



Responsible Banking Progress Statement for PRB Signatories



Summary

Norion Bank AB (publ) 2024

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content</p> <p>Norion Bank is a Nordic financing bank, operating under the brands Norion Bank, Walley, and Collector. We provide financing solutions tailored to three segments: medium-sized corporates and real estate companies, merchants, and private consumers. Our vision is to be the leading Nordic financing bank in our chosen segments, complementing traditional large banks with flexible and responsible solutions.</p> <p>Our strategy integrates sustainability across operations. Guided by our values—Business-minded, Committed, and Caring—we align our business activities with the UN Sustainable Development Goals (SDGs) and the Paris Agreement. We have through an impact analysis identified four SDGs as areas of most significant impact:</p> <ul style="list-style-type: none"> • SDG 8: Decent work and economic growth • SDG 11: Sustainable cities and communities • SDG 13: Climate action • SDG 16: Peace, justice and strong institutions 	<p>Content</p> <p>Norion Bank conducted a double materiality analysis in 2023 in accordance with the Corporate Sustainability Reporting Directive (CSRD). The results form the basis for our continued efforts to be a sustainable and responsible business. The double materiality analysis included an assessment of both internal (actual or potential positive or negative impacts) and external (risks or opportunities) factors that may affect Norion Bank’s operations and stakeholders.</p> <p>As a result of the double materiality analysis, climate change adaptation, climate change mitigation, energy, waste, own workforce, workers in the value chain, consumers and end-users, and business conduct became material.</p> <p>During 2024, Norion advanced its climate work by calculating Scope 3 financed emissions for corporate and real estate lending. This data-driven approach is critical to developing credible targets: robust and comparable data is a prerequisite for setting portfolio-level interim targets in line with the Paris Agreement. Norion Bank has committed to achieving net zero emissions by 2045 and expects</p>	<p>Content</p> <p>Having well-functioning processes and procedures in place within the Bank is central to Norion Bank’s strategy and governance. This is a on ongoing project, and we strive to further enhance and improve its procedures and processes. The Bank has a number of policies and policy documents that operationalize our key sustainability areas and aspects. Norion Bank’s policy documents are revised annually and are published on the website to increase transparency to our stakeholders.</p> <p>Norion Bank attach great importance to responsible lending. We do this by identifying businesses and business models that are robust and generate good returns while the risk they carry is deemed to be manageable. By integrating and assessing companies’ sustainability work in the credit process that governs our corporate lending, as a bank we can contribute to emission reductions and sustainable social development from other aspects as well.</p> <p>Norion Bank engages actively in conversations with customers to support them on their sustainability journeys. A key tool in this work is the ESG analysis through credit-PMs. In 2024, ESG analysis was conducted on 84% of the corporate and real estate portfolio, and these assessments were in some</p>

<p>In 2024, Norion Bank issued its first green bonds, developed a Green Bond Framework aligned with ICMA's Green Bond Principles, and established a Green Bond Committee to oversee allocation of proceeds. These initiatives strengthen our alignment with global frameworks and national goals as well as our efforts to integrate sustainability into our business, where we help our customers in the transition by financing green businesses.</p> <p>Furthermore, the Bank prepared our fourth Communication on Progress report for the UN Global Compact, and has been a signatory to the UNEP FI Principles for Responsible Banking (PRB) since 2021. This commits us to align our business activities with the Paris Agreement, as Norion Bank is both impacted by and impacts our environment and our stakeholders.</p>	<p>to set intermediate targets for financed emissions, with particular focus on the real estate portfolio aligning with the 1,5°C scenario.</p> <p>In addition to climate, Norion Bank plays a significant role in promoting financial health, particularly in the medium-sized enterprise (MSE) segment. MSEs account for nearly a fifth of employment in Sweden, yet they face persistent challenges in accessing bank financing. 69% of medium-sized companies finance growth primarily with their own resources, while only 37% report using bank financing . This demonstrates a structural underfinancing in the segment, where Norion acts as a crucial complement to larger banks. Supporting this segment not only enables business growth and innovation, but also contributes to job creation and resilience in the wider economy .</p> <p>Norion Bank's role in MSE financing goes beyond credit provision. Through initiatives such as the Corporate Accelerator program, launched in 2022, selected customers and prospects are supported with knowledge, tools and networks to strengthen financial capacity and long-term growth opportunities . By combining access to finance with advisory elements, Norion Bank helps enhance the financial health of MSEs, ensuring that these businesses can withstand external shocks and continue contributing to economic development.</p> <p>In measuring progress, financial health is tracked not only through participation in development programs but also via Norion Bank's pre-credit processes. By maintaining a sound risk culture and</p>	<p>cases complemented by dialogues with clients to discuss risks, opportunities and transition needs.</p> <p>For consumers, we continue to prioritize sound and sustainable lending. Credit decisions are based on actual financial circumstances, and the shift to direct channels (45% of loans in 2024) increases transparency and reduces over-indebtedness.</p>
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	<p>careful assessment of customers' business models and sustainability performance, the Bank seeks to ensure that its financing strengthens financial resilience rather than undermines it. Credit losses thus function as a proxy for monitoring how well Norion Bank supports MSEs in achieving sustainable financial health .</p> <p>Through these efforts – enhancing the data foundation for climate target setting and supporting an underfinanced but vital customer segment – Norion Bank is addressing two of its most material impact areas: climate change mitigation and financial health & inclusion.</p>	
<p>Links & references</p> <p>Annual & Sustainability report 2024: pp. 8, 30–41, 120–133</p>	<p>Links & references</p> <p>Annual & Sustainability report 2024: pp. 30–41, 121–126</p> <p>Report: Medel för tillväxt 2025</p>	<p>Links & references</p> <p>Annual & Sustainability report 2024: pp. 6, 34, 120, 123</p>

Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
<p>Content</p> <p>Through our activities, we want to help create long-term value for our stakeholders: customers, investors, employees and society. We strive to create long-term value from a financial, social and environmental perspective. Together with our customers, we want to contribute to future sustainable development.</p> <p>Norion Bank engage with our stakeholders in a variety of ways. In 2024 this included in some cases dialogue with customers and potential customers regarding ESG risks, opportunities and transition possibilities, leading to knowledge sharing and a deeper understanding of each party’s role. Furthermore, sustainability has had a more present role in our Corporate Accelerator program. By regularly having continuous dialogues with our stakeholders, Norion Bank can meet stakeholder expectations and adapt to a changing environment, ultimately strengthening its sustainability and long-term success.</p>	<p>Content</p> <p>Our governance work is based on the UN Global Compact's ten principles on respect for human rights, labor, environment and anti-corruption. It aims to make a long-term contribution to an integrated ethical, social and environmental perspective throughout our business. The Board is ultimately responsible for sustainability issues within Norion Bank and it establishes policy frameworks and control processes.</p> <p>The CEO and Chief Sustainability Officer are responsible for integrating sustainability work into the business, and the Ethics Committee has been set up by the CEO to provide a decision-making forum for sustainability issues that need special attention. Norion Bank has an Ethical Committee (EC) in place that serves as an assessing and consulting tool for customer and credit sustainability risks based on the Issuer’s sustainability-related sector guidelines. Before the bank decides on credit approval or rejection, the EC is consulted regarding the sustainability risk aspects. The credit decision depends on EC’s approval or rejection. If a credit is rejected by the EC it will not be granted. Furthermore, the bank maintains systematic reviews of existing credits, including ESG assessments, to evaluate if any new risk has emerged, and how previous risks (if any) are being managed by the lender. If a significant change in risk assessment is observed, the bank may subject to terms, conditions, and client dialogue, terminate the</p>	<p>Content</p> <p>Norion Bank’s Sustainability Report 2024 and Norion Bank’s Green Bond Impact Report 2024 form the basis for Norion Bank’s Responsible Banking Progress Statement. Both reports have been subject to limited assurance reviews by the company’s auditors.</p>

	<p>credit agreement.</p> <p>Norion Bank conducts several training courses each year to give employees the right tools and capabilities. The training “Sustainability Certification in the Financial Sector” is mandatory to all employees and part of the introduction for new employees. All our employees undergo mandatory internal training in areas such as GDPR, anti-corruption, and complaint handling. The bank has been affiliated to Swedsec since 2022 and has licenses for client executives and the management team.</p> <p>The governance framework is complemented by internal policies and instructions, and a whistleblowing system available in several languages. Together, these mechanisms support a culture of responsibility, risk awareness, and transparency, while ensuring that Norion Bank conducts business in a sound, ethical and sustainable manner.</p>	
<p>Links & references</p> <p>Annual & Sustainability report 2024: pp. 40-41, 121</p>	<p>Links & references</p> <p>Annual & Sustainability report 2024: pp. 38-39, 120</p>	<p>Links & references</p> <p>Annual & Sustainability report 2024: pp.133</p> <p>Green Bond Impact Report 2024: pp. 16</p>