

A3 | 86 / 100

A1 - A3	B1 - B3	C1 - C2	D
Excellent	Good	Medium	Poor

RATING

Landsbankinn achieves outstanding results in Reitun’s ESG rating, with 86 points of 100 possible, placing it in category A3.

ESG RATING RESULTS

	Weight	Score	Rating
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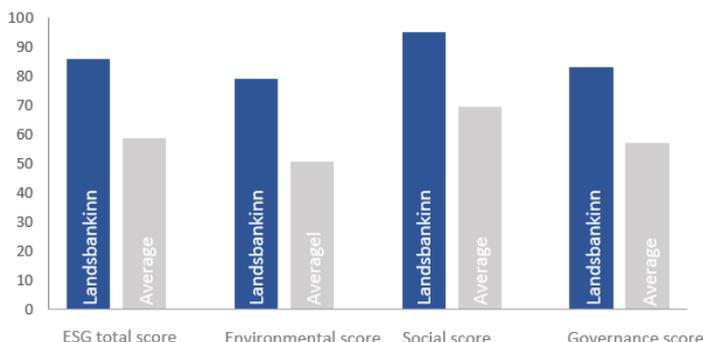
Environmental	15.0%	79	B2
E.1 Eco - Efficiency	7.5%	83	B1
E.2 Environmental Management & Oversight	7.5%	75	B2

Social	25.0%	95	A2
S.1 Working Environment	7.5%	97	A1
S.2 Employee Welfare & Customer Satisfaction	17.5%	94	A2

Governance	60.0%	83	B1
G.1 Corporate Governance & Supplier Chain	9.0%	79	B2
G.2 Corporate Practices	21.0%	97	A1
G.3 Products & Services	30.0%	75	B2

SHORT SUMMARY OF RESULTS

Over the past few years, Landsbankinn has worked well in areas related to environmental, social and governance (ESG) matters and achieved good results. It has made good use of its influence and been an active participant in promoting domestic development of ESG performance. The bank continues to work on the further integration of ESG related matters into its financial decisions and has committed itself to work towards the UN principles of responsible investment (PRI) and responsible banking (PRB). Landsbankinn is currently working on its objective to establish a green loan structure and is involved in the development of PCAF, a project that will assist banks worldwide to measure the carbon footprint of loans and investments. The bank has begun to follow up with its suppliers regarding their ESG performance. Generally, Icelandic financial institutions’ governance-related risk is believed to be low due to the country’s geographical location and strict regulatory framework and the bank therefore meets the set criteria. Information security is a high-risk factor for the financial industry, with constant exposure to risk posed by cyber attacks and rapid technological development. The risk is partly unmanageable; however, the bank works diligently to minimize it and has taken external action to do so. The bank is visible in the domestic community with a high customer satisfaction. It closely monitors its employees and scores high in the social part of this analysis. The bank’s environmental issues are on the right track and it works constantly towards minimizing its carbon footprint and waste generation. Travelling by employees is carbon neutralized and the bank continues towards its target of becoming a paperless bank. The bank receives an excellent score in this ESG rating and is a role



COMPARISON WITH DOMESTIC ISSUERS

The bank is well above average in all categories compared to other domestic issuers that have received an ESG rating by Reitun (approx. 30). The market average shows an overall score of 58 points out of 100 possible, category C1. Landsbankinn shares an A rating with one other issuer, showing outstanding performance in these aspects of the Icelandic market.

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