

**Norion Bank**  
Group

# Impact report

2024

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**Martin Nossman**  
Chief Executive Officer

## Statement from CEO

At Norion Bank, we are committed to driving the transition towards a more sustainable economy. As a specialist in financing solutions, we have a unique opportunity to influence environmental and social outcomes—primarily through our credit portfolio.

Our Green Bond Framework represents a natural extension of our sustainability strategy, translating our long-term ambitions into tangible impact. By issuing Green Bonds, we can allocate capital to projects or companies with clear environmental benefits, while strengthening our role as a responsible and forward-looking partner to our clients. Our commitment to being Business-minded, Committed and Caring is reflected in the way we approach green financing.

Green assets now account for a significant share of our corporate banking loan book and the proceeds of our first green bonds – totaling SEK 1 200 million – have been allocated to projects or companies that deliver measurable environmental benefits.

Mobilizing capital for sustainable investments is not just an opportunity –it is our responsibility. Our Green Bond Framework ensures that we do so with transparency, governance, and alignment with international best practices such as the ICMA Green Bond Principles. This builds trust among investors, clients, and society at large.

# Statement from CSO

At Norion Bank, our sustainability work is firmly rooted in the understanding that our most significant impact lies in our credit portfolio. This was confirmed through our 2023 double materiality analysis under the EU CSRD and ESRS frameworks, where it became clear that financing decisions is our most powerful lever for change.

Our Green Bond Framework is a natural extension of our sustainability strategy. It allows us to steer capital towards activities that directly support our long-term ambitions—such as aligning with the Paris Agreement and contributing to the UN Sustainable Development Goals. Through this framework, we finance projects or companies within clearly defined categories including Green Buildings, Renewable Energy, and Clean Transportation—areas that reflect both our business priorities and our environmental responsibilities.

The structure of the Green Bond Framework is closely integrated with our existing credit process. All green loans are subject to the same thorough sustainability assessment as other financing activities, based on our Sustainability Policy and Red List. These assessments cover climate-related risks, social and governance factors, and sector-specific ESG criteria. Our internal Green Bond Committee ensures transparent and consistent selection, tracking, and reporting of green loans in line with ICMA's Green Bond Principles.

Being Business-minded, Committed and Caring means we act with long-term responsibility — for our clients, employees and society. This philosophy has guided our work as we endeavored to be climate neutral in our own operations (Scope 1 and 2) by 2025 – which we achieved in 2022 – and to complete portfolio-wide Scope 3 mapping by 2024 – which was realized. Issuing green bonds is a distinct way for us to turn these ambitions into action — mobilizing capital for measurable environmental benefit while creating transparency and trust with our stakeholders.

We are proud to report on the progress achieved under this year's green bond issuance and remain committed to developing our sustainable finance practices in line with evolving expectations, regulation and market standards.



“For the past years, Norion Bank has been working strategically to develop our sustainability work, and we have progressed by issuing green bonds.”

**Sarah Olofsson**, Chief Sustainability Officer at Norion Bank.





# About Norion Bank

Norion Bank Group is a business-oriented Nordic financing bank. The Group's brands – Norion Bank, Walley and Collector – offer customized financing solutions that meet distinct needs in three customer segments: medium-sized corporates and real estate companies, merchants, and private consumers. Our three brands are united by a common vision: to enable growth through responsible finance.

Founded in 1999 and listed on Nasdaq Stockholm, the Group operates out of Gothenburg, Stockholm, Helsingborg, Oslo and Helsinki. As of 31 December 2024, our total lending amounted to 50 SEKbn and we served several hundreds of corporate clients and 53 000 retail customers across the Nordics.

Norion Bank is supervised by the Swedish Financial Supervisory Authority and maintains solid capital and liquidity buffers in line with – or above – regulatory requirements.



# Sustainability Strategy

Norion Bank aims to operate in a way that creates sustainable economic, social and environmental value. Through the development of our sustainability strategy, we identified that our largest impacts – and therefore our greatest opportunities – lie within the credit portfolio. This was further confirmed through our double materiality analysis of 2023, conducted in accordance with the EU CSRD/ESRS framework.

The Bank's sustainability strategy is built on the ambition to make a difference where it matters most. Based on this principle, Norion Bank has structured key sustainability aspects into three strategic focus areas – Business minded, Committed and Caring – describing what we do, who we are and how we behave.





### **Business-minded**

– responsible financing that enables sustainable growth

- ▶ 84 % of the corporate and real estate portfolio has undergone enhanced ESG analysis, and every new loan is screened against our Red List and assessed for financed emissions using the PCAF methodology.
- ▶ A full Scope 3 baseline was completed in 2024, with the ambition to set science based targets in 2025.
- ▶ We advance financial inclusion while pursuing a zero complaint vision on customer privacy, anti corruption and marketing.



### **Committed**

– empowered people delivering long term success

- ▶ We aim for an eNPS > 50 each year and recorded 61 in 2024, reflecting a highly engaged, inclusive culture.
- ▶ All employees hold mandatory sustainability certification, and a network of sustainability ambassadors will be in place from 2025 to embed ESG across departments.



### **Caring**

– transparent and ethical conduct in everything we do

- ▶ We achieved climate neutrality in Scope 1 & 2 by 2022. To further our ambition within reducing our climate impact, the Bank has set the target to achieve net zero emissions by 2045.
- ▶ An Ethics Committee and sector exclusion guidelines (Red List) ensure we do not finance activities that violate environmental or human rights norms.

Our Green Bond Framework is an enabling part to reach our ambition and meet our sustainability targets in our strategy, as it enables the Bank to finance and refinance projects that contribute to our three strategic focus areas.

This alignment ensures that the proceeds from Green Bonds directly contribute to the Bank's overall sustainability ambition, and that progress can be tracked through transparent allocation and impact reporting in line with the Green Bond Principles and market best practices.

# Governance and Risk Management

Ultimate responsibility for sustainability lies with the Board of Directors. Day-to-day execution is led by the Chief Sustainability Officer. Firstline credit teams are trained to identify material ESG factors, while Group Risk performs an independent review. All green assets undergo continuous monitoring for eligibility.

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## Green Bond Framework

The Green Bond Framework sets out how Norion Bank selects, evaluates, manages and reports on assets financed with green bond proceeds. It covers six eligibility categories (out of which allocation of funds were made in five of those for 2024) and is fully aligned with the ICMA Green Bond Principles (2021). In December 2023, ISS ESG issued a positive Second Party Opinion, confirming the framework's robustness and its contribution to key environmental objectives.

By aligning financing activities with recognized environmental objectives, Norion Bank contributes to the UN Sustainable Development Goals and reinforces its role as a responsible financial institution.

The framework documents and the SPO are available at <https://www.norionbank.se/en-SE/investor-relations-en/financial-information/debt-investors/mtn-program-en>



Green Loan categories	Sub-categories	Related SDG	EU Taxonomy environmental objectives
<b>Green buildings</b>	<p><b>New buildings</b> (built after 31 December 2020) Green buildings, either residential or commercial real estate that meet criteria i. or ii. or iii. And if larger than 5000m2 also criteria iv., subject to data availability:</p> <ul style="list-style-type: none"> <li>i. Buildings with a Primary Energy Demand (PED) at least 10% lower than the threshold set for Nearly Zero-Energy Building (NZEB) requirements according to national building regulations, or</li> <li>ii. Buildings that meet the requirements of Miljöbyggnad Silver, BREEAM Very Good, LEED Gold, DGNB Gold or an equivalent level, or</li> <li>iii. Buildings with an energy performance certificate (EPC) of class A</li> <li>iv. For buildings larger than 5000m2: <ul style="list-style-type: none"> <li>• upon completion, the building resulting from the construction undergoes testing for airtightness and thermal integrity, and</li> <li>• the life-cycle Global Warming Potential of the building resulting from the construction has been calculated for each stage in the Life Cycle</li> </ul> </li> </ul> <p><b>Existing buildings</b> (built before 31 December 2020) Ownership or acquisition of buildings, either residential or commercial real estate that meet either criteria i. or ii.</p> <ul style="list-style-type: none"> <li>i. Buildings with EPC A or within top 15% of the national or regional building stock expressed as operational PED and demonstrated by adequate evidence, or</li> <li>ii. Buildings that meet the requirements of Miljöbyggnad Silver, Miljöbyggnad iDrift Silver, BREEAM Very Good, BREEAM In-Use Very Good, LEED Gold, DGNB Gold or an equivalent level</li> </ul> <p><b>Major renovations</b> Major renovations of either residential or commercial real estate</p> <ul style="list-style-type: none"> <li>i. Major renovations leading to primary energy savings of at least 30%</li> </ul>	 	Climate change mitigation
<b>Energy efficiency</b>	Energy efficiency projects such as technology, energy storage, smart power grid solutions, improvements in ventilation systems, extension of district heating and cooling systems		Climate change mitigation
<b>Renewable energy</b>	<ul style="list-style-type: none"> <li>i. Solar power</li> <li>ii. Wind power</li> </ul>		Climate change mitigation
<b>Clean transportation</b>	<ul style="list-style-type: none"> <li>i. Fossil-free vehicles powered by electricity</li> <li>ii. Infrastructure for clean transportation including bicycle and pedestrian infrastructure and electric charging points</li> </ul>		Pollution prevention & control
<b>Climate change adaption</b>	<p>Climate adaptation measures such as:</p> <p><b>Green buildings</b></p> <ul style="list-style-type: none"> <li>i. Green roofs and green walls with substantial contribution to climate change adaptation in accordance with European taxonomy framework SWD (2023) 239</li> <li>ii. infrastructure designed to provide protection against flooding (flood defence and stormwater management systems)</li> </ul> <p><b>Biodiversity</b></p> <ul style="list-style-type: none"> <li>i. Projects aiming at conservation, restoration, preservation of degraded ecosystems such as reduction of marine pollution or restoration of natural landscapes or increasing urban green areas</li> </ul>	  	Climate Change Adaptation
<b>Circular economy adapted products, production technologies and processes</b>	<p>The promotion of resource efficiency and the transition towards a circular economy such as:</p> <ul style="list-style-type: none"> <li>i. Products, production technologies and processes where there is a significant reduction in the use of virgin materials and/or natural resources in one or more stages of the targeted life-cycle</li> <li>ii. Plastic as a raw material and/or product, which is fully manufactured by the mechanical recycling of plastic waste</li> <li>iii. Recycling of end-of-life batteries</li> <li>iv. Manufacturing of rechargeable batteries</li> </ul>		Transition to a circular economy

# Green Portfolio

## Allocation and impact summary

Portfolio at a Glance (as of 31 December 2024)

- **Outstanding Green Bonds:** SEK 1 200 million
- **Share of Green Assets in Total Lending:** 9,37 %
- **Avoided CO<sub>2</sub>e Emissions Green Bonds:** 1 925 tCO<sub>2</sub>e

A breakdown by category of the bond is presented below.

2024-12-31	Balance (MSEK)	Share (%)	Impact
Green Buildings	805	67	Avoided emission: 403 tCO <sub>2</sub> e
Clean Transportation	184	15	Avoided emissions per km: 167 gCO <sub>2</sub> e
Energy Efficiency	134	11	Annual energy transmitted: 1 199 MWh
Renewable Energy	43	4	Annual generation supported: 4 541 MWh
Circular Economy	33	3	Avoided emissions from use of produced product: 164 tCO <sub>2</sub> e
<b>Total</b>	<b>1 200</b>	<b>100</b>	<b>-</b>

## Green Portfolio Impact

This section outlines the environmental impact of Norion Bank's Green Loan portfolio, categorized according to the Green Bond Framework. The categories and criteria used are based on Norion Bank's Green Bond Framework, which was developed to ensure that proceeds from green bonds are used exclusively to finance or refinance projects that contribute to environmental objectives. The framework is structured around clearly defined eligibility criteria and project types, with the overarching aim to support the transition to a low-carbon, climate-resilient economy.

The impact report summarizes the outcomes of the financed activities in terms of qualitative information about each category's output.

See appendix section 'Methodology' for detailed information on impact methodology for all categories.





# Green Buildings

## Rationale

Buildings account for nearly 40 % of energy related carbon emissions in the Nordics. Financing high performance and certified assets is therefore essential to achieving net zero targets.

## Portfolio Highlights 2024

- ▶ **Number of assets financed:** 43
- ▶ **Volume outstanding:** SEK 805 million
- ▶ **Average EPC class:** C
- ▶ **Estimated avoided emissions:** 403 tCO<sub>2</sub>e

## Eligibility Criteria

- ▶ Top 15 % energy performers nationally or
- ▶ Environmental certification ≥ BREEAM “Very Good”/ LEED “Gold” /Miljöbyggnad “Silver”.





# Clean Transportation

## Rationale

Transport remains a major source of GHG emissions. Supporting low and zero emission mobility is critical for urban sustainability.

## Portfolio Highlights 2024

- **Volume outstanding:** SEK 184 million
- **Deployed vehicles:** 1 133 (includes motorized vehicles and bicycles)
- **Estimated avoided emissions:** 414 tCO<sub>2</sub>e
- **Avoided emissions per km:** 167 g CO<sub>2</sub>e

## Eligibility Criteria

Electric, hydrogen or hybrid vehicles with tailpipe emissions < 50 g CO<sub>2</sub>e/km; infrastructure enabling modal shift (e.g., charging stations, bike pools).

# Energy Efficiency

## Rationale

Demand-side efficiency and grid flexibility are prerequisites for a renewable-dominated power system.

## Portfolio Highlights 2024

- ▶ **Projects financed:** 4
- ▶ **Volume outstanding:** SEK 134 million
- ▶ **Annual energy transmitted:** 1199 MWh
- ▶ **Estimated avoided emissions:** 77 tCO<sub>2</sub>e

## Eligibility Criteria

- ▶ Retrofit measures (heating, cooling, lighting, insulation, industrial processes) delivering ≥ 30 % primary energy savings versus baseline.
- ▶ Deployment of smart metering, building energy management systems (BEMS) and demand response technologies that enable measurable load shifting or peak shaving.
- ▶ Battery energy storage systems that enhance the round trip efficiency of renewable installations or reduce peak grid demand by at least 10 %.



# Renewable Energy

## Rationale

Scaling renewable generation reduces reliance on fossil fuels and strengthens energy security. The Nordic region's abundant wind and hydro resources present an opportunity to accelerate the transition to a net zero power system.

## Portfolio Highlights 2024

- **Installed capacity financed:** 12,5 MWp
- **Volume outstanding:** SEK 43 million
- **Annual generation supported:** 4541 MWh
- **Estimated avoided emissions:** 867 tCO<sub>2</sub>e

## Eligibility Criteria

Construction, acquisition or refinancing of on shore wind, solar PV, small scale hydro (< 20 MW) and battery storage assets that comply with EU Taxonomy Technical Screening Criteria.







# Circular Economy

## Rationale

Transitioning from a linear “take-make-dispose” model to a circular system is essential to decouple growth from resource use.

## Portfolio Highlights 2024

- **Volume outstanding:** SEK 33 million
- **Share of by-products or waste in product produced:** 100 %
- **Avoided emissions per kWh produced:** 0,07 kg tCO<sub>2</sub>e
- **Estimated avoided emissions for products used:** 164 tCO<sub>2</sub>e

## Eligibility Criteria

Investments in waste prevention, recycling, refurbishment, product as a service models and advanced material recovery that deliver demonstrable resource efficiency gains.

# Flower's partnership with Norion Bank enables growth

Flower's partnership with Norion Bank is an opportunity to contribute to a more sustainable and efficient energy transition.

The business concept of Flower involves combining advanced technology with flexible energy resources to counteract both volatility and overloading of the electricity grid. Optimizing the use of the electricity grid ensures a steady and reliable supply of energy, regardless of weather conditions.

“What we want to achieve with Flower is a more efficient electricity system by increasing the share of wind and solar. In the long run, this means that the energy transition will cost less”

**John Diklev**, CEO and founder of Flower.

Since the start of the partnership with Norion Bank, Flower has signed an agreement with the solar and wind power company OX2 and acquired Sweden's largest battery park, Bredhälla. As well as being a major step forward in stabilizing the electricity grid and reducing volatility in electricity markets, it enables the development of new products for the energy system of the future.

With its core in battery storage optimization and trading, Flower has gained market-leading expertise around the capabilities of energy storage and the value that battery systems can bring to the power grid. By staying on top of the developments in energy markets where battery capacity is traded and optimized, Flower is able to use this knowledge to develop battery systems that generate the most value for the future market. The company is currently in the process of developing several new projects in both Sweden and Europe, aiming to lead the way towards the energy system of tomorrow.

“Norion Bank's financing has enabled us to acquire batteries and develop our battery parks. The Bredhälla battery park, which Norion Bank co-financed, was connected to the grid in 2024 with a capacity of 425MW, and at its inauguration it was the largest of its kind in Sweden. This is proof of how Flower's work together with experienced financiers leads to continued stabilization of the Swedish electricity grid”.

Together with Norion Bank, the energy company Flower continues its work towards a secure, reliable and sustainable energy system.



Photo: Flower

# Independent Auditor's Assurance Report on the Green Bonds Impact Report 2024 for Norion Bank AB

To the Board of Directors of Norion Bank AB  
Org.no. 556597-0513

## Introduction

We have been engaged by the Board of Directors of Norion Bank AB to provide limited assurance on the Green Bonds Impact Report of Norion Bank AB for the financial year 2024.

## The responsibility of Board of Directors and Management

The Board of Directors is responsible to present the Green Bonds Impact report in accordance with their Green Bond Framework. The Green Bonds Impact Report is stated in accordance with Norion's Green Bond Framework, and it is based on the Green Bonds Principles. The Board of Director's responsibility also includes the internal control deemed necessary to prepare the Green Bonds Impact report that is free from material misstatement, whether due to fraud or error.

## The responsibility of the Auditor

Our responsibility is to express a conclusion on the Green Bonds Impact report based on our limited review.

We have conducted our limited review in accordance with ISAE 3000 Assurance engagements other than audits and reviews of historical financial information. A limited review consists of making inquiries, primarily to persons responsible for preparing the Green Bonds Impact report, performing analytical reviews, and performing other review procedures. A limited review has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in general.

The audit firm applies ISQM 1 (International Standard on Quality Management) and thus has a comprehensive quality control system, which includes documented policies and procedures regarding compliance with professional ethics, standards for professional practice and applicable requirements in laws and regulations. We are independent in relation to Norion Bank AB in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

The assurance procedures taken in a limited review do not allow us to obtain sufficient assurance to be aware of all the important facts that could have been identified if an audit had been carried out. Therefore, the stated conclusion based on a limited review does not have the certainty of an explicit conclusion based on an audit.

Our limited review of the Green Bonds Impact report is based on the criteria selected by the Board of Directors, as defined above. We believe that these criteria are appropriate for the preparation of the Green Bonds Impact report 2024.

We believe that the evidence obtained during our limited review is sufficient and appropriate to support our opinions below.

## Statements

Based on our limited review, no circumstances have emerged that give us reason to believe that the Green Bonds Impact report 2024 has not, in all material respects, been prepared in accordance with the criteria set out above by the Board of Directors.

Stockholm on the date of the electronic signature  
BDO Mälardalen AB

## Markus Håkansson

Authorized Public Accountant



## Appendix

### Process

#### **1. Evaluation and Selection:**

Client-facing teams identify potential green assets based on initial eligibility criteria. These are reviewed in collaboration with the bank's sustainability team to assess their environmental relevance and alignment with the Green Bond Framework. The purpose of this step is to ensure that only projects with clear environmental benefits are considered for green financing.

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#### **2. Green Bond Analysis:**

The sustainability team conducts a more detailed assessment of each proposed green asset. This includes reviewing compliance with sector-specific criteria, identifying potential risks, and ensuring alignment with exclusion lists and the bank's broader sustainability policies. The aim is to provide a robust evaluation to support decision-making.

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#### **3. Approval by Green Bond Committee:**

The Green Bond Committee (GBC), consisting of representatives from Sustainability, Credit, Treasury, and Corporate banking, is responsible for final approval. The GBC ensures that selected assets comply with the framework and reflect Norion Bank's strategic sustainability objectives.

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#### **4. Registration and Monitoring:**

Once approved, eligible green assets are added to Norion Bank's Green Register. This register is used to track allocation of proceeds, monitor outstanding balances, and support annual reporting of environmental impact. The sustainability and treasury teams collaborate to maintain oversight throughout the life cycle of the green bond.

This process ensures that Norion Bank's green financing maintains high standards of integrity, traceability, and alignment with the bank's sustainability goals.

## Methodology

In this report, impact indicators are based on a combination of project-level data and conservative estimates. Due to current limitations in data collection systems, Norion Bank does not yet gather consistent and granular data from all financed projects. As a result, impact results are partly modelled using standardized assumptions, baselines, and emission factors from recognized external sources. The bank is working to improve data availability and expects to implement more robust reporting processes by 2025, which will enhance the accuracy and specificity of future impact assessments.

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### Reporting principles

- ▶ Norion Bank's reporting methodology is aligned with the ICMA Harmonised Framework for Impact Reporting and uses the Nordic Public Sector Issuers (NPSI) Position Paper on Green Bonds Impact Reporting (2020) as a reference.
- ▶ Reporting is conducted on a portfolio basis. No bond-by-bond or project-level matching is applied.
- ▶ Reported figures reflect outstanding amounts disbursed to assets at year-end, not committed amounts.
- ▶ Green assets are identified through individual assessment.
- ▶ Assets included represent new financing.
- ▶ Financial reporting is done in SEK. Exchange rates refer to values as of 31 December 2024.
- ▶ The reporting period covers the calendar year. Impact and allocation data refer to the status as of 31 December 2024.
- ▶ An external party has conducted a limited assurance of the 2024 report. See page 16.

### Impact principles

- ▶ Impact calculations are based on Norion Bank's share of the total financing of each asset.
- ▶ Reported impacts reflect actual performance data from the previous calendar year (ex-post). No expected (ex-ante) impacts are reported.
- ▶ Where complete data is not available, proxy values and assumptions aligned with the NPSI position paper are applied.
- ▶ Avoided emissions are reported where applicable. For 2024, Norion uses a combined margin emission factor of 191g CO<sub>2</sub>/kWh, consistent with the NPSI recommendation.
- ▶ Each green asset category includes relevant environmental impact indicators per specific category.

## Green Buildings

The reported impact for this category is based on input data that varies depending on how each building qualified under Norion Bank's Green Bond Framework. Where available, information was sourced directly from the borrower. For buildings included based on Primary Energy Demand (PED), representative estimates of energy use were derived from reported PED values. For buildings included through environmental certification, average energy consumption was estimated using PCAF database corresponding to the building's EPC class. In both cases, the type and usage of the building were taken into account to improve accuracy.

Avoided emissions were calculated based on the difference between the building's estimated or reported energy use and the national average for the relevant building type, using baseline data from Energimyndigheten (Sweden) and Tilastokeskus (Finland).

### Emissions factors

- **Baseline factor for electricity:** 191 gCO<sub>2</sub>e/kWh. Reference baseline emissions factor. Nordic Public Sector Issuers 2024.

### Calculation formula

$$\text{Avoided emissions } tCO_2e = (\text{Baseline for energy consumption } kWh/m^2 - \text{actual energy consumption } kWh/m^2) * \text{Floor area } m^2 * \text{emissions factor } gCO_2/kWh$$
  
\* Norion share of financing

## Clean Transportation

The reported impact for this category is based on avoided emissions from low-emission transport solutions, using data provided directly by the companies included in the portfolio. This includes information on the number of vehicles deployed and, where available, annual distance traveled per vehicle. In cases where this information was not directly available, national estimates have been applied.

Emission reductions have been calculated based on the assumption that these low-emission transport modes substitute either conventional personal vehicles or other types of public transport. This approach reflects the expected contribution of the financed activities to lower transport sector emissions by replacing higher-emission alternatives with clean mobility options.

### Emissions factors

- **Fossil vehicles:** 167gCO<sub>2</sub>e/km (DEFRA)
- **Financed clean transportation:** 0 gCO<sub>2</sub>e/km, as during transport no emissions are emitted.

### Calculation formula

$$\text{Avoided emissions } tCO_2e = (\text{Baseline emission factor} - \text{emission factor for clean transport}) * \text{number of deployed vehicles} * \text{average km/year per vehicle} * \text{Norion share of financing}$$

## Energy Efficiency

The reported impact for this category is based on avoided emissions from energy system efficiency solutions, using operational data provided directly by the companies included in the portfolio. This data includes technical specifications and capacity levels of the installed infrastructure. Where certain usage parameters, such as average daily energy balancing, could not be sourced directly, complementary assumptions have been applied based on regional energy profiles relevant to the locations of the assets.

Emission reductions have been estimated based on the assumption that the financed infrastructure enables the integration of renewable energy into the grid during periods of low supply, thereby reducing the need for fossil-based electricity to cover the shortfall.

This methodology reflects the broader system-level benefit of enabling stable and flexible use of clean energy, even under variable production conditions.

### Emissions factors

- **Baseline factor for electricity:** 191 gCO<sub>2</sub>e/kWh. Reference baseline emissions factor. Nordic Public Sector Issuers 2024.

### Calculation formula

$$\text{Avoided emissions } tCO_2e = (\text{Energy per cycle (MWh)} * \text{energy cycles per year} * \text{baseline emission factor for electricity}) * \text{Norion share of financing}$$

## Renewable Energy

The reported impact for this category is based on information provided directly by the renewable energy producers included in the portfolio. Emission reductions have been estimated by assuming that the electricity generated from renewable sources has replaced electricity from the national grid mix, which contains a share of fossil-based generation. As the financed production is based on a clean energy source with no direct emissions, the net avoided emissions reflect the difference between the renewable electricity and the emissions profile of the conventional grid.

### Emissions factors

- **Baseline factor for electricity:** 191 gCO<sub>2</sub>e/kWh. Reference baseline emissions factor. Nordic Public Sector Issuers 2024.
- **Emission factor for solar energy:** 0 gCO<sub>2</sub>e/kWh. Nordic Public Sector Issuers 2024.

### Calculation formula

$$\text{Avoided emissions } tCO_2e = (\text{annual renewable energy generation} * (\text{baseline emission factor for electricity} - \text{emission factor for renewable energy generation})) * \text{Norion share of financing}$$

## Circular Economy

Investments in the circular economy category for 2024 include projects that enable the substitution of high-emission materials or fuels with lower-emission alternatives, often by utilizing industrial by-products or waste streams. These projects contribute to resource efficiency and reduce reliance on virgin materials.

Avoided emissions are disclosed as a net value based on the estimated energy or material equivalence of the circular solution compared to conventional alternatives, such as fossil fuels or primary raw materials. Conversion factors are applied to reflect energy content or material substitution ratio.

Where relevant, average emissions per unit or material from substitute products are used as a baseline. Emission reductions are estimated by applying documented reduction percentages relative to conventional scenarios. The resulting avoided emissions are proportionally attributed based in the financed share of each project.

### Emissions factors

- **Coal as base for energy production:** 0,317 kgCO<sub>2</sub>e/kWh (DEFRA, 2023)
- **Emission for substitute:** 0,0317 kgCO<sub>2</sub>e/kWh (documented estimate based on reduction in CO<sub>2</sub>e by using substitute)

### Calculation formula

$$\text{Avoided emissions } tCO_2e = (\text{Produced kWh per kg product produced} * \text{emission factor for substitute}) - (\text{kWh produced by equivalent of kg substitute produced} * \text{Emission factor for Coal}) * \text{Norion share of financing}$$



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Group