

PRB Reporting requirement		GRI Standards		Reporting requirement
1,1	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, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.	102-1	Name of the organization	Landsbankinn hf.
		102-2	Activities, brands, products, and services	<a href="#">See GRI 102-2 in GRI Standards index</a>
		102-3	Location of head-quarters	Austurstræti 11, 155 Reykjavík
		102-4	Location of operations	The Bank does not operate outside of Iceland.
		102-6	Markets served	<a href="#">Se GRI 102-6 in GRI Standards index</a>
		102-7	Scale of the organization	<a href="#">See appendix to GRI Standards index, p. 3</a>
1,2	Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.	102-14	Statement from senior decision-maker	<a href="#">From the Chairman of the Board</a> <a href="#">From the Chief Executive Officer</a>
2,1	<p>Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfils the following elements:</p> <p>a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) Context &amp; Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services. (your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d). Show that building on this analysis, the bank has Identified and disclosed its areas of most significant (potential) positive and negative impact. Show that building on this analysis, the bank has Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts</p>	102-15	Key impacts, risks and opportunities	<a href="#">From the Chairman of the Board</a>
		102-15	Key impacts, risks and opportunities	<a href="#">From the Chief Executive Officer</a>
		102-15	Key impacts, risks and opportunities	<a href="#">See chapter on Objectives in Landsbankinn's 2019 ESG Report. Analysis of main impacts of Landsbankinn's operation was not updated in 2020. The 2019 analysis was reviewed and the conclusion was that no major changes had been made between years.</a>

2,2	<p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.</p> <p>Show that these 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. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>		<p>Assess emissions from Landsbankinn’s credit and asset portfolios.</p> <p>Objective the same as at year-end 2019: This is a 4-year goal, i.e. the aim is to publish information about emissions from Landsbankinn’s credit and asset portfolios in the ESG Report for 2023 (to be published in early 2024).</p> <p>Work on this goal will be based on the PCAF carbon accounting method. Mapping emissions from credit and asset portfolios is a complex and difficult task. Development of the PCAF carbon accounting method aims to enable banks to measure emissions in a scientific and comparable manner.</p> <p>Status at year-end 2020: Initial version of the PCAF Standard carbon accounting method launched in November 2020. Work on measuring emissions from the Bank’s credit and asset portfolios against this standard is on-going and the aim is to publish results before the end of Q3 2021.</p>
2,3	<p>Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>		<p><u>Develop green lending.</u></p> <p><u>Objective the same as at year-end 2019: The goal is to develop a green credit framework in 2020 and use it to establish in realistic terms the percentage of green loans in the Bank’s credit portfolio by 2025.</u></p> <p><u>The results will be published in Landsbankinn’s ESG Report for 2020, to be published in early 2021.</u></p> <p><u>Status at year-end 2020: It quickly became clear that Landsbankinn lacked a sustainable finance framework and a cross-disciplinary group within the Bank was tasked with working on a framework in 2020. It was published in 2021. The sustainable finance framework has been reviewed by Sustainalytics, clearly defines the projects that contribute to sustainability and ensures transparency. Around 30% of the Bank’s lending portfolio already fits the parameters of the framework. With the sustainable finance frameworks, this goal has become obsolete and requires revision in 2021. A new and updated goal will be published in Landsbankinn’s ESG Report for 2021, to be published in early 2022.</u></p>
2,4	<p>Progress on Implementing Targets</p> <p>For each target separately:</p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p>Report on your bank’s progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>		<p><u>Work to close the gender-based wage gap and boost gender equality in the labour market.</u></p> <p><u>The Bank has worked towards this target through its efforts to promote equality in recent years by making it its policy that to ensure at least 40% representation by either gender in the Bank’s management teams. This has been achieved in the Bank’s executive board and future efforts shall focus on balancing the gender ratio in other areas and to maintain the positive progress already made.</u></p> <p><u>For more about developments in equality in 2020, turn to the chapter on Human resources and equality.</u></p>

3,1	Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.			<a href="#">Information about instruction and training for employees is included in the chapter Human resources and equality. Part of such instruction and training is mandatory.</a>
3,2	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 activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.			<a href="#">Information about mandatory instruction and training for all employees on measures against corruption and fraud is also included on p. 6 in the appendix to GRI Standards index.</a>
4,1	Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/ results achieved.	102-40	List of stakeholder groups	<a href="#">List of stakeholders is identical to the one used to prepare the objectives in 2019.</a>
		102-42	Identifying and selecting stakeholders	<a href="#">See information on methodology in the 2019 chapter on objectives.</a>
		102-43	Approach to stakeholder engagement	<a href="#">See information on methodology in the 2019 chapter on objectives.</a>
		102-44	Key topics and concerns raised	<a href="#">See information on methodology in the 2019 chapter on objectives.</a>
5,1	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 effective implementation of the Principles.	102-18	Governance structure	<a href="#">See Landsbankinn's corporate governance statement for 2020</a>
		102-19	Delegating authority	<a href="#">See Landsbankinn's corporate governance statement for 2020</a>
		102-20C28:E31A1C28:E30C28:E32A1C28:E33C28:E34C28:E32C28:E31C28:E29	Executive-level responsibility for economic, environmental, and social topics	The Board of Directors is responsible for Landsbankinn's policy on social responsibility, the CEO is responsible for implementation and HR handles implementation along with the managing director of each division. Two sustainability officers work within HR.
				<a href="#">Policy on social responsibility</a>
		102-22	Composition of the highest governance body and its committees	<a href="#">See Landsbankinn's corporate governance statement for 2020</a>
		102-27	Collective knowledge of highest governance body	<a href="#">See Landsbankinn's corporate governance statement for 2020</a>
			<a href="#">Rules of Procedure for the Board of Directors</a>	

5,2	Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.	102-16	Values, principles, standards, and norms of behaviour	<a href="#">Landsbankinn's Terms and Conditions</a>
		102-26	Role of highest governance body in setting purpose, values, and strategy	<a href="#">See Landsbankinn's corporate governance statement for 2020</a>
		102-35	Remuneration policies	<a href="#">Remuneration Committee</a>
				<a href="#">Annual financial statement - Notes to the consolidated financial statement</a>
5,3	Governance Structure for Implementation of the Principles  Show that your bank has a governance structure in place for the implementation of the PRB, including: a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected			Objectives were set in 2019 and are revised annually. Objectives that are not attained or need revision are identified as part of annual revision. This work is communicated in Landsbankinn's annual ESG report.

6,1	Progress on Implementing the Principles for Responsible Banking  Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).  Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.  Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.			Landsbankinn participates in the development of the PCAF Standard carbon accounting method for financial undertakings. Work has begun on measuring emissions from the Bank's credit and asset portfolios based on the PCAF Standard carbon accounting method launched in November 2020. The aim is to ascertain the extent of emissions from the credit and asset portfolios in order to take action and reduce emission through the Bank's products and other channels. Landsbankinn has also decided to implement TCFD to gain understanding of its climate risk and these results will be disclosed annually.
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

Landsbankinn continues its sustainability journey that began a decade back. The Principles for Responsible Banking allow the Bank to work even more systematically towards its goals, especially as regards emission from the Bank's loan and asset portfolio. Landsbankinn has participated in various projects that empowered its sustainability journey - ascribing to the PRBs has let the Bank identify issues and sharpen its focus even further. We have concluded that the most important issue is to identify emissions from the Bank's loan and asset portfolio in order to take action to mitigate emission through the Bank's products. The Bank's products will evolve under its sustainable finance framework, published in 2020.