposure to Arctic drilling (Y/N)[17]	N	N	Y	-100%
Total on-balance sheet lending and undrawn commitments				
On-balance sheet lending exposure and undrawn loan commitments (EURm)	448	589	1,434	-69%
Weighted average CO_2 intensity of exploration and production ($kgCO_2/boe$)[14]	6.2	6.7	13.4	-54%
– *Compared to global average IOGP member companies (%)*[21]	No data	16.3	17.2	
Exposure to Arctic drilling (Y/N)[17]	N	N	Y	-100%
Share of total exposure being part of OGMP 2.0 (%)[22]	100%	80%	N/A	

12. Includes all on-balance sheet loans and lines of credit to companies in accordance with the definition of Business Loans by Partnership for Carbon Accounting Financials (PCAF) .
13. Includes scope 3 category 11 "Use of sold products."
14. Includes scope 1 and 2 emissions but does not include transport and processing emissions . Due to data availability, we only include CO_2 emissions, not all GHGs. The numbers represent Operational control accounting approach from clients. 2025 data on intensity is gathered from company Q3 2025 reports.
15. Weighted average CO_2 intensity of exploration and production in $kgCO_2/boe$ of Nordea's on-balance sheet lending portfolio compared to IEA Net Zero Emissions by 2050 Scenario. For further details see Template 3 on Alignment metrics in EU commission implementing regulation 2022/2453 on prudential disclosures on ESG risks (Article 449a CRR) .
16. Calculated based on the same attribution principle as for financed emissions according to PCAF but using company production in thousands of barrels of oil equivalent per day (kboe/d) instead of company emissions in tCO_2e. These numbers are restated for 2019 and 2024 compared to previous years' report.
17. Nordea defines Arctic drilling as drilling north of the southernmost extent of winter sea ice in the Arctic region.
18. Undrawn loan commitments are commitments given to a client as an option to access and draw a loan under predefined terms in future reporting periods.
19. In previous years' report we reported total off balance but following the launch of PCAF guidance in December 2025 we now adhere to the PCAF definition to specifically include "the maximum amount available to be drawn under a committed loan facility"
20. Disclosure on these indicators will be included in future versions as recently published guidance from PCAF was not available for the production of this report
21. IOGP - The International Association of Oil & Gas Producers includes the world's foremost publicly traded, private, and state-owned oil and gas companies.
22. Oil & Gas Methane Partnership 2 .0 (OGMP 2 .0) is the flagship oil and gas reporting and mitigation programme of the United Nations Environment Programme (UNEP) that was launched in November 2020 and did not exist in 2019.

Investment portfolio

Our approach to upstream oil and gas investments

Through Nordea Asset Management (NAM), we provide investment opportunities to retail and institutional customers, carefully considering their investment strategy, risk appetite and sustainability preferences. We exclude oil and gas producers (the upstream oil and gas sector) from three-quarters of our funds. The remaining quarter of our funds have limited exposure to oil and gas producers to accommodate customer preferences for investment strategies that aim to replicate an index or specific markets where broad exclusions are not feasible, for customers who explicitly prefer engagement over exclusion. In this section we provide additional transparency on this limited exposure and explain how we actively engage with these companies through voting and dialogue in support of Paris alignment and improved environmental performance.

Nordea Asset Management is fully committed to supporting the achievement of net zero emissions in line with the Paris Agreement. In this context, none of the major oil and gas companies currently show sufficient signs of transitioning. On the contrary, most of the industry continues to support projects that are incompatible with limiting warming to well below 2°C or below and still dedicate resources to exploration.

At the same time, the world economy will continue to be dependent on oil and gas for some time to come, and security of supply remains a geopolitical concern. In addition, oil and gas producers remain significant index constituents in many asset classes and markets, meaning that narrowly defined fiduciary duty concerns preclude full divestment for some clients and funds.

Against this backdrop, asset managers across the industry have adopted different approaches to investing in the upstream oil and gas sector. The following sections outline the approaches that we apply in our investment activities.

Funds representing 76% of fund assets under management (AuM) do not invest in upstream oil and gas.[23]

Divestment from oil and gas producers

Divestment from oil and gas producers, either across all investment portfolios or within certain product types, satisfies the preferences of some clients. It can also send a signal to the investor landscape with a view to delegitimising the industry from a moral perspective; and can be a risk management tool. That said, there is little evidence that divestment changes company behaviour to drive real-world decarbonisation.[24, 25, 26, 27]

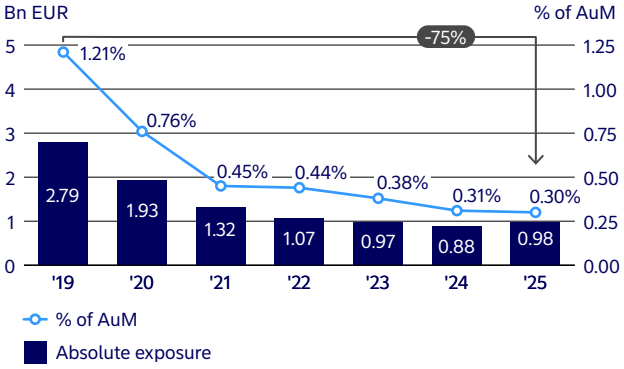
Our approach: Across all our funds, we restrict investments in companies with exposure to oil sands with a 5% revenue threshold and to companies with exposure to oil and gas extraction through Arctic drilling.

In addition, effective early 2026 across all funds, we will not participate as an investor in new debt issuance in the primary market by oil and gas producers expanding their production.[28]

We also apply partial divestment through our Paris Aligned Fossil Fuel Policy, which covers around three-quarters of Nordea fund AuM. This policy restricts investments in companies in the fossil fuel value chain that do not demonstrate a transition pathway aligned with the Paris Agreement. It should be noted that we do not believe that upstream oil and gas companies engaged in significant expansion activity can be designated as Paris aligned. Accordingly, such companies are excluded from all funds that adhere to this policy or funds that implement equivalent stringent oil and gas exclusion criteria.

NAM's upstream oil and gas exposure has been materially reduced since 2019

Investment in upstream oil and gas companies



At the end of 2025, NAM's exposure to upstream oil and gas represented 0.3% of total AuM.

Upstream oil and gas companies are defined as companies that generate more than 5% of revenues from oil or gas extraction. At the end of 2025, NAM's assets under management were €324.8 billion. NAM's upstream exposure was €0.98 billion, representing 0.3% of total AuM. NAM's relative exposure to upstream O&G has decreased by 75% since 2019. The biggest decrease occurred as a result of the introduction of our Paris Aligned Fossil Fuel policy (2020–2021). The increase in absolute exposure from 2024 in 2025 was driven by total AuM growth rather than an increase in relative exposure.

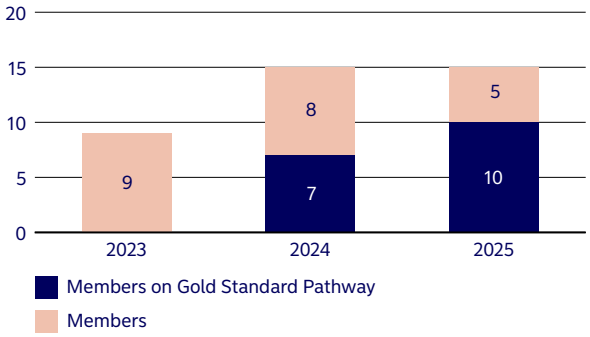
23. Based on year-end 2025 data.
24. Plantinga, A., & Scholtens, B. (2024). The finance perspective on fossil fuel divestment. Current Opinion in Environmental Sustainability, 66, Article 101394. https://doi.org/10.1016/j. cosust.2023.101394
25. Kahn, M. E., Matsusaka, J. G., & Shu, C. (2024). Divestment and engagement: The effect of green investors on corporate carbon emissions. NBER Working Paper No. 31791. National Bureau of Economic Research. https://doi.org/10.3386/w31791.
26. Investor alignment in divestment decisions and firm behavior. (2025). Review of International Political Economy (Advance online publication). https://doi.org/10.1080/09638180.2025.2508503
27. Kölbel, J. F., Heeb, F., Paetzold, F., & Busch, T. (2020). Can sustainable investing save the world? Reviewing the mechanisms of investor impact. Organization & Environment, 33(4), 554–574. https://doi.org/10.1177/1086026620919202
28. This does not cover investments in bonds on the secondary market.

Engagement with companies

Engagement with companies to push for faster decarbonisation has shown very limited success in transforming overall oil and gas business models. In such situations, identifying areas where dialogue may result in actual results can prove effective. For instance, engagements focusing on improving operational efficiency, notably the reduction of methane emissions, have proven their merit.

Our approach: While we acknowledge that engagement alone has inherent limitations in driving a full transformation of upstream oil and gas business models, we recognise our role in combining a focus on measurable, near-term improvements with a clear and consistent expectation that companies' long-term strategies align with the goals of the Paris Agreement. Accordingly, our engagements seek to reinforce the broader transition imperative by promoting capital allocation decisions and capital discipline that support Paris-aligned pathways. This includes avoiding new upstream expansion and encouraging a strategic shift toward low-carbon activities. We engage all upstream oil and gas companies where our exposure is material[29], with a particular focus on financial material issues where engagement can deliver tangible outcomes, including through our flagship engagement programme, which aims to improve operational efficiency and the effective management of methane emissions through OGMP 2.0 implementation.

OGMP 2.0 joiners in NAM engagement group



Source: UNEP IMEO

As the end of 2025, more than 150 oil and gas companies had joined the OGMP 2.0. The figure displays the development in companies in the Nordea Asset Management engagement group that joined the initiative in the period 2023-2025. These companies represent more than 11% of global oil and gas production. In addition, it highlights the number of these companies who have been assessed by UNEP as being on a Gold Standard aligned pathway. Assessed annually, the Gold Standard pathway designation is maintained by demonstrating a credible pathway and continuing to progress reporting to the highest standard for most material assets.

Driving near-zero methane emissions in oil and gas

Methane is a potent greenhouse gas, responsible for more than 30% of current global warming and 80 times more powerful than CO_2 over a 20 year period. Reducing methane offers significant near-term climate benefits and is a cost-effective strategy for the oil and gas sector. Since 2022, Nordea Asset Management has prioritised methane in its stewardship efforts, leading a collaborative engagement with partners and clients to target major methane-emitting sectors, such as the oil and gas sector.

The main engagement objective is for companies to achieve near-zero methane emissions backed by the OGMP 2.0, UNEP's global 'gold standard' for methane measurement, reporting, and target-setting. OGMP 2.0 improves data accuracy and highlights mitigation opportunities, supporting real-world methane reduction. UNEP IMEO targets a 45% reduction by 2025 and up to 75% by 2030, aligning with stricter regulations emerging in several jurisdictions.

Companies are also asked to map mitigation actions and share cost-benefit analyses, with progress tracked against milestones, general alignment and methane maturity criteria. Nordea Asset Management leads this initiative, onboarding approximately 20 investors with over €3.7 trillion in assets, and collaborating with expert partners such as the Environmental Defense Fund, Carbon Tracker, and UNEP.

The engagement has grown to over 60 companies (including utilities) by the end of 2025, structured around workstreams for corporate and policy engagement, knowledge-sharing, and methane data and research. Fifteen upstream oil and gas companies in the engagement have joined the OGMP 2.0. In 2025, ten upstream companies achieved gold standard pathway alignment and one company reached Gold Standard reporting for their operated assets.

The initiative spans companies in Australia, Austria, Argentina, Brazil, Canada, China, Indonesia, Japan, Norway, Thailand, Kazakhstan, and the US, and continues in 2026.

> Cutting methane emissions is the fastest way we have to slow the rate of global warming right now. By connecting this climate imperative to the financial and operational health of the energy sector, Nordea is providing the kind of leadership the market needs. Nordea's methane collaborative engagement proves that when you combine rigorous science with clear expectations, you create a path for industry and investors to reduce emissions while driving good financial outcomes.
>
> **Fred Krupp**, President and CEO, Environmental Defense Fund

29. In 2025, we engaged with all upstream oil and gas holdings where our exposure exceeded EUR 10 million, and many others. In 2026, we are further expanding our engagement activities.

Advocating for robust policy frameworks

Company-level changes alone are insufficient – or simply will not happen – without appropriate policy guardrails to drive industry-wide transformation. Investors can contribute to the emergence of such guardrails by submitting responses to government consultations, publicly supporting climate-related policy initiatives and supporting standardised climate disclosure frameworks.

Our approach: We are committed to active policy engagement, especially in areas where a robust policy environment is required to incentivise companies to make the investments and plan the strategic realignment to a net-zero world. We recognise that without strong policy frameworks, the transformation needed in the oil and gas sector will not materialise at the pace and scale required. See the below table for a breakdown of our oil and gas -related policy engagements in 2025.

Oil and gas related policy advocacy during 2025

Policy advocacy activity	Policy topic	Jurisdiction	Key entities engaged	Our position
Direct engagement through letters and meetings	Methane emissions regulation	European Union	European Commission; EU Member State governments – Denmark, Sweden and Finland	Supported maintaining the EU Methane Regulation as adopted to provide regulatory certainty and enable consistent, decision-useful information on methane-related risks and emissions performance
IIGCC collective investor statement	Methane emissions regulation	European Union	European Commission; EU Member State governments	Supported maintaining the EU Methane Regulation as adopted to provide regulatory certainty and enable consistent, decision-useful information on methane-related risks and emissions performance
Engagement with national policymakers	Implementation of EU methane rules	Denmark	Danish Ministry for Climate, Energy and Utilities	Advocated to continue ambitious national implementation to support credible measurement, monitoring and reduction of methane emissions
Engagement with regulators	GHG reporting and methane regulation for the oil and gas sector	United States	U.S. Environmental Protection Agency	Supported preservation of the GHG reporting programme and strengthened methane regulation to ensure data quality, comparability and alignment with internationally recognised best practices
Standard-setting consultation responses	Oil & gas sector reporting	Global	ISSB (including former SASB standards)	Recommended inclusion of methane-specific metrics to enhance consistency, comparability and decision-usefulness of disclosures for upstream and midstream oil and gas activities
CERES collective investor statement	Methane regulation	Canada	PM Carney; Ministry of Environment and Climate; and Environment and Climate Change Canada	Supported performance-based methane regulation and timely implementation to improve the reliability of emissions data and management of climate-related risks

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