

Landkreditt Bank, June 2023

18 months reporting on Principles for Responsible Banking

The following table sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking. Signatory banks need to report on their implementation of the Principles the first time within latest 18 months after signing and annually thereafter (in line with their annual reporting cycle).

Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Landkreditt is a cooperative organization affiliated with the Norwegian agricultural sector. The parent company, Landkreditt SA, is owned by Norwegian farmers. Our purpose is to contribute to improved economic conditions for our members and customers by offering excellent financial services and products.

Landkreditt Bank serves customers throughout Norway in two business areas, with lending to businesses accounting for 53 percent as of 2022, and retail mortgages accounting for 47 percent. Within the business sector, agriculture represents 97 percent of the loans.

Landkreditt Bank is an online bank without physical branches, but it has six district offices to serve agricultural customers and handle property sales.

<https://www.landkredittbank.no/om-oss/>

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes
 No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
 International Labour Organization fundamental conventions
 UN Global Compact
 UN Declaration on the Rights of Indigenous Peoples
 Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones:
 Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: Transparency Act, CSRD
 None of the above

Sustainability is one of the six strategic areas in Landkreditt. The existing sustainability strategy has the ambition that Landkreditt can be play a part in the transition towards a low-emission society, where contributing to Norwegian farmers producing food with lower emissions is one key element. In this way, we also assist the agricultural sector in achieving the climate goals they have agreed upon with the government.

Landkreditt's sustainability strategy is based on, among other things, the UN Sustainable Development Goals (SDGs), and the bank actively works towards Goals 8, 11, 13, and 17.

Our work in sustainability includes references to:

- The Roadmap for Green Competitiveness in the Financial Sector, developed by Finance Norway.
- The Norwegian initiative Guide to Greenwashing (Greenwashing Guidelines).
- The Task Force on Climate-related Financial Disclosures (TCFD).

In addition to reporting on principles for sustainable banking operations (UNEP FI), Landkreditt has also signed the principles for sustainable investments (UN PRI).

<https://www.landkredittbank.no/om-oss/samfunnsansvar/apenhetsloven/>

<https://www.landkredittbank.no/contentassets/84427a87d55647cc9eea41eb9e229ba7/barekraftsrapport-landkreditt-2022.pdf>

<https://www.finansnorge.no/siteassets/dokumenter/veikart-og-strategier/finance-norways-roadmap-for-green-competitiveness-in-the-norwegian-financial-sector.pdf>

<https://gronnvasking.no/en/home/>

<https://www.unpri.org/>

Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly¹ and fulfil the following requirements/elements (a-d)²:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Landkreditt Bank has conducted an impact analysis using the tool provided by UNEP FI. Our core business involves lending to the agriculture business and thus the food production and mortgage lending.

<https://www.landkredittbank.no/om-oss/samfunnsansvar/fns-prinsipper-for-baerekraftig-bankdrift/>

Landkreditt Bank has a limited investment portfolio related to managing its liquidity and equity. Sustainability is also considered in investment decision-making but is assessed to be less significant than lending activities and therefore has not been included in the bank's impact analysis at this time.

Landkreditt operates solely in Norway.

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

- by sectors & industries³ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
- by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

In this analysis, the business areas of the retail market and the corporate market were evaluated. Our loan portfolio is divided

¹ That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

² Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

³ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

<p>between 53% in the corporate market and 47% in the retail mortgage market. Within the corporate market, 97% is allocated to the agricultural sector.</p>	
<p>c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁴ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.</p> <p>T.</p>	
<p>The main emissions in Norway, based on the Climate Foundation's data from 2018, are as follows:</p> <ul style="list-style-type: none"> • 31% transportation • 27% oil and gas • 23% industry • 9% agriculture • 10% other sectors <p><i>“To achieve zero emissions, a significant societal transformation is required, both in Norway and globally. This involves phasing out all fossil energy, using resources and energy more efficiently, and simultaneously preserving nature. The following areas have been identified for action:</i></p> <ul style="list-style-type: none"> • <i>Replacing all fossil energy with renewable energy sources</i> • <i>Material recycling</i> • <i>Improving energy efficiency</i> • <i>Preserving and enhancing natural resources” (Source: Climate Foundation)</i> <p>These are recognized areas of focus where efforts are already underway. Landkreditt has been working internally and in collaboration with organizations such as Klimaselskapet, Norsk Landbruksrådgiving, and independent farmers to identify measures the bank can implement or contribute to in order to reduce emissions within its own portfolio. For example:</p> <ul style="list-style-type: none"> • We utilize an ESG module for customers applying for agricultural loans. • We offer green agricultural loans that contribute to more sustainable food production, requiring customers to use a carbon calculator and/or consult a climate advisor. (Replacing fossil energy with renewable energy and preserving and enhancing natural resources.) • We offer green mortgage loans. (Reducing/improving energy usage and material recycling.) • Our payment cards are made from recycled plastic. (Material recycling.) 	<p>https://klimastiftelsen.no/to-grader/klimalosninger/</p> <p>https://www.landkredittbank.no/contentassets/85705a468b894e51a946b24aa11a8e6d/barekraftsrapport-landkreditt-2022-1.pdf</p>

⁴ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

<ul style="list-style-type: none"> • We are a digital bank with paperless customers. <p>These initiatives demonstrate Landkreditt's commitment to sustainability and reducing emissions within its operations.</p>	
<p>Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)⁵? Please disclose.</p>	
<p>Landkreditt Bank has assessed the 22 impact areas using the Institutional and Consumer banking approaches. The analysis tool generated an overview of the potential positive and negative effects on society based on the bank's portfolio, highlighting the relevant areas in Norway.</p> <p>The following five sustainability areas have been emphasized as having the greatest positive and negative impact for Landkreditt Bank operating in Norway:</p> <ul style="list-style-type: none"> • Climate • Habitat • Resource Intensity • Food • Housing <p>Climate, resource intensity, and habitat are linked to factors such as greenhouse gas emissions, pesticide use, fertilizers, and water runoff in food production. Landkreditt Bank's positive impact in this area is associated with its financing of forestry operations and the provision of green agricultural loans.</p> <p>Food is primarily connected to Landkreditt Bank's financing of agriculture and food production.</p> <p>Housing refers to how Landkreditt Bank, in general, creates liquidity and offers loans for housing, while the negative impact relates to the high housing prices in Norway, which can lead to exclusion of certain groups in society. Landkreditt Bank is a challenger in the industry with a purpose of improving the financial situation of its customers. In this way, Landkreditt Bank contributes to keeping housing interest rates low.</p>	<p>https://www.landkredittbank.no/om-oss/samfunnsansvar/fns-prinsipper-for-baerekraftig-bankdrift/</p>

⁵ To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

d) For these: Performance measurement. Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

Agriculture accounts for 9% of Norway's total greenhouse gas emissions. Landkreditt holds a 20% market share in the agricultural sector and believes that this segment has the greatest impact for Landkreditt.

Landkreditt's sustainability strategy aims to contribute to more climate-friendly food production in agriculture.

97% of Landkreditt Bank's corporate portfolio primarily consists of farmers. Here, Landkreditt has the greatest influence on food, climate, habitat, and resource intensity.

The positive impact is associated with financing food production and forestry operations, as well as contributing to employment in rural areas. We also offer green loans specifically for agriculture.

The negative impact in terms of climate, resource intensity, and habitat is related, among other things, to greenhouse gas emissions, pesticide use, fertilizers, and water runoff in food production.

Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁶

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input checked="" type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other:

Climate change mitigation, resource efficiency & circular economy and biodiversity.

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.:
(optional)

⁶ You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁷ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with⁸ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

Landkreditt Bank has established three goals within the areas of climate and habitat:

1. Proportion of agricultural customers who have financed initiatives through green agricultural loans.
2. Proportion of agricultural customers who have engaged a climate advisor and/or used a carbon calculator.
3. Proportion of active agricultural customers who have received selected sustainability grants for more environmentally friendly production.

These goals align with the climate plan of the agricultural sector and the regional environmental grants in agriculture provided by the Norwegian Agricultural Agency. The agricultural sector in Norway has entered into a climate agreement with the government to reduce 5 million tons of CO₂e. Landkreditt's goals are directly related to this climate plan and the initiatives supported by the Norwegian Agricultural Agency to promote sustainable practices in agriculture.

<https://www.statsforvalten.no/innlandet/landbruk-og-mat/miljotiltak-i-jordbruket/klimatiltak-i-landbruket2/>

<https://www.statsforvalten.no/contentassets/c55716dd4c014eb0b02be1076ad18a70/landbrukets-klimaplan-2021-2030-1.pdf>

<https://www.landbruksdirektoratet.no/nb/jordbruk/ordninger-for-jordbruk/regionalt-miljotilskudd-rmb>

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
Climate change mitigation, resource efficiency & circular	Proportion of agricultural customers who have financed initiatives through	Extraction from the banking system of customers who have utilized green agricultural loans divided by the total number of agricultural customers in the company.

economy and biodiversity.	green agricultural loans	
	Proportion of agricultural customers who have engaged a climate advisor and/or used a carbon calculator.	Extraction from the banking system of customers who have engaged a climate advisor and/or used a carbon calculator divided by the total number of agricultural customers in the company.
	Proportion of active agricultural customers who have received selected sustainability grants for more environmentally friendly production.	Extraction from the public register of the proportion of agricultural customers in Landkreditt who have received selected sustainability grants for more environmentally friendly production, compared to the corresponding proportion of agricultural customers who are not customers of Landkreditt Bank.

c) SMART targets (incl. key performance indicators (KPIs)⁹): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

This is currently under development and will be decided upon along with other measurement parameters in the sustainability strategy in autumn 2023.

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

⁷ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁸ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

⁹ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

This is currently under development and will be decided upon along with other measurement parameters in the sustainability strategy in autumn 2023.

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: ... <i>Proportion of agricultural customers who have financed initiatives through green agricultural loans.</i>	... second area of most significant impact: ... <i>Proportion of agricultural customers who have engaged a climate advisor and/or used a carbon calculator.</i>	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... <i>Proportion of active agricultural customers who have received selected sustainability grants for more environmentally friendly production.</i>
Alignment	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No
Baseline	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No

2.3 Target implementation and monitoring

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

This is currently under development and will be decided upon along with other measurement parameters in the sustainability strategy in autumn 2023.

Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹⁰ in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities¹¹). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

- We create commercial posts that promote the profitability of sustainable investments in agriculture.
- We create commercial posts and press releases that inform how agriculture can prevent damages, including those caused by climate change.
- We require our customers to use a carbon calculator and/or engage a climate advisor.
- We explore the possibility of partnering with stakeholders to establish a sustainability award for farmers, aiming to gather and share impactful sustainability initiatives that can influence our customers and strengthen our advisory services.
- We are working on implementing procedures for advisors to better guide customers on investing in sustainable activities.
- We are also exploring direct communication channels with customers to provide relevant investment advice related to their specific production.

<https://www.landkreditbank.no/blogg/?category=4>

<https://www.landkreditbank.no/lan/landbruk/gront-landbrukslanpluss/>

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Green products such as:

- Green agricultural loans
- Green agricultural loans plus
- Green home loans

<https://www.landkreditbank.no/lan/landbruk/gront-landbrukslan/>

<https://www.landkreditbank.no/lan/landbruk/gront-landbrukslan-pluss/>

<https://www.landkreditbank.no/lan/privat/gront-boliglan/>

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹²) you have identified as relevant in relation to the impact analysis and target setting process?

- Yes In progress No

¹⁰ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹¹ Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

¹² Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Norsk landbruksrådgiving: acts as an intermediary between research and agriculture, gathering, developing, and coordinating knowledge that advisors communicate to agricultural practitioners.

Klimaselskapet: aims to reduce the carbon footprint of Norwegian agriculture without compromising food production and the competitiveness of the industry. They have developed tools such as the climate calculator for agriculture.

Norges Bondelag: Norges Bondelag is the leading organization for agricultural policy and services in Norway.

Independent farmers

The Board of Directors of Landkreditt Bank

The Board of Directors of the parent company Landkreditt SA

Annual Meeting and owner representatives in the cooperative organization

Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

The committee responsible for the sustainability strategy and implementing the Principles for Responsible Banking (PRB) consists of the Chief Sustainability Officer (CSO), Chief Financial Officer (CFO), and the CEO of asset management.

Landkreditt is working on an updated sustainability strategy and how it will be measured and monitored. This includes specific sustainability goals and potential reward practices associated with them.

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Landkreditt offers mandatory courses, voluntary courses, and other sustainability training through e-learning and paid studies for its employees.

The employees are involved in Landkreditt's sustainability strategy.

As part of the group's business strategy, it has been decided that all significant business decisions shall explicitly consider sustainability as a factor before the decision is made.

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

- Landkreditt has its own guidelines on sustainability and corporate social responsibility available on our website.
- The company reports in accordance with the Transparency Act (a human rights law for businesses).
- Customer advisory services on sustainable investments.
- Anti-money laundering guidelines.
- Sustainability assessment of new customers and customers with new loans.
- Sustainability reporting.
- Internal Capital Adequacy Assessment Process (ICAAP).

<https://www.landkredittbank.no/om-oss/samfunnsansvar/et-helhetlig-ansvar/>

<https://www.landkredittbank.no/om-oss/samfunnsansvar/apenhetsloven/>

<https://www.landkredittbank.no/om-oss/samfunnsansvar/>

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

- Yes No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

- Yes No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

- Yes In progress No

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes Partially No

If applicable, please include the link or description of the assurance statement.

Response

Links and references

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other:

UN PRI
Guide against greenwashing

<https://gronnvasking.no/en/home/>

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹³, target setting¹⁴ and governance structure for implementing the PRB)? Please describe briefly.

During 2023, Landkreditt will continue working on the group's sustainability strategy to establish clear key performance indicators (KPIs) and action plans. The results from the analysis and the defined objectives will be incorporated into this work. The bank will:

¹³ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁴ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

- | | |
|---|--|
| <ul style="list-style-type: none"> • Set measurement parameters for the defined indicators and target areas. • Develop specific action plans. • Begin measuring results. | |
|---|--|

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Embedding PRB oversight into governance | <input type="checkbox"/> Customer engagement |
| <input type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input checked="" type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input type="checkbox"/> Assessing negative environmental and social impacts | <input checked="" type="checkbox"/> Access to resources |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies | <input checked="" type="checkbox"/> Reporting |
| <input type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these: