



Arion Bank's Sustainability Policy for the Arctic

June 2023



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Arion Bank endeavours to work with companies and organizations in the Arctic which stimulate growth and development in the region and at the same time safeguard natural resources for the future.

We want to partner companies and organizations which are committed to the responsible use of resources and support the protection and restoration of biodiversity in this vital yet sensitive ecosystem. We stress the importance of our customers and partners reducing greenhouse gas emissions with the aim of carbon neutrality by 2040, and not later than 2050.

We want to work with companies and organizations which respect human rights, support equality and place importance on sound and high-quality corporate governance.

We encourage all our customers to act with transparency in terms of their performance in environmental, social and governance issues.



Arion Bank and sustainability in the Arctic

At Arion Bank we want to do things right and make a real contribution to sustainable development. We seek to do business with companies who share this vision with us. We place great importance on environmental and social issues and good corporate governance in our operations. We are engaged in extensive partnerships in the field of sustainability and social responsibility, both in Iceland and abroad, and are a signatory to numerous treaties and declarations.

Arion Bank supports the UN Sustainable Development Goals and has selected six goals which we intend to focus on. These goals are number 5 on gender equality; number 7 on affordable and clean energy; number 8 on decent work and economic growth; number 9 on industry, innovation and infrastructure; number 12 on responsible consumption and production; and number 13 on climate action.

Arion Bank's sustainability policy for the Arctic aligns with the Bank's focuses and obligations in the field of sustainability.





Motivating companies and partners in the Arctic

Action must be taken to combat global warming as the impact of climate change has already had a negative and irreversible impact, not least in the Arctic. Arion Bank encourages companies in this important region to be guided by the interests of the environment and society and to develop sound and high-quality corporate governance characterized by a culture of equality and respect for human rights.

Positive actions include:

- Reduce greenhouse gas emissions and its obligations under the Paris Climate Agreement
- Set quantifiable targets and action plans on the reduction of greenhouse gas emissions and publish environmental accounts
- Increase proportion of renewable energy throughout operations
- Reduce indirect greenhouse gas emissions in areas such as transportation and waste management
- Work on obtaining or maintaining environmental certification
- Invest in environmentally friendly technology and equipment as much as possible
- Actions to maintain and restore biodiversity
- Actions specifically designed to protect animals threatened by extinction
- Reduce use of toxic materials and other dangerous materials
- Reclamation of natural resources and land improvement
- Carbon offset activities
- Active pollution controls, prevention measures and monitoring
- Safeguard animal welfare
- Engage in and support innovation towards green economy
- Sustainability throughout value creation
- Focus on health and safety of employees
- Foster greater equality
- Combat corruption and bribery
- Respect contractual rights of employees and their right to be members of trade unions
- Respect human rights
- Show responsibility throughout value chain



Strong business relationships

We want to help our customers make a difference and to develop strong and fruitful business relationships. To allow our business relationships to thrive, it is important to us that our corporate customers do not have a negative impact on people or the environment

Factors relating to the Arctic which could have a negative impact on business relationships:

- Human rights violations
- Polluting environmental accidents by the company and/or in supply chain resulting from neglect
- Corruption and bribery by the company
- Hunting of animals on the *IUCN Red List* and considered to be threatened by extinction



