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Green Finance Allocation & Impact Report 2025

March 2026



Contents

- Introduction **3**
- Landsbankinn Sustainable Finance Framework **4**
 - Eligible projects overview **4**
- Executive summary for green financing 2025 **7**
- Green bonds information **10**
 - Allocation **11**
 - Impact **13**
- Reporting methodology **15**
- Impact calculation methodology **15**
- Assurance report **19**



Introduction

Landsbankinn's Sustainable Finance Framework (the "Framework") sets out the basis for the Bank's sustainable funding activities and the allocation of proceeds to eligible green and social projects. The Framework supports the alignment of the Bank's lending and funding activities with European climate objectives and the transition towards a sustainable, low-carbon economy in line with the goals of the Paris Agreement.

In support of these objectives, Landsbankinn has set ambitious science-based greenhouse gas emission reduction targets that have been validated by the Science Based Targets initiative (SBTi). These targets are aligned with the Paris Agreement and reflect the Bank's commitment to contribute to limiting global warming to 1.5°C. Achieving these targets requires active engagement with the Bank's customers and Landsbankinn is committed to working with its clients to support their transition plans and encourage the setting of climate targets.



The Framework defines eligibility criteria, governance processes and reporting commitments to ensure that proceeds from sustainable financing instruments are allocated transparently and in accordance with recognised market standards. The updated Framework, published in early 2024, refined the methodology and structure of the original 2021 Framework and continues to align, where applicable, with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines. Both versions were subject to external second-party review by Sustainalytics prior to publication.

Landsbankinn issued its inaugural green bond in 2021 following the publication of the first Framework. Two additional issuances followed under the initial Framework in 2021 and 2023. Since the update in 2024, the Bank has issued four green financing instruments - two in 2024 and two in 2025.

In total, Landsbankinn has completed seven green bond issuances, all denominated in euros, with a total issuance amount of EUR 2.1 billion. As at the reporting date, two issuances have matured and EUR 1.5 billion remains

outstanding. At year-end 2025, green bonds accounted for over 64% of the Bank's international funding.

In 2025, the Bank increased responsible lending under the current Framework by ISK 25 billion, corresponding to a 10% increase. As at year-end 2025, total lending eligible under both Frameworks amounted to ISK 293 billion (EUR 2.0 billion). The Bank intends to continue building on this progress in 2026.

An amount equivalent to the net proceeds of each green financing instrument is allocated to eligible assets in accordance with the Framework. Allocation is completed within 24 months of issuance and proceeds remain fully allocated to eligible assets for as long as the instruments are outstanding.

This report presents the allocation of proceeds and the environmental impact of the Bank's green financing instruments as at 31 December 2025.

Landsbankinn Sustainable Finance Framework

The Framework sets out the principles and processes for issuing sustainable financing instruments and allocating proceeds to eligible green and social projects. The Framework is aligned with internationally recognised market standards, including the Green Bond Principles (GBP), the Social Bond Principles (SBP) and the Sustainability Bond Guidelines (SBG) published by ICMA, and takes relevant EU regulation into account, including the EU Taxonomy where applicable.



The Framework applies to various funding instruments, including bonds, commercial paper and other debt instruments issued in green, social or sustainable format. It is structured around four core components:

1. Use of proceeds
2. Process for project evaluation and selection
3. Management of proceeds
4. Reporting

An independent external review has been obtained to confirm alignment with the relevant market principles.

Use of proceeds

Eligible financing must meet the defined criteria set out in the Framework. An amount equivalent to the net proceeds of sustainable financing instruments will be allocated to finance or refinance eligible green and social projects under the Framework. The Bank intends to complete allocation within 24 months of issuance and any unallocated proceeds are managed in line with the Bank's liquidity policies.

Eligible projects overview

Green and/or blue

Renewable energy

This category covers investments in the production, storage and transmission of renewable energy such as wind, solar, hydro, geothermal and sustainable bioenergy. It also includes renewable hydrogen and related infrastructure. Eligible projects must meet defined greenhouse gas (GHG) emission thresholds where applicable and align, where possible, with EU Taxonomy criteria. The objective is to support the transition to a low-carbon energy system and reduce dependence on fossil fuels.

Clean transportation

This category includes zero direct (tailpipe) emission vehicles, vessels and aircraft, as well as supporting infrastructure such as charging facilities. It also covers specific retrofitting activities that reduce fuel consumption and



emissions in line with defined criteria. The aim is to reduce GHG emissions and air pollution from the transport sector. Activities dedicated to the transport of fossil fuels are excluded.

Green buildings

This category includes the construction, acquisition and renovation of buildings that meet recognised environmental certification standards or defined energy performance thresholds. It also covers major renovations that significantly improve energy efficiency and certain individual installations such as renewable energy systems and charging points. For residential buildings, eligibility may be based on being within the top 15% of the national building stock in terms of energy performance, in accordance with the Bank's publicly available methodology. The objective is to reduce energy consumption and associated emissions from the built environment.

Energy and emission efficient products, solutions and manufacturing

This category supports technologies and solutions that improve energy efficiency and reduce emissions across sectors. It includes energy-efficient data

centres, digital solutions enabling GHG reductions, upgraded communication networks and industrial efficiency improvements. Activities directly related to fossil fuel production or distribution are excluded. The purpose is to increase resource efficiency and reduce energy intensity in production and services.

Environmentally sustainable management of living natural resources and land use

This category includes certified organic agriculture, sustainable fishery and aquaculture, and sustainable forestry practices under recognised certification schemes. It may also include restoration of wetlands and other land management practices that support biodiversity. The objective is to promote responsible management of natural resources while protecting ecosystems. Livestock husbandry and non-certified activities are excluded.

Sustainable water and wastewater management

This category covers investments in water collection, treatment and supply systems, as well as wastewater collection and treatment infrastructure. Projects may include construction, extension, renewal and operation of such systems for domestic and industrial use. The aim is to ensure sustainable access to clean water and improve wastewater management. Wastewater related to fossil fuel operations is excluded.

Pollution prevention and control

This category includes waste prevention, recycling and recovery activities, remediation of contaminated sites, and certain emission management solutions. It covers facilities for sorting and processing waste, composting, anaerobic digestion and landfill gas capture. Activities that use fossil fuels are excluded. The objective is to reduce pollution and promote more sustainable waste management systems.

Social

Access to essential services

This category includes financing for publicly accessible infrastructure and services such as healthcare, education, housing for the elderly and childcare facilities. Projects are intended to increase access to essential services and improve service capacity. The objective is to promote social inclusion and equal access to fundamental services.

Affordable housing

This category supports the construction, purchase, maintenance or refurbishment of affordable or social housing for low-income groups as defined under Icelandic regulation. The aim is to increase the availability of safe and



affordable housing for eligible households. Clear criteria are applied to ensure alignment with defined income thresholds.

Employment generation via SME financing in fragile areas

This category includes financing for small and medium-sized enterprises (SMEs) located in defined fragile areas in Iceland. The purpose is to support employment generation and economic development in regions facing structural or demographic challenges. Eligible SMEs must meet the European Commission definition and be located in designated fragile areas.

Alignment with the EU Taxonomy

Landsbankinn aims to align its methods with the EU Taxonomy criteria and has identified categories in the Framework where the criteria are aligned with the substantial contribution to climate mitigation criteria. The alignment of the green categories with the EU Taxonomy has been reviewed and assessed by an independent third party. The assessment covered both the requirement for Substantial Contribution to the climate mitigation objective and compliance with the EU Taxonomy's Minimum Safeguards (collectively "SC").

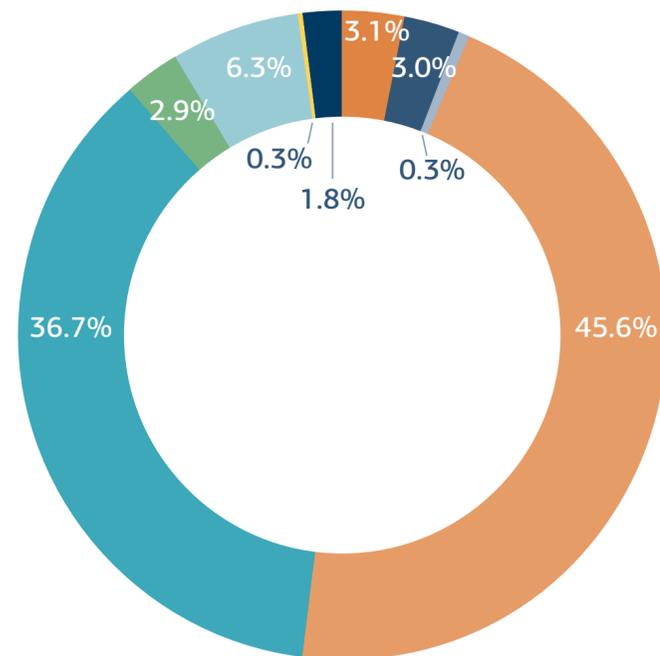
With regard to Substantial Contribution, the green categories were mapped to 59 economic activities defined in the EU Taxonomy. Of these, 46 activities were assessed as aligned with the applicable technical screening criteria, six as partially aligned and seven as not aligned. Based on the independent assessment, the activities financed under the Framework are expected to meet the EU Taxonomy's Minimum Safeguards requirements.

In line with the Framework, the Bank reports the share of financing that is assessed as aligned with the SC. The proportion of aligned activities is disclosed in the allocation reporting to ensure transparency regarding EU Taxonomy alignment.

Executive summary for green financing 2025

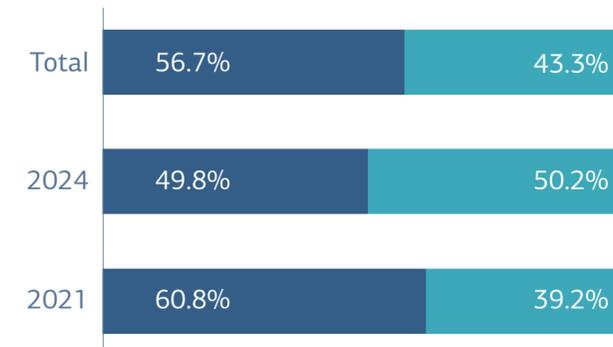
Total eligible assets for sustainable projects under both Sustainable Finance Frameworks

- Clean transportation (electrical vehicles)
- Eco-efficient and/or circular economy adapted products, production technologies and processes
- Energy and emission efficient products, solutions and manufacturing
- Environmentally sustainable management of living resources and land use
- Green buildings
- Renewable energy
- Sustainable water and wastewater management
- Access to essential services
- Affordable housing



	EURbn
Total outstanding eligible assets	1.99
of which green	1.95
of which social	0.04
Total green instruments issued	1.50
of which issued in 2025	0.60
Total green instruments fully allocated	0.90
of which SC-aligned	0.03

New finance vs. refinance



Green bonds information

Issue date	25 November 2021	13 March 2024	8 October 2024	24 June 2025	3 November 2025
Issuer	Landsbankinn hf.				
Bond type	Green, senior preferred				
ISIN	XS2411726438	XS2779814750	XS2913946989	XS3102045443	XS3199049217
Bloomberg	LANBNN 0 3/4 05/25/26	LANBNN 5 05/13/28	LANBNN 3 3/4 10/08/29	LANBNN 3 1/2 06/24/30	LANBNN 3 5/8 11/03/32
Amount (EURm)	300	300	300	300	300
Maturity date	25 May 2026	13 May 2028	8 October 2029	24 June 2030	3 November 2032
Currency	Euro	Euro	Euro	Euro	Euro
Place of listing	Euronext, Dublin				
Outstanding debt as at 31.12.2025 (EURm)	300	300	300	300	300
Allocated proceeds as at 31.12.2025 (EURm)	100%	100%	100%	0%	0%
Remaining balance of unallocated proceeds (EURm)	0	0	0	300	300
Refinance	39.2%	50.2%			
New finance	60.8%	49.8%			



Allocation



		Eco-efficient and/or circular economy adapted products, production technologies and processes	Environmentally sustainable management of living resources and land use	Green buildings	Renewable energy	Sustainable water and wastewater management	Total
GB 2021	Allocated amount (EURm)	60.2	218.5	7.7	13.6	-	300.0
	of which EU Taxonomy SC-aligned	-	N/A	N/A	13.6	N/A	13.6
	Share of SC-aligned	0%			100%		4.5%
GB 2024	Allocated amount (EURm)	N/A	430.7	32.5	19.3	117.5	600.0
	of which EU Taxonomy SC-aligned		N/A	N/A	19.3	N/A	19.3
	Share of SC-aligned				100%		3.2%
Total	Allocated amount (EURm)	60.2	649.3	40.3	32.8	117.5	900.0
	of which EU Taxonomy SC-aligned	-	N/A	N/A	32.8	N/A	32.8
	Share of SC-aligned	0%			100%		3.6%

In relation to the 2021 issuance, the Bank discloses, on a voluntary basis, additional information regarding alignment with the substantial contribution criteria of the current Framework to enhance transparency and comparability. An amount equivalent to the net proceeds of each green bond issuance prior to 2025 has been allocated to eligible assets in accordance with the Frame-

work. Allocation is completed within 24 months of issuance and is tracked separately for each bond.

As at the reporting date, no allocation has been made to the 2025 issuances. Allocation of proceeds from these issuances will be carried out in accordance with the requirements of the Framework within the defined allocation period.



Impact

		GB 2021	GB 2024	Total		
	Annual avoided emissions	11,641	12,143	23,784	tCO ₂ e	
	Number of MSC certified projects	22	48	55		
	Harvested MSC certified fish (cod equivalent)	15,051 (11,906)	23,592 (20,219)	38,643 (32,125)	tons	
	Number of square meters of eco-certified housing	531	3,604	4,135	m ²	
	Renewable energy produced	Electricity	13,206	51,031	64,237	MWh
		Heat	12,460	25,988	38,448	MWh
	Annual energy savings	5,193	-	5,193	MWh	
	Wastewater reused	-	518,353	518,353	m ³	

Reporting methodology

Landsbankinn manages eligible assets within a common portfolio, while allocation of proceeds is tracked separately for each issuance to ensure that an amount equivalent to net proceeds remains allocated to outstanding sustainable financing instruments. For the 2024 issuances, eligible assets were allocated jointly to the combined issuance amount and subsequently distributed equally between the two bonds. Eligible assets are allocated only once across all outstanding sustainable financing instruments to avoid double counting.

Reported impact reflects the outstanding allocated eligible assets as at the reporting date. Impact is calculated on a pro-rata basis, reflecting Landsbankinn's share of financing in each underlying project. Projects that have not yet resulted in outstanding exposure, are still under implementation or do not yet have measurable outcomes are not included in impact calculations. Accordingly, reported impact reflects only the portion of proceeds that remains allocated and outstanding in eligible assets as at the reporting date. Unallocated proceeds or allocated amounts that are not outstanding as at the reporting date are not included in impact figures. This ensures full consistency between allocation reporting and impact reporting.

Impact assessments are based on either ex-ante estimates or ex-post operational data, depending on the availability and reliability of underlying information. Where verified data is available, impact is reported on an ex-post basis; otherwise, estimates are derived on an ex-ante basis using information provided by borrowers and, where relevant, publicly available sources. The approach applied in each case is disclosed to ensure transparency and comparability.

The reporting period ends on 31 December of the reporting year. Reported allocation and impact figures reflect the outstanding allocated exposure as at that date, taking into account disbursements and repayments during the period.

Impact calculation methodology

Impact is reported, where possible and relevant, in accordance with ICMA's Harmonised Framework for Impact Reporting and prevailing market practice. Impact assessments are based on the best available data at the time of reporting. As not all underlying data may be available, calculations are prepared on a best-effort basis using documented assumptions and recognised methodologies.



Where applicable, emphasis is placed on reporting avoided greenhouse gas emissions, provided that relevant data is available and the underlying methodology is considered scientifically sound.

Where greenhouse gas emissions are calculated using a grid-based reference factor, the combined margin emission factor is applied. This reference value is consistent with the Nordic Public Sector Issuers Position Paper on Green Bonds Impact Reporting (March 2024).

In certain cases, the disclosure of specific data may allow for the identification of individual borrowers or projects, given the relatively small size of the Icelandic market. To safeguard client confidentiality, the Bank reserves the right to withhold such information or to present it in aggregated or more generalised form. Where data is presented in aggregated form, aggregation is applied consistently across categories and reporting periods to ensure comparability and avoid distortion of impact results. Aggregation does not result in double counting of impacts across bond issuances or reporting categories. Investors in the Bank's sustainable bonds may, however, request additional information relating to their investment, and the Bank will seek to provide such information to the extent possible and in accordance with applicable confidentiality obligations.



Environmentally sustainable management of living natural resources and land use

Impact reporting for this category is based on official fisheries data obtained from the Icelandic Directorate of Fisheries (Fiskistofa), which provides comprehensive and historical information on fishing activities in Icelandic waters (ex-post). The data enables disaggregation by company, vessel, species and fishing gear, thereby ensuring traceability and accuracy in the assessment of eligible activities.

Eligibility under this category extends beyond direct fishing activities and includes financing related to the broader value chain of sustainable fisheries. This may include certified fishing operations, seafood production and processing companies, as well as financing linked to fishing quotas or other assets associated with responsibly managed fisheries. For fishing activities, eligibility is assessed with reference to Marine Stewardship Council (MSC) certification or equivalent recognised standards, ensuring that reported volumes relate to certified and sustainably managed fisheries. Financing is considered eligible where more than 90% of a company's revenue is derived from such certified fishing activities.

Reported impact reflects activities and volumes associated with certified and responsibly managed fisheries only. Each eligible project is counted once in full, irrespective of the number of loans associated with the project or the allocation of such loans across different bond issuances or Frameworks.

This approach avoids double counting and ensures consistency and comparability in reporting.

Green buildings

Impact reporting for green buildings is based on information provided by project developers and borrowers regarding certified construction or renovation activities during the reporting year. Only buildings that meet the defined certification standards under the Framework are included in the eligible portfolio. Certified floor area is reported on the basis of actual project data (ex-post), while associated environmental performance metrics, such as estimated emission reductions or energy efficiency improvements, are calculated on an ex-ante basis using recognised certification methodologies and, where necessary, publicly available benchmarks. Reported impacts reflect the allocated outstanding exposure as at the reporting date.

Renewable energy

Impact reporting for renewable energy projects is based on annual renewable energy generation (MWh) associated with financed assets. Data is based on ex-post operational information provided by borrowers or relevant public sources, while avoided greenhouse gas emissions are calculated on an ex-ante basis.

Avoided greenhouse gas emissions are calculated by applying the reference



emission factor described above to the volume of renewable electricity generated. Where applicable, impact is reported on a pro-rata basis reflecting the Bank's share of financing.

Sustainable water and wastewater management

Impact reporting for this category is based on ex-post operational data publicly disclosed by the relevant companies or provided to the Bank through its monitoring processes. Reported impact reflects the annual volume of wastewater treated and reused, expressed in cubic metres (m³). Where available, the figures represent actual operational data for the reporting period. The Bank reports the total volume of reused wastewater attributable to financed projects, based on the share of financing where relevant.

Eco-efficient and/or circular economy adapted products, production technologies and processes (2021 Framework)

This category formed part of the original 2021 Framework and is not included in the current Framework.

Impact reporting for projects within this category is based on ex-ante estimates of greenhouse gas emissions avoided through improved energy efficiency or low-emission operations, derived from historical data and documented assumptions. Avoided emissions are calculated by applying the

reference emission factor described above to the relevant volume of energy used or saved, depending on the nature of the project.

For projects that result in reduced energy consumption, calculations are based on documented energy savings. In cases involving energy-intensive activities located in Iceland, where electricity consumption relies predominantly on renewable energy sources, direct location-based emissions may be limited. To ensure comparability and transparency, the impact assessment may therefore apply a reference scenario approach, under which avoided emissions are estimated using an alternative grid emission factor representing a higher-carbon electricity system.

For data centre projects specifically, this reference scenario approach is operationalised by comparing the disclosed power usage effectiveness (PUE) of the Icelandic operations with the average PUE benchmark for European data centres, based on publicly available sources. The difference in total energy consumption implied by this comparison forms the basis for the avoided emissions calculation.

Given the limited number of non-energy-related projects within this category, the disclosure of detailed impact information could result in the identification of the underlying borrower. In order to safeguard client confidentiality, the Bank is therefore not providing further project-specific impact information for this category in the reporting year.



Independent Auditor's Assurance Report

To the Management and the stakeholders of Landsbankinn hf.

We have been engaged by Landsbankinn hf. to provide limited assurance on the allocation of net proceeds from Green Bonds as disclosed in Green Finance Allocation & Impact Report 2025 ("the Report"). The allocation is made according to Landsbankinn's Sustainable Financing Framework which is based on ICMA's guidelines and the EU taxonomy for sustainable financing.

Our engagement was performed in order to evaluate:

- Allocation of net proceeds from Green Bonds are used to finance projects that meet the criteria of the Bank's Sustainable Financing Framework from the year 2021 and 2024.

We express a conclusion providing limited assurance.

Management's responsibility

The Management of Landsbankinn is responsible for collecting, analysing, aggregating, and presenting the information in the report, ensuring that the information is free from material misstatement, whether due to fraud or error.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (IESBA Code), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Deloitte ehf. is subject to International Standard on Quality Management (ISQM) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion on the allocation based on the Sustainable Financing Framework, presented in the Green Finance Allocation & Impact report for 2024. We have conducted our work in accordance with ISAE 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, to obtain limited assurance about our conclusion. In accordance with the standard, we have planned and performed our work to obtain limited assurance about whether Allocation information is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material misstatement, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed reviews of data, reviews of the underlying data processes as well as interviews with those responsible for producing the data. Our work has included interviews with key functions in Landsbankinn, inquiries regarding procedures and methods to ensure that the allocation of funding is in accordance with the guidelines within Landsbankinn's Sustainable Financing Framework. We have assessed processes, systems, and controls for gathering, consolidating and aggregating the data at Landsbankinn, and performed analytical review procedures and tested data prepared against underlying documentation.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that allocation of net proceeds from Green Bonds in Landsbankinn's Green Finance Allocation & Impact report for the year 2025 is not prepared, in all material respects, in accordance with the Sustainable Finance Framework.

Kópavogi, 13 March 2026

Deloitte ehf.

Steina Drófn Snorradóttir
State-Authorised Public Accountant

