

Nordea

Sustainable funding

2025



Why is sustainability important to us?

1

We want to support our customers

We understand the challenges and opportunities our customers face and support them on their sustainability journey.

2

Sustainability is better for business

We believe that companies with sustainable business models carry lower risk.

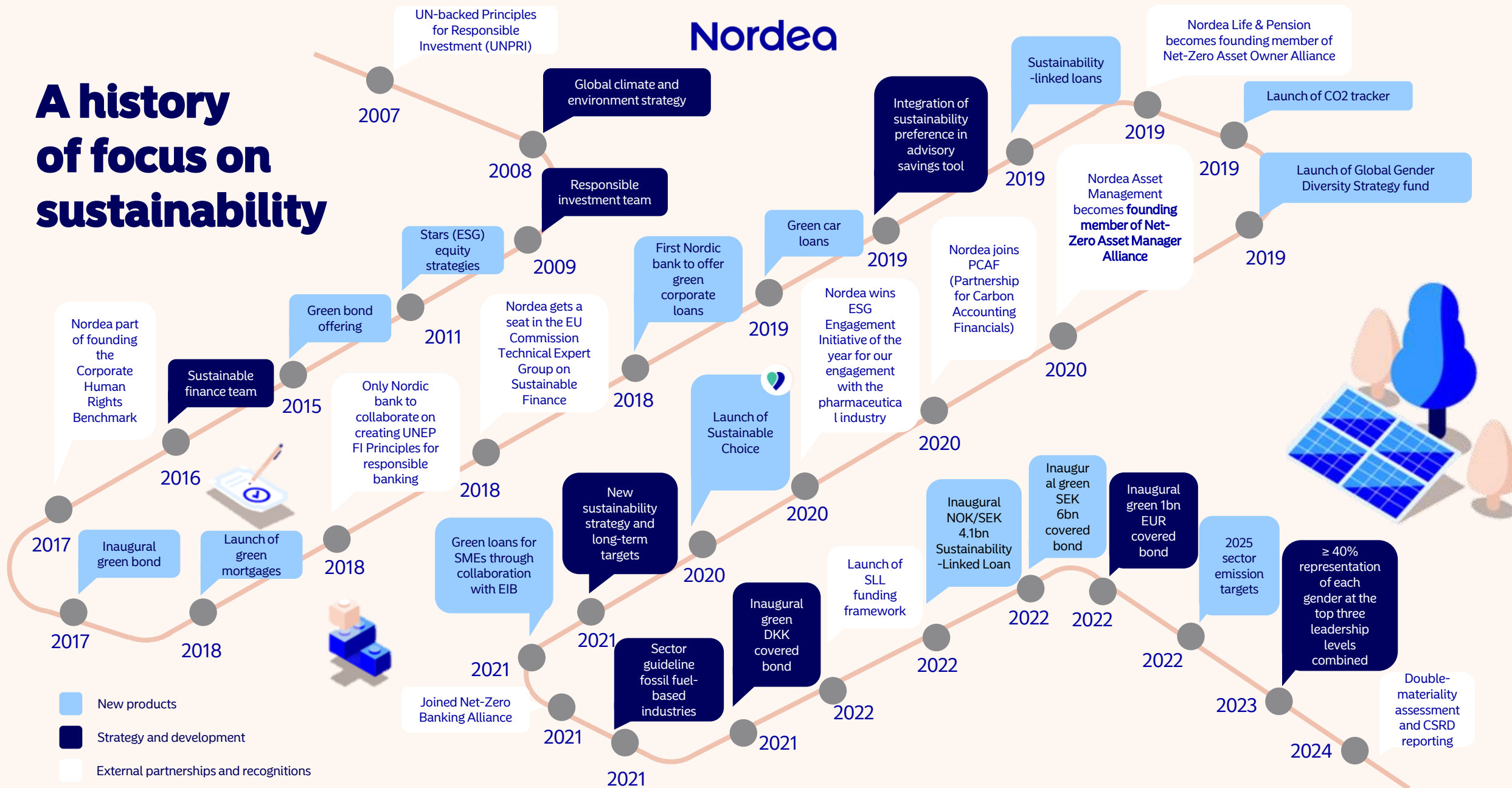
3

Contributing to sustainable societies

We provide financial services that enable societies to grow responsibly and transition to a sustainable future. Together with customers and other stakeholders we contribute to safe societies and financial stability.

A history of focus on sustainability

Nordea



Long-term commitments and objectives supported by short term targets

Our sustainability objectives



Become a **net-zero** emissions bank by 2050 at the latest



40-50%

reduction in emissions across investment and lending portfolios by 2030¹



50%

reduction in emissions from internal operations by 2030¹

Gender balance

Supported by our 2025 sustainability targets²:

€ **EUR >200bn**

Sustainable financing facilitation
2022-2025



90%

of exposure to large corporates
in climate-vulnerable sectors to
be covered by transition plans



80%

of the top 200 financed emissions
contributors in Nordea Asset
Management's portfolios are either
aligned with the Paris Agreement or
subject to active engagement



Double

the share of net-zero committed
AUM

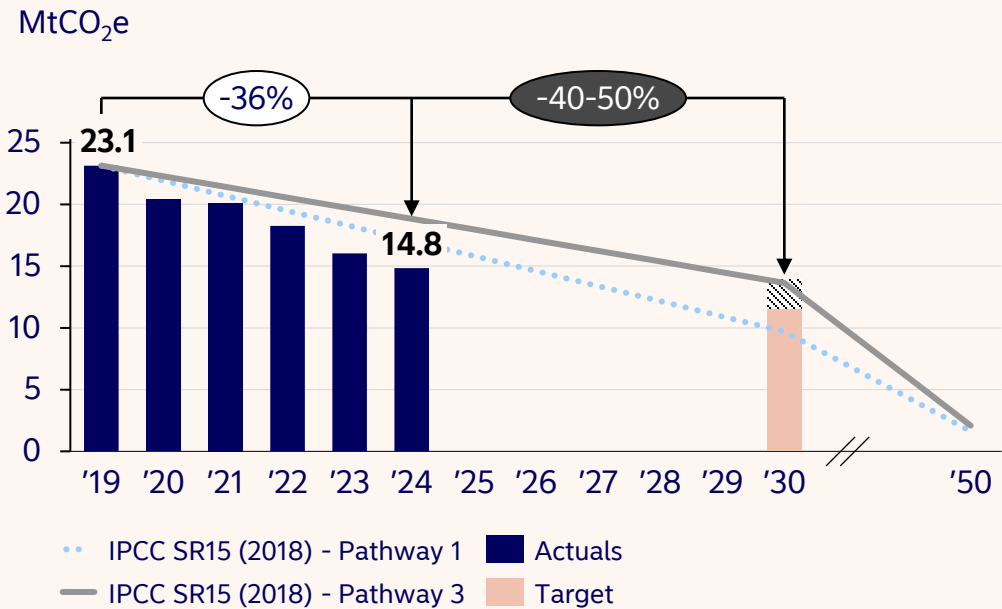


At least 40%

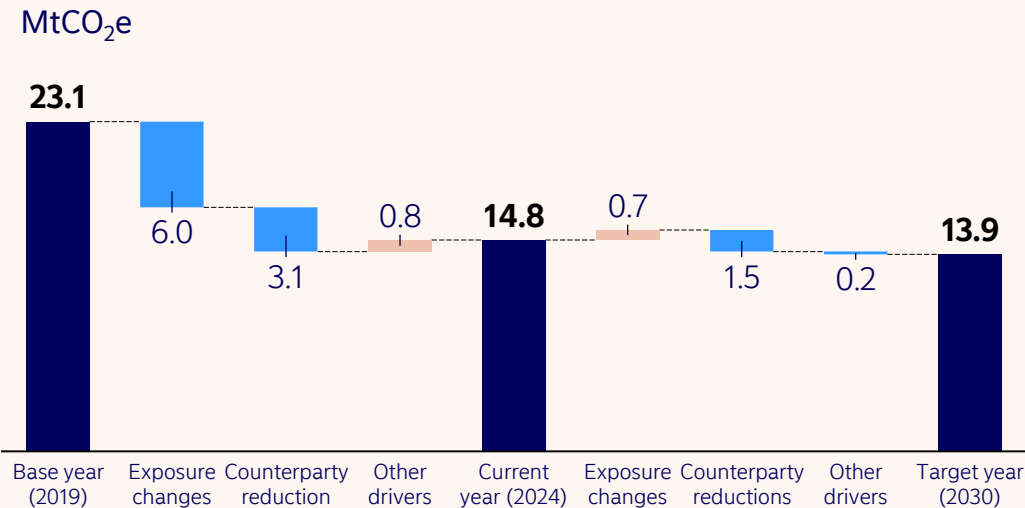
representation of each gender at
the top three leadership levels³
combined

Nordea is well on-track to reach its 2030 financed emissions target

Portfolio-wide 2030 target for the lending portfolio



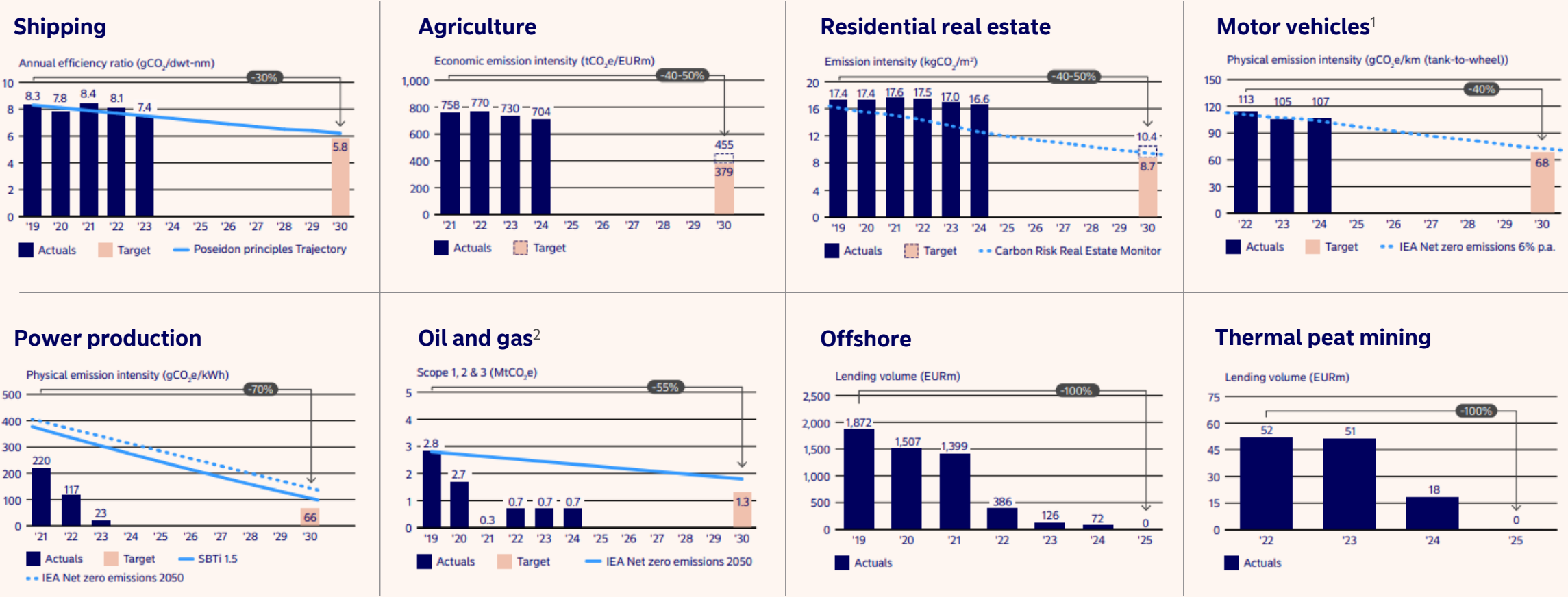
Decarbonisation levers in the lending portfolio



36% reduction in financed emissions from business loans, motor vehicle loans, residential and commercial real estate loans between 2019 and 2024

Progress on 2030 sector targets for the lending portfolio

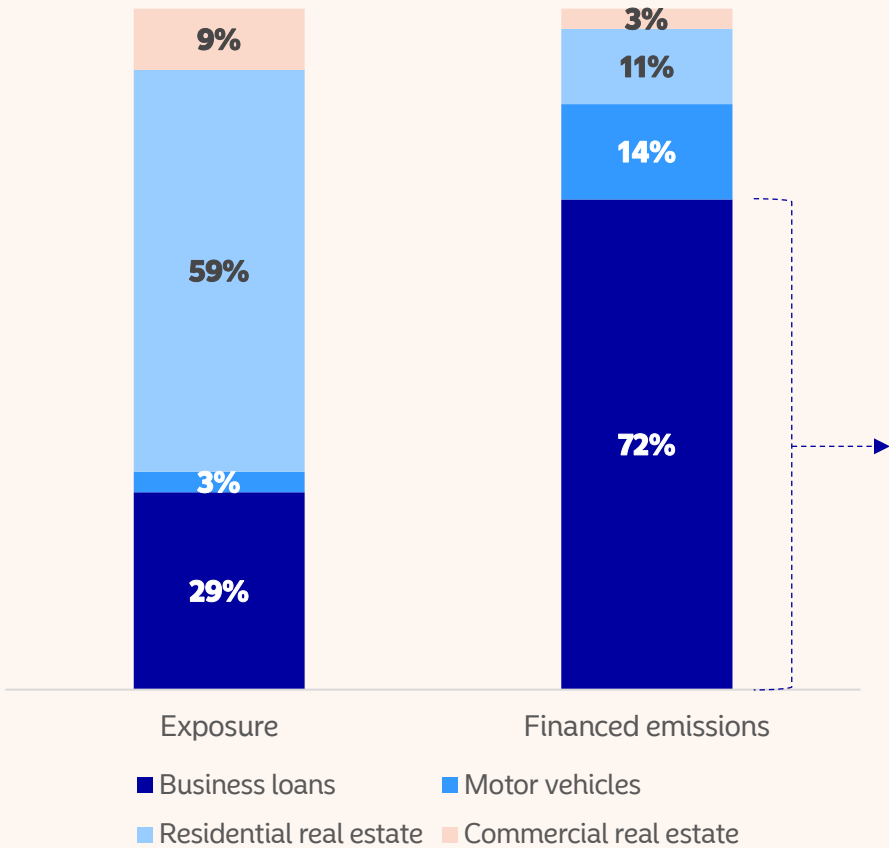
Since 2021 Nordea has set eight sector targets and transition pathways relative to Paris-aligned benchmarks. The sector targets combined represented 68% of Nordea’s exposures and 57% of Nordea’s financed emissions in its lending portfolio in 2024.



6 ¹ Cars and vans
² Exploration and production

One third of total lending accounts for ~90% of total financed emissions

Distribution of exposure and emissions per asset class



Sectoral breakdown in the corporate portfolio (business loans)

Sector	% of total emissions	% of total lending	Data quality ¹	Sector target	Portfolio target
Agriculture	22,9	2,3	4,5	✓	✓
Shipping	17,9	1,3	1,8	✓	✓
Utilities and waste mgmt.	7,4	1,4	3,1		✓
Power production	5,4	0,7	3,8	✓	✓
Materials	2,5	0,7	3,7		✓
Oil, gas and offshore	1,3	0,1	2,4	✓	✓
Construction	1,2	1,8	4,5		✓
Paper and forest products	1,0	0,4	3,4		✓
Capital goods	0,9	1,2	4,0		✓
Mining	0,7	0,1	3,8	✓	✓
Accommodation and leisure	0,5	0,6	4,3		✓
Transport (air and land)	0,4	0,5	3,9		✓
Insurance	0,1	0,4	4,7		✓
Other sectors	10,1	17,4	4,3		✓
Total business loans	72,3	28,8	4,1		

¹ PCAF Data Quality Score. Range is 1-5 where 1 represents best quality

Customer dialogue plays a significant role in accelerating the transition

Nordea’s proprietary tool for assessing the maturity of customers’ transition plans assists Nordea in supporting its customers in their transition, managing transition risks and identifying financing opportunities.

Maturity tier	Tier 5 Aware	Tier 4 Planning	Tier 3 Reporting	Tier Committed	Tier 1 Plan Aligned
Governance					
Implementation					
GHG reporting					
Climate target					

86%

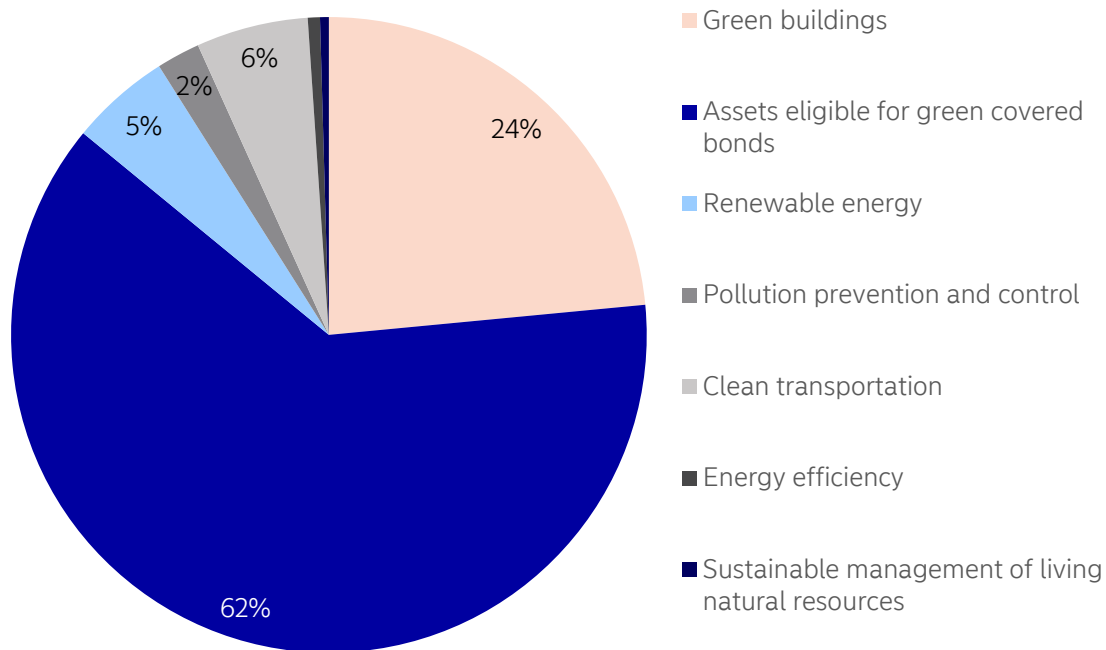
of our exposure to large corporate customers in climate-vulnerable sectors¹ was, by the end of 2024, covered by a transition plan with time-bound and quantifiable target to cut GHG emissions.

8 ¹ Defined in 2020 as potentially vulnerable to climate transition and/or physical risks: oil, gas and offshore; shipping; mining and supporting activities; utilities distribution and waste management; power production; materials; paper and forest products; animal husbandry; fishing and aquaculture; crops plantation and hunting; air transportation; land transportation; capital goods; construction; and real estate management.

Sustainability at the core

Enhanced focus on sustainable funding

Nordea's green bond asset portfolio



- **EUR 24.1bn assets available for green funding**
 - EUR 9.1bn in NBAbp green bond asset portfolio
 - EUR 15bn available assets for green covered bonds
- **EUR 5.4bn green bonds from NBAbp outstanding**
- **EUR 8.4bn green covered bonds outstanding**
- **Deposits with climate focus offered in Norway and Sweden**
- **EUR 1.8bn issued under sustainability linked loan (SLL) funding framework**
 - EUR 1bn in senior non-preferred
 - SEK 5.2bn and NOK 3.8bn in senior preferred



IFR
Sustainable
Issuer of the
Year - 2023



ISS ESG

Company rating:
C+ (A+ to D-)*



ESG score:
13.6 (0 to 100)**

MSCI



ESG rating:
AA (AAA to CCC)

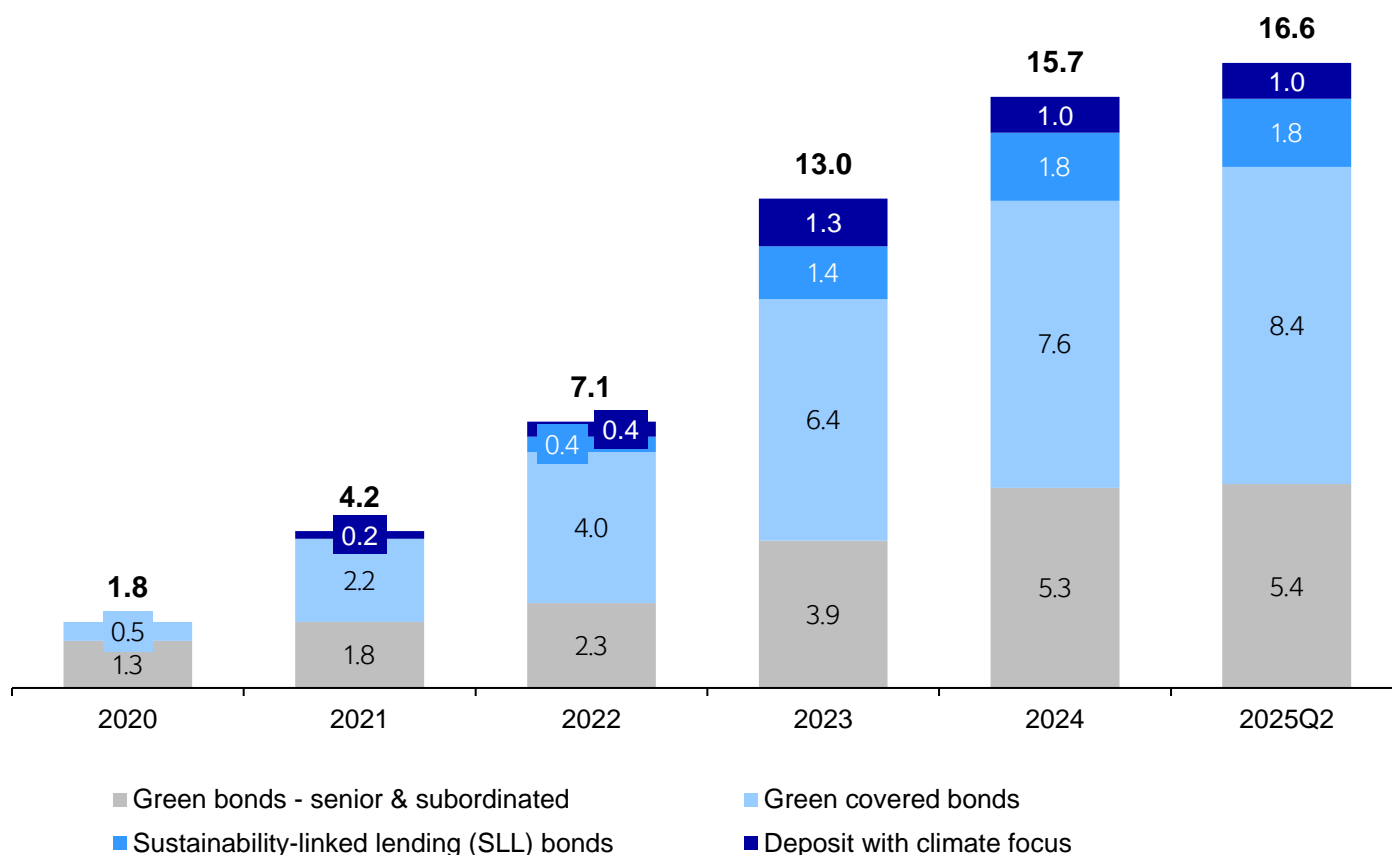
S&P Global

CSA score:
73 (0 to 100)***

Growing sustainable funding

A leading position in sustainable funding

Sustainable funding outstanding, EURbn



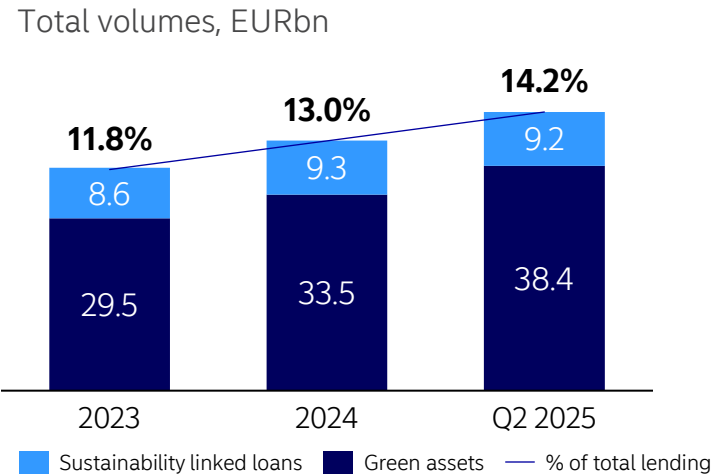
The leading sustainable issuer in Europe

- EUR 1.2bn green bonds issued during H1 2025, equivalent across different currencies:
 - CHF 175m 7y senior non-preferred bond
 - NOK 2.7bn 7y senior non-preferred bond
 - EUR 750m 3y covered bond
- EUR 2.6bn green bonds issued during 2024
 - EUR 1.1bn in covered bonds, EUR 750m in SNP and EUR 750m in capital instrument across different currencies
- EUR 400m SLL bonds issued during 2024 in Senior Preferred notes
- Largest green bond issuer in Europe both by volume and number of deals in 2023 & 2024
- Frameworks across green & SLL assets

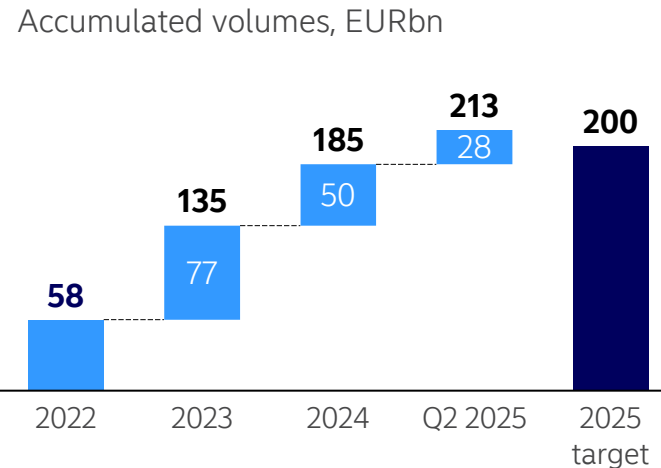
Sustainability at the core

We engage with our customers to drive sustainable growth

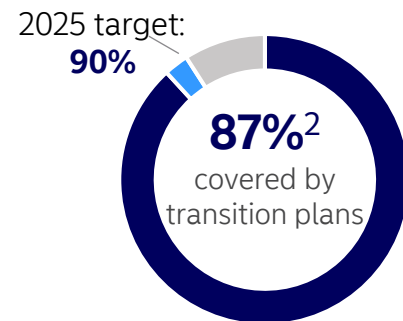
Green assets and sustainability-linked loans



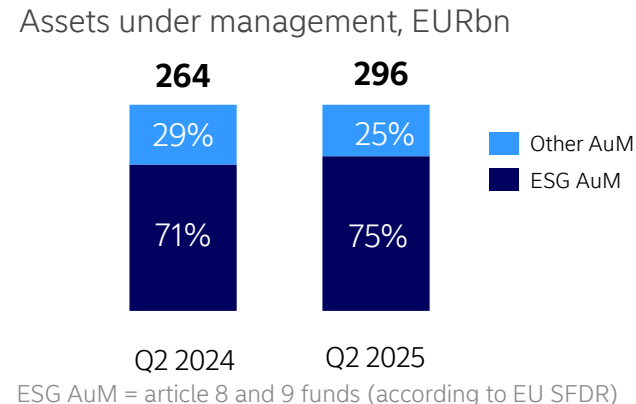
Sustainable finance facilitation¹



Transition plan for large corporates



Nordea Asset Management



- **Facilitated EUR 213bn in sustainable financing since start of 2022**
Compared to target EUR >200bn by 2025
- **Recognised as a sustainability leader with multiple awards**
- **Number one positions for both Nordic corporate and Nordic sustainable bonds overall**

11 1) Includes green, sustainable, sustainability-linked, and social bond transactions as well as green and sustainability-linked loan transactions
2) Q1 2025.

Nordea

Green funding framework



Green asset categories in the framework

Percentages of the total green bond assets

Renewable energy - 14%

- Wind power
- Solar power
- Hydro power
- Bioenergy
- Intergration of renewable energy into the transmission network
- Production of hydrogen



Energy efficiency - 2%

- Energy storage and heat pumps, district heating



Green buildings - 63%

- Certified green buildings
- Taxonomy TSC aligned buildings



Pollution prevention and control - 6%

- Water and waste water management
- Waste management
- Waste-to-energy (mostly bioenergy)



Sustainable management of living natural resources and land use - 1%

- Sustainable agriculture, aquaculture and forestry
- Biodiversity and land/sea use



Clean transportation - 15%

- Electric cars
- Electric vehicles/Hydrogen fuel cell vehicles



Use of proceeds



Selection and
evaluation of green
bond assets

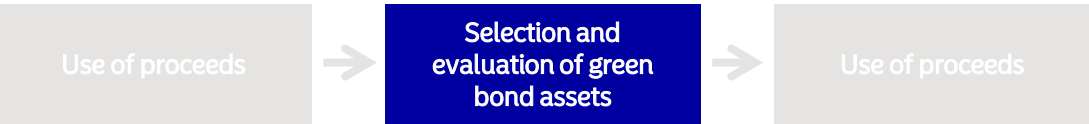
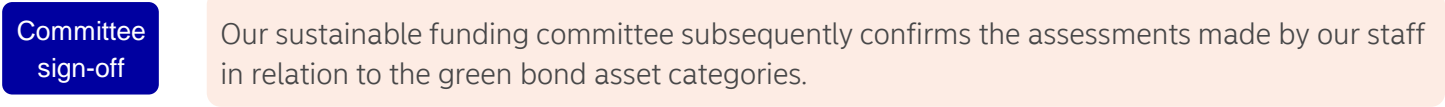
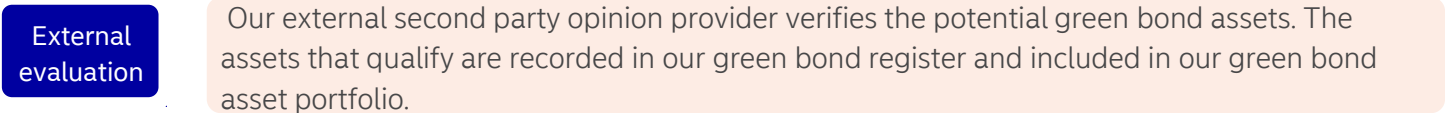
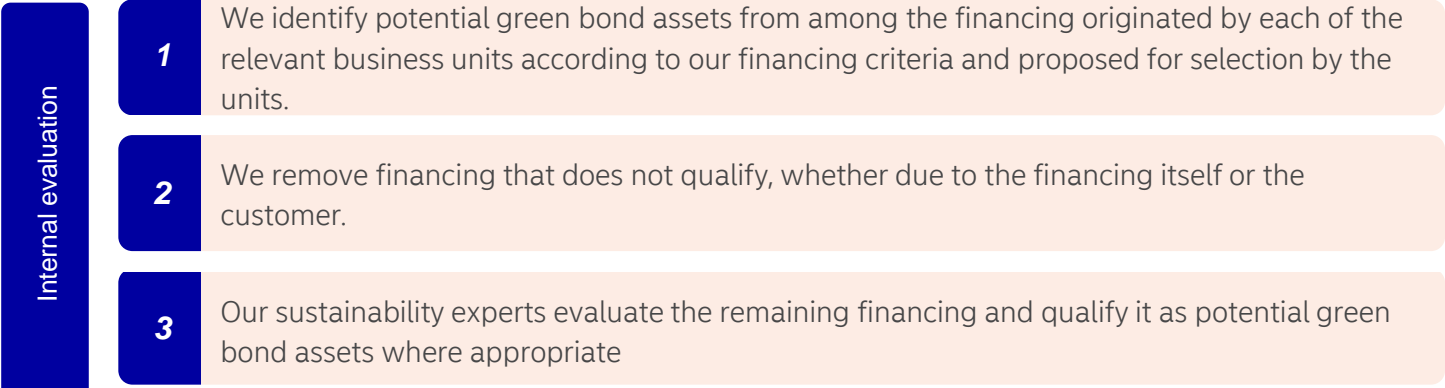


Management of
proceeds

- Nordea's green funding framework adheres to the latest edition of the green bond principles and is reviewed annually, most recently in March 2025
- Net proceeds of green bonds issued will be used for (re)financing of assets within the eligible green asset categories
- Green bond asset categories have been identified by Nordea to increase positive or reduce negative impact on the environment
- Net proceeds of any Nordea green bond shall **NOT** be used towards financing of:
 - ✗ Nuclear or fossil fuel energy operations
 - ✗ Weapons and defence
 - ✗ Coal mining
 - ✗ Tobacco
- ISS Corporate provides a second party opinion (SPO) of the sustainability quality of the bonds including Nordea's green funding framework, the selection criteria and asset pool. The alignment of the green covered bond asset portfolios with the EU Taxonomy on a best-efforts basis and consistency of the instruments with Nordea's sustainability strategy

A robust decision-making process

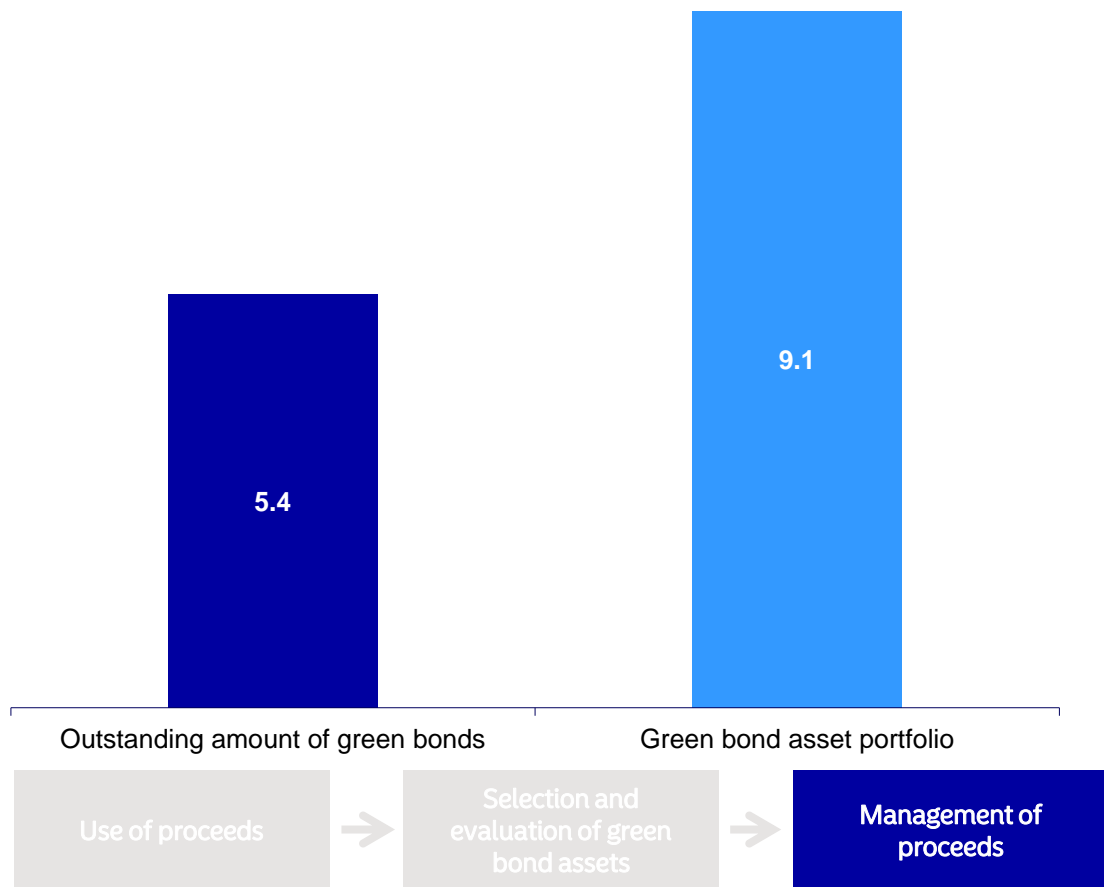
Defines how green bond assets are approved



- The sustainable funding committee – a subcommittee for ALCO (asset & liability committee) - governs the green funding framework
- The composition and amount of green bond assets is internally reviewed on a quarterly basis to account for repayments and drawings

Outstanding green bonds vs assets

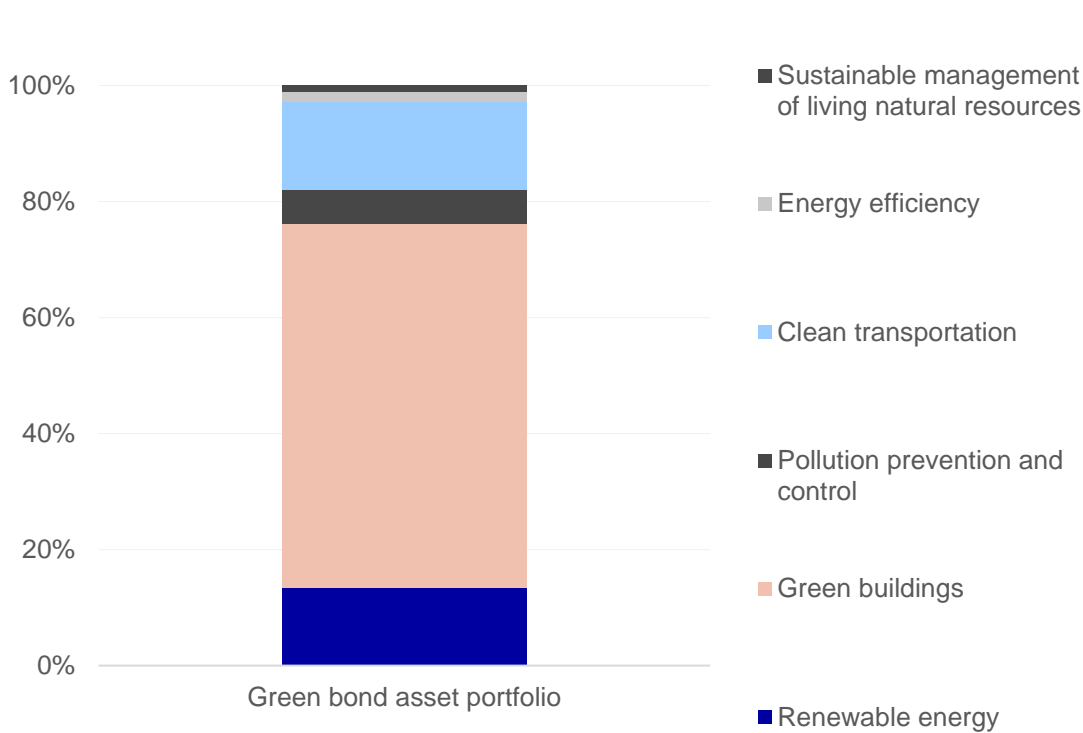
EURbn



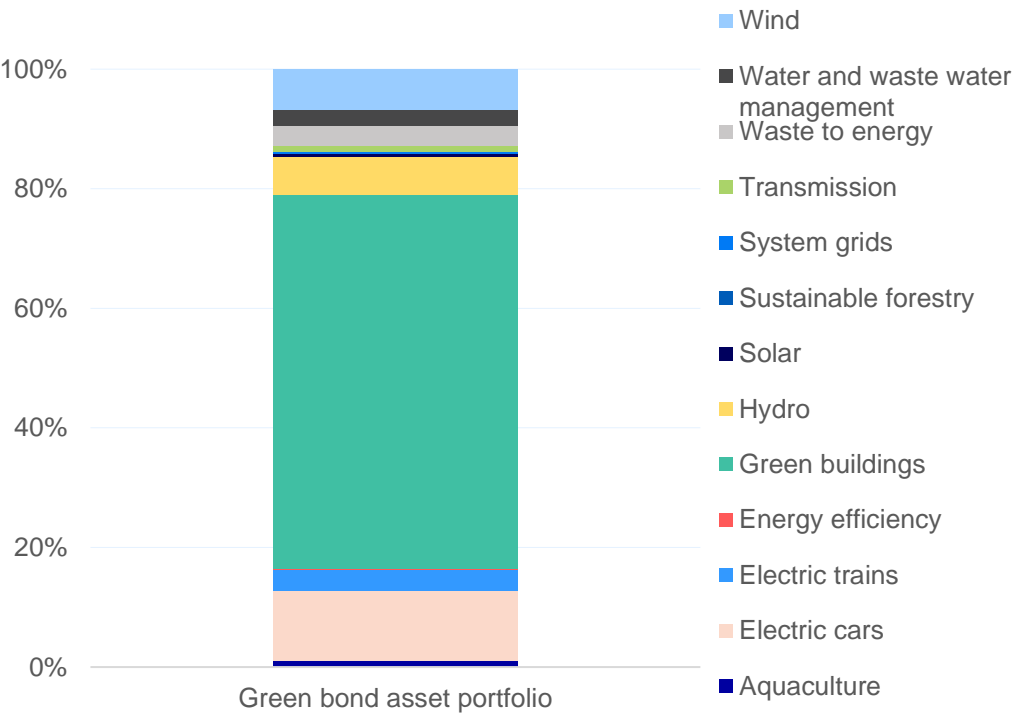
- We have established a green bond register, where we record the composition of our green bond asset portfolio and state how we intend to allocate the net proceeds of our green bonds to green bond assets
- An amount equal to the net proceeds of our green bonds and deposits is placed in our general funding accounts but can be identified in the green bond register
- We intend to maintain an aggregate amount of assets in the green bond asset portfolio at least equal to the aggregate net proceeds of all our outstanding green bonds and deposits
- Any portion of the net proceeds of green bonds or deposits not recorded in the register as allocated to green bond assets is held in accordance with our normal liquidity management policy

Green bond assets – Nordea Bank

Green bond assets – breakdown by category



Green bond assets – breakdown by subcategory



Green funding – covered bonds

Green asset categories in the framework

Construction of new buildings

- Energy performance certificate (EPC) is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB)



For buildings built before 31 December 2020

- EPC class A or alternatively within the top 15% of the national or regional building stock



Renovations

- Major renovations or leading to a reduction of primary energy demand (PED) of at least 30%



- The net proceeds of the green covered bonds issued by either Nordea Eiendomskreditt AS, Nordea Hypotek AB (publ), Nordea Kredit Realkreditaktieselskab, or Nordea Mortgage Bank Plc (the “MCIs”) are intended to be used, directly or indirectly, to finance or refinance assets that:
 - are eligible for being included in the general cover pool of the respective Nordea MCI, and
 - satisfy certain eligibility requirements that promote climate-friendly and other environmental purposes

Use of proceeds



Selection and
evaluation of green
bond assets



Management of
proceeds

A robust decision-making process

Defines how green covered bond assets are approved

1

The Nordea MCIs identify potential green covered bond assets from among the financing originated according to their financing criteria (including the regulatory cover pool eligibility criteria) and proposed for selection by the business units.

2

The MCIs remove financing that does not qualify, whether due to the financing itself or the customer.

3

Our sustainability experts evaluate the remaining financing and qualify it as potential green covered bond assets where appropriate.

4

Our green covered bond committee reviews the potential green covered bond assets. The assets that qualify are recorded in the relevant green covered bond register and included in the relevant green covered bond asset portfolio.

- The green covered bond committee is a subcommittee of the SFC. It meets to review potential green assets on a quarterly basis
- The proceeds of green covered bond issues are allocated to green covered bond assets at the portfolio level
- The proceeds are thus intended to be allocated, directly or indirectly, to all assets in the green covered bond asset portfolio in equal shares

Use of proceeds



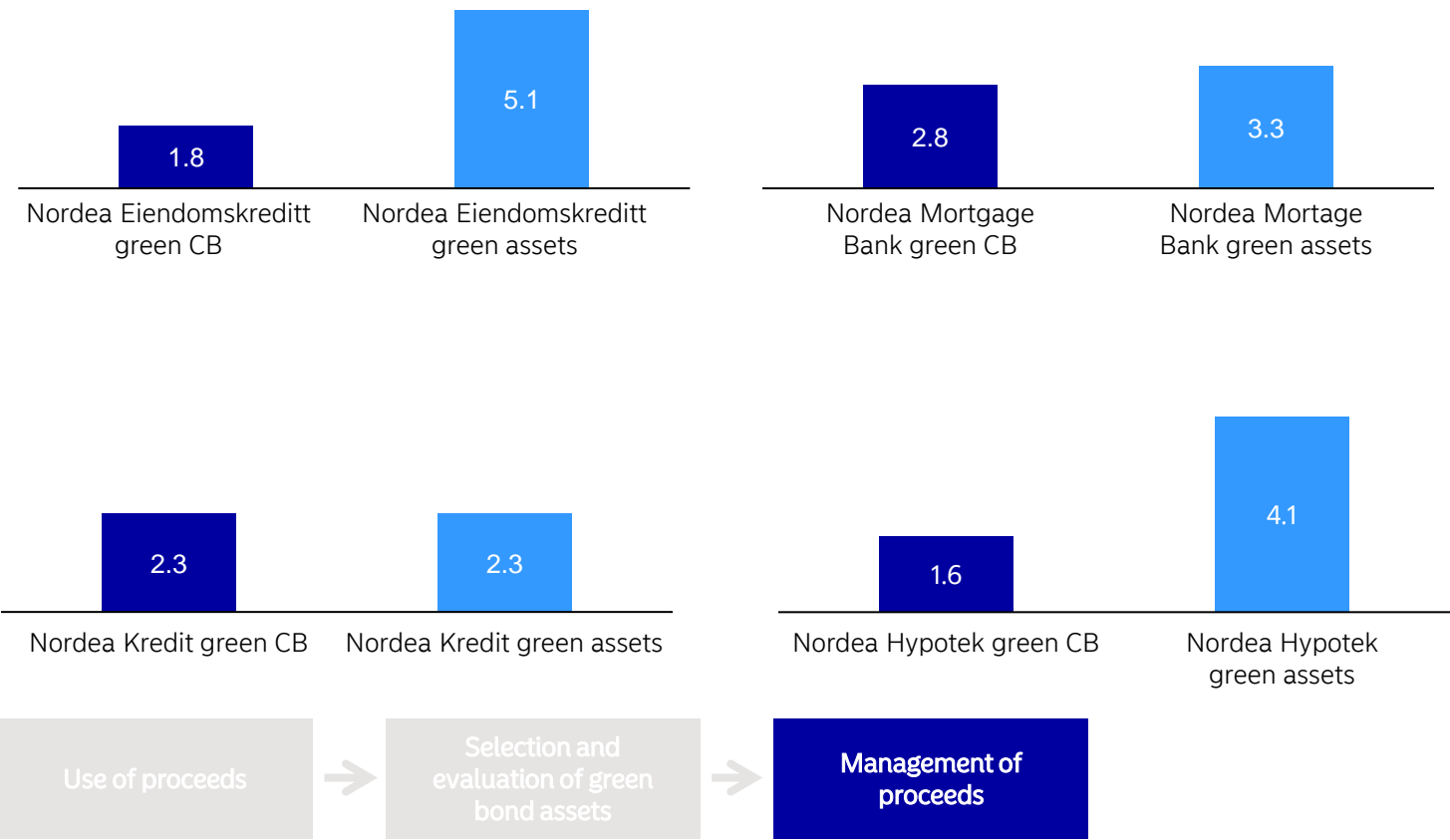
Selection and
evaluation of green
bond assets



Management of
proceeds

Outstanding green covered bonds vs assets

EURbn

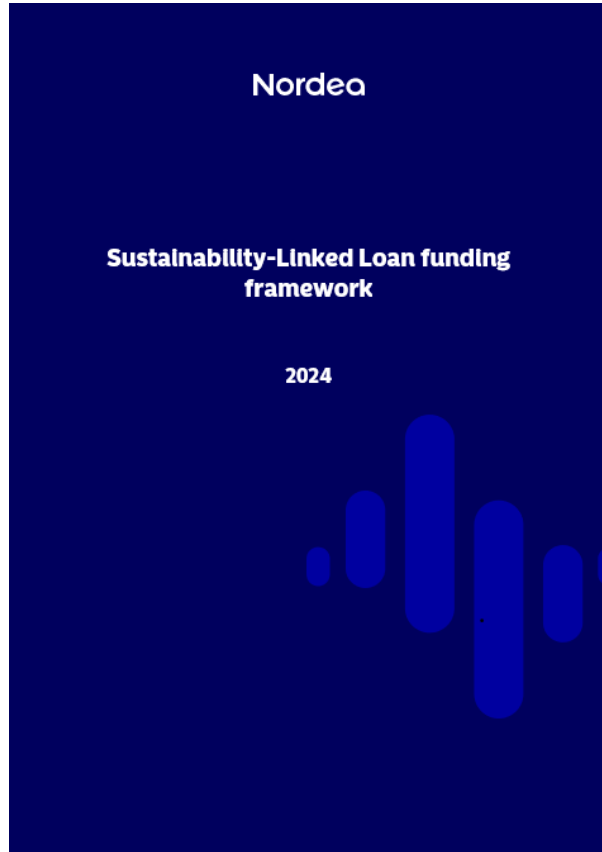


- We have established green covered bond registers recording composition of the green covered bond asset portfolios and state how we intend to allocate the net proceeds of green covered bonds issued by the Nordea MCIs to green covered bond assets
- The green covered bond registers are separate from the other registers kept by the Nordea MCIs for regulatory, governance, monitoring and other purposes related to the covered bonds and the covered pools

Sustainability-linked loan funding framework



Sustainability-Linked Loan funding framework

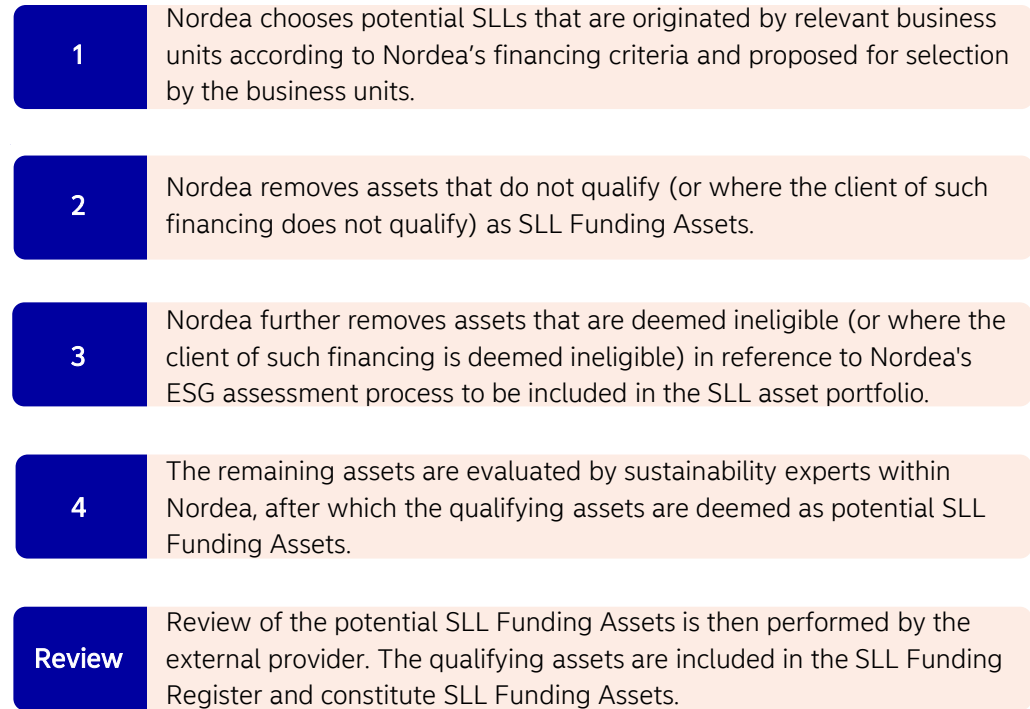


- The Sustainability-Linked Loan (“SLL”) funding framework allows Nordea Bank Abp to issue bonds with reference to the impact of the SLLs on Nordea’s balance sheet in a Use-of-Proceeds format
- The SLL assets in scope have KPIs related to Climate Change Mitigation such as reduction of GHG emissions or reduction of energy consumption
- ISS-Corporate* has provided an external review of the framework, which also includes a review of each eligible SLL
- The framework is not to be considered green or linked to green issuance
- The framework has been developed to cater for the transition of assets not included in our green bond asset portfolio but that still hold strong climate targets
- In June 2024, ICMA published the Sustainability-Linked Loans Financing Bonds Guidelines. The SLL funding framework is inspired by the ICMA guidelines but not yet fully aligned. Long term, Nordea's objective is to fully align the framework with the ICMA guidelines including a new external review subject to market developments
- Issuance under the framework neither include sustainable KPIs/SPTs linked to Nordea Bank Abp nor have any variable coupons/redemptions

* ISS-Corporate also provides the Second Party Opinion for Nordea’s green funding framework

Innovation based on strong sustainability knowledge and governance

Operational overview of SLL asset selection



*As defined by Loan Market Association, Asia Pacific Loan Market Association, Loan Syndications and Trading Association

Asset selection

To be eligible for inclusion in the portfolio, a loan must meet each of the below criteria. Only the portion of drawn amount is eligible for inclusion in the portfolio

Criteria for inclusion:

- Alignment with the Sustainability-Linked Loan principles* corresponding to the year of signing of the facility
- Positive contribution to at least one of the impact objectives for Climate Change Mitigation
- Have KPIs and SPTs that are considered 'material' and 'ambitious' as assessed by an external reviewer

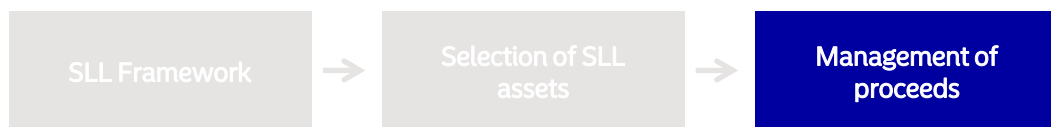
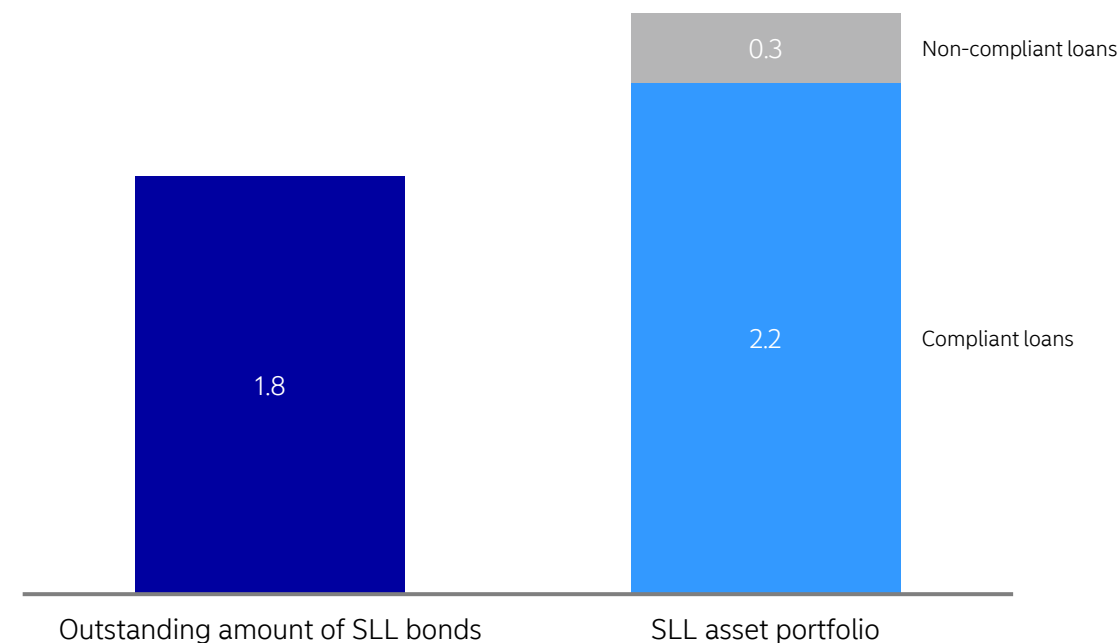
Nordea SLLs may have more than one set of KPIs and SPTs but the selection criteria remain focused on the KPIs specifically associated with at least one of the impact objectives for Climate Change Mitigation

The annual test of compliance will only apply to the identified climate-related KPI(s)

Sustainability-linked loan funding

Outstanding bonds vs assets

EURbn



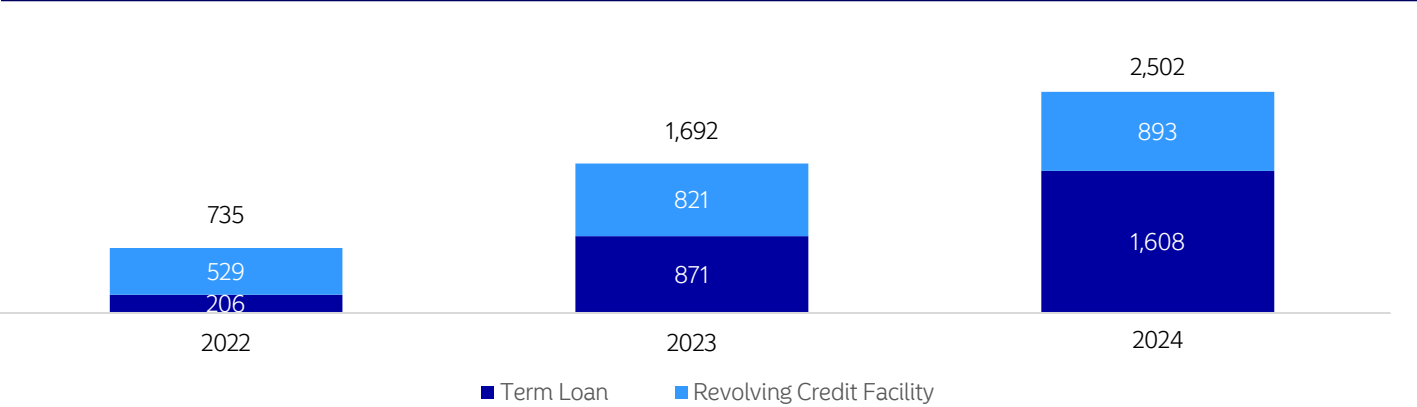
- All SLL funding assets are recorded in a register which manages the allocation of the net proceeds from SLL funding to SLL funding assets
- The composition and amount of SLL funding assets is internally reviewed on a quarterly basis to account for repayments and drawings
- Nordea's intention is to maintain an aggregate amount of SLL funding register that is at least equal to the aggregate amount of all outstanding Nordea SLL funding
- SLLs that fail to meet the agreed targets are removed from the register

Sustainability-linked loan funding

Portfolio development

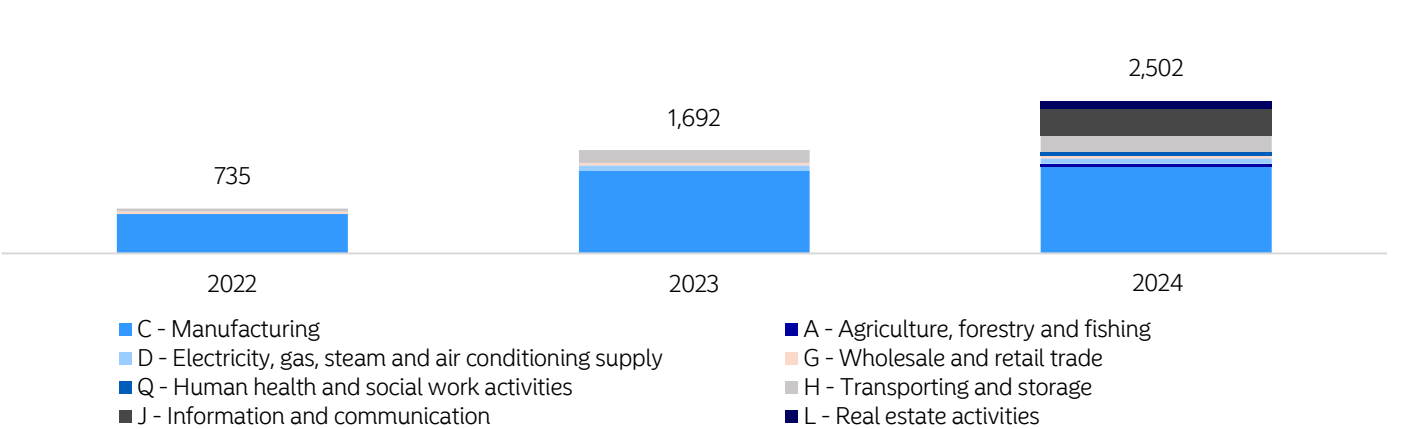
Total SLL asset portfolio size

Total volumes, EURm



Total SLL asset portfolio size

Total volumes, EURm



- Nordea is committed to report and provide at least annually readily available information on the total eligible portfolio of SLLs as long as we have SLL bonds outstanding
- All the SLLs in the portfolio have at least one climate-related KPI which materiality and ambitiousness have been confirmed by external reviewer
- As the underlying asset pool of the SLL funding framework is based on SLLs meeting the specific criteria, the traditional use-of-proceeds category level reporting is not feasible
- As also recommended in ICMA's Guidelines for Sustainability-Linked Loan Financing Bonds, we provide a breakdown of the allocation to different sectors and KPI themes as well as information on the achievement of the KPIs

External review and reporting



Second party opinion by ISS ESG

ISS-CORPORATE

SECOND PARTY
OPINION (SPO)

Sustainability Quality of the Issuer, Nordea Green Funding Framework and Asset Pool

Nordea Bank Abp
26 March 2025

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

Relevant standards

Scope of verification

Lifecycle

- Green bonds, green covered bonds and green deposits
- Green Bond Principles, ICMA, June 2021 (with June 2022 Appendix 1)
- EU taxonomy Climate Delegate Act, June 2023
- Nordea's Green Funding Framework (as of March 19, 2025)
- Nordea's Green Funding Framework (as of Dec. 21, 2023)
- Nordea's green bond asset portfolio (as of March 7, 2025)
- Nordea's green covered bond asset portfolio (as of March 11, 2025)
- Pre-issuance verification (based on Nordea's March 19, 2025, Green Funding Framework)
- Post-issuance asset verification (based on Nordea's Dec. 21, 2023, Green Funding Framework)

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SPO SECTION	SUMMARY	EVALUATION ³
Part I: Alignment with GBP	<p>The Issuer has defined a formal concept for its green bonds, green covered bonds and green deposits regarding the use of proceeds, processes for project evaluation and selection, management of proceeds, and reporting. This concept aligns with the GBP.</p> <p><i>*Criteria for protection and preservation of biodiversity and natural ecosystems (e.g. R&D and technology dedicated to monitor, report and verify biodiversity impacts such as drones, satellite monitoring, platforms for nature based) are assessed as providing no clear environmental and/or social benefits according to our methodology (see Part II of this report). However, as there are currently several national and international initiatives and the definition of green and/or social might vary depending on sector and geography, those categories might be considered as eligible green or social categories by investors.</i></p>	Aligned *
Part IIA and IIB: Alignment of assets with the framework selection criteria ⁴	<p>The eligible asset categories financed by the green bonds and green covered bonds include:</p> <p>Green categories: Renewable Energy, Green Buildings, Pollution Prevention and Control, Clean Transportation, and Sustainable Management of Living Natural Resources.</p>	Aligned
Part IIC: Sustainability quality of the selection criteria ⁵	<p>The green bonds, green covered bonds and green deposits will (re)finance the following eligible asset categories:</p> <p>Green categories: Renewable Energy, Energy Efficiency, Green Buildings, Pollution Prevention and Control, Clean Transportation, and Sustainable Management of Living Natural Resources.</p>	Positive

Highlights from second party opinion by ISS ESG

- The Issuer has defined a formal concept for its green bonds, green covered bonds and green deposits regarding the use of proceeds, processes for project evaluation and selection, management of proceeds, and reporting. This concept aligns with the GBP.
- Nordea’s project characteristics, due diligence processes and policies have been assessed against the requirements of the EU taxonomy (Climate Delegated Act of June 2023) on a **best-efforts basis**. The nominated assets in the green covered bonds portfolio and the selected categories under the Framework are considered to be:
 - **Aligned** with the climate change mitigation criteria.
 - **Aligned** with do no significant harm criteria, except for Activity 7.11
- The Issuer clearly describes the key sustainability objectives and the rationale for issuing green bonds, green covered bonds and green deposits. The majority of the project categories considered align with the Issuer’s sustainability objectives
- The second party opinion is available [here](#)

Nordea Bank sustainable funding report

Category	Subcategory	Impact measurement indicators	
Renewable energy	Wind, hydro, solar, bioenergy and hydrogen production	Installed renewable energy production capacity (MW)	Estimated CO2e emissions avoided relative to baseline
Energy efficiency	Energy transmission, energy storage, district heating	Amount of energy saved (MWh)	Estimated CO2e emissions avoided
Green buildings	Green buildings	Amount of energy saved (MWh)	Estimated CO2e emissions avoided
Pollution prevention and control	Water and waste water management, waste management	Water withdrawal or treatment capacity (m3/day or t/day)	Estimated CO2e emissions avoided relative to baseline
	Conversion of waste to energy	Production capacity (MW)	
Clean transportation	Public transport / freight transport	Estimated CO2e emissions avoided	
Sustainable management of living natural resources and Land use	Sustainable forestry, agriculture and aquaculture	Land area certified or under management practices targetin improved ecosystem services provision	CO2e emissions per kilo produced

Sustainable funding reporting contents

- the amount of net proceeds allocated within each green bond asset category and, when possible and relevant, information on the type, number and location of green bond assets included in each category
- the remaining balance of net proceeds not yet allocated to green bond assets
- where appropriate and subject to confidentiality arrangements, examples of green bond assets financed or refinanced by the net proceeds of green bonds
- Information on environmental impacts of the green bond assets

It is Nordea's intention to report these figures on an annual basis as long as we have green bonds outstanding

Sustainability-linked loan funding

External review by ISS ESG

ISS-CORPORATE

FRAMEWORK EXTERNAL REVIEW

Sustainability Quality of the Issuer and Sustainability-Linked Loan Funding Framework

Nordea Bank Abp

6 September 2024¹

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none"> SLL Financing Instruments
Relevant standard(s)	<ul style="list-style-type: none"> General market standards for Sustainable Finance Nordea Sustainability-Linked Loan Funding Framework (as of September 6, 2024)
Scope of verification	<ul style="list-style-type: none"> Nordea Sustainability-Linked Loans pool (as of May 31, 2024)
Lifecycle	<ul style="list-style-type: none"> Pre-issuance verification

¹ Nordea initially published its Sustainability-Linked Loan Funding Framework in June 2022. A new version of the Framework has been published in September 2024, substituting the previous one. No modification occurred with regard to the core elements of the Framework (use of proceeds, processes for project evaluation and selection, management of proceeds, reporting) based on which ISS-Corporate performed its analysis in June 2022. It is noted that the issuer has provided additional information related to its sustainability strategy (Part III).

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KPI materiality	4 factors Robust	-	Absence	Good	Good	Good
	2/3 factors Good	-	Absence	Limited	Good	Good
	1 factor Limited	-	Absence	Limited	Limited	Limited
	0 factor Absence	-	Absence	Absence	Absence	Absence
			0 dimension - Absence	1 dimension - Limited	2 dimensions - Good	3 dimensions - Robust

SLLs	Borrower 4 ¹	Borrower 5 ¹	Borrower 6 ¹	Borrower 7 ¹
KPIs	Good	Good	KPI 1: Good KPI 2: Limited	KPI 1: Good KPI 2: Good
SPTs	Good	Good	SPT 1: Good SPT 2: Good	SPT 1: Limited SPT 2: Limited
Overall Assessment (KPI and SPT)	Good	Good	Good	Limited
Alignment with LMA SLLP	Aligned	Aligned	Aligned	Aligned - however, while the LMA recommends a combination of benchmarking approaches, only one benchmarking approach is available.
Risk	The identification and management of the environmental and social risks associated with the eligible SLL are considered medium based upon ISS ESG assessment.	The identification and management of the environmental and social risks associated with the eligible SLL are considered medium based upon ISS ESG assessment.	The identification and management of the environmental and social risks associated with the eligible SLL are considered medium based upon ISS ESG assessment.	The identification and management of the environmental and social risks associated with the eligible SLL are considered medium based upon ISS ESG assessment.
Overall evaluation	The SLL meets the eligibility criteria.	The SLL meets the eligibility criteria.	The SLL meets the eligibility criteria.	The SLL meets the eligibility criteria.
Loan contribution to Impact Objectives	Climate Change Mitigation			

Please refer to the External Review document for a full overview

ISS ESG's external review

- Nordea has engaged ISS ESG to act as an external reviewer of this SLL funding framework and the SLL funding assets
- “ISS ESG developed a tailor-made assessment methodology to provide an opinion on the robustness of this framework referring to broadly accepted market concepts, namely ‘transparency’ relevant for sustainable finance and aims at mitigating climate change (e.g. SLL funding the LMA/LSTA/APLMA Sustainability-Linked Loans Principles, the ICMA Green and Social Bond Principles)”
- ISS ESG finds that the sustainability commitments defined by Nordea are relevant to its sector and business model. The sustainability objectives that the SLL funding framework pursues are clearly stated in line with key market guidelines such as the UN SDGs and Science-Based Targets

- The External review is available [here](#)

ISS ESG's Nordea corporate rating

- Transparency level: Very high
- Decile rank: 1
- According to ISS ESG Corporate Rating Nordea shows a high sustainability performance against the industry peer group on key ESG issues faced by the Commercial Banks & Capital Market sector. Nordea is rated 27th out of 300 companies within its sector

Sustainability-linked loan funding

SLL funding framework reporting

Nordea						
Sustainable financing	Corporate	Household	Public entities and Financials	2024	2023	2022
Green loans, EURm ¹						
Loans in green categories ²	10,860	21	240	11,121	9,902	7,860
- of which green buildings	8,845	17	1	8,863	8,042	6,040
- of which renewable energy	1,184	2	-	1,186	1,125	965
- of which pollution prevention	423	-	191	613	476	606
- of which sustainable management	166	-	-	166	122	80
- of which energy efficiency	117	0	47	165	84	93
- of which clean transportation	126	1	0	127	53	75
Green mortgages ³	-	1,988	-	1,988	1,250	774
- of which Sweden	-	1,785	-	1,785	1,209	759
- of which Norway	-	197	-	197	35	9
- other	-	5	-	5	5	6
Total	10,860	2,009	240	13,109	11,151	8,634
Sustainability-linked loans, EURm ⁴						
- of which drawn loans	9,264	-	-	9,264	8,600	6,271
- of which undrawn commitments	8,589	-	-	8,589	10,661	8,684
Total	17,853	-	-	17,853	19,261	14,956

¹ Loans sold as green fulfilling the Nordea green funding framework criteria. Excluding loans reclassified as green by Nordea as well as off balance volumes for exposures.
² 2023 and 2022 figures have been restated from the previous reporting period due to improved data availability.
³ Household loans sold as green from Nordea mortgage entities (i.e. green mortgages) have been excluded from the household part.
⁴ Includes household loans sold as green from Nordea's mortgage entities.
⁵ Ancillary products excluded from 2024, 2023 and 2022 figures.

Annual SLL bond report

SLL bond report is published annually and includes:

- The amount of net proceeds that have been allocated to the impact objectives and, when possible and relevant, further information related to the type, number and location of the SLL funding assets
- The remaining balance of net proceeds which have not yet been allocated to SLL funding assets
- Where appropriate and subject to confidentiality arrangements, examples of SLL funding assets that have been financed or refinanced by the net proceeds of SLL funding
- The Nordea 2023 SLL bond report is available [here](#)

Sustainability-linked loan funding

Breakdown of the allocation – Sector and KPIs

Sector (NACE section)	KPI theme and type	# of companies	EURm allocation	Total H1 2024 (EURM)
Compliant loans				
A - Agriculture, forestry and fishing	Scope 1 and 2 (Absolute)	1	52	52
C - Manufacturing	Scope 1 and 2 (Absolute)	6	733	1,182
	Scope 1 and 2 (Absolute) and 3 (Intensity)	1	50	
	Scope 1 and 2 (Absolute) and 3 (Supplier Engagement)	1	185	
	Scope 1, 2 and 3 (Absolute)	1	214	
	Scope 1, 2 and 3 (Absolute) and Scope 1 and 2 (Intensity)	1	0	
D - Electricity, gas, steam and air conditioning supply	Greenhouse gas indicator	1	86	86
H - Transporting and storage	Greenhouse gas indicator	4	219	219
J - Information and communication	Scope 1 and 2 (Absolute)	1	279	441
	Scope 1 and 3 (Absolute) and renewable electricity	1	162	
L - Real estate activities	Scope 1 and 2 (Intensity)	1	131	131
Q - Human health and social work activities	Scope 1 and 2 (Absolute)	1	53	53
Subtotal		20		2,165
Non-compliant loans				
C - Manufacturing	Scope 1 and 2 (Absolute)	1	26	236
	Scope 1, 2 and 3 (Absolute)	1	159	
	Scope 1, 2 and 3 (Intensity)	1	50	
G - Wholesale and retail trade	Scope 1, 2 and 3 (Absolute)	1	49	49
H - Transporting and storage	Greenhouse gas indicator	2	51	51
Subtotal		6		336
Total		26		2,502

Allocation by sector and KPI theme/type of compliant and non-compliant loans, 30 June 2024

- The SLL asset portfolio as of H1 2024 consists of 26 loans of which 20 are considered compliant and six non-compliant due to not meeting the stated SPT for given KPI for the previous reporting period
- The SLL assets have become increasingly representative of Nordea's lending base
- The current asset pool demonstrates an increased diversity of sectors and a wider range of different climate-related KPIs

Breakdown of the allocation - Confirmation of the compliance

Included in the portfolio	#	Sector (NACE section)	Compliance checks			Total H1 2024 (EURm)
			2021	2022	2023	
Compliant loans						
Sep-22	1	C – Manufacturing	OK	OK	OK	2,165
	2	C – Manufacturing	OK	OK	OK	
June-23	3	D – Electricity, etc. supply	OK	OK	OK	
	4	C – Manufacturing	OK	OK	OK	
	5	C – Manufacturing	OK	OK	OK	
	6	C – Manufacturing	OK	OK	OK	
	7	H – Transporting and storage	OK	NC	OK	
	8	H – Transporting and storage	OK	OK	OK	
	9	H – Transporting and storage	OK	NC	OK	
Oct-23	10	C – Manufacturing	OK	OK	OK	
	11	C – Manufacturing	OK	OK	OK	
	12	C – Manufacturing	OK	OK	OK	
June - 24	13	L – Real estate activities	OK	OK	OK	
	14	A – Agriculture, forestry, fishing	OK	OK	OK	
	15	J – Information and communication	OK	OK	OK	
	16	Q – Human health and social work activities	OK	OK	OK	
	17	C – Manufacturing	OK	OK	OK	
	18	J – Information and communication	OK	OK	OK	
	19	H – Transporting and storage	OK	OK	OK	
	20	C – Manufacturing	OK	OK	OK	

Overview of compliant loans, 30 June 2024

OK – Loans that have achieved the agreed annual sustainability performance target (SPT) or do not have active SPTs for the given financial year

- As per the Sustainability-Linked Loan Principles, the performance related to the SPT for each KPI is subject to annual reporting by the borrower
- The reporting is subject to verification with at least limited assurance scope
- If a company does not meet the SPT for a given year or does not report its performance, the related asset is deemed non-compliant and is temporarily excluded from the eligible SLL asset portfolio, but still tracked as part of the total SLL asset portfolio
- Non-compliant asset may re-become compliant at a later stage if the company succeed in meeting the set SPT(s) for given KPI(s) during the next reporting periods and following compliance tests

Sustainability-linked loan funding

SLL case studies

Case 1:

Case details	
Company name	Pandora
Facility maturity	2026, 2 years extension
Key sustainability element	<ul style="list-style-type: none"> Becoming carbon neutral in own operations by 2025 Using only recycled silver and gold by 2025
For more information: https://pandoragroup.com/investor/news-and-reports/newsdetail?id=24166	

SLL funding asset eligibility			
KPI	SPT	Baseline	Metric
Becoming carbon neutral in own operations - reduction in absolute CO2e emissions for Scope 1 and 2	Carbon neutral by 2025	49.198 (2019)	tCO2e

About Pandora

Pandora is the world’s largest jewellery brand. The company designs, manufactures and markets hand-finished jewellery made from high-quality materials at affordable prices. Pandora jewellery is sold in more than 100 countries through more than 6.500 points of sale, including more than 2.500 concept stores.

Case 2:

Case details	
Company name	Hempel
Facility maturity	2024
Key sustainability element	<ul style="list-style-type: none"> Reduce scope 1 and 2 CO2e emissions Reduce scope 3 CO2e emissions Reduce waste to landfill at production sites Reduce and phase out hazardous (red) raw materials (RRM)
For more information: https://www.hempel.com/news/2022/sustainability-linked-financing	

SLL funding asset eligibility			
KPI	SPT	Baseline	Metric
1. Reduction in absolute CO2e emissions for Scope 1 and 2	-90% from baseline by end of 2025	42.361 (2019)	tCO2e
2. Spend on suppliers screened through Hempel Procurement Sustainability Screening	70% of spend by 2025 ¹	0 (2019)	%

About Hempel

Hempel develops and manufactures a wide range of coating solutions for the maritime, industrial, decorative and yacht segments. Headquartered in Copenhagen, Hempel is among the largest producers of coating solutions in Europe and the Nordics.

Case 3:

Case details	
Company name	Wallenius Wilhelmsen Group
Facility maturity	2028 and 2029
Key sustainability element	Reduce fleet weighted average carbon intensity, measured by the Carbon Intensity Indicator (CII)
For more information: https://www.walleniuswilhelmsen.com/stock-exchange-notice/wallenius-wilhelmsen-secures-usd-800-million-of-sustainability-linked-vessel-loans	

SLL funding asset eligibility			
KPI	SPT	Baseline	Metric
Reduce fleet weighted average carbon intensity, measured by CII	-27,5% from baseline by end of 2030, which means achieving a CII of 4,19	5,78 (2019)	gCO2/G T-nm²

About Wallenius Wilhelmsen Group

Headquarterd in Oslo, Norway, the Wallenius Wilhelmsen group is a global market leader in roll-on/roll-off (RoRo) shipping and vehicle logistics. The company serves customers all over the world operating more than 129 vessels servicing 16 trade routes to six continents, a global inland distribution network, 66 processing centres and eight marine terminals.

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1)

KPI to be amended to Science-based targets aligned Scope 3 emissions reductions by end of the financial year (FY) 2023

2)

grams of CO2 per gross ton-miles

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