



Green Bond Framework

Landkreditt SA

2025

Table of Contents

- About Landkreditt SA 2
 - Sustainability at Landkreditt 2
 - Climate actions 4
- Green Bond Framework 5
 - Use of Proceeds 5
 - Selection and evaluation of eligible projects 6
 - Management of proceeds 7
 - Reporting 7
 - Allocation Report 7
 - Impact Report 8
- External review 8
 - Second Party Opinion 8
 - Verification 8

About Landkreditt SA

Landkreditt Bank (“The Bank”) is a medium-sized Norwegian bank, owned by Landkreditt SA, a cooperative comprising more than 8,000 Norwegian farmers. Landkreditt SA is a financial institution offering a range of products within banking, asset management, insurance, and real estate services. The Bank serves both retail and corporate customers, where loans to agricultural customers and mortgages comprise almost equal shares.

Landkreditt was founded as a credit union in 1915 and has grown to be a financial group with NOK 40 billion in capital, close to 90 000 customers and around 240 full-time employees. The Group is headquartered in Oslo and operates six regional offices in Norway’s major agricultural areas.

Landkreditt strives to be Norway’s leading financial institution for the agriculture sector, providing expert advice and tailored products for its members and costumers. Rooted in agriculture, Landkreditt’s cooperative ownership strengthens its agricultural focus and commitment to helping the sector meet climate and sustainability goals while creating profitability.

Sustainability at Landkreditt

Sustainability is essential to agriculture, as climate change and biodiversity loss directly impact farmers and the resources they rely on. At the same time, agriculture influences its surroundings, both locally and globally. With growing societal awareness, authorities have defined clear requirements and goals to protect our shared resource base.

Situated between finance and agriculture, Landkreditt plays an important role in financing and incentivizing changes and development in the agriculture sector. We support the sustainable transition through green financing, risk mitigation and circular claims handling that promotes reuse and resource efficiency. These efforts support both the EU’s Green Deal and Landbrukets Klimaplan (Norway’s Agricultural Climate Plan)¹.

Sustainability is embedded in Landkreditt’s strategy and operations – from product development and sales to investments, credit decisions, purchasing, and operations. The Board of Directors holds overall responsibility for the Bank’s sustainability goals and decisions, while implementation is delegated to the leadership team. All leaders across the organization are expected to contribute toward achieving our sustainability targets.

Our approach to sustainability is guided by frameworks such as the UN’s Sustainable Development Goals (SDGs), UN Global Compact, UN Principles for Responsible Investment (UN PRI), and the OECD Guidelines for Multinational Enterprises. We have identified five SDGs where we believe our business can have the most impact:



¹ <https://www.bondelaget.no/bondelaget-mener/miljo-og-klima/dette-er-landbrukets-klimaplan>

In calculating our financed emissions, we base our approach on the Greenhouse Gas Protocol and Finance Norway's (FNO) initiative "*Guide for calculating financed greenhouse gas emissions*"², with the aim of promoting transparency and accountability. Landkreditt has also developed ESG guidelines for credit risk and asset management, providing clear direction for employees in their work with customers and portfolio companies.

During the first half of 2025, Landkreditt carried out a double materiality assessment in line with the requirements set out in the Corporate Sustainability Reporting Directive (CSRD). The assessment process adhered to the methodology defined in the directive, which involves evaluating two dimensions of materiality. The first is financial materiality, which considers how sustainability matters may affect the company's financial performance and position. The second is impact materiality, which examines how the company's operations, products, and services influence society and the environment. As a result of this assessment, the following topics were identified as material: climate change, resource use and circular economy, own workforce, consumers and end-users, and governance. These material topics form the foundation for Landkreditt's future focus areas and will guide the company's strategic priorities and sustainability efforts going forward.

Material topics based on the European Sustainability Reporting Standard (ESRS)

E	Climate change (E1)	Climate change adaptation
		Climate change mitigation
		Energy/financed emissions
	Resource use and Circular economy (E5)	Resource inflows
		Resource outflows
Waste		
S	Own workforce (S1)	Working conditions
		Equal treatment and opportunities for all
		Other work-related rights
	Consumer and End-users (S4)	Information-related impacts on consumers and/or end-users
		Personal safety of consumers and/or end-users
G	Business conduct (G1)	Corporate culture
		Protection of whistleblowers
		Animal welfare
		Political engagement and lobbying activities
		Corruption and bribery

² **Veileder for beregning av finansierte klimagassutslipp**
<https://www.finansnorge.no/dokumenter/maler-og-veiledere/veileder-for-beregning-av-finansierte-klimagassutslipp/>

Climate actions

Landkreditt's sustainability footprint is shaped by our own operations, our suppliers, and our customers. While we work across all areas, our greatest impact lies within our lending portfolio and accompanying financed emissions, especially within our agricultural customer base. We therefore aim to use our position in the Norwegian agriculture sector and our expertise to help customers reduce their emissions through our product offering and focus on sustainability in customer dialogues.

Agriculture was the first sector in Norway to formalize a climate agreement with the government. In 2019, the Norwegian Farmers' Association and the Norwegian Farmers and Smallholders' Union committed to reducing emissions by five million tons of CO₂ equivalents by 2030. Achieving this ambitious target will require both innovation and significant investment. As a financial institution with deep roots in agriculture, Landkreditt plays a role by facilitating the investments needed to drive the transition.

Risk management is integrated in the work with ESG. In 2024 Landkreditt entered into an agreement with a startup company specializing in flood technology. The purpose of the agreement is to leverage the company's risk models for floods and landslides. These models, which integrate hydrology, geology, and data science, will be used to assess risk in both the banking and insurance services, based on scenario analysis of our portfolios.

Recognising the climate risks posed by emission-intensive sectors such as agriculture and real estate, the Bank is aiming to work systematically to direct capital towards sustainable projects that facilitate the green transition. Landkreditt offers tailored financing solutions to help farmers implement climate measures that both cut emissions and improve long-term profitability. In addition, retail customers are supported through green loan offerings designed to encourage environmentally friendly choices in housing and energy use.

To support the green transition, Landkreditt offers two key financial products:

(1) Green Agricultural Loans

Landkreditt was the first bank to introduce Green Agriculture Loans in 2021, followed by the launch of Green Agriculture Loan PLUS in 2023. These financing solutions support farm investments that reduce emissions and promote sustainable production, helping the agricultural sector meet the goals set out in Landbrukets Klimaplan.

(2) Green Mortgages

Mortgages to our retail customers contributes to approximately half of the Bank's total lending exposure. Through our offerings, we aim to promote the development of more energy-efficient homes and are currently exploring new products to further encourage energy-saving improvements.

Landkreditt has introduced several initiatives to support the green transition, including an annual sustainability conference and awards such as "God Bonde" and "Landbrukets Bærekraftspris." You can learn more about these efforts and our broader ESG work on our [website](#).

Green Bond Framework

Landkreditt developed its first Green Bond Framework in 2022 and issued its first green bond in May 2023. Through the update of its Green Bond Framework, Landkreditt aims to reinforce, and provide further transparency on its commitment to the sustainable finance market, and to aligns the Bank's sustainability ambitions and its sustainable product portfolio with its financing solutions

This Green Bond Framework is based on the Green Bond Principles (GBP), published by the International Capital Markets Association (2025 edition³). The framework enables Landkreditt and any wholly owned subsidiaries to issue Senior Preferred Bonds, Senior Non-Preferred Bonds and Covered Bonds. The variety of different formats and types will be referred to as Green Bonds throughout this document.

This framework establishes how we identify, select, verify and report the sustainable financing directly or indirectly financed by the proceeds of our green funding. It also establishes how we manage such proceeds.

Use of Proceeds

The net proceeds of the Green Bonds issued by Landkreditt will be used exclusively to finance or re-finance Eligible Assets in the form of loans that have been evaluated and selected by Landkreditt in accordance with this Green Bond Framework.

Exclusions

Net proceeds from Green Bonds issued under this framework will not finance assets related to the production, storing or transportation of fossil fuels, nuclear energy production, weapons or defence, potentially harmful resource extraction, gambling, tobacco or other drugs. Assets not in accordance with Landkreditt's investment policy or that breach internationally recognised frameworks (such as the ten principles of the UN Global Compact) will also be excluded.

Eligible Green Projects

ICMA GBP category	Eligible asset and project criteria	
Green Buildings	<p>Loans to finance or refinance residential and commercial buildings in Norway that meet either of the following criteria:</p> <ol style="list-style-type: none"> 1. Buildings built in 2021 or later: Energy Performance Certificate (EPC) A or the primary energy demand (PED) of the building is at least 10% lower than the threshold for nearly zero-energy buildings (NZEB) in Norway. 2. Buildings built before 2021: EPC A or within the top 15% most energy efficient buildings in Norway in terms of PED⁴. 3. Major renovations leading to an improved energy efficiency of at least 30%. For the full building to qualify after the renovation, it must meet the criteria above for buildings built either before or after 2021. 	<p>UN SDGs</p>  <p>EU Taxonomy</p> <ul style="list-style-type: none"> 7.1 Construction of new buildings 7.2 Renovation of existing buildings 7.7 Acquisition and ownership of buildings <p>GBP Environmental Objectives</p> <ul style="list-style-type: none"> - Climate change mitigation

³<https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Green-Bond-Principles-GBP-June-2025.pdf>

⁴ Defined using the recommended threshold from the Norwegian Government, available here: [ps://www.regjeringen.no/no/aktuelt/taksonomien-terskelverdier-for-energieffektivitet-i-bygninger/id3108066/](https://www.regjeringen.no/no/aktuelt/taksonomien-terskelverdier-for-energieffektivitet-i-bygninger/id3108066/)

	<p>Buildings larger than 5000m² must have a demonstrated life-cycle Global Warming Potential and upon completion the buildings undergo testing for airtightness and thermal control.</p> <p>Loans to buildings with direct fossil fuel heating or buildings in the oil and gas value chain are not in scope of this framework.</p>	
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use – Sustainable Agriculture</p>	<p>Loans to finance or refinance agricultural activities or projects that meet the following criteria:</p> <p>Improved farming methods that meaningfully contribute to achieve the greenhouse gas emission reduction targets set out in “Landbrukets klimaplan 2021-2030”⁵.</p> <p>Fossil fuel machinery and the industrial production of meat are not in scope of this framework. No farming activities that will lead to an increase in livestock herds will be financed under this framework.</p>	<p>UN SDGs</p>  <p>EU Taxonomy Not included</p> <p>GBP Environmental Objectives</p> <ul style="list-style-type: none"> - Climate change mitigation - Biodiversity - Natural resource conservation
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use – Sustainable Forestry</p>	<p>Loans to finance or refinance afforestation, forest management and rehabilitation and restoration of forests that are certified in accordance with the Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC).</p>	<p>UN SDGs</p>  <p>GBP Environmental Objectives</p> <ul style="list-style-type: none"> - Climate change mitigation - Biodiversity

Selection and evaluation of eligible projects

Landkreditt has integrated the process to assess whether projects are eligible for Green bond issuance with the overall risk assessment and loan processing. Depending on the criteria described above minimum requirements are set in the credit policy for the loans or mortgages to be classified as eligible. Furthermore, customers are assessed in general procedures as part of the loan process and the agriculture customers are evaluated as part of the assessment of their sector specific standards and classifications. To oversee the methodology for the selection process and changes in the criteria, a Green Bond Committee has been established with members from risk management, finance, client services and data management.

⁵ <https://www.bondelaget.no/bondelaget-mener/miljo-og-kljima/kljima/landbrukets-klimaplan-pdf/>

The Green Bond Committee is led by the CFO as Chair, with the Head of ESG Reporting holding veto authority. The Committee follows the process outlined below when selecting and evaluating eligible projects.

1. Relevant business units will propose potential projects and assets to be financed in accordance with the above criteria
2. The Green Bond Committee will assess the eligibility of proposals according to the criteria in above table and removes projects that do not meet the criteria. The committee will then decide on projects to be financed and submit final approval.
3. A limited assurance is provided by the Third-Party Audit provider once a year.

Management of proceeds

Landkreditt will establish a Green Bond Register to monitor the Eligible Assets and Projects as well as the allocation of the net proceeds from Green Bonds issued.

Landkreditt will, for the duration of the outstanding Green Bonds, ensure that the total value of Assets and Projects recorded in the Green Bond Register is at least equal to the net proceeds of all outstanding Green Bonds. If an Eligible Asset or Project already funded by a Green Bond loses its eligibility in line with the criteria in this Framework, it will be replaced by another qualifying Eligible Asset or Project as soon as practically possible.

There may be periods when the net proceeds from Green Bonds temporarily exceed the value of the Eligible Assets and Projects in the Green Bond Register. In such cases, the surplus will be managed in accordance with Landkreditt's liquidity management policy. The Green Bond Register will form the basis for the impact reporting.

In addition to the eligibility criteria set out in this Green Bond Framework, all lending is subject to a structured ESG and climate risk assessment. This process covers both customer- and loan-level considerations, including industry-specific ESG factors. The assessment forms an integral part of the Bank's credit underwriting, ensuring that potential environmental and social risks are identified and managed in a consistent manner".

Reporting

To ensure transparency for investors and other relevant stakeholders, Landkreditt commits to provide an annual report on the allocation and impact of proceeds until full allocation or until bond maturity, whichever comes first. Where relevant Landkreditt will seek to align the reporting with the latest standards and practices as identified by ICMA's "Handbook – Harmonized Framework for Impact Reporting"⁶ and the guidelines in the Nordic Public Sector Issuer's Position Paper on Green Bond Impact Reporting. The report will be made available on Landkreditt's website or as its own section in the annual report.

Allocation Report

The allocation report will, to the extent feasible, include the following components:

- The total amount of green bonds outstanding,
- The share of green proceeds which have not been allocated
- The allocation of proceeds per project category
- The relative share of new financing versus refinancing
- Descriptions and case studies of selected Eligible Assets financed

⁶ <https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Handbook-Harmonised-framework-for-impact-reporting-June-2023-220623.pdf>

Impact Report

Landkreditt will strive to report on the actual environmental impact of the investments financed through its Green Bonds, aligning its reporting with the portfolio approach described in ICMA's "Handbook – Harmonized Framework for Impact Reporting". If/when actual impact for some reason is not observable, or unreasonably difficult to source, estimated impact will be reported.

The impact indicators may vary with investment category, as defined in this Green Bond Framework. Additional indicators may be included in the reporting where practicable. The impact report will, to the extent feasible, also include a section methodology, baselines and assumptions used in impact calculations.

The impact metrics selected may include the following:

Green Buildings

- Average emission intensity of the Green Loan portfolio verses the non-Green Loan portfolio (CO₂/m² GBA)

Sustainable agriculture

- Farmland covered by farming methods that meaningfully contribute to achieve GHG emission reduction targets set out in "Landbrukets klimaplan 2021-2030 (ha or km²)
- Number and type of measures that have been financed

Sustainable Forestry

- Area under sustainable forest management (ha)

External review

Second Party Opinion

Landkreditt has engaged S&P Global – Shades of Green to act as an independent external reviewer of this Green Bond Framework and the Eligible Assets and Projects. The Second Party Opinion is publicly available on Landkreditt's website.

Verification

Beginning one year after issuance, and continuing annually until full allocation or bond maturity, Landkreditt may engage an independent third party to provide a limited assurance report verifying the allocation of Green Bond proceeds.