

Nordea



Sustainability Indices
2022

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SUSTAINABILITY INDICES

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Introduction

Nordea has reported on environmental and sustainability performance on an annual basis since 2002. Since 2021 the sustainability reporting has been integrated into Nordea's Annual Report and therefore a separate Sustainability Report is no longer being published. Nordea's sustainability reporting for 2022 constitutes sustainability disclosures found (i) in the Sustainability at the core chapter on pages 14–15, (ii) in the Non-financial statement (incl. our EU taxonomy reporting) on pages 85–90, (iii) in the Corporate Governance Statement 2022 on page 62, (iv) on pages 227–228 in Note G11 "Risk and liquidity management" and (v) in the Sustainability notes on pages 317–358 which provide in-depth information and data related to the sustainability disclosures. We also present information about our materiality and impact analysis in the Sustainability notes.

In this document we present indices referring to our reporting in relation to the Principles for Responsible Banking (PRB), the Task Force on Climate-related Financial Disclosures (TCFD) and the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards).

- The sustainability disclosures in the Annual Report are together with the Principles for Responsible Banking (PRB) Reporting and Self-Assessment Template in this index document where we report on the implementation of the PRB.
- We report climate-related information based on the recommendations from Task force on climate-related financial disclosures (TCFD). In 2022 we have further progressed climate-related financial disclosures in line with TCFD. In this index document we present a cross-reference – our TCFD Index – to where relevant disclosures can be found in our external public reporting for 2022.
- Our sustainability disclosures have been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards, and with relevant parts of GRI G4 Financial Services Sector Disclosures. In this document we present our GRI Content Index including omission statements.

An independent third party, PricewaterhouseCoopers Oy (PwC), has provided assurance on the sustainability information provided in the Annual Report; in the Principles for Responsible Banking (PRB) Reporting and Self-Assessment Template on pages 2–10 in this document; in the TCFD Index on page 11 in this document; and in the GRI Index on pages 12–16 in this document as indicated in the Independent practitioner's limited assurance report on page 359 in Nordea Annual Report 2022.

All page numbers in the indices in this document refers to Nordea Annual Report 2022 if not otherwise stated.

Principles for Responsible Banking Reporting and Self-Assessment Template

The table below sets out the reporting and self-assessment requirements for signatories of the Principles for Responsible Banking (PRB). It is where we provide our response and self-assessment in relation to the principles and provide references and links to where in our existing reporting and at public

domains the required information can be found. The **highlighted** text indicates responses where limited assurance is specifically required. For details about the third-party assurance performed by PricewaterhouseCoopers Oy, see their assurance report on page 359 in Nordea Annual Report 2022.

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank's full response/relevant information
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>In 2022 Nordea was present in 21 countries, including its four Nordic home markets – Denmark, Finland, Norway and Sweden. Through its four business areas – Personal Banking, Business Banking, Large Corporates & Institutions and Asset & Wealth Management – Nordea offers a wide range of products and services.</p> <p><u>Personal Banking</u> In Personal Banking we offer household customers easy and convenient everyday banking and advice. We strive to create great omnichannel experiences by providing a full range of financial services and products through a combination of digital channels and in-person interactions. We have operations in all four Nordic countries.</p> <p><u>Business Banking</u> In Business Banking we offer banking and advisory products and services to small and medium-sized enterprises. Business Banking also includes the product and specialist units Transaction Banking, which provides payment and transaction services, and Nordea Finance, which provides asset-based lending and receivables finance. We have operations in all four Nordic countries.</p> <p><u>Large Corporates & Institutions</u> In Large Corporates & Institutions we provide financial solutions to our large Nordic corporate and institutional customers. We also service a broad range of Nordea customers through the product and specialist units Markets and Investment Banking & Equities, and our international corporate branches in London, New York and Shanghai.</p> <p><u>Asset & Wealth Management</u> In Asset & Wealth Management we offer an extensive range of award-winning savings products through internal and external distribution channels. We are the leading Nordic private bank, asset manager and life and pensions business with a globally competitive sustainability offering. We have operations in all four Nordic countries and asset management sales offices in several locations worldwide.</p>	<p>See Note G8 "Staff costs" in Nordea Annual Report 2022 for a list of the countries in which we have operations (employees).</p> <p>See pages 25–35 and 47 in Nordea Annual Report 2022 for information about our business areas, presence and legal structure.</p>

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Reporting and Self-Assessment Requirements	High-level summary of bank’s response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank’s full response/ relevant information
<p>1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society’s goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>For us at Nordea, sustainable banking is about inspiring and enabling our customers to make sustainable choices and contributing to societal goals through our financing, investments and internal operations. We have made sustainability an integrated part of our business strategy, introduced measurable medium and long-term objectives and set 2023–2025 targets to help drive a greener and more sustainable future. Delivering on our purpose to enable dreams and aspirations for a greater good, we have an important responsibility and opportunity to accelerate the transition to a more sustainable society.</p> <p>Nordea has developed a long-term plan to fully integrate sustainability into its business strategy, focusing on the sustainability topics on which Nordea can have a material impact, by either reducing its negative impact or increasing its positive impact. Our work rests on four strategic pillars: financial strength, climate action, social responsibility, and governance and culture. Within each pillar we have identified the relevant United Nations’ Sustainable Development Goals and sustainability topics that impact us or that we can have a significant impact on – by reducing the negative impact or increasing the positive impact of our financing and investment activities and internal operations. For the pillar climate action, Nordea has set a long-term objective to become a net-zero emissions bank by 2050 at the latest. This objective, along with the objectives for 2030, is further supported by the 2023–2025 targets. For the other three pillars, Nordea has also set 2023–2025 targets. During 2022 Nordea set its first round of sectorspecific emission targets.</p> <p>We also revised and strengthened our sustainability governance model so as to be able to execute our strategic sustainability agenda as effectively as possible. To ensure that sustainability is integrated into all business areas and Group functions, we have established a Groupwide implementation programme with dedicated work streams and an Operational Steering Committee.</p>	<p>See pages 14–15, Note S6 “Governance and Culture” and Note S9 “Materiality and impact analysis” in Nordea Annual Report 2022.</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank's full response/ relevant information
<p>Principle 2: Impact and Target Setting We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		
<p>2.1 Impact analysis</p> <p>Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p>a) Scope: The bank's core business areas, products/ services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(Your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d)).</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> Identified and disclosed its areas of most significant (potential) positive and negative impact Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p>a) Scope: We performed a combined materiality and impact analysis in 2020. Since we are a Nordic bank with most of our lending in four of the Nordic countries, the impact analysis covered Denmark, Finland, Norway and Sweden. The analysis focused on lending and our balance sheet and covered three of our four business areas, Personal Banking, Business Banking and Large Corporates & Institutions. Asset & Wealth Management (NAM) was excluded from the analysis as the impact analysis methodology did not yet cover investments/asset management when the analysis was conducted. In 2022 we conducted the impact analysis on investments for NAM's assets under management using the UNEP FI Investment Portfolio Impact analysis tool which was launched in 2021.</p> <p>b) Scale of Exposure: For consumer banking (Personal Banking), the impact analysis covered mortgages. For corporate banking (Large Corporates & Institutions) and business banking (Business Banking), the impact analysis covered our top ten sectors (according to the tool guidance for the UNEP FI Portfolio Impact Identification Tool which was used when conducting the impact analysis). In 2022 we conducted the impact analysis on investments for Nordea Asset Management (NAM) based on the Investment Portfolio Impact Analysis Tool, launched in 2021. We populated the tool with data on NAM's AUM as at 31 August 2022 and used the global view of needs linked to the SDGs due to the diversity of countries and sectors of NAM's investments. Of the lending to the public portfolio, corporate customers accounted for 46.0% (44.3%), household customers for 52.5% (54.4%) and the public sector for 1.5% (1.3%). The three largest industries (Real estate, Financial institutions and Industrials) accounted in total for approximately 60% of total corporate lending.</p> <p>c) Context & Relevance: By using the UNEP FI Portfolio Impact Identification Tools, where country needs scores is included, the most relevant challenges and priorities related to sustainable development in the four Nordic countries where taken into account in the impact analysis.</p> <p>d) Scale and intensity/salience of impact: All in all, the combined materiality and impact analysis helped us identify ten SDGs that are of significance for Nordea from an impact perspective – either negative or positive. The ten SDGs were grouped into three strategic pillars: financial strength, climate action and social responsibility. We also work with upholding peace, justice and strong institutions as part of a strong foundation and we work in partnerships to achieve the goals. These make up our fourth strategic pillar: governance and culture. All our pillars are connected to 2023-2025 targets, whereas climate action also has measurable long-term and medium-term objectives.</p> <p>When conducting the combined materiality and impact analysis, we worked closely with internal stakeholders from all levels and parts of the organisation and we also had a dedicated group of Board members as an advisory board who were consulted on several occasions. In addition, we sought input from external stakeholders such as academia, NGOs, investors and customers. The purpose was to put our suggested strategy into a holistic context, challenging our approach to ensure we had taken all relevant impacts into consideration.</p>	<p>See Note S9 "Materiality and impact analysis" in Nordea Annual Report 2022 for details about the materiality and impact analysis.</p> <p>See Note S3 "Financial strength", Note S4 "Climate action", Note S5 "Social responsibility" and Note S6 "Governance and culture" in Nordea Annual Report 2022 for more information about our strategic pillars, identified SDGs and corresponding targets.</p> <p>For a full list of exact exposure per sector and country, see Note G11 "Risk and liquidity management" in Nordea Annual Report 2022.</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis. We undertook an impact analysis in 2020 and identified the significant impacts that are associated with our consumer and corporate banking portfolios. A tool covering investments – the Investment Portfolio Impact Analysis Tool – was launched in 2021, and we have concluded the work on impact analysis of our investments in 2022.</p>		

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank's full response/ relevant information
<p>2.2 Target setting</p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>In 2020, we worked intensively with a new long-term plan for how to integrate sustainability into our business strategy. As the PRB provides the framework and tools needed by banks to collectively address the global sustainability challenges and work towards the objectives of the SDGs and the Paris Agreement, it was the beacon guiding our work. Our significant sustainability topics were identified through a combined materiality and impact analysis and then grouped into the four strategic pillars financial strength, climate action, social responsibility and governance and culture. These are now connected to 2023-2025 targets and the pillar climate action also to long-term objectives. The targets and objectives were approved by the Group Leadership Team in November 2020 and by the Board in December 2020. In 2022, we revised and further strengthened our targets.</p>	<p>See Note S9 "Materiality and impact analysis" in Nordea Annual Report 2022 for details about the materiality and impact analysis.</p> <p>See Note S3 "Financial strength", Note S4 "Climate action", Note S5 "Social responsibility" and Note S6 "Governance and culture" in Nordea Annual Report 2022 for more information about our strategic pillars, identified SDGs and corresponding targets.</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting. We have set targets corresponding to our identified areas of significant impact, divided into our four strategic pillars.</p>		
<p>2.3 Plan or Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>The long-term plan for how to integrate sustainability into our business strategy includes a commitment to achieve net zero emissions by 2050 backed-up by long-term objectives for climate action and 2023-2025 targets for all strategic pillars.</p> <p>To ensure that sustainability is integrated into all business areas and Group functions, we have established a Group-wide implementation programme with dedicated work streams and an Operational Steering Committee in 2021. The programme's progress is monitored by the SEC on a quarterly basis. During 2022 we integrated further ESG goals applicable for remuneration for the Group Leadership Team and other senior leaders across the Nordea Group.</p>	<p>See Note S3 "Financial strength", Note S4 "Climate action", Note S5 "Social responsibility" and Note S6 "Governance and culture" in Nordea Annual Report 2022 for more information about our targets.</p> <p>See Note S6 "Governance and culture" in Nordea Annual Report for details about our governance structure.</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring. The Group-wide implementation programme with dedicated work streams and the Operational Steering Committee will ensure that the long-term plan is integrated into all business areas and group functions. SEC is responsible for monitoring the implementation of the targets as well as tracking progress against them.</p>		

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank's full response/ relevant information
<p>2.4 Progress on Implementing Targets</p> <p>For each target separately:</p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>	<p>In 2022, we have continued to implement risk assessments for all sectors and customers most vulnerable to climate risk. We have reduced our exposures to some of the most climate-exposed sectors and continued to work with our large corporate customers to ensure sufficient transition plans. To support our customers in the transition journey, we were part in facilitating more than EUR 58bn in sustainable financing, including green and sustainability linked loans at reduced rates in some countries. Throughout 2022 we developed our advisory capabilities and invested in enhancing internal processes and tools to support our offerings to customers and the expected continued growth while at the same time ensuring the integrity of our offerings.</p> <p>We also continue our journey to integrate sustainability into investment advice. By the end of 2022 gross inflows from the Sustainable Choice universe accounted for 22% of total fund gross inflows. When it comes to our own investments, we engage in active ownership to support investee companies in the transition to Paris alignment and net zero.</p>	<p>Actions taken to move towards meeting set targets are disclosed in Note S3 "Financial strength", Note S4 "Climate action", Note S5 "Social responsibility" and Note S6 "Governance and culture" in Nordea Annual Report 2022. In the same notes, we also present status for each target.</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets. We are reporting on progress for targets set in 2021 in Nordea Annual Report 2022.

Principle 3: Clients and customers
 We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

<p>3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>Our Code of Conduct, together with our Sustainability Policy, defines the high-level principles that guide our business, how we treat our customers and the conduct expected from our employees. How we meet our customers, is also defined in standard operating procedures, processes, guidelines and tools designed to ensure our compliance with all legal obligations in relation to our customers.</p> <p>The Nordea Sustainability Policy sets out the principles for how we ensure the long-term sustainability of our operations and, in so doing, strengthens long-term customer relationships and our contribution to a greater good.</p> <p>Besides the Sustainability Policy, we have position statements and sector guidelines that provide guidance and principles regarding various themes or sectors for dealing with both business opportunities and risk reduction. Nordea recognises potential negative environmental and social impacts and expects clients and investee companies to meet high standards in managing such risks. Our stated expectations describe what Nordea considers to be best practice, and should be seen as guidance for companies in areas where such issues are considered material. The guidelines also provide information on the requirements and thresholds that we apply to different sectors in addition to compliance with national laws and regulations.</p> <p>We signed the UN Principles for Responsible Investment (UNPRI) already in 2007 and are thus committed to integrating environmental, social and governance (ESG) factors into our investment analysis, decision-making processes and active ownership practices. All our funds are managed according to our Responsible Investment Policy.</p>	<p>All our directives, policies, instructions, position statements and sector guidelines are listed in Nordea Annual Report 2022 in Note S11 "Position statements and sector guidelines" and Note S12 "Directives, instructions and policies".</p> <p>Our Code of Conduct, the Sustainability Policy, our Responsible Investment Policy, other relevant policies, the Position Statements and Sector Guidelines can all be found at https://www.nordea.com/en/sustainability/policies.</p>
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Reporting and Self-Assessment Requirements	High-level summary of bank’s response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank’s full response/ relevant information
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>In 2022 we further developed and expanded our sustainability offering in each of our four business areas. In Personal Banking the ESG share of gross inflows to funds reached an all time high at 28%. Customers expressed a clear sustainability preference in investment advice meetings during the year. They also demonstrated an interest in sustainable living, with green mortgage lending at its highest level yet, up 46%, year on year. During the year we also expanded our ESG product offering. For example, we launched ESG balanced funds in all countries.</p> <p>In Business Banking, our green loan portfolio more than doubled, year on year, and we expanded our green deposit pilot in Norway. To better support our customers in their sustainability transitions, we entered into partnership with Normative, carbon accounting software provider for the SME Climate Hub. Through Normative’s Business Carbon Calculator, our customers can understand their emissions and identify climate transition opportunities.</p> <p>In Large Corporates & Institutions, we further raised the bar in sustainability and continued to be a leading platform for sustainable advisory services. We remained on track with our target to facilitate EUR 200bn in sustainable financing by 2025, and we launched the Nordea Sustainability-Linked Loan Funding Framework to further advance the market for sustainable finance instruments. By the end of the year we again ranked first for Nordic sustainable bonds overall.</p> <p>In Asset & Wealth Management, we continued to broaden the range of products with ESG strategies and launched a Global Climate Engagement Fund designed to curb real CO2 emissions. We launched one of Europe’s first Article 9 Global Sustainable Listed Real Assets Funds and the all-in-one Global Private Markets Fund. At the end of the year approximately 70% of total AuM were in ESG-focused products. We also signed large mandates with international institutional investors for ESG strategies.</p>	<p>See pages 25–35 and S7 “Sustainability offering” on page 348 in Nordea Annual Report 2022.</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank's full response/relevant information
<p>Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</p>		
<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/ results achieved.</p>	<p>We are committed to building and sustaining strong and longlasting relationships with our stakeholders. We continually seek insights into their needs and expectations, and respond in a timely manner with relevant actions and engagement. In 2016, we performed a thorough stakeholder analysis to identify which stakeholders to engage with from a sustainability perspective and in 2021 we fine tuned the analysis further clustering our stakeholders into six major stakeholder groups: customers; employees; shareholders; suppliers; authorities; and broader society.</p> <p>When we conducted the combined materiality and impact analysis in 2020, we worked closely with internal stakeholders from all levels and parts of the organisation and we also had a dedicated group of Board members as an advisory board who were consulted on several occasions. In addition, we sought input from external stakeholders such as academia, NGOs, investors and customers. The purpose was to obtain their input and to put our suggested strategy into a holistic context to challenge it and put us to the test, ensuring we had taken all relevant impacts into consideration. The materiality and impact analysis was revisited in 2022 and deemed still to be valid without any adjustments and work with our areas of most impact continued, for example through deep dives for our most climate-vulnerable sectors.</p>	<p>See Note S10 "Our stakeholders" in Nordea Annual Report 2022 for details about our stakeholder engagement activities in 2022.</p> <p>See Note S9 "Materiality and impact analysis" in Nordea Annual Report 2022 for details about how we involved our stakeholders in the impact analysis in 2022.</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank's full response/ relevant information
<p>Principle 5: Governance and Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking.</p>		
<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>At the Board level, the Board Operations and Sustainability Committee (BOSC) assists the Group Board in fulfilling its oversight responsibilities concerning sustainability, which encompass strategy, operating model, reporting and frameworks. The BOSC receives quarterly updates on the integration of sustainability into our Group business strategy. The Board Risk Committee assists the Board in the fulfilment of its oversight responsibilities concerning risk management and related frameworks, controls and processes relating to environmental, social and governance (ESG) factors as drivers of existing risk.</p> <p>In 2021 we appointed a Group Accountable Executive for ESG-related risks to coordinate and facilitate the Group-wide integration of ESG factors in the risk management framework and business processes. We also have an executive-level Group-wide committee – the Sustainability and Ethics Committee (SEC) – as a sub-committee of the CEO's Group Leadership Team (GLT). To ensure that sustainability is integrated into all business areas and Group functions, we have established a Group-wide implementation programme with dedicated work streams and an Operational Steering Committee. The programme's progress is monitored by the SEC on a quarterly basis.</p>	<p>See Note S6 "Governance and culture" in Nordea Annual Report 2022 for details on our sustainability governance structure.</p>
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>One of our strategic pillars is governance and culture, which focuses on strengthening a purpose-led culture with a sound and strong operating model to enable speed and scale in the transition to a resilient economy and at the same time reduce sustainability-related risks.</p> <p>In 2022 Nordea has integrated further ESG goals applicable for remuneration for the Group Leadership Team and other senior leaders across the Nordea Group. The ESG goals in remuneration in 2022 aim to support Nordea in fulfilling its sustainability and climate objectives in three key areas: 1) progress in relation to Nordea's sustainability implementation plan, 2) increase volume of green financing, and 3) improve gender balance in senior leadership levels.</p> <p>To ensure a high level of awareness with respect to sustainability and ESG matters the entire Board received training in 2022 on global and european climate science update and global biodiversity risk status as an emerging topic. Previously Board training consisted of key sustainability factors in our business environment that impact our business model, and the BOSC and the BAC were also trained in the EU taxonomy. During 2022 we integrated further ESG goals applicable for remuneration for the Group Leadership Team and other senior leaders across the Nordea Group.</p>	<p>See Note S6 "Governance and culture" in Nordea Annual Report 2022.</p>
<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including: a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>Our Sustainability and Ethics Committee (SEC) is the governance forum for the implementation of the long-term plan for how to integrate sustainability into our business strategy, hence relating to PRB.</p>	<p>See Note S6 "Governance and culture" in Nordea Annual Report 2022 for information about the SEC.</p>
<p>Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles. Our Sustainability and Ethics Committee is the governance forum for the implementation of the long-term plan for how to integrate sustainability into our business strategy, hence relating to PRB.</p>		

Reporting and Self-Assessment Requirements	High-level summary of bank’s response (limited assurance required for responses to highlighted items)	Reference(s)/Link(s) to bank’s full response/ relevant information
<p>Principle 6: Transparency and accountability We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society’s goals.</p>		
<p>6.1 Progress on Implementing the Principles</p> <p>Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1–2.4).</p> <p>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</p> <p>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>In 2020, we have completed our first impact assessment and set targets, which were implemented in 2021. Progress against these targets were measured and communicated externally in 2022 and will continue to do so on an annual basis.</p> <p>Nordea is a Banking Board representative for the Nordic Region.</p> <p>We have endorsed a number of important international treaties that help guide us and live up to our overarching commitments.</p>	<p>See this self-assessment and reporting template and the references provided herein.</p> <p>For information about commitments and collaborations, see https://www.nordea.com/en/sustainability/commitments-collaborations</p>
<p>Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking. Nordea has made good progress in 2022 of implementing the principles in line with our long-term plan for how to further integrate sustainability into our business strategy and the four strategic pillars with connected targets.</p>		

TCFD Index

Since last year, we have further progressed our climate-related financial disclosures based on the recommendations from the TCFD. Below is a cross-reference to where the recommended disclosures can be found in our external public reporting for 2022. References in the table below are page numbers in Nordea Annual Report 2022, if not otherwise stated, such as “P3” which refers to Pillar 3 disclosures published in Nordea Group Capital and Risk Management Report 2022. All reports referred to can be found at [nordea.com](https://www.nordea.com).

Disclosure	Reference
Governance	
a) Describe the board’s oversight of climate-related risks and opportunities.	63, 196–197, 344–345; P3, section “ESG factors in governance”
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	63, 196–197, 344–345; P3, section “ESG factors in governance”
Strategy	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	10, 85–86, 324–335; P3, section “Environment-related risk management”
b) Describe the impact of climate-related risks and opportunities on the organisation’s business, strategy, and financial planning.	13, 85–86, 324–335; P3, section “Environmental factors in business strategy and processes”
c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	85–86, 322–323, 325, 332–335; P3, section “Environmental factors in business strategy and processes”
Risk Management	
a) Describe the organisation’s processes for identifying and assessing climate-related risks.	85, 199, 322–323; P3, section “Environment-related risk management”
b) Describe the organisation’s processes for managing climate-related risks.	85, 196–197, 199, 322–323; P3, section “Environment-related risk management”
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	85, 199, 322–323; P3, section “Risk management framework”
Metrics and Targets	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	322–323, 325–326, 332–335
b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	322–323, 332–338
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	11, 322, 324–330

GRI Content Index

Nordea Bank Abp has reported in accordance with the GRI Standards for the period 1 January to 31 December 2022. For some disclosures we have identified omissions. These are marked with an "X" in the table below and described in detail on page 16. References in the table below are page numbers in Nordea Annual Report 2022 if not otherwise stated.

GRI Standard	Disclosure	Page	Reason for omission disclosed in the table below
GRI 1: Foundation			
GRI 2: General disclosures			
1. THE ORGANIZATION AND ITS REPORTING PRACTICES			
2-1	Organizational details	47, 180, back cover	
2-2	Entities included in the organizations' sustainability reporting	180, 319–320	
2-3	Reporting period, frequency and contact point	310, 319–320	
2-4	Restatements of information	Footnotes when applicable	
2-5	External assurance	319–320, 359	
2. ACTIVITIES AND WORKERS			
2-6	Activities, value chain and other business relationships	25–36, 342, 346–347	
2-7	Employees	342–343	X
2.8	Workers who are not employees	342–343	
3. GOVERNANCE			
2-9	Governance structure and composition	62–70	
2-10	Nomination and selection of the highest governance body	64–65, 69–70	
2-11	Chair of the highest governance body	66	
2-12	Role of the highest governance body in overseeing the management of impacts	63, 68–70, 344–345	
2-13	Delegation of responsibility for managing impacts	63, 68–70, 344–345	
2-14	Role of the highest governance body in sustainability reporting	63, 69, 344–345	
2-15	Conflicts of interest	78, 84	
2-16	Communication of critical concerns	69, 344	
2-17	Collective knowledge of the highest governance body	62–70, 344–345	
2-18	Evaluation of the performance of the highest governance body	62–70	
2-19	Remuneration policies	79–83	
2-20	Process to determine remuneration	79–83	
2-21	Annual total compensation ratio	Not reported	X
4. STRATEGY, POLICIES & PRACTICES			
2-22	Statement on sustainable development strategy	4–5	
2-23	Policy commitments	339, 344–346, 355–357	
2-24	Embedding policy commitments	344–346	
2-25	Processes to remediate negative impacts	339–340, 344–346	
2-26	Mechanisms for seeking advice and raising concerns	339–340, 344–346	
2-27	Compliance with laws and regulations	162, 227–228	
2-28	Membership associations	Nordea.com	
5. STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholders engagement	352–354	
2-30	Collective bargaining agreements	342	

GRI Standard	Disclosure	Page	Reason for omission disclosed in the table below
Material topics			
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	352–353	
3-2	List of material topics	352–353	
3-3	Management of material topics – <i>Management disclosures applicable to all material topics</i>	352–353, 355–357	
ANTI-CORRUPTION			
GRI 3 Material Topics 2021			
3-3	<i>Management disclosures applicable to specific material topic</i>	227–228, 344–345	
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	228	X
ANTI COMPETITIVE BEHAVIOUR			
GRI 3 Material Topics 2021			
3-3	<i>Management disclosures applicable to specific material topic</i>	227–228, 344–345	
GRI 205: Anti-corruption 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	162, 227–228	
TAX PAYMENTS			
GRI 3 Material Topics 2021			
3-3	<i>Management disclosures applicable to specific material topic</i>	349–350	
GRI 207: Tax 2019			
207-1	Approach to tax	349–350	
ENERGY			
GRI 3 Material Topics 2021			
3-3	<i>Management disclosures applicable to specific material topic</i>	331–332	
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation	332	X
302-3	Energy intensity	332	
EMISSIONS			
GRI 3 Material Topics 2021			
3-3	<i>Management disclosures applicable to specific material topic</i>	324–335	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	332	
305-2	Energy indirect (Scope 2) GHG emissions	332	
305-3	Other indirect (Scope 3) GHG emissions	332, 335–338	
305-4	GHG emissions intensity	332	

GRI Standard	Disclosure	Page	Reason for omission disclosed in the table below
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	331, 346–347	
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	347	
308-2	Negative environmental impacts in the supply chain and actions taken	347	
EMPLOYMENT			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	340–342	
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	342	X
TRAINING AND EDUCATION			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	341–342	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	341–342	X
404-2	Programs for upgrading employee skills and transition assistance programs	341–342	
404-3	Percentage of employees receiving regular performance and career development reviews	341–342	X
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	340–342	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	341, 343	
NON-DISCRIMINATION			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	340–342	
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	341	X
SUPPLIER SOCIAL ASSESSMENT			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	346–347	
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	347	
414-2	Negative social impacts in the supply chain and actions taken	347	

GRI Standard	Disclosure	Page	Reason for omission disclosed in the table below
CUSTOMER PRIVACY			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	345–346	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	345–346	X
PRODUCT PORTFOLIO			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	327, 348	
GRI G4: Financial Services Sector Disclosures			
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	327, 348	X
ACTIVE OWNERSHIP			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	325–331, 339	
GRI G4: Financial Services Sector Disclosures			
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on social and environmental issues	348	
COMMUNITY ENGAGEMENT			
GRI 3 Material Topics 2021			
3-3	Management disclosures applicable to specific material topic	340	
Own indicator	Engagement in volunteering activities	340	
Own indicator	Volunteering hours	340	

Omission statement table

GRI Standard	Explanation	Reason for omission
2-7b	We do not report total number of employees by employment contract (permanent or temporary) by region as we do not collect that information for any purpose. We do not therefore expect to align our reporting by contract by region in the future.	Not applicable
2-7b iii	Due to country differences and system updates the data for 2022 is incomplete. A project is ongoing to update total workforce definitions and define population for 2-7b iii, in order to report for 2023.	Information incomplete
2-21	We do not report on annual pay ratio due to confidentiality constraints as the highest paid individual might not have a public pay disclosure.	Confidentiality constraints
205-2	Data regarding the mandatory training Licence to Work, provided on page 228, is our disclosure for GRI 205-2 regarding training about anti-corruption. Anti-corruption policies and procedures are included in our Code of Conduct which is part of the Licence to Work training. The Licence to Work training is mandatory for all employees and consultants working for Nordea. Our suppliers are covered by the Nordea Supplier Code of Conduct in which adherence to anti-corruption as stated in the UNGC is a requirement. We report only the number of employees who have completed their Licence to Work training as a percentage of the total workforce, which includes all employees (excluding those on long-term leave) regardless of region and employee category. The completion rate is excluding consultants. The Code of Conduct is published on Nordea's Intranet and at nordea.com, i.e. communicated to all, both employees and external parties.	Not applicable
302-1	Fuel consumption and total energy consumption are not reported in joules as we receive it in litres or MWh from our suppliers of data. We do not have any steam consumption. We do not sell any electricity, heating, cooling or steam. We therefore do not report on GRI 302-1 c. iv) or 302-1 d).	Not applicable
401-1	We do not report new employee hires but only employee turnover rate. Employee turnover rate is reported according to the following definition: Number of permanent FTEs who have left Nordea at their own request divided by average number of FTEs within a chosen period. We can only obtain data on Group level, which is sufficient for our purpose of tracking this measure and we do not plan to report it by age group, gender or region.	Information unavailable
404-1	Reporting training hours as a total and per employee is sufficient for our purposes of tracking this measure and we do not plan to report this indicator by gender or employee category in the future.	Not applicable
404-3	Reporting employees receiving regular performance and career development reviews is sufficient for our purposes of tracking this measure and we do not plan to report this indicator by gender or employee category in the future.	Not applicable
406-1	We report general actions taken as a result of reported cases. However, in order to protect the integrity of the reporters, we do not disclose status of specific incidents or actions taken.	Confidentiality constraints
418-1	We describe our process for ensuring compliance with GDPR but cannot disclose the number of complaints concerning breaches of customer privacy due to confidentiality constraints.	Confidentiality constraints
FS8	We report on investments in environmental, social and governance (ESG) focused products according to EU SFDR and our own internal Sustainable Choice framework to our customers. We believe this is the most correct way to report on this disclosure.	Not applicable

Emission factors

Emission factors used for internal carbon footprint

Supplementary information to GRI 305: Emissions

Source of emission	Year	Emission factor used
Diesel generators	2022	Swedish EPA, 2022.
	2021	Swedish EPA, 2021.
	2020	Swedish EPA, 2020.
Leased cars	2022	Swedish EPA, 2019-2022; Värmeforsk, 2011; EI, 2022; Ecoinvent v3.9.1; Swedish Transport Administration, 2022.
	2021	Swedish EPA, 2021; Swedish Transport Administration, 2021; El.se, 2020; Ecoinvent v3.8; IEA for electricity.
	2020	BEIS, 2020; Swedish EPA, 2019.
Electricity	2022	IPCC, 2014; IEA, 2022; EI 2022; AIB, 2022; Ecoinvent v3.9.1
	2021	IPCC, 2014; IEA, 2014; El.se 2020; Ecoinvent v3.8.
	2020	Vattenfall, 2015; IPCC, Technology-specific Cost and Performance Parameters; IEA, 2019.
District heating	2022	Euroheat & Power, 2017; Euroheat & Power, 2013; Finnish Energy Statistics, 2021; Fortum, 2021; Swedenergy, 2021.
	2021	Euroheat & Power, 2017; Euroheat & Power, 2013; Finnish Energy Statistics, 2020; Fortum, 2020; Swedenergy, 2020.
	2020	Dansk Fjernvarme, 2017; IEA, 2017; NYLAND; Finnish Energy, 2017; Average of collected Norwegian Efs; Euroheat & Power, 2015; Energiföretagen, 2020; Euroheat & Power, 2013; Vuositaulukot_19_ENG.
District cooling	2022	Ecoinvent v3.8; Average from Finnish and Swedish district cooling suppliers.
	2021	Hofors; Ecoinvent v3.8; Average from Finnish and Swedish district cooling suppliers.
	2020	See District heating; Multiple, Swedish average.
Air travel and taxi	2022	BEIS, 2022; Swedish EPA, 2021.
	2021	BEIS, 2021; Swedish EPA, 2021.
	2020	BEIS, 2020.
Own car	2022	BEIS, 2022; Swedish Transport Administration, 2022.
	2021	BEIS, 2021; Swedish Transport Administration, 2021.
	2020	BEIS 2020; Swedish Transport Administration, 2020.
Hotel	2022	CHSB Index 2021; Cornell Hotel Sustainability Benchmarking 2021.
	2021	CHSB Index 2019; Cornell Hotel Sustainability Benchmarking 2019.
	2020	CHSB Index 2019; Cornell Hotel Sustainability Benchmarking 2019.
Postal service	2022	PostNord's environmental calculator.
	2021	PostNord's environmental calculator.
	2020	PostNord's environmental calculator.
Paper and water	2022	BEIS, 2022.
	2021	BEIS, 2021.
	2020	BEIS, 2020.
Waste	2022	BEIS, 2022.
	2021	BEIS, 2021.
	2020	BEIS, 2020.

