

Nordea

**Nordea Position Statement  
on Climate Change**



## 1. Background

Global climate change poses serious risks to the global economy and will have an impact across many economic and industry sectors. Recent anthropogenic emissions of greenhouse gases are the highest ever, driven by economic and population growth, by energy use, lifestyle, land use, technology and climate policy. The physical impact of climate change range from extreme weather events to food security. Climate risks will be amplified and new risks for natural and human systems will occur if the rate and magnitude of climate change is not contained and for every degree of warming above 2 degrees Celsius.

This position statement sets out the scope and principles of Nordea's climate change agenda. In this we take into account the nature of our business, where investments, credits and purchases can have both local and global impact. We also take into consideration relevant international conventions, such as the United Nations Framework Convention on Climate Change (UNFCCC), the Paris Agreement and the ten principles of the UN Global Compact as well as the recommendations from the Task Force on Climate-related Financial Disclosure and the views of our stakeholders.

## 2. Scope

This position statement applies to all markets where Nordea operates or does business and includes financial services such as corporate and household lending, wealth management, advisory of corporate, private and institutional clients as well as our own direct impact.

Throughout this paper the word stakeholders refers to clients, our people, investors, suppliers, portfolio companies, regulators and society at large.

## 3. Position

The purpose of this position statement is to form the basis for dialogue with our stakeholders, as well as to clarify our ambition, initiatives and actions to improve our own climate performance.

- We recognise that by promoting best practice climate change management, we can support our stakeholders and have a positive impact on the societies where we operate.
- We recognise the importance of limiting the average global temperature rise to well below the 2°C target and that the transition towards a low-carbon economy is vital. Nordea has a role to play in enabling this transition from a carbon-intensive economy to more efficient low-carbon alternatives.
- We recognise that climate change will pose risks as well as opportunities for us and our customers, both directly through our operations and indirectly through our stakeholder activities.
- We will work directly with our stakeholders to mitigate these risks and seize the opportunities. In an increasingly carbon-constrained world, we will listen to the needs of our stakeholders when providing financial services and operating our facilities.

## 4. Initiatives

Our position on climate change is governed by the following initiatives. In Nordea we commit to:

- Measure and report the climate impact of the funds we manage on behalf of our clients;
- Work towards identifying climate change related risks in the large corporate lending portfolio;
- Not provide new financing to energy production or mining companies that are primarily dependent on thermal coal. We may continue to finance existing customers and will encourage them to transition to a less carbon intensive production;
- Not invest in companies with large and sustained exposure to coal mining, the most environmentally compromising fossil fuel resource with a 30% revenue threshold. The sector-based screen on coal mining includes metallurgical coal, thermal coal and coke;
- Not participate in lobbying activities aimed at weakening climate policy;
- Be a carbon neutral company in Greenhouse Gas Protocol (GHG Protocol) scope 1 and 2;
- Be transparent on our upstream GHG Protocol scope 3 foot print and report yearly progress.

In addition we aspire to:

- Assess and manage climate-related risks into our investments, financing and sourcing activities;
- Encourage our clients, portfolio companies and suppliers to evaluate their business challenges and opportunities related to greenhouse gas emissions as well as climate risks related to their business operations, products and services;
- Encourage our clients, portfolio companies and suppliers to improve their disclosure and practices related to climate-related risks;
- Develop new financial products in order to meet the increasing demand for climate friendly investments;
- Make it possible for our clients to finance sustainable and renewable sources of energy and energy efficiency projects.