

## Shareholder resolution to Nordea's AGM 2024

### Stop financing fossil companies that expand extraction and lack robust fossil phase-out plans in line with 1.5 degrees

**Resolved:** the General Meeting resolves to add the following wording to the Articles of Association: "The company's strategy shall fully align with the Paris Agreement to limit global warming to 1.5 degrees. The company will therefore not provide lending and underwriting to companies and projects that expand fossil fuel extraction and/or lack Paris-aligned phase-out plans" (proposal in Annex 1).

#### Supporting statement

The Paris Agreement states that all financial flows must be directed away from activities that exacerbate the climate crisis and instead be directed towards activities that offer solutions to it. It has never been clearer that climate action must be radically accelerated; the world is headed for a warming of more than 2.9 degrees with devastating consequences. The banks play an important role in breaking this trend and speeding up the transition.

The report [Banking on Thin Ice](#) (2022) from ActionAid Denmark, BankTrack, Fair Finance Guide, Friends of the Earth Finland (Hiilivapaa Suomi), Greenpeace and the Swedish Society for Nature Conservation (Naturskyddsföreningen) shows that Nordea has continued to support fossil fuel companies with new loans totalling USD 3.2 billion over the past two years (July 2020 – June 2022). The majority of the loans have gone to companies that are expanding their extraction, including in sensitive areas such as the Arctic. This despite the fact that the International Energy Agency (IEA) has concluded that the expansion of the extraction of fossil fuels must stop immediately, if we are to limit global warming in accordance with the Paris Agreement's 1.5-degree target.

A new report [The real carbon footprint of Swedish banks](#) (2024) from Fair Finance Guide and Swedish Society for Nature Conservation shows that the emissions from Nordea's lending to the oil and gas sector accounts for three per cent of its total financed emissions, despite that the lending to this sector accounts for only 0.21 per cent of the total lending. It clearly illustrates that acting to reduce the financed emissions from the oil and gas sector is both necessary and an effective way to reduce the bank's overall climate footprint, and thereby contributing to its overall commitment to align with the 1.5-degree target.

Nordea's current fossil fuel sector policy does not live up to best practice. Two of its main competitors, [Handelsbanken](#) and [Danske Bank](#), have in the last year imposed restrictions that to a large extent are in line with this shareholder resolution. Handelsbanken published its new climate policy in June last year and already see a positive impact on their business. The bank's new climate policy has been appreciated by many of its clients, and also attracted new clients. Nordea needs to take the same steps to remain competitive in the Nordic market where sustainability issues is a growing business risk and opportunity.

Nordea's continued support of expanding fossil fuel companies that lack robust transition plans violates the bank's own climate commitments to contribute to the fulfilment of the Paris Agreement. By strengthening its overall climate strategy and its financing requirements, Nordea could become part of the solution to the climate crisis instead of being part of the problem.

#### Shareholders behind the resolution

- Greenpeace Nordic
- Swedish Society for Nature Conservation (Naturskyddsföreningen)

- Mellempfolkeligt Samvirke / Action Aid Denmark

The resolution is also supported by Fair Finance Guide and Hiilivapaa Suomi, which do not own shares in Nordea.

## Annex 1

A shareholder has the right to represent a matter that is according to the Finnish Companies Act falling within the competence of the General Meeting, to be added to the agenda of the General Meeting.

The shareholders propose that the Articles of Association is amended by adding the following new article:

New article

### **4. Business activities aligned with the Paris Agreement**

The company's strategy shall fully align with the Paris Agreement to limit global warming to 1.5 degrees. The company will therefore not provide lending and underwriting to companies and projects that expand fossil fuel extraction and/or lack Paris-aligned phase-out plans.