# Nordea

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

# Finanssektorns roll i omställningen till en hållbar framtid

Re:Source, nov 2019 Poya Motai, hållbarhetsexpert

# Why Sustainable Finance?



## Sustainability not only climate – introducing ESG





- 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

## 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







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



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#ResponsibleBanking

BANKS GLOBALLY 45+ countries across six continents



unepfi.org/bankingprinciples



# **Commitments and actions**





## **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

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- Integrating ESG
- Transparency

#### **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

#### We Advice

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

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

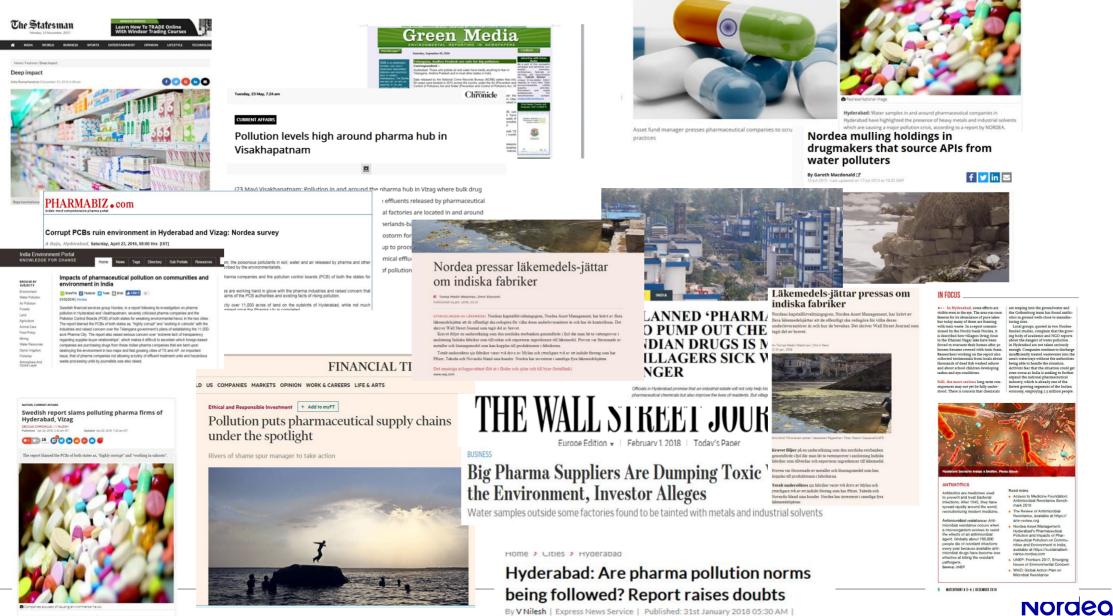




Asset fund manager presses pharmaceutical

Published: 11 Oct 2016 By Supply Chain Online

The report found that Hyderabad and its outskirts were a major pharmaceutical hub for bulk drugs and generic drugs.



Hyderabad: Swedish financial services group Nordea, in a report following its investigation on pharma pollution in Hyderabad and Visakhapatnam, severely criticised pharma companies and the Pollution Control Boards (PCB) of both states for wreaking environmental havoc in the two cities.



## **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**





### **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?





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