

# Nordea

*“Together with **customers** and **partners** Nordea **enables** the **transition to sustainable future**”*

## Finanssektorns roll i omställningen till en hållbar framtid



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# Why Sustainable Finance?



Customer  
Expectations



Attractive &  
Competitive



Society  
demands



Responsibility  
& Trust



Legislation



Risk  
Management

# Sustainability not only climate – introducing ESG

## Environment

- Climate Change
- Carbon Risk
- Use of Raw Materials, Water and Energy
- Biodiversity
- Land-use
- Waste management

## Social

- Human Rights
- Labor Rights
- Child Labor
- Equal Opportunities
- Occupational Health & Safety
- Government and Community Relations
- Consumer Protection
- Personal Data Safety & Privacy

## Governance

- Transparency
- Reporting on Material Issues
- Audited Reports
- Board Composition and Independence
- Accounting Risk
- Bribery & Corruption
- Aggressive Tax Planning



# What Nordea does



Together with **customers** and **partners** Nordea enables the **transition to sustainable future**

## Sustainable Finance

Sustainability integrated in our products and customer offerings in Nordea



Investing



Financing



Advice

We form **local** and **international partnerships** and proactively **drive change** towards a sustainable future

- UN Sustainable Development Goals (SDG)
- UN Principles for Responsible Investments
- UN Principles for Responsible Banking (co-founders)
- EU Action Plan (represented in technical expert group)
- Corporate Human Rights Benchmark (Founding members)
- TCFD

We strive to **reduce** our environmental **footprint** and integrate all aspects of sustainability in our own **internal operations**

# PRINCIPLES FOR RESPONSIBLE BANKING



UNEP  
FINANCE  
INITIATIVE

PRINCIPLES FOR  
RESPONSIBLE  
BANKING

30

FOUNDING  
BANKS

125

BANKS  
GLOBALLY

45+

COUNTRIES  
across six continents

46

US\$ TRILLION  
IN ASSETS

> one third of the global  
banking sector

#ResponsibleBanking

[unepfi.org/bankingprinciples](https://unepfi.org/bankingprinciples)



## Commitments and actions



## Sustainable Finance

Sustainability integrated in our products and customer offerings in Nordea



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# Sustainability Integrated in our Investment Process

## We Engage

### Promote Active Ownership

- Influencing
- Voting
- Dialogue
- Thematic engagements

## We Exclude

- Identify companies involved in controversies
- Illegal & nuclear weapons
- Coal (exposure over 30%)
- Sanctions

## We Commit

- Signatories UN PRI
- Develop & supply responsible solutions to customers
- Integrating ESG
- Transparency

## We Advice

- Enable our customers to make informed decisions on how their investments can make an impact

## Sustainable Products

- Selection of products with higher sustainability profile
- Stars family – Proactively select high quality ESG companies

## Sustainable Portfolios

- Introduced in advice session
- Full portfolio – higher sustainability profile
- Short and long term portfolios

With **EUR 300 Billion** in Asset Under Management – Our **customers' money** can truly make an **impact**.











# Sustainability in Financing

Redirect capital to support transition towards sustainable future

## C&IB

- ESG analysis dedicated in-house analyst team
- ESG risk score part of credit PM.
- High risk customers escalated

## CBB

- ERAT/SPRAT – customers' risks considered in credit PM

## Products

- Green Loans
- Green Bonds

### Green Financing Criteria



#### Renewable Energy

Wind power, solar power, hydro power



#### Energy Efficiency

Infrastructure, equipment, technology and processes related to **smart grids, energy storage** and **district heating**.



#### Green Buildings

**Commercial** or **residential buildings** with certification such as:  
LEED, BREEAM, Miljöbyggnad & Svanen



#### Pollution Prevention and Control

Infrastructure, equipment, technology and processes towards

- **Water and waste water management**
- **Waste-to-energy**



#### Clean Transportation

Clean transportation infrastructure:

- **Train, metro networks, stations** and **passengers**
- **Freights**



#### Sustainable Management of Living Natural Resources

Sustainable **forestry** and **agriculture** (organic farming)



# Vision: Become leading in Sustainable Finance Advice

## How would you like to be perceived?

- By your customers, and society?
- Today... and tomorrow?
- What actions to take to reach the target?
- What should you avoid doing?

## How will the climate change affect your business?

## Have you considered challenges derived from climate change?

- What if the price of CO2 increases significantly.
- Risk of stranded assets – direct and indirect (suppliers, customers etc)
- Would your business survive extreme drought or severe rain and flooding?

## How are you working with sustainability?

- Are you aware of your exposure to ESG risks?
- Do you have guidelines/policies to handle the ESG risk aspects?
- Have the guidelines/policies been approved by Mgmt and/or the board?

## Do you report on sustainability?



Nordea

Thank you!

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