

Date of issue: February, 2024

Landsbankinn hf.

Scope 1 and 2: Landsbankinn hf. commits to reduce absolute scope 1 GHG emissions 95% by 2030 from a 2019 base year.

Landsbankinn hf. commits to continue active annual sourcing of 100% renewable electricity through 2030.

Scope 3 category 1-14: Landsbankinn hf. further commits to reduce absolute Scope 3 categories 1-14 GHG emissions 50% by 2030 from a 2019 base year.

Scope 3 Portfolio Targets

Headline target: Landsbankinn hf.'s portfolio targets cover 41% of its total investment and lending by total balance sheet assets as of 2019¹. As of that year, required activities made up 29% of Landsbankinn hf.'s total investment and lending by total balance sheet assets while optional activities made up 52% and out of scope activities made up 19%.

Scope 3 asset class level targets

Asset class	Method	Target language
Residential Mortgages	Sector Decarbonization Approach (SDA)	Landsbankinn hf. commits to maintain the emissions intensity of its real estate investment/loan portfolio at or below 1.0 kgCO ₂ e/m ² from 2019 through 2030 and only finance 1.5°C aligned real estate assets.
Corporate loan: electricity generation	SDA	Landsbankinn hf. commits to continue providing corporate loans in the power sector for only renewable electricity through 2030.

¹ These targets and coverage percent do not include third-party asset management activities. Third-party asset management activities made up 11% of total investment, lending, and asset management activities by total assets and assets under management.

<p>Corporate loan: commercial real estate</p>	<p>Temperature Rating</p>	<p>Landsbankinn hf. commits to align its scope 1 + 2 portfolio temperature score by invested value within the commercial real estate from 3.2°C in 2019 to 2.47°C by 2028.</p> <p>Landsbankinn hf. commits to align its scope 1 + 2 + 3 portfolio temperature score by invested value within the commercial real estate from 3.2°C in 2019 to 2.47°C by 2028.</p>
<p>Corporate loan: including aviation, shipping, fisheries and other long-term public debt</p>	<p>Temperature Rating</p>	<p>Landsbankinn hf. commits to align its scope 1 + 2 portfolio temperature score by financed emissions within the aviation, shipping, fisheries and other long-term debt from 2.17°C in 2019 to 1.88°C by 2028.</p> <p>Landsbankinn hf. commits to align its scope 1 + 2 + 3 portfolio temperature score by financed emissions within the aviation, shipping, fisheries and other long-term debt from 2.73°C in 2019 to 2.20°C by 2028.</p>
<p>Listed equity, exchange traded funds, investments in REITs and corporate bonds</p>	<p>Temperature Rating</p>	<p>Landsbankinn hf. commits to align its scope 1 + 2 portfolio temperature score by invested value within the listed equity, exchange traded funds, investments in REITs and corporate bonds from 1.92°C in 2019 to 1.70°C by 2028.</p> <p>Landsbankinn hf. commits to align its scope 1 + 2 + 3 portfolio temperature score by invested value within the listed equity, exchange traded funds, investments in REITs and corporate bonds from 1.96°C in 2019 to 1.72°C by 2028.</p>

Summary

Landsbankinn hf. will implement the following strategy and actions to achieve its targets:

- Landsbankinn has actively been a part of voluntary initiatives that work towards sustainability with focus on reaching the UN SDG's and the Paris Agreement of 1.5°C. Landsbankinn will continue that going forward as well as share what is learned and is considered best practice with our clients. Landsbankinn will achieve this through various events about sustainability, some of which will be targeted towards different sectors. Landsbankinn believes that educating our clients about what needs to be

done, different initiatives that are available, and support them on their journey is where Landsbankinn can make the most difference.

- Residential mortgages: Going forward Landsbankinn hf. remains committed to continually improving the energy efficiency of existing buildings through energy efficient renovation or technical installations. Landsbankinn hf. also aims to finance construction of new buildings utilizing low-emission materials or the recycling of existing materials in line with best practices currently available.

Landsbankinn hf. will only finance new residential building developments which emit on average 1.0 kgCO₂e/m² or less, through the utilization of renewable electricity and energy efficiency measures, and ensuring they are consistent with limiting warming to 1.5°C with no or limited overshoot.

- Corporate loans, electricity generation: Landsbankinn hf. will continue to maintain renewable electricity generation financing and will only finance new capacity from renewable energy sources and additional exposure to existing capacity only if the infrastructure has an emissions abatement plan consistent with limiting warming to 1.5°C with no or limited overshoot.

Landsbankinn hf. selected these actions because there is a strong belief these actions could achieve GHG emissions reductions in the real economy since not all clients realize how much they are emitting, how to respond to it, where to find initiatives and education on what they can do and how. By guiding them in the directions of measuring, setting goals and reporting on them, Landsbankinn hf. can see real life reduction in GHG emissions.