

Sustainability  
Report

2021

Bank Norwegian Group



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## Bank Norwegian in brief

■ Bank Norwegian is an agile and fully digital bank for retail customers that has challenged the established banks since its inception in 2007 by offering simple and transparent deposit and lending products online. In November 2021 Bank Norwegian was acquired by Nordax Bank AB (Nordax), making Bank Norwegian a subsidiary of Nordax and a part of the Nordax Group.

The Bank's investment in new technology, automated solutions and mobile apps provides efficient operations, low costs, great scalability and high flexibility.

The mobile app, which was launched in 2017, has become an increasingly important communication channel towards our customers. In 2021, the service has been further developed to improve operational reliability and user friendliness. During the year, customers logged in a total of 33.1 million times.

Bank Norwegian offers consumer loans, credit cards and deposit accounts to retail customers, distributed via the Internet in the European market. In the Nordics the Bank offers a combined credit card and reward

card in cooperation with Norwegian Air Shuttle.

Today, Bank Norwegian is an established digital bank that successfully has taken the position as the Nordic champion within consumer finance. Bank Norwegian's vision is to become a leading European bank within consumer finance, offering our focused product portfolio with highly competitive terms through smooth and digital customer journeys to European customers.

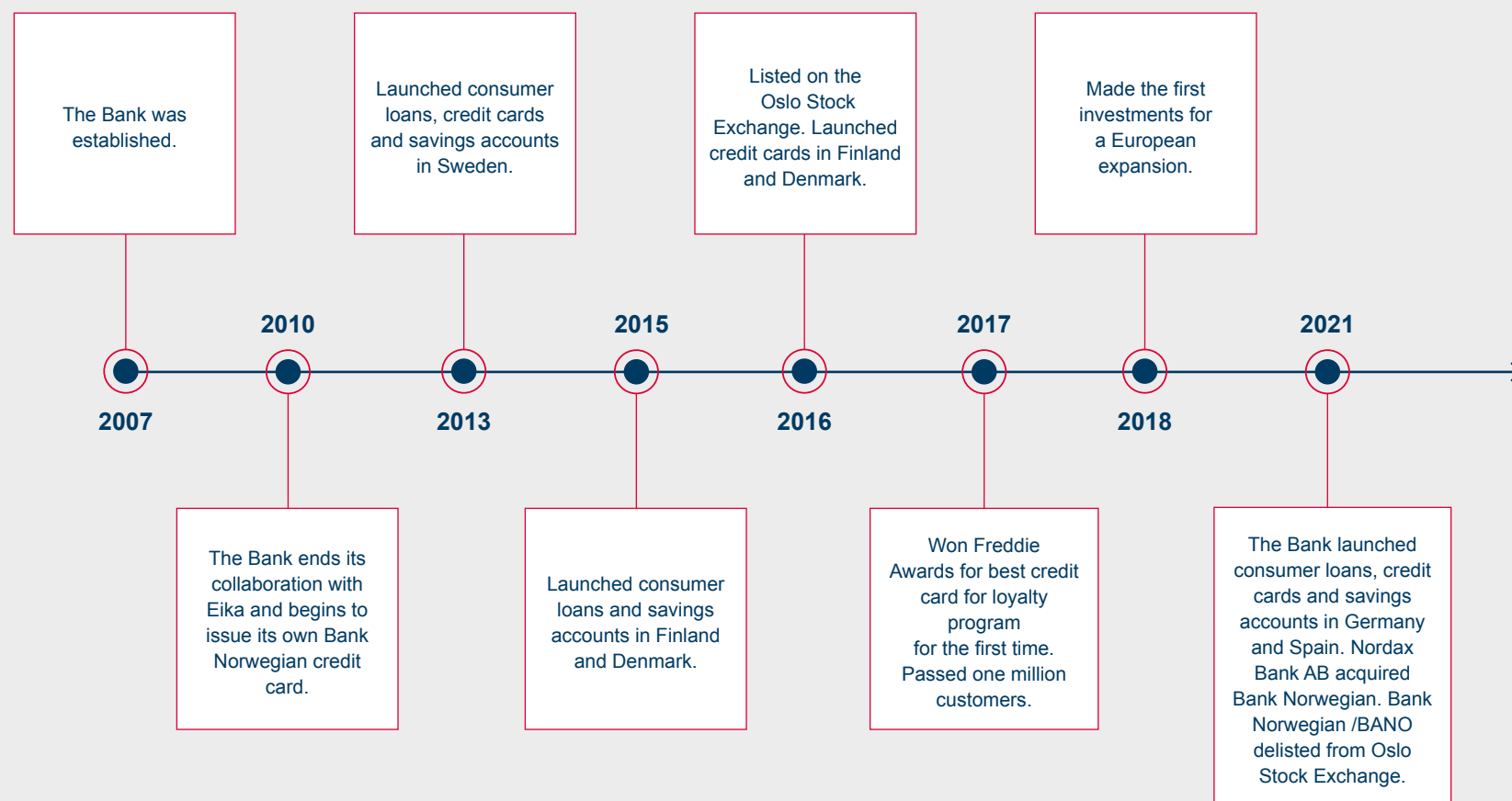
Our passion is to improve customer experience through technology and deep customer insight. Around 100 employees across 14 nationalities work daily to offer attractive and customer friendly services to our customers.

**89.3%** **28,500**

Average customer satisfaction 2021

New credit card customers in 2021

# Bank Norwegian - our story



## Important events 2021

### February

■ The Bank successfully launched cashback as an alternative to CashPoints for all Nordic credit card customers. For a limited time, the Bank gave customers the option to choose between earning CashPoints and cashback.

### March

■ We shared our plans for the years to come as well as business insights at the Bank Norwegian Capital Markets Day.

### April

■ Bank Norwegian entered a new partnership with Tryg. The new cooperation will lower the cost but elevate the quality of travel insurance, collision damage waiver and ID theft insurance for all countries.

### June

■ The Bank launched Apple Pay on the Bank Norwegian card. This makes Apple Pay available to 1.2 million customers in Norway, Sweden, Denmark and Finland.

### July

■ Bank Norwegian ASA and Norwegian Finans Holding ASA (NFH) merged, with Bank Norwegian ASA as the surviving entity. All assets, rights and obligations from NFH were transferred to Bank Norwegian ASA.

### October

■ The Bank proved that it delivers on the expansion plan, by entering the Spanish market. Opened our digital channels for consumer loans, savings accounts and credit cards to the Spanish market.

### November

■ Nordax announces compulsory acquisition of all remaining shares in Bank Norwegian, hereby completing the offer on Bank Norwegian.

■ The Bank continues its growth plans, and launched credit cards, consumer loans and savings accounts to the German market.

### November

■ Klara-Lise Aasen is appointed as CEO of Bank Norwegian.



### Important Court ruling in Norway regarding use of Google

■ In December 2021, The Norwegian Supreme Court confirmed unanimously that free competition for keywords in Google is in the consumer's interest and help potential customers gain an overview of different offers.

For Bank Norwegian, the ruling was an important confirmation that our marketing has been correctly practiced. Bank Norwegian considers that most consumers are likely to benefit from this practice. We view the ruling as an affirmation of our internal expertise in law and digital marketing, and as full support our assessment of how competition in the marketplace was correct. The ruling was important to us and was even followed with interest by media and others confirming that Norwegian businesses will have to follow the practice in the EU.

The case has been ongoing since 2019, passing through the District Court and the Court of Appeal before being finally settled in the Bank's favour by the Supreme Court. The European Court of Justice has also tried this issue with the same outcome.

## Business model

■ Our business model is characterised by being truly digital, and we offer the same products across all the markets



## Solid foundation

### Agile development

Strategically integrated IT development with a flexible and sustainable approach.

### Lean and sustainable operating model

We are outperforming peers in key metrics. ESG implemented in all operations.

### High legal and compliance competence

We follow the EBA guidelines to safeguard our customers and stakeholders.

### Analytical customer and stakeholder approach

We use data to ensure high customers satisfaction.

### Culture and diversity

Diverse backgrounds, personalities and nationalities.

# 1. Our Sustainability Commitment

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## The new normal, change and transition into a sustainable future together with Nordax



**Klara-Lise  
Aasen**  
CEO

■ The year 2021 was an eventful year in Bank Norwegian, and the second year the pandemic affected our business operations. During the year, the Bank was de-listed from Oslo Stock exchange following the acquisition by Nordax Bank AB (“Nordax”) completed in November, after which Bank Norwegian is a fully owned subsidiary of Nordax. It will be exciting forming the best specialist bank together with Nordax. The combined unit will be market leading in size, product mix and profitability. With our combined competencies, more employees and customers across several European markets, we play a greater role in society and have a larger responsibility to be sustainable in our business activities.

Our customers are overall very satisfied with Bank Norwegian. We are perceived as delivering value by our customers, as proven by high customer satisfaction in all countries and a Net Promoter Score of 56.4. I am very grateful for the high scores, but our value must be proven every day in our interaction with our customers, through our digital easy

to use solutions and transparent products. We recently conducted a large customer survey to get feedback from customers on what they want us to prioritise related to sustainability. The results gave us valuable insights that we will use to improve and further develop our services. We will work on delivering on our customer’s expectations in this area.

Last year we strengthened our work on anti-money laundering and counter terrorist financing. We will continue to increase our ability to safeguard the consumer, ensuring swift implementation of new legislation and guidelines as they become available. A well-regulated sector is desirable for all stakeholders, creating a level playing field that enables sustainable growth. This will have continuous high focus in 2022, also in close cooperation with our new owners. Together we will form a value creation plan with strategic priorities that will strengthen our growth in our primary markets in the Nordics, alongside our European expansion.

The effect of the pandemic has been visible on the Bank’s financial performance in 2021. This is mainly due to lower new sales in a declining market in Norway and reduced a need for consumer financing reducing the interest-bearing volumes. Even though we experienced improved credit card usage through the second half of 2021, in all countries, the level is still lower than pre COVID-19. Despite the lower net interest income affecting the net result for the Bank, the financial solidity has never been stronger. To reduce the overall level of Stage 3, the Bank has sold five non-performing loan portfolios during the year to better balance the overall risk in the portfolio. Our capital position is strong. This is important to be an efficient bank, and our strong capital position and reduced risk is important to be a sustainable bank.

2022 is an exciting year for all of us in Bank Norwegian. We learn more about our new owner and work together to integrate the two large banks. To make this happen in the best way, the people and the culture of the Bank



**We expect the cooperation with Nordax will further enhance our growth opportunities, but also ensure that our growth is sustainable. We are highly dedicated for the next phase together with our new colleagues and owner.**

is paramount. Employee welfare and having engaged employees are also part of our ESG priorities and will continue to be on the top of my agenda.

To ensure that we have empowered and highly competent employees, closeness to management and a culture with openness and a drive to deliver, will be crucial in the time to come. I am very humble to be given the honour to lead and navigate the team through the coming year. Our Bank Norwegian team consist of people from 16 nationalities, with common goals of creating the best combined specialist bank together with Nordax.

The last months the Russian attack on Ukraine has shocked the World. A war in the midst of Europe impacts us all. My thoughts go to all the Ukrainian people and those suffering losses. So far, the war has had a very limited direct effect on the Bank's business in the six markets we operate, but we are following the situation closely in volatile financial market

conditions and with extra attention on cyber-crime attempts.

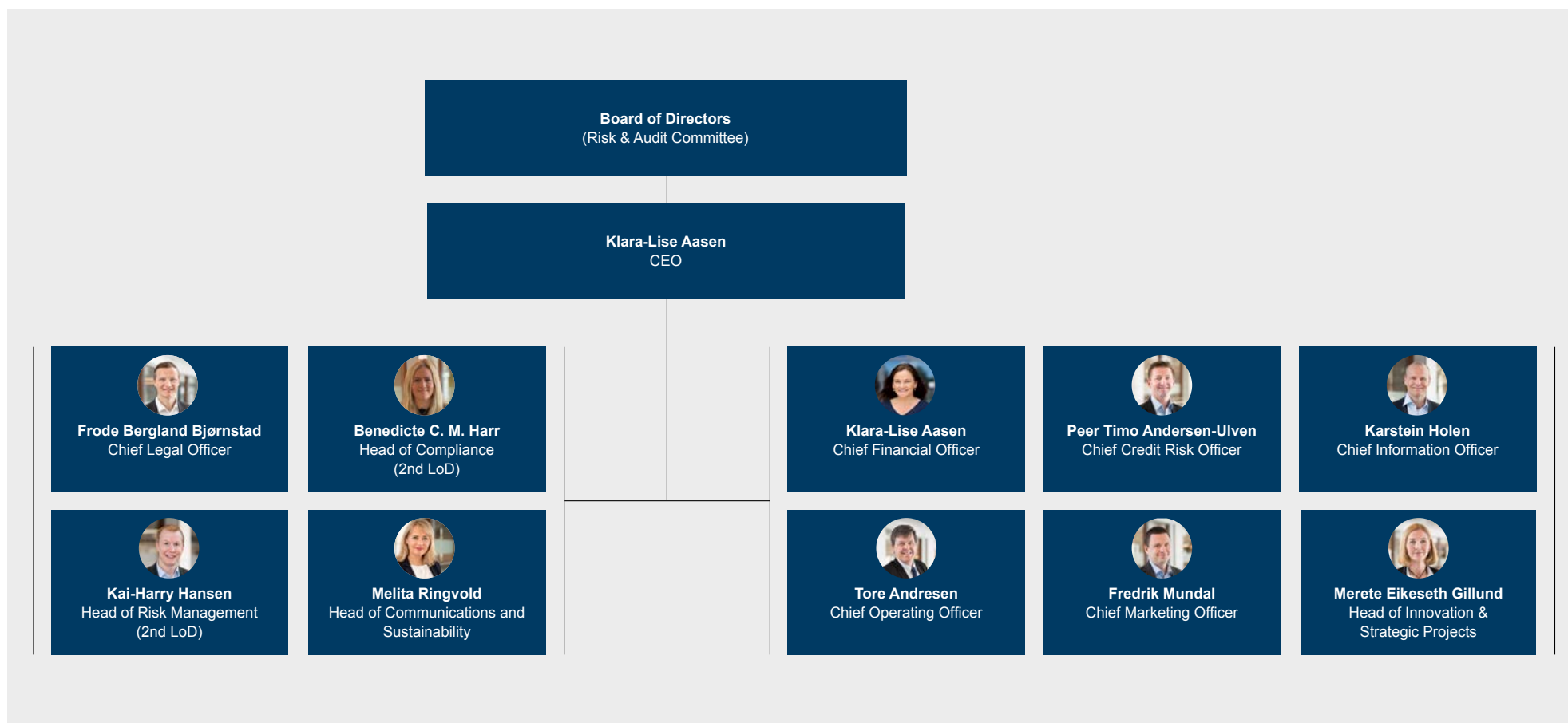
Our main business focus in 2022 is attractive growth in our six markets through continuous product and distribution improvements. We will continue to deliver best in class products, through excellent digital customer journeys. We expect that the cooperation with Nordax will further enhance our growth opportunities, and furthermore ensure that our growth is sustainable. We are highly dedicated for the next phase together with our new colleagues and owner.

Fornebu, April 26, 2022

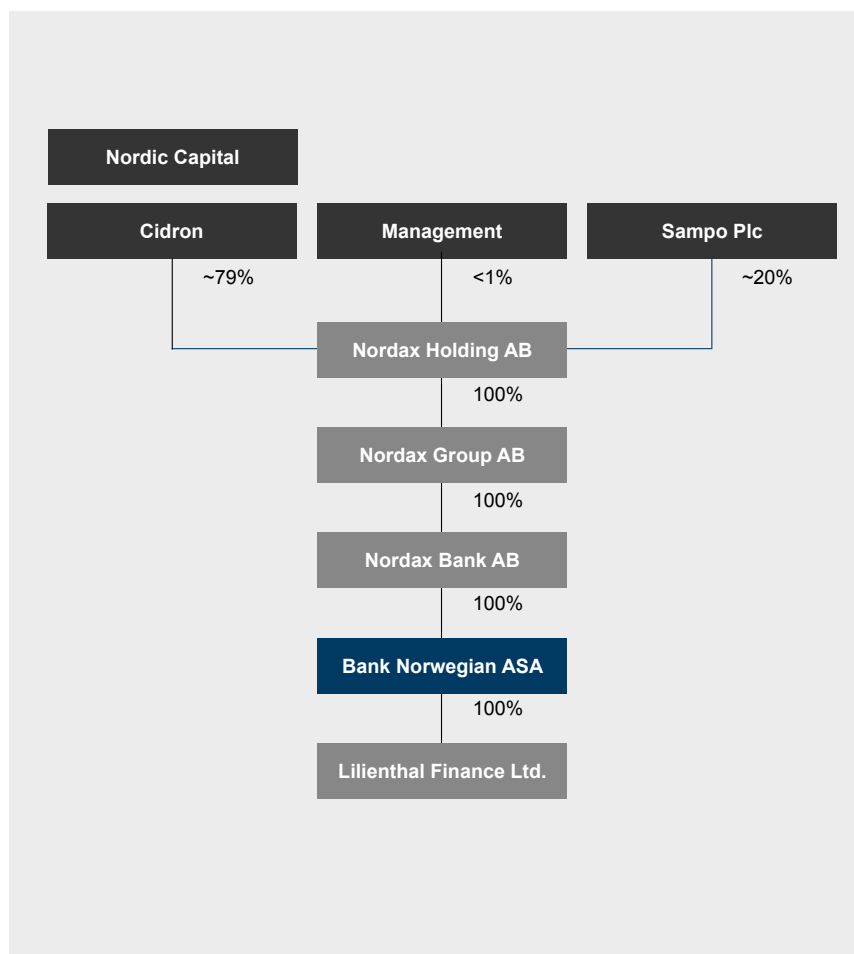
**Klara-Lise Aasen**



# Our organisation



## Our most important stakeholders and owners



■ In November 2021 Bank Norwegian was acquired by Nordax Bank AB (Nordax), making Bank Norwegian a subsidiary of Nordax and a part of the Nordax Group.

Founded in 2003, Nordax Bank is a leading specialist bank in Northern Europe with a little under 300,000 private customers in the Nordic countries, Germany and the Netherlands. Nordax is a specialist bank that through responsible lending helps people make informed decisions for a life they can afford thereby being a flexible complement to the major banks. Instead of quantity, Nordax has specialised in a few selected products that they know best: personal loans, mortgages, equity release mortgages, and savings accounts. The credit assessment process is one of Nordax’s core competences. It is thorough, sound and data driven.

Nordax is approximately 19 percent owned by Sampo Oyj based in Finland, approximately 41 percent by Cidron Xingu Sarl based in Luxembourg and approximately 33 percent by Cidron Humber Sarl based in Luxembourg. The remaining shares are owned by a few minority owners through NDX Intressenter

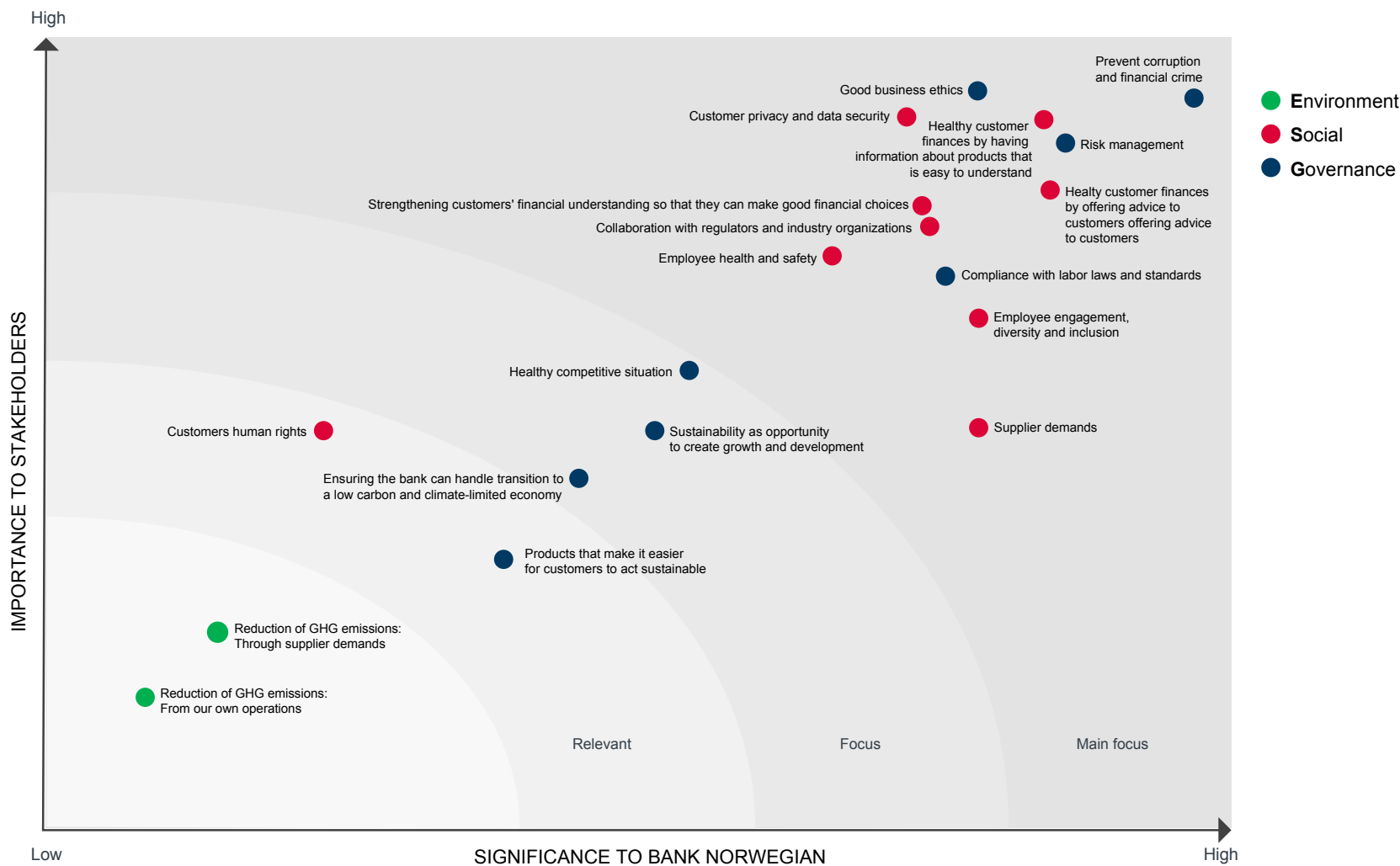
Invest II AB and NDX Intressenter Invest III AB, both based in Sweden. Nordic Capital Fund VIII, has an indirect ownership in Nordax Holding AB (publ) through its holding in Cidron Humber Sarl and Nordic Capital Fund IX has an indirect ownership in Nordax Holding AB (publ) through its holding in Cidron Xingu Sarl.

Sustainable business is central to Nordax’s success and the bank describes its work and governance within defined sustainability focus areas. Like Bank Norwegian, Nordax is also a member of Global Compact and supports Global Compact’s 10 principles as well as UN’s 17 goals for Sustainable Development. Bank Norwegian conducted a materiality analysis in 2020 with broad involvement of different stakeholders through digital surveys and showed that board members, shareholders, employees, analysts, suppliers, partners, and society at large had a common view of what’s considered important.

The matrix on the following page presents the results of the stakeholder contribution and the Bank’s materiality analysis.

## Materiality assessment Bank Norwegian

The result of the materiality analysis conducted in 2020 has been strengthened by feedback from our customers in a survey conducted in 2021. This has confirmed our direction and guided us in determining our five strategic sustainability focus areas.



## Insight

### Bank Norwegian

- Strategy documents and policies
- Market analysis
- Materiality analysis
- Large scale customer survey (+ 65,000 respondents)

### Regulatory frameworks

- EU Taxonomy
- UN Global Compact
- Local regulations in each market

## Our five ESG priorities

■ Bank Norwegian can make a difference in the transition to a circular economy.

■ To achieve our goals, we have identified five areas that are material to the way forward.

Responsible lending

Data security and data privacy

Customer communication and decision support

Anti-money laundering and fraud prevention

Employee engagement, equality and diversity

## Value

### For society

- Anti-money laundering and fraud prevention

### For customers

- Data security and data privacy
- Responsible lending
- Customer communication and decision support

### For employees

- Engagement
- Equality
- Diversity

### For owners

- Long-term investment
- Continued growth

## Sustainability at Bank Norwegian

■ Bank Norwegian has a role in society through our products and services in the European consumer banking market and as an employer and contributor to a healthy digital economy. Our products and services are an important part of people's everyday lives and an integrated part of their consumption and lending. We want to take part in the transformation of the European economy to a circular economy by offering customers sustainable products.

For us, sustainability is about combining a profitable business with good governance, ensuring that we take good care of our planet and our people and offer our customers honest products that are simple to use and easy to understand.

Sustainability is an integral part of our business which is anchored in our values as part of our Code of Conduct. Our operations comply with all applicable laws

and regulations in the markets we operate and maintain a high ethical standard. Sustainability is also reflected in the way we safeguard and administer our data assets and customer's data privacy. Digital technology can be used to enable a sustainable future. As a digital bank we want to use technology to decrease our carbon footprint, but we also use the power of technology to help customers with decision support and control over

### HOW THE BANK DEFINES SUSTAINABILITY

Sustainability is about combining a profitable business with good governance, ensuring that we take good care of our planet, our people and offer our customers honest products that are simple to use and easy to understand. Shortly put; it is about people, planet and profit. We integrate the environmental, social and governmental (ESG) aspects into our products, the way we work and the risks we monitor.

Paid

# 558

million NOK in direct  
taxes and fees in  
Norway in 2021

Less than  
**15%**  
of loan applications  
are paid out

their consumption and private economy. To succeed with this, cyber security and data security is crucial and among our priorities within sustainability.

The Bank's business activities require a long-term perspective as well as a high degree of trust from customers and society in general. This trust is dependent on Bank Norwegian being transparent regarding our business activities and being open in our communication with customers, employees, employee representatives, our owner, government authorities and other stakeholders.

We are open for change. Therefore, we conduct customer surveys and regularly ask our stakeholders for feedback.

We base our sustainability work on a materiality analysis. In 2020, we mapped out what different stakeholders deemed to be most important. In 2021, we updated the materiality analysis by sending out an extensive customer survey on sustainability to get customers feedback on which areas they find material. An impressive 65,796 customers responded and gave us valuable insights that we will use to improve our products and services to become more sustainable.

Our stakeholders and customers responded these areas as important:

- **Responsible lending**
- **Data security and data privacy**
- **Customer communication and decision support**
- **Anti-money laundering and fraud prevention**
- **Employee engagement, equality and diversity**

We operate cross-border activities, offering our products throughout the Nordic countries and in Spain and Germany from our head office in Norway. In 2021, we paid a total of NOK 558 million in direct taxes and fees in Norway.

Bank Norwegian has calculated and compensated (EUR 329) for our annual carbon footprint from our employees' travel to and from work (mobility). The Bank's contribution to protecting the climate also includes a smaller donation to climate education. Since we traveled a lot less during 2021, this compensation is correspondingly small.

We believe that we should give back to society both through a sustainable business and as a contributor to a healthy economy, but also by financially supporting good

causes. Last year the Bank donated and actively participated in Plan's campaign Child not Bride and gave a donation to Médecins Sans Frontières (Doctors Without Borders). As a result of the Russian invasion in Ukraine first quarter 2022, we have also donated to UNICEF and Norwegian Refugee Council (NRC).

Responsible lending is important when it comes to protecting individuals, but it is also crucial for the Bank's profitability. Bank Norwegian has a clear framework for how unsecured products are to be marketed. One of our key principles is that products should primarily be targeted at customers who have themselves identified a need for credit. Consequently, search engine marketing is an important channel since it targets customers who are actively searching for the Bank's products. We believe that search engines promote consumer choice and free competition by facilitating comparisons of different options.

## A deeper insight into how sustainability is relevant for our customers



**“The feedback from our customers reflects a genuine concern with sustainability.”**

■ Bank Norwegian has asked its customers what they consider the most important priorities in its sustainability work. The answers set clear expectations from conscious consumers – and point towards essential areas to enable customers to make sustainable choices. When it comes to sustainability, two areas stand out as essential to the customers:

- High level of information and data security: Around 79 per cent of the respondents identified this as a key performance area for the Bank
- Fighting financial crime: Around 69 per cent of the respondents see this as a significant aspect of the Bank’s sustainability efforts

“We interpret the answers as a sign of changing consumer behavior in the Nordics,” says **Melita Ringvold**, Head of Communication and Sustainability at Bank Norwegian. “Our customers are highly engaged in sustainability, and they clearly express that sustainability is about many different aspects – also beyond climate. When asked what they expect from us, the majority of our customers in all four countries rank information and data security and fighting financial crime the highest, but they also expect us to deliver on social sustainability and climate. We will use the answers to improve and further develop our products and services. Digital services like ours, which are closely linked to people’s everyday consumption, can

indeed make a difference and this will steer our continued work within sustainability.”

The survey, which includes answers from 65,796 bank customers in the Nordic countries – corresponding to the population of a town like Kristiansand in Norway – was carried out in November 2021. Customers were asked what they expect from a sustainable bank and how it could support them in making sustainable choices.

The customers indicate that they would like assistance in identifying purchases from local suppliers. This type of information would enable them to use the Bank Norwegian app to move toward more sustainable consumption. Also, customers in all countries would appreciate more information about suppliers that are recognised as sustainable.

The survey shows that Bank Norwegian customers wish to consume more sustainably, and more so in Norway and Sweden than in the other Nordic countries.

**A comprehensive sustainability survey among Bank Norwegian’s Nordic customers reveals a change in consumer behaviour in the Nordic countries. The response from more than 65,000 customers in Norway, Sweden, Denmark, and Finland shows a strong commitment to sustainability and that customers expect more from the Bank than just a focus on the climate.**



## Our customers care about sustainability

■ Nordic respondents call for raised awareness about debt as a societal challenge. When it comes to questions about the importance of helping customers address their debt issues and creating a better understanding of debt problems in society.

Read here what two of our customers say:

### Emil Blomquist

*from Västerås in Sweden sees sustainability as an integrated part of the Bank's operations.*

“In my view, communication is an essential part of Bank Norwegian’s sustainability work,” says Blomquist. “That applies to everything the Bank does to improve its sustainability performance, whether socially or environmentally, as well as the positive impact customers can achieve by using its services. The bank serves as an intermediary in almost all transactions, which provides great opportunities to influence people in a way that others cannot. Reporting the CO<sub>2</sub> emissions generated by each purchase, for instance, could raise the customers’ environmental awareness.”

### Ola Auglend

*from Bryne in Norway is one of the Bank Norwegian customers who emphasises sustainability.*

“For me, it’s important that a bank is conscious about sustainability in everything from its internal operations to customer-oriented activities,” says Auglend. “When it comes to internal operations, it’s an advantage if the bank is environmentally certified, promotes sustainability toward its employees, and maybe also rewards those who opt for sustainable solutions like they’ve done here with electric bikes. Regarding customer services, it’s important that the bank uses self-service solutions whenever possible and doesn’t offer its customers paper-based solutions. It might even replace plastic cards with fully digital solutions in the long term. Furthermore, it’s great to offer better prices and terms for loans to buy electric cars, heat pumps or retrofit insulation. Finally, their communication and profile should, of course, reflect that they care.”



Emil Blomquist



Ola Auglend

## 2. Our Policies



# Ethics policy and our Code of Conduct

Level 1															
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■ The Bank’s document hierarchy is outlined in the table to the left.

The Risk Management Framework, Code of Conduct, policies and guidelines are binding and applies to all operations of the Bank. These documents are updated, reviewed and approved by the Board of Directors annually.

**Code of Conduct**

Bank Norwegian’s Code of Conduct (“The Code”) was updated and approved by The Board of Directors in December 2021. The Code represents our commitment to our customers, clients, suppliers and business partners, government authorities, owners, the Nordax Group and employees. The Code of Conduct provides an ethical and behavioural framework to guide behaviour in our day-to-day operations.

Within this Code of Conduct employees and other persons that are subject to the Code

will find information to support decisions when faced with challenging choices. It is the integrity and professionalism that we bring to these challenges that define our reputation. We are each accountable for quality in decision making whenever we encounter an ethical issue.

### **The Code of Conduct**

The Code of Conduct is reviewed with our employees at least once a year. We expect everyone who works in Bank Norwegian to behave in accordance with the Code. Adherence to the Code is a mechanism for the fulfilment of Bank Norwegian's vision to be the preferred bank for the connected digital consumers. The Code of Conduct should always be understood in the context of our purpose, vision, and values. The Code is a fundament for Bank Norwegian's business and strategic objectives, and states how we should act and operate to be aligned with our purpose, vision, and values.

### **Our vision, mission and values**

Bank Norwegian's purpose is to offer competitive products and financial security in a responsible way for a better day-to-day life, and our vision is to be a leading European bank within consumer finance.

**Responsible credit practice** – We must be honest and focus on the best interest of our customers. We shall provide relevant information to all loan applicants, and never offer products that our customers do not understand or cannot afford.

**Without prejudice** – Bank Norwegian offers products to all people without prejudice.

**Long-term commitments** – Bank Norwegian values responsible lending and a healthy work environment which fosters long-term commitments and sustainable business.



## Financial stability

■ Bank Norwegian has a responsibility to promote financial stability, be transparent and trustworthy and to promote a sustainable personal finance to our customers. Our way of conducting business influences both costumers and the environment through our services, payment systems and investments.

Bank Norwegian's vision is to become a leading European bank within consumer finance, offering our focused product portfolio with highly competitive terms through smooth and digital customer journeys to European customers.

The Board has approved governing policies which are all part of the Bank's Risk Management Framework, which purpose is to also manage risks associated with financial stability, such as:

- Liquidity and funding Risk Policy
- Market Risk Policy
- Operational Risk and Internal Control Policy

- Outsourcing Policy
- Conduct Risk Policy
- Credit Risk Policy
- Capital Management Policy
- Dividend Policy
- Financial Crime Policy
- Sustainability Policy

Bank Norwegian shall contribute to economic, environmental and social progress with a focus on achieving sustainable development and help customers achieve their ambitions in a sustainable way. The Bank shall consider the environment, social conditions, corporate governance and ethical standards in all its activities.

The Bank shall not operate in a way that is harmful to people, the society or environment, and thereby support long-term social and ecological balance. The Bank shall not contribute to the infringement of human or labour rights, corruption, serious environmental harm or other actions that could be regarded as highly unethical.

With respect to financial risks, the Bank has documented policies and routines for handling all identified risks in accordance with the current and expected asset and liability profile, which are also compliant with supporting financial stability.

In December 2019, the Financial Supervisory Authority of Norway published the MREL (Minimum requirement for eligible own funds) requirements for eight Norwegian banks, including Bank Norwegian, which marked the start of the rollout of the crisis management regulations in Norway. We have established a recovery plan in line with the regulations, while the Financial Supervisory Authority of Norway has prepared a contingency plan for Bank Norwegian.



## Responsible investments

■ Bank Norwegian has outsourced the asset management of its liquidity portfolio to an external asset manager. The asset manager is a large, established player in the Nordic market, with strong track record regarding ESG, and strong internal controls. The outsourcing agreement is based on detailed agreements, including mandates, from Bank Norwegian, along with strict regulations on ESG. The asset management is conducted under the asset managers ESG framework.

The asset manager shall strive to make investments that safeguard economic, environmental, and social sustainability. The Bank has a low tolerance for ESG related risks. The Bank's investment portfolio mainly consists of 0-20% risk weighted assets such as central bank and government exposures, public sector entities and municipalities, as well as covered bonds and exposures to other financial institutions.

Bank Norwegian shall not invest in activities, companies and industries which are excluded by NBIM (Norges Bank Investment Management) and the asset managers own "Exclusion list". There are specific activities, companies and industries in which Bank Norwegian does not invest. These include companies that violate fundamental ethical norms or impose substantial costs on society through their operations. By not investing in these companies, the Bank reduces exposure to unacceptable risks. We require that companies invested in meet the Bank's criteria for human and labour rights, corruption, serious environmental damage as well as production of tobacco and controversial weapons.

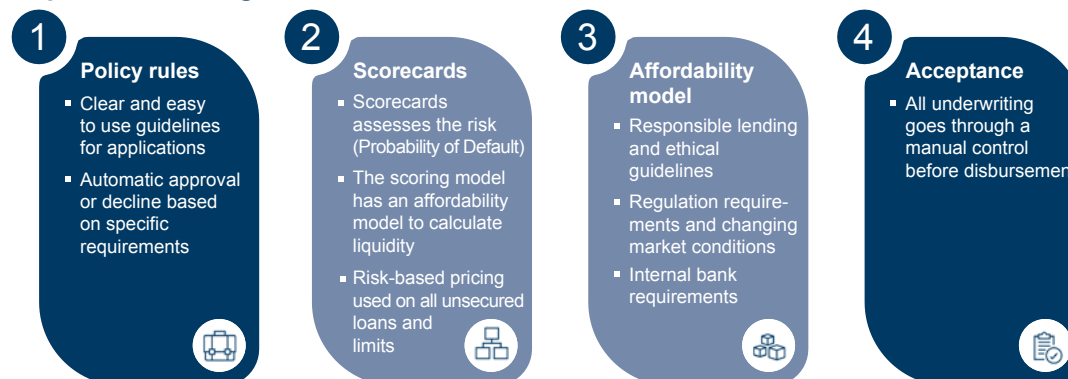


# Responsible lending and credit policy

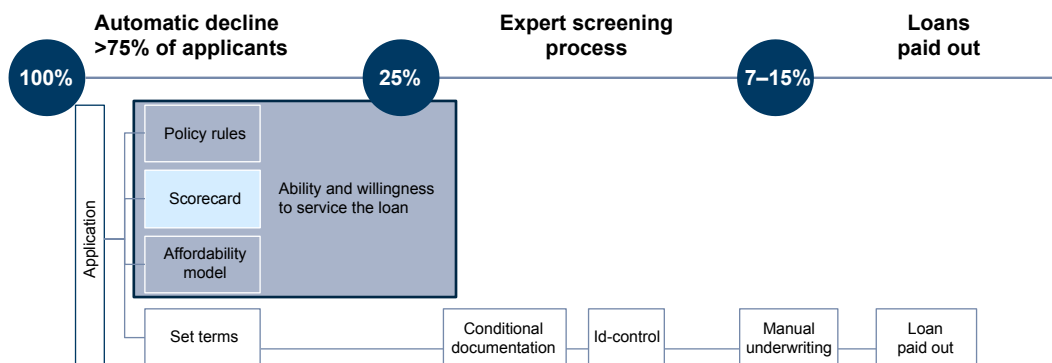
Bank Norwegian plays an important role in society by offering both deposits, payment cards and loans. Access to credit is a societal benefit that can become a financial challenge for some individuals. The Bank acknowledges its responsibility in marketing, approval of applications and collection process. Responsible credit practices are a prerequisite for the Bank's profitable growth.

Bank Norwegian has a framework for marketing of credit. A main principle in marketing is that it should be aimed at customers who themselves have identified a need for our products. The customer has the best insight into his or her own financial situation. It is the Bank's task to maintain a responsible credit practice where we provide all relevant information to customers so that they can make informed decisions and choose the right product for their needs.

## Our credit risk policy ensures a diligent process to optimise credit risk that enables responsible lending



## The credit approval process uses automatic and expert screening processes



# Risk management framework

■ The overall purpose and objective of the Risk Management Framework is to provide guidance, principles, and expectations for Bank Norwegian's Risk Management Processes and to ensure that material risks will be managed in accordance with Bank Norwegian's Business Objectives and Risk Appetite.

## Code of Conduct

The Code of Conduct provides an ethical and behavioural framework to guide behaviour in our day-to-day operations. The Code is a fundament for Bank Norwegian's business and strategic objectives, and states how we should act and operate to be aligned with our purpose, vision and values.

## Sustainability Policy

The Sustainability Policy provides a framework for sustainability in Bank Norwegian and provide a governing platform for the Bank's sustainability work and standards for all business decisions, including investment, outsourcing and credit decisions.

## Conduct Risk Policy

The Conduct Risk Policy intends to

provide guidance for the Bank's overall objective for handling conduct risk.

## Market Risk Policy

The Market Risk Policy provides guidelines for the Bank's overall objectives for managing market risk, as well as the Bank's exposure to, measurement of and reporting of such risks. All bank investments shall be in line with the Bank's Code of Conduct and Sustainability Policy.

## Credit Risk Policy

The Bank's credit risk policy, competence, routines and controls with regards to granting credit and monitoring the credit risk exposure ensure the Bank's healthy and long-term development in accordance with the Bank's strategy. The Credit Risk Policy is intended to support the Bank's business strategy, overall risk strategy and risk appetite as defined in the Risk Management Framework, and the Bank's Code of Conduct.

## Outsourcing Policy

The Outsourcing Policy outlines Bank Norwegian's principles and processes

about outsourcing. The purpose of the policy shall be to ensure appropriate and sound processes for planning and implementing outsourcing arrangements, and to ensure that outsourcing is conducted in a manner that supports the Bank's business model, business strategy and risk appetite.

Bank Norwegian Supplier Conduct Principles shall form part of all agreements with suppliers of goods and/or services to Bank Norwegian.

## Financial Crime Policy

The purpose of the Financial Crime Policy is to outline the objectives and requirements regarding measures against financial crime, to prevent that the business is being used for money laundering, terrorist financing (ML/TF) or fraud.

## GDPR Policy

The GDPR Policy ensures that the Bank complies with the relevant Personal Data Act and the General Data Protection Regulation.

## Conflicts of Interest Policy

This policy sets out Bank Norwegian's arrangements in connection with the identification, documentation, escalation and management of conflicts of interest.

## Whistleblowing Routines

The Whistleblowing Routines outlines the purpose, responsibility, procedure and follow-up regarding reports of objectionable conditions.

## New Product Approval Policy

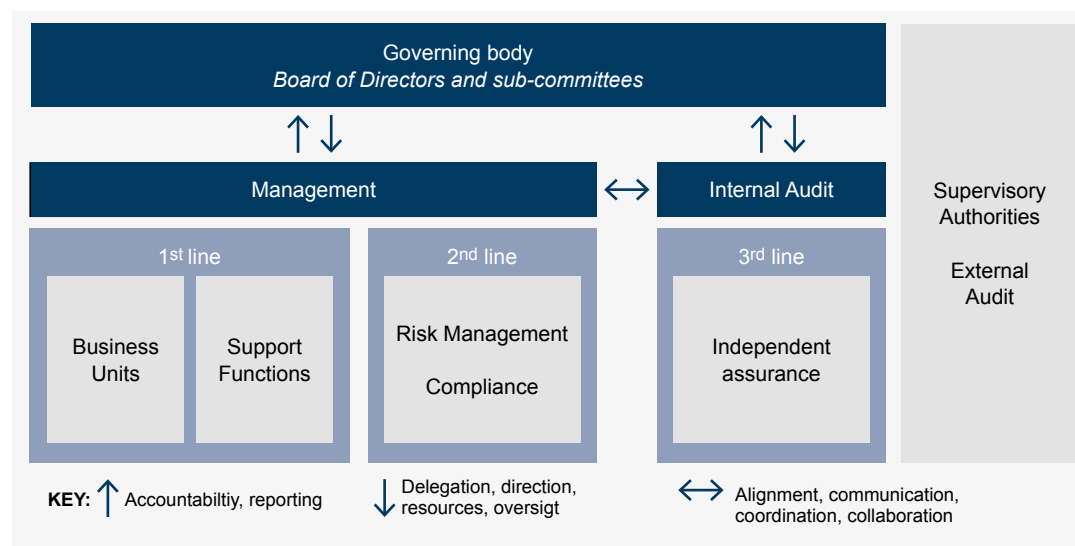
Bank Norwegian has established a policy for the approval of new products, services, markets, exceptional transactions, processes and systems (together "Products") as a part of the operational risk framework. The NPAP provides the Bank with a clear framework for assessing and approving developments or changes to Products. The Policy should also provide guidance and expectations for monitoring and reporting the risk exposure relating to Products. Furthermore, the Policy shall ensure compliance with laws, regulations, external expectations and internal routines.



# Operational risk and internal control system

Bank Norwegian is committed to having an effective risk management and monitoring to ensure that no incidents caused by operational risk can significantly affect the Bank's solidity or performance. The Bank has a culture in which all employees have a good knowledge of the operational risks within their area of responsibility.

**Bank Norwegian's Operational Risk Management and Internal Control Framework is based on the three following key principles:**



## 1. The Three Lines of Defence Model

Risk Management within Bank Norwegian is organised according to The Three Lines model. The model ensures that responsibilities are appropriately allocated to all functions. The Bank is organised with a set of control functions (1st and 2nd line) and internal audit function (3rd line). All functions shall have sufficient knowledge and capacity, clearly defined roles, responsibilities, mandates, authority and reporting lines.

**Tone at the top**

- Risk Leadership: Clarity of direction
- Responding: Welcoming disclosure

**Governance**

- Risk Governance: Accountability
- Risk Transparency: Information flow

**Competency**

- Resources: Empowered risk function
- Competence: Embedded risk skill

**Decision Making**

- Informed risk decisions
- Rewarding appropriate risk taking



**2. Sound Risk Culture**

Bank Norwegian puts high emphasis on creating and maintaining the right 'tone at the top'. This is an important principle to ensure a healthy risk culture and behaviour throughout the Bank. The Bank shall have good business management, have clearly defined and documented work processes with clear responsibilities and authority. The Bank shall comply with internal policies and procedures, as well as to all relevant external regulations and guidelines. The Bank report and follow-up all operational incidents for the continuous improvement on processes and systems. In addition, Bank Norwegian shall have a close and systematic follow-up on suppliers/outsourced activities and an ongoing monitoring of risks and identified follow-up measures.

**3. Risk Management Cycle**

Bank Norwegian has implemented a comprehensive Risk Management Cycle process to identify, assess, manage, monitor and report risk exposures. The Risk Management Cycle shall cover both individual and aggregated risk exposures. The Risk Management Function (2nd line) is responsible for ensuring that the principles of the Risk Management Cycle are communicated, understood, and adhered to. Defined risk owners have the operational responsibility for complying with the Risk Management Cycle for individual and aggregated risk exposures.

### Improvements during 2021

During 2021, the Bank has taken further steps to improve its work and processes related to Operational Risk and Internal Control. This is done by a continuous improvement in policies and procedures and creating awareness in the organisation. Procedures related to registering and follow-up of operational incidents has been improved significantly the past year. This has resulted in a new categorisation system on severity of the incidents, higher quality reports and better historical data. Suggestions for improvements resulting from incidents are also followed up more formally. During the last year the Bank has also increased resources on ICT and strengthened its focus on Cyber Security. The Bank established a management committee for Operational Risk and Information Security during 2021, where Cyber Security related topics is a key element. To avoid any risk for conflict of interests a consequence of BANO's growth, BANO divided the legal and compliance function in 2021 into two separate departments.





### 3. Our ESG Performance

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Environmental, social and governance refers to the three central factors in measuring sustainability.

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## Environmental

### What is TCFD?

TCFD – short for Task force on Climate-related Financial Disclosures – has developed a framework to help public companies and other organisations more effectively disclose climate-related risks and opportunities through their existing reporting processes across four pillars: governance, strategy, risk management, and metrics and targets.

## Financial climate-related risks and opportunities

■ Bank Norwegian is committed to meet the global challenges outlined in the Paris Agreement, which sets out a global goal to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C.

Bank Norwegian comply with the globally adopted recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), and in 2021 the Bank took steps to organise and govern a systematic approach to climate-related risks and opportunities.

Starting in 2021 and continuing in 2022, the Bank has conducted three workshops to determine strategy and risk management in accordance with the TCFD framework.

### GOVERNANCE

The Board of Directors has the overall responsibility for governance of risk management, and climate-related issues will be an integrated part of Bank Norwegian's overall business strategy. Risk management

is a key element in the Board of Directors' yearly planning cycle, and the Board's risk responsibility is also described in the Corporate Governance chapter in the Bank's annual report for 2021.

The Management Team, led by the CEO, is responsible for assessing and managing climate-related risks and opportunities.

### STRATEGY AND SCENARIOS

To understand the impact of climate-related risks and opportunities, Bank Norwegian has identified scenarios in a short, medium, and long-term perspective.

The objective has been to test the resilience of the Bank Norwegian's strategy against the different scenarios. In accordance with the TCFD recommendations, the climate-related risks and opportunities have been evaluated as *physical risks* (which arise from the changes in weather and climate that impact the economy), and *transition risks* (which arise from the transition to a low-carbon economy).

**Across three workshops, the Bank has reviewed two different scenarios:**

**Scenario 1:** High physical risk due to high global emissions where climate impacts prevail.

**Scenario 2:** High transition risk due to large degree of regulation and market changes to limit global warming.

The risk-based assessment indicate how the Bank is affected by the two scenarios and what potential financial consequences it will have. The strategic assessment give insight to which scenario it is strategically and commercially correct for the group to aim for.

*(See the following page for selected findings from the process.)*

## **RISK MANAGEMENT**

Our process of identifying and assessing climate-related risks and opportunities will in due course be integrated into the Bank's risk management process.

The Bank has analysed and revealed several risks and opportunities that we will monitor and consider actions towards in the next years. In this report we only disclose the most generic and evident.

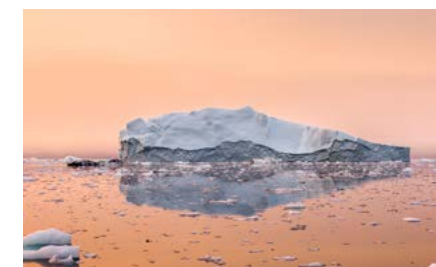
The mapping of risks and opportunities showed that with a scenario with more regulations that will reduce global heating and force us into an economy with several regulations we believe the Bank can make a difference for our customers and society in the transition of economy by offering new products and services and increasing our competence in ESG to meet these challenges.

## **METRICS AND TARGETS**

Now that the Bank has mapped the risks and opportunities that are likely to impact

the company's future financial position, in 2022 we will step up the process by integrating the outcome of the TCFD recommendations into the company's strategy.

Furthermore, we will establish metrics and targets to assess and manage climate-related disclosures and develop a reporting regime that will best suit our business.



## How climate-related scenarios affect Bank Norwegian

(Selected outcomes from scenario analyses conducted in Bank Norwegian 2021–2022)

	Aspect	Risks and Opportunities (R & O's)	
<b>Scenario 1</b> <b>High physical risk as a result of global warming</b>	Customer	Risks	<ul style="list-style-type: none"> <li>Increased global migration as a result of abrupt weather changes; flooding and droughts complicate identification.</li> </ul>
	Customer	Opportunities	<ul style="list-style-type: none"> <li>Credit card / consumer financing as a tool to pay for unforeseen weather damage</li> <li>Increased need to invest in sustainable infrastructure in homes; solarpanels, watersystems, heatpumps and energy efficiency</li> </ul>
	Customer	Risks	<ul style="list-style-type: none"> <li>More unpredictable customer needs and reduced ability to pay.</li> </ul>
<b>Scenario 2</b> <b>High transition risk as a result of increased regulations the economy and society transforms and global heating is reduced but our business model must adapt</b>	Customer	Risks	<ul style="list-style-type: none"> <li>Close connection to aviation and climate-hostile benefits program</li> <li>Reduced demand for unsecured credit due to association with loan-financed consumption</li> <li>The bank is not associated with green alternatives</li> </ul>
	Customer	Opportunities	<ul style="list-style-type: none"> <li>Attractive conditions for green alternatives</li> </ul>
	Liquidity	Opportunities	<ul style="list-style-type: none"> <li>Development of green products, which in turn provides a basis for green financing (bonds)</li> </ul>
	Operational	Risks	<ul style="list-style-type: none"> <li>Increased requirements for documentation, management of climate risk disclosures</li> <li>Regulatory sanctions or loss of license in the event of significant breaches of climate reporting</li> </ul>
	Operational	Opportunities	<ul style="list-style-type: none"> <li>Increased green and circular activities that positively affect the Bank's reputation</li> </ul>
	Operational	Opportunities	<ul style="list-style-type: none"> <li>Build internal resources and expertise on ESG</li> </ul>
	Operational	Risks	<ul style="list-style-type: none"> <li>Risk of damaged servers, buildings or transport systems due to extreme weather.</li> </ul>

## Social

### RESPONSIBLE LENDING

Bank Norwegian plays an important role in society by offering both deposits, payment cards and loans. Access to credit is a societal benefit that can become a financial challenge for some individuals. The Bank acknowledges its responsibility in marketing, approval of applications and collection process. Responsible credit practices are a prerequisite for the Bank's profitable growth.

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All our customers must be able to service loans that are paid out. The Bank's

application process for loan is largely automatic and is assessed according to the Bank's self-developed models. For all loan applications, an automated risk assessment and liquidity calculation is performed. Following the automated process, all loan applications are subject to a manual assessment and control before final approval.

A large majority of loan applications received by the Bank are rejected and in average less than 15 per cent of all loan applications are paid out. Applicants who do not have servicing capacity, due to large debts or too low income, will be rejected. We do not offer loans to customers who have a payment remark. At the end of 2021, Bank Norwegian had 1 193 800 credit card customers and 188 600 loan customers in the Nordic region, Spain and Germany. Our customer database allows us to make high quality individual credit assessments and develop our own risk models that are a good tool for exercising responsible credit practice. The Bank follows the regulations for granting loans in the

countries in which we offer our products. We have adapted our credit practices in accordance with the local regulations on requirements for banks' lending practices in all our markets.

### PRIVACY OF CUSTOMERS, APPLICANTS AND EMPLOYEES

Bank Norwegian works continuously with privacy to ensure that all our routines and processes take place in accordance with the privacy regulations. This is to protect and safeguard privacy for our customers, applicants, and employees. Bank Norwegian considers it to be a competitive advantage to provide and manage a good governance of privacy.

There has been established general guidelines and routines for processing personal data, mechanisms for incident handling, audits, and training. Bank Norwegian has routines for incident control, incident reporting and a three lines of defense approach to data protection.



## The Bank has established a Board-approved Sustainability Policy.

The Bank has a dedicated Privacy Coordinator in the first line of defence who assists the Bank's departments in matters concerning data protection. The Bank's Data Protection Officer is an important second line of defense function who ensures that the Bank in complying with the data protection requirements both for customers, employees and applicants.

Bank Norwegian has a strong focus on transparency in how we process personal data. For customers and applicants, the Bank has published a privacy policy that is easily accessible to everyone at Bank Norwegian's website. It describes how we process personal data, which personal data is processed, the processing basis etc. All employees, temporary employees, consultants and others who work for the Bank must complete e-learning courses related to privacy to ensure that everyone has a general good understanding of data privacy.

The Bank performs internal control on a regular basis concerning compliance with the personal data regulations. The board has adopted guidelines and policies for information security and processing of personal data, which are revised annually.

## SUSTAINABLE OPERATIONS AND HUMAN RIGHTS

Bank Norwegian support the UN Sustainable Development Goals (SDGs). As part of our annual risk assessment, the Bank conducts a number of workshops on sustainability to define the SDGs on which our operations have a positive and negative impact. We will comply with and strive to influence the SDGs in our market area in order to achieve a more sustainable future.

We prioritise: nr. 4 Quality Education, nr. 5 Gender Equality, nr. 8 Decent work and economic growth, nr. 12 Responsible consumption and production, nr. 13 Climate action and goal nr. 17 Partnership for the goals. We report into to the UN Global Compact network annually.

### Our prioritised Sustainability Goals



#### Quality education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



#### Gender equality

Achieve gender equality and empower all women and girls



#### Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



#### Responsible consumption and production

Ensure sustainable consumption and production patterns



#### Climate action

Take urgent action to combat climate change and its impacts



#### Partnership for the goals

Strengthen the means of implementation and revitalise the global partnership for sustainable development

Bank Norwegian's operations is conducted in countries where work life is strictly regulated, and human rights are protected by law. To support human right globally we take active part in the UN Global compact's network and support the two organisations Leger uten Grenser and Plan International's work with human rights. We request that our suppliers and partners comply with human rights through our standard contracts which require that all our suppliers comply to this standard.

**A DIVERSE AND ENGAGED WORKFORCE WORKING AGAINST BIAS**

At the end of 2021, the Bank had 118 permanent employees and 2 temporary staff, a total of 109 full-time equivalents. The number of full-time equivalents increased by 23 in 2021. All employees work at the head office at Fornebu. The Bank also has 15 consultants from consulting companies working with Bank Norwegian. In addition, we have 45 customer consultants through Webhelp in Spain.

Bank Norwegian is an attractive workplace with high competence in all parts of the organisation. We have employees from all countries where our products are offered, and our employees have a diverse background from more than 16 different countries.

Bank Norwegian is an including workplace with a good working environment. The Bank

has established guidelines and routines for safeguarding employees' health, safety, and the environment, as well as preventing discrimination.

**Against Bullying and discrimination**

No discrimination is allowed or accepted, no matter gender, age, sexual orientation, religion, or functional ability. Bullying and harassment can be devastating to the

**Gender distribution across job levels in Bank Norwegian at year-end 2021:**

Description of job level	Women	Men	Total	Proportion of women %
<b>Total</b>	60	60	120	50
<b>Job level 1</b>	2	5	7	29
<b>Job level 2</b>	8	11	19	42
<b>Job level 3</b>	11	20	31	35
<b>Job level 4</b>	25	17	42	60
<b>Job level 5</b>	14	7	21	67
<b>Total</b>	60	60	120	50



employee and pose a risk of poor working conditions. The Bank has a zero tolerance for bullying, harassment, and sexual harassment, and has a routine for reporting reporting objectionable conditions. This has been revised and made visible to ensure that all employees are familiar with the routine, including whistleblowing routines with support from an external independent vendor. This is a continuous process that must be worked on to maintain a good working environment.

**Personal and professional development**

Developing competence is a focus area, and we aim to further develop our employees through internal and external courses. Regular e-learning courses are held, and employees are encouraged to seek further development in relevant areas. We focus on a balanced proportion of each gender at all levels and give equal career opportunities in line with the company's needs and the individual's wishes and ambitions.

Gaps in competence are important to map

and the risks of such gaps can be significant. In an employee survey conducted in 2021 it was identified that employees want more education and skill-development. Based on this the bank will continue to strengthen our staff's competence development at all levels in the bank.

Every year all the Bank's employees must complete courses in the Bank's ethical regulations (Code of Conduct) and Anti Money Laundering (AML). Courses and e-learning are used for training, also by employees at Webhelp in Spain.

**Equality and diversity in teams and recruitment**

Bank Norwegian promotes equality and diversity. Variation in our team is important, and we welcome people with diverse background, competence, and experience. Diversity promotes innovation and contributes to better decisions, and we believe this makes us better equipped to solve challenges.

We work with gender equality and diversity in recruitment processes to avoid the risk of candidates being discriminated against

**Proportions of women's salary compared to men at year-end 2021:**

Description of job level	Differences in fixed salary (%)	Differences in fixed salary (NOK)
<b>Total</b>	107	69 241
<b>Job level 1</b>	115	335 000
<b>Job level 2</b>	97	-32 045
<b>Job level 3</b>	102	13 082
<b>Job level 4</b>	105	26 027

because of gender, age, sexual orientation, religion, or physical ability. We quantify gender in recruitment processes to secure equality of gender balance. There is a risk of unconscious biases in recruitment processes, and to avoid potential discrimination in future recruitments, we will put our attention towards several potential areas where discrimination may occur.

#### **Equality Check at Bank Norwegian**

Bank Norwegian has investigated whether there is discrimination, risks, and obstacles to gender equality. We have an even gender balance at almost all levels, with over 40% women at 3 of 5 levels. In 2021, we signed an agreement with Equality Check, which provides a solution for systematic work on issues related to equality and diversity.

Equality Check was launched for our employees in the autumn of 2021. Both current and former employees can also anonymously give feedback on various areas, such as equal opportunity, no

unconscious bias or future potential. We got a score of 4.2 out of 5 with high achievement in all areas. The area with the lower score was related to work-life balance. We acknowledge that the workload can be high and have hired more employees to ensure a better balance.

#### **Equal Pay**

The Bank's salary level at the various levels in the Bank has been reviewed to see whether there are differences in salary for equal work and work of equal value, and if there is a risk of discrimination. There were some differences detected when adjusting salaries in 2021, and the Bank had extra focus on leveling out differences to ensure equal salary for equal work and work of equal value.

Based on the analysis, we can see that the differences in pay between the genders are satisfactory, but we work continuously to ensure equal pay for equal work.



## Joining forces to combat fraud

■ During 2021, Bank Norwegian participated in a joint effort to prepare and implement a new industry standard for accepting eID (electronic ID) to increase the security and reduce the number of fraud cases. The framework is made in collaboration with Finans Norge and other representatives from the finance industry.

The guidelines provide a shared strengthening in the efforts to combat fraud and financial crime. Financial institutions become better equipped to detect deviations from normal behaviour and better intercept high-risk actions or incidents. The new industry standard also provides customers with a formalisation of their rights, support and guidance if they become a victim of fraud, while the industry gets a common framework to follow.

The new industry standard is a sought-after development that both the industry and customers can agree on, and it is a necessary signal to end-users that good measures are in place, if unwanted situations should arise.

**Håkon Hovde**, Head of fraud and disputes at Bank Norwegian, explains:

“At Bank Norwegian, we think it is paramount that consumers have their rights formalised for support and guidance, while at the same time giving the financial industry a common framework to adhere to. The industry standard has been developed by representatives across the industry, and the end product is now a standard of good quality that everyone involved can vouch for. It is an important signal to the end consumer, that they see that there are strong safety measures in place, even if an accident should occur.”



**“Today, it is a matter of course for everyone not to hand over their credit card PIN code to anyone. I think we will experience the same with the password to eID. The use of BankID is your digital self, and the extent of it I think individuals and society at large will be more aware of.”**

*Håkon Hovde,  
Head of Dispute and Financial Crime at Bank Norwegian*

## Governance

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### **EFFORTS TO COMBAT MONEY LAUNDERING**

Money laundering is every effort that attempts to integrate income from criminal activities like fraud or tax evasion into the economy. This is a severe threat to financial institutions and society as a whole. Regulators considers money laundering to be an international challenge that could threaten the financial system.

Terrorist financing is the attempt to use legitimate or illegitimate funds to finance terrorist actions, including financing training or travel. This is also a threat to the stability of our society.

Bank Norwegian has in 2021 launched a new e-learning module. This has assured that all employees, consultants and the Board of Directors will receive relevant Anti-money laundering (AML) and Counter terrorist financing (CTF) -training. The mandatory e-learning will also be supplemented by information in internal channels and classroom training.

During 2021, Bank Norwegian allocated more resources to the anti-money laundering and counter terrorist financing-work (AML/CTF). The Department of Dispute and Financial Crime was also restructured, and AML was separated into its own department with its own department head. The new structure came into effect from January 2022. The change is due to the increased focus on this subject from legislators and to make sure that the AML/CTF-work in the Bank is given due focus and resources.

The Board of Directors adopted a Financial Crime Policy in 2021. This policy is an expansion compared to the previous AML/CTF Policy. In addition to AML/CTF, the new policy also entails bribery, corruption and other types of fraud. The new policy gives a solid fundament for a wholesome effort against money laundering, terrorist financing and fraud. With the expansion to Germany and Spain, the Bank implemented a SEPA-payment solution and our transactions-screening regime was updated consequently.

Bank Norwegian was acquisitioned by Nordax Bank in the fall of 2021. The AML-team in Bank Norwegian has started a close cooperation with the AML-team in Nordax Bank to ensure streamlining of the AML-processes and procedures all through the group.

The European Banking Authority (EBA) proposed a new AML/CTF legislative package in July 2021 to strengthen the AML/CTF-work all over the EU. Among other things, a new EU authority is proposed to enhance the cooperation of National Financial Intelligence Units.

In March 2021, EBA published new guidelines on customer due diligence and risk factors regarding money laundering and terrorist financing. The bank has implemented these guidelines in the AML/CTF-work.

## INFORMATION SECURITY

Bank Norwegian takes the protection of all its data and IT systems very seriously. We use several interlinked approaches to protect our customer data and the Bank's internal data.

Bank Norwegian believes that security is the responsibility of every employee working for the Bank, not just the security department. We conduct regular training sessions to enable our employees to successfully spot and combat any security threats. This includes mandatory training and for some subjects even test of the acquired knowledge. As a customer serving institution, we are very aware of phishing campaigns and all our employees receive training and regular updates on the newest techniques to help them protect our customers.

### Continuous monitoring and incident reporting

All our IT systems are monitored around the clock for any unusual activity, and swift action is taken if anything is spotted. Our customer-facing systems are protected against denial-

of-service attacks and regularly scanned for any vulnerabilities. The system in use by our employees monitor all incoming and outgoing traffic and files for potentially dangerous content. All defensive measures, systems and procedures are reviewed and audited on a regular basis. Any incidents are reported to the applicable authorities where required.

Bank Norwegian complies with all regulations and guidelines issued by the financial service authorities for the markets we operate in. Although all these are European countries, the exact regulations and its details can differ between the countries. Bank Norwegian adopted the Center for Internet Security (CIS) top 20 critical security controls, a set of best practices for computer security, and report our status and any changes to the Bank Norwegian leadership and board.

### Improving on response capabilities and knowledge sharing

During 2021 and continuing in 2022, we work on further improving our IT and cyber security controls. We will implement a consolidated

security information and event management system that will collect information from all our IT systems and monitor for anomalies. We are planning to improve our first- and second-line response capabilities. We have started to make use of cloud-based technologies to combat phishing and spamming, as well as to reduce the number of attacks that can evade detection.

Bank Norwegian is a member of Nordic Financial CERT – the organisation set up by financial service organisations to share intelligence, alert of impending threats and counter attacks. Nordic Financial CERT provides Bank Norwegian with valuable information about the ever-changing security and threat landscape, and we share intelligence with the other institutions in the network.

**In 2021, the Board at Bank Norwegian were closely involved in the work with new KPI's for sustainability and our ambitions for ESG.**

### REPORTING FRAMEWORK

The Bank became a member of the UN Global Compact in March 2019, and we submit a "Communication on Progress" in accordance with GC Active standard annually. The CoP is a public disclosure to stakeholders on progress made towards implementing the Ten Principles of the UN Global Compact and support the UN goals and issues.

The Bank utilises the GRI Standards issued by the Global Sustainability Standards Board for sustainability evaluation and disclosures.

### WHISTLEBLOWING

Bank Norwegian is committed to conducting our business responsibly, ethically and in accordance with laws and regulations. We have a Board approved whistleblowing routine for anonymous reporting criticisable conditions and misconduct. This system is available for customers, employees, business partners or any other type of stakeholder at our websites.

The Bank has also established a Conflict-of-

Interest Policy and a Code of Conduct. The Bank expects employees to promptly inform their immediate manager or safety deputy if they find any conflict with laws, regulations or other public regulations, serious violations of internal guidelines, or any other conditions that might harm the Company's reputation.

The management encourages knowledge about such matters to provide the necessary clarifications, correct errors, or damage as soon as possible, respond to undesirable behaviour, as well as to learn from mistakes.

### INVOLVEMENT FROM THE BOARD ON ESG

The Board of Directors has taken an active role to ensure that the Bank's commitment to sustainability is on the agenda throughout the organisation. In 2021, the Board of Bank Norwegian were closely involved in the work with new KPI's for sustainability and our ambitions for ESG. To improve and strengthen the work related to sustainability, the Board has taken an active role in the adoption and implementation of the Bank's Sustainability Policy as well as the Bank's Sustainability Report. ESG has also been on

the Board's agenda as a separate decision item and will continue to be an agenda item in meetings going forward.

## Strategic ESG risk

### Financial crime

Bank Norwegian is committed to prevent the Bank from being used for any illegal activity, both internally and externally. Managing the risk of financial crime is vital to maintaining our commitment to serve as a positive contributor in society. The Bank has a specialised department for dispute and financial crime that takes care of issues related to financial crime. This department serves all our customers that have any claims or/and disputes related to their products.

### Actions taken against anti-corruption:

The Bank has established a Risk Management Framework to ensure that internal procedures support the Bank's anti-corruption commitment.



Business is carried out in markets with relatively low country risk. The Corruption Perceptions Index ranks and scores 180 countries and territories by their perceived levels of public sector corruption, according to experts and businesspeople. According to the Corruption Perceptions Index 2021, the markets in which the Bank operates scored as follows:

- Norway – 85
- Sweden – 85
- Denmark – 88
- Finland – 88
- Germany – 80\*
- Spain – 61\*\*

\* Entered market on November 10th, 2021

\*\* Entered market on October 25th, 2021

The Bank exclusively serves consumer customers, and all customers transactions are monitored. All customers are also screened for “Politically Exposed Persons” and “Counter Terrorism Financing”.

With reference to the ESG risk assessment, different kinds of corruption risks has been identified, and assessed as low or very low.

#### AML/CTF

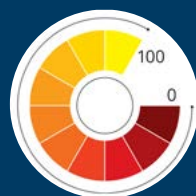
The purpose of the Bank’s AML/CTF framework is to prevent and detect transactions and patterns linked to criminal offences or the financing of terror.

New customers are subject to checks and audits to ensure that all AML/CTF requirements are complied with. Bank Norwegian has a modern IT structure.

It is well equipped in the event of new customer engagements to fulfil the legal requirements for customer due diligence. All customers are validated against third party source (credit information, address register etc.) and requirements for identification, and screened against Political Exposed Persons and sanctions list.

All existing customers are monitored. If a customer is found on the PEP and sanctions list, necessary action will be taken. All customers are screened daily for their PEP or sanction status. All transactions are monitored through the AML/CTF system to identify suspect transactions.

An assessment of AML/CTF risk is carried out by the Bank annually. As part of the third line of defence, internal audit reviews the AML/CTF area annually. Operational incidents are reported to the Risk Management Function in accordance with established routine. A summary of all incidents is also reported to the Board of Directors through the independent risk report. Recommendations from the Internal Audit Function are recorded and followed up by the Head of Risk Management. Status of outstanding improvement measures are reported to the management and Board of Directors.



**THE CORRUPTION PERCEPTIONS INDEX (CPI)**  
The CPI ranks 180 countries and territories around the world by their perceived levels of public sector corruption. The results are given on a scale of 0 (highly corrupt) to 100 (very clean).

**Bank Norwegian's operations are conducted in countries where work life is strictly regulated, and human rights are protected by law.**

Yearly an internal risk report covering AML/CTF is prepared and presented to Senior Management. To assess risks linked to money laundering and financing of terrorism, all geographic markets are presented separately.

Primarily, the products are similar but differ a little between the markets, which also affects the risk exposure of the products.

*(Assignment of responsibility for 1st, 2nd, and 3rd line of defence to the Bank's Financial Crime Policy are presented in the table to the right.)*

### SUPPLIERS

In accordance with Bank Norwegian's Code of Conduct and Sustainability Policy, we must not operate in a way that is harmful to people, the society or environment, and thereby support long-term social and ecological balance. Bank Norwegian's operations are conducted in countries where work life is strictly regulated, and human rights are protected by law.

Responsibilities	1st Line		2nd Line		3rd Line
	Customer Service	AML department*	Compliance	Risk mgmt.	Internal audit
Identify, assess, and control the risks of their business	X	X	X		
Investigate suspicious transactions and report to AML function	X	X			
Investigate suspicious transactions reported by CSR and external parties		X			
Investigate suspicious transactions		X			
Report suspicious transactions and asset freezing		X			
Ongoing monitoring and fulfillment of all AML/CFT duties by the Bank		X			
Ensure updated routines		X			
Support the organisation and provide professional advice		X			
Know and carry out the policies and procedures and be allotted sufficient resources to do this effectively		X			
Ongoing training of current employees		X	X		
Training new employees		X	X		
Risk assessment	X	X	X		X
Conduct assessment of AML/CTF risk related to new products, services, technology and processes (NPAP)			X		
Risk adjust transaction monitoring		X			
Report to management		X	X		
Report to authorities		X			
Government relations		X	X		
Ensure that policies are adopted and kept up to date			X		
Follow up and Control			X		X

\* Including Money Laundering Reporting Officer (MLRO)

Our business partners are expected to follow our Supplier Conduct Principles in their corporate strategy, culture, and day-to-day operations. This forms a part of all agreements with suppliers of goods and/or services to us. The Supplier Conduct Principles ensures this between Bank Norwegian and the Supplier:

- Human rights
- Labour standards
- Health and safety
- Environment
- Prohibited Business Practice such as corruption and money laundering
- Improvement plan
- Mirroring of requirements and rights between the parties entering a contract
- Law and information handling
- Obligation to drive improvements in sub-suppliers' operations
- Rise awareness on issues set out in these principles

Bank Norwegian encourage customers and suppliers to follow the guidelines and

principles that apply to our activities and minimise exposure to business partners that could create material adverse social and environmental impact.

## Strategic ESG Opportunities

Our business is in many ways dependent upon the environment in which we operate. Climate change and new regulations to keep environmental impact to a minimum is a force of change for us, the finance industry, and our customers.

### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Bank Norwegian does not report on a full TCFD format, but we use the TCFD framework as a strategic tool to analyse and monitor our risks and opportunities related to climate change.

As described above under the chapter for environmental sustainability, when assessing climate-related scenarios for our business we

identified many different aspects that impose opportunities for Bank Norwegian. Some of them are e.g. new possible products that fit in the circular economy and credit lending to help customers cover in unforeseen climate events. We acknowledge that the Bank needs to further build internal resources and expertise on ESG.

When we started to apply the TCFD framework more strategically to understand our risks and opportunities, we found that TCFD is a tool that also helps us understand both our risks and future growth opportunities better. We will continue using TCFD as a tool because there is a close connection between the requirements in TCFD framework and the new expected regulations from the EU. The TCFD framework helps us to be better prepared for new regulations and risks as well as business opportunities.



## 4. Reporting Initiatives, Metrics and Targets

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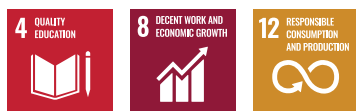
From 2021, Bank Norwegian has targeted and established key performance indicators on five focus areas on sustainability.

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Key performance indicators on sustainability

# Responsible lending


## Responsible Lending



Key Performance Indicator	Performance 2021	Actions 2022
<ul style="list-style-type: none"> <li>• Improve Bank Norwegian's reputation as a responsible lender by making it evident how we ensure responsible lending in all our processes and communicate our initiatives and results in this field.</li> <li>• Increase the Bank's supporting tools and methods to improve pre-collection processes.</li> <li>• Increase our customers awareness on personal finance and responsible lending measured by an increase in information on the topic at our web pages.</li> <li>• Reduce the number of cases that go to collection relatively compared to our growth.</li> <li>• Increase and measure number of unique visitors on our customer information sites, user guides and FAQ. regarding responsible lending.</li> </ul>	<ul style="list-style-type: none"> <li>• Allocated more resource capacity to support customers with payment issues.</li> <li>• Harmonised self-services, and made self-services, more available across all markets.</li> <li>• Improved our risk and budget models.</li> <li>• Conducted a survey to get customers' feedback on needs and preferences with regards to personal economy and responsible lending.</li> <li>• Evaluated results from collaboration with Stiftelsen Rettferd and moved our support initiatives in-house.</li> <li>• Improved and digitalised customer verification across all markets.</li> </ul>	<ul style="list-style-type: none"> <li>• Investigate and test methods to detect and support customers with potential payment issues so they can gain control and overview of personal finance to prevent collection. Starting in Norway and scaling to other markets.</li> <li>• Contact Swedish customers in early default status by outbound calls during H1. Evaluate results and consider scaling to other markets in H2.</li> <li>• Improve our web pages to help customers with more digital self help solutions and gradually increase number of customers that are served by our digital self-help solutions to prevent collection and late payments.</li> <li>• Increase the collaboration with Finans Norge or other relevant partner to increase general awareness about debt.</li> </ul>

Key performance indicators on sustainability

## Data security and data privacy

	Key Performance Indicator	Performance 2021	Actions 2022
<p><b>Data security and data privacy</b></p>  <p><b>Bank Norwegian has a zero tolerance for cybercrime.</b></p>	<ul style="list-style-type: none"> <li>• Ensure thorough tests of all critical system/ service per year.</li> <li>• Minimum deviations of security scans from predefined plan.</li> <li>• Increase customer communication initiatives on cyber-crime, data security and data privacy.</li> <li>• Maintain the high score on customer's trust in our data privacy handling and trust in our data privacy processes above 85 percent as measured in Sustainability survey 2021.</li> </ul>	<ul style="list-style-type: none"> <li>• Worked on further improvements for our IT and Cyber Security controls.</li> <li>• Compliant with all regulations and guidelines by financial service authorities for the markets we operate in.</li> <li>• Increased use of modern authentication technology.</li> <li>• IT systems monitored continuously.</li> <li>• Increased regulatory capacity with additional positions within financial, privacy, consumer regulation.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure security scans of all critical systems, infrastructure, PC's, apps etc.</li> <li>• Perform disaster/recovery tests at least once a year for critical system or services.</li> <li>• Increase configuration reviews through third party specialist.</li> <li>• Increase tailored customer communication to 4 initiatives on web per year and measure unique visitors to security information related pages.</li> <li>• Improve internal training in data security and privacy.</li> </ul>

Key performance indicators on sustainability

## Customer communication and decision support

### Customer communication and decision support



#### Key Performance Indicator

- Maintain a NPS score above 50 in all markets.
- Maintain high score on customer knowledge and use of our app.
- Increase number of articles and newsletters on product and app- improvements, circular economy and how we can help customers with decision support via our app and own websites to minimum of 10 activities per market
- Maintain high score >50% on score price transparency on our products: customers find it easy to understand as measured in the annual sustainability survey.
- Improve and increase functionality in “My Purchases” Measures by customers’ share of use.

#### Performance 2021

- Performed a survey on sustainability for customers in the Nordics. The results will support our decision-making process both now and in the future.
- Published articles on product related aspects with customers in mind, such as easier online payments, our grocery insurance and Apple Pay.
- Attracted and employed people with expertise and knowledge to the new markets to support our German and Spanish customers.
- Improved the quality and usability of “mine kjøp” – where customers keep track of their economy in our app.

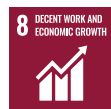
#### Actions 2022

- Test a circular loan or credit product.
- Test 1-2 sustainability features in our app according to the response in the customer survey.
- Consider possible “ready-made” solutions to include in our own app.
- Initiate collaboration on sustainability with partners.
- Increase share of customers’ use of “Mine kjøp” by 10%.

Key performance indicators on sustainability

# Anti-money laundering and fraud prevention

## Anti-money laundering and fraud prevention



Key Performance Indicator	Performance 2021	Actions 2022
<ul style="list-style-type: none"> <li>• Zero tolerance for internal fraud.</li> <li>• 100% employee participation on e- learning courses.</li> <li>• Maximise share of customers with up-to-date personal information.</li> <li>• Increase number of awareness initiatives towards customers to at least 4 annually.</li> <li>• Double internal communication on AML.</li> <li>• Increase number of KYC initiatives to the double.</li> <li>• Increase awareness about cryptocurrency and connection to financial crime.</li> <li>• Categorise and detect more of new types of fraudulent activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Held presentation on AML/CTF for all employees in the Bank.</li> <li>• Implemented new guidelines from the European Banking Authority.</li> <li>• Allocated more resources to the AML/ CTF work and related activities.</li> <li>• Established AML as an own department with department head.</li> <li>• Financial Crime Policy, which also entails bribery, corruption, and fraud, was adopted by the board.</li> <li>• Started collaboration with AML-team in Nordax Bank in fall 2021.</li> <li>• Developed and implemented a fraud detection model in Sweden.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve our e-learning.</li> <li>• Specialised training at all levels in the Bank</li> <li>• Revise and update the process for requesting customers to update and/or confirm the personal information in our systems. Record of non-responding customers will be kept, and relevant due diligence measures will be applied.</li> <li>• Prevent fraud by further specialisation and collaboration with Nordax. Improve fraud detection methods and establish an improved set of metrics.</li> <li>• Measure effect of the new fraud detection model.</li> <li>• Build section for relevant AML/KYC content on the intranet.</li> <li>• Implement block on cryptocurrencies.</li> <li>• Improve on-boarding process with regards to AML.</li> </ul>



Key performance indicators on sustainability

# Employee engagement, equality and diversity

## Employee engagement, equality and diversity



Key Performance Indicator	Performance 2021	Actions 2022
<ul style="list-style-type: none"> <li>• Double the number of reviews on Equality Check and maintain or achieve industry benchmark on the different rating categories.</li> <li>• Improve employer brand index by stronger presence at LinkedIn measured by doubling the employee advocacy through employee engagement (50% increase in followers).</li> <li>• Maintain low turnover rate</li> <li>• Maintain the low sick leave rate.</li> <li>• Employee participation in employee survey above 82%.</li> <li>• A balanced gender distribution across the Bank with at least 40% women on all levels in the Bank</li> <li>• A balanced and diverse workforce with regards to age, gender, and cultural background.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensured systematic work on issues related to equality and diversity through collaboration with Equality Check. Our score is 4.2 out of 5 as per April 2022.</li> <li>• We strengthened our presence on LinkedIn.</li> <li>• Levelling of remuneration to ensure equal pay for equal work of value.</li> <li>• Conducted employee survey to ensure personal and professional development:               <ul style="list-style-type: none"> <li>▶ Job satisfaction: 93%</li> <li>▶ Perceived influence on individual work situation: 87%</li> <li>▶ Overall satisfaction with leader and employee relation: 93%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Annual employee activities on anti-bias and diversity.</li> <li>• Quartey Leadership hub initiatives on diversity unbiased leadership.</li> <li>• Map distribution of salaries to ensure equal pay for equal value of work, and to identify risks of discrimination.</li> <li>• Better inclusion of equality and diversity in recruitment process.</li> <li>• Continued effort to balance gender distribution on all company levels.</li> <li>• Examine risks of discrimination and other opposing elements for equality.</li> </ul>

## Climate Friendly Office – Key metrics

■ Our office is in a Breeam-In-Use certified building. This is an internationally acknowledged tool for measuring, improving and documenting environmental performance and health-promoting qualities in existing buildings.

The office has easy access to public transport, and we have chargers for electric cars that our employees can book. In addition, the area around the office has welldeveloped cycle paths, and the building has a garage for parking bikes. Bank Norwegian do not possess any company cars, and we do not provide fuel cards for employees or management.

Waste management is important to us and our property managers. There is a central waste sorting system for all tenants in the office complex.

<b>Energy consumption for our office in 2021</b>	43 486,7 kWh
<b>Waste (All fractions)</b>	1 842 Kg

### New and environmentally friendly office

We are a company in growth, and during 2021 we outgrew our office. In November 2021, we moved into new premises with a modern floor plan and space to accommodate future growth. The new office space is created and decorated with sustainability in mind. Intact surfaces, such as the floor, was re-used to save resources and emissions. The furnishing is of high quality and is made to withstand many years of use.

### Service travels for work

2021 has been a year influenced by Covid and travel restrictions, and because of that we have had few business travels by flight this year.

<b>Business travels in 2021*</b>	18
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\* Roundtrips





WE SUPPORT

# UN Global Compact

We support the UN Sustainable Development Goals (SDGs) as a signatory and follow the Ten principles of the UN Global Compact. As part of our annual risk assessment, the Bank conducts a number of workshops on sustainability to define the SDGs on which our operations have a positive and negative impact. We will comply with and strive to influence the SDGs in our market area in order to achieve a more sustainable future. The SDGs we have chosen to prioritise are:



Quality education



Gender education



Decent work and economic growth



Responsible consumption and production



Climate action



Partnerships for the goals

We comply with these goals and try to integrate them in our operations to support the achievement of these goals through our operations.

As a member of the UNGC, we report on our progress annually in the “Communication of Progress” (CoP) in accordance with the Global Active Standard. This is a public disclosure to stakeholders on our measures and progress made towards the Ten Principles of the UN Global Compact and support broader UN goals and issues. The Communication on Progress serves to enhance transparency and accountability, drive continuous performance improvement, as well as to provide a repository of corporate practices to promote dialogue and learning.

## Principles

## What Bank Norwegian does

### Environment

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

Our Code of Conduct (“the Code”) represents our commitment to stakeholders, and all employees must undergo an annual review of the Code. We address human rights attitudes and principles in our updated Code; approved by The Board of Directors in December 2021. When entering into an agreement with supplier, we make sure human rights principles, non-discrimination and environmental considerations are complied with.

We always act in accordance with universal human rights, and we comply with all applicable laws and respect internationally recognised human rights.

We do not invest in activities, companies and industries which are excluded by NBIM (Norges Bank Investments Management) and the asset managers own “Exclusion list”. We require that companies invested in meet the Bank’s criteria for human and labour rights, corruption, serious environmental damage as well as production of tobacco and controversial weapons.

**Principle 2:** make sure that they are not complicit in human rights abuses.

The Bank is an equal opportunity employer and has established guidelines to ensure that no employee is treated differently or discriminated and that opportunities for employment, training and promotion are accessible to all candidates irrespective of their status.

The Bank is committed to conducting business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. Our Code of Conduct ensures that business operations do not violate human rights principles.

Our Sustainability Policy provides a framework for sustainability in Bank Norwegian and provide a governing platform for the Bank’s sustainability work and standards for all business decisions, including investment, outsourcing and credit decisions This Policy is binding and applies to all operations in the Bank

### Labour

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

The Bank adheres to the Working Environment Act of Norway, and have routines for health, safety and the environment (HSE). We work to create a safe and healthy working environment for our employees and focus on preventing work injuries.

At Bank Norwegian, we see people as our most important asset. We aim to engage our employees by working with competence development, work-life balance, and diversity. Any employee can join a trade union.

## Principles

## What Bank Norwegian does

**Principle 4:** the elimination of all forms of forced and compulsory labour;

The Code of Conduct provides an ethical and behavioral framework to guide behavior in our day-to-day operations. We only use suppliers who commit to adhere to these guidelines.

The Bank conducts an annual HSE risk assessment and report, and we conduct employee surveys. Safety representatives are elected by the employees.

**Principle 5:** the effective abolition of child labour; and

The Bank does not employ anyone below 18 years of age.

**Principle 6:** the elimination of discrimination in respect of employment and occupation

The Bank work towards a balanced workforce in terms of gender, age group and experience in order to tap into a wide range of knowledge, skills and specialist competencies towards achieving its business strategies.

All employees are given the Employee Handbook which provides employees a detailed overview of policies that are specific to the organisation along with other key procedures, guidelines and benefits

The Bank has established whistleblowing routines, and we have updated these in line with organisational changes and internal notification. The company encourages everyone to report irregularities as and when they are discovered or occur.

The Bank has established routines for handling threats to employees and/or third parties.

## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

All customers of the Bank are consumer customers and not companies. This significantly reduces the risk that the Bank finances customers who violate laws, regulations and/or local regulations in the area of environmental protection.

The Bank used the framework for TCFD (Task Force on Climate-Related Financial Disclosures) to monitor the risks and opportunities for the Bank and our operations.

The Bank has, through its Contingency Plan, ensured emergency procedures to prevent and address accidents affecting the environment and human health.

The Bank's investment mandate contains environmental requirements. Compliance with the requirements for responsible investments is implemented in the Bank's Market Risk Policy and thus integrated into our business.

## Principles

## What Bank Norwegian does

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

In all marketing, the Bank uses digital channels and platforms rather than paper and posters.

Our office is located in an energy efficient building which in 2020 obtained the BREEAM In-Use certificate. The Bank has adopted recycling schemes for used office furniture; food and residual waste; disposal of IT equipment. Parts of the waste are recycled and put into a circular economy. Hazardous waste is safely disposed in line with regulations.

In 2021, we moved into a larger office space to accommodate for growth and new employees. During the process, we took measures to ensure sustainability both long-term and short-term.

The Bank's Outsourcing Policy with attached Guidelines for Planning, Entering and Managing Outsourcing Arrangements ensures that the Bank will terminate contracts with business partners that does not adhere to the UN Global Compact's 10 Principles and other requirements from the Sustainability Policy.

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

The Bank is fully digital and exclusively offers products and services on the website and app.

The Bank's procedures and processes are largely automated with electronic documentation and communication that reduce paper consumption and transportation.

The Bank aims for electronic invoicing for as many customers as possible and encourage all customers to select electronic invoicing solutions.

## Anti-corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

All customers of the Bank are consumer customers and not companies. This significantly reduces the risk that the Bank finances customers who violate laws, regulations and/or local regulations in the area of environmental protection.

Tone at the top: top management and the Board encourage sustainability work and initiatives and are leading by example. The Bank has established a sustainability policy that has been approved by the Board. All employees are encouraged to be aware of and contribute to the commitment to sustainability in Bank Norwegian.

The Bank has, through its Contingency Plan, ensured emergency procedures to prevent and address accidents affecting the environment and human health.

The Bank's investment mandate contains environmental requirements. Compliance with the requirements for responsible investments is implemented in the Bank's Market Risk Policy and thus integrated into our business.

## Myclimate contribution

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■ Due to covid-19 restrictions in 2021, our employees were still working from home, and we had very few business trips with only 18 roundtrips. Even though we keep our climate footprint low locally, our offices have an impact on climate through heating, waste, and general use. As a measure to compensate for this, we supported Myclimate through a contribution that is calculated from estimated local business activity. Commuting and personal transportation is not included in this estimate as employees have mostly been working from home.

Myclimate is a non-profit organisation that work together with industry partners and private individuals to shape the future through education, advisory services, and their own projects.

## Definitions and abbreviations

<b>AML</b>	Anti-Money Laundering
<b>CoP</b>	Communication on Progress
<b>CTF</b>	Counter-Terrorist Financing
<b>EBA</b>	European Banking Authority
<b>ESG</b>	Environmental, Social and Governance
<b>GC</b>	Global Compact
<b>GRI</b>	Global Reporting Initiative
<b>GSSB</b>	Global Sustainability Standards Board
<b>HSE</b>	Health, Safety and Environment
<b>KYC</b>	Know Your Customer
<b>NAS</b>	Norwegian Air Shuttle
<b>NBIM</b>	Norges Bank Investment Management
<b>NGO</b>	Non-Governmental Organisation
<b>NPAP</b>	New Product Approval Policy
<b>PEP</b>	Politically Exposed Person
<b>RMF</b>	Risk Management Framework
<b>R&amp;Os</b>	Risks and Opportunities
<b>TCFD</b>	Task force on Climate-related Disclosures



# Index of topics in Bank Norwegian Group's 2021 reports



Bank Norwegian Group  
Annual Report 2021



Bank Norwegian Group  
Sustainability Report 2021

TOPIC	ANNUAL REPORT	SUSTAINABILITY REPORT
<b>Business model</b>	Ch. 1 About us / <b>Strategy – our future</b>	Ch. 1 Our Sustainability Commitment / <b>Business model</b>
<b>Compliance</b>	Ch. 1 About us / <b>Our employees</b> Ch. 2 Sustainability / <b>Responsible investments</b> Ch. 3 Management and results / <b>Corporate governance</b>	Ch. 2 Bank Norwegian's policies
<b>Covid-19</b>	Ch. 1 About us / <b>Letter from the CEO; Our customers; Our employees</b> Ch. 3 Management and results / <b>Director's report</b>	Ch. 1 Our Sustainability Commitment / <b>Letter from the CEO</b>
<b>Customers</b>	Ch. 1 About us / <b>Letter from the CEO; Our customers</b>	Ch. 2 Our Policies / <b>Ethics policy and our Code of Conduct</b>
<b>Employees</b>	Ch. 1 About us / <b>Our employees; The activity duty and the duty to issue a statement</b> Ch. 3 Management and results / <b>Director's report</b>	Ch. 3 Our ESG Performance / <b>A diverse and engaged workforce working against bias</b>
<b>ESG factors</b>	Ch. 2 Sustainability	Ch. 3 Our ESG Performance
<b>Financial crime</b>	Ch. 2 Sustainability / <b>New regulatory framework for the Bank</b> Ch. 3 Management and results / <b>Corporate governance</b>	Ch. 3 Our ESG Performance / <b>Efforts to combat money laundering</b> Ch. 3 Our ESG Performance / <b>Information security</b>
<b>Financial responsibility</b>	Ch. 2 Sustainability / <b>Responsible lending; Responsible investments</b>	Ch. 1 Our Sustainability Commitment / <b>Financial stability; Responsible investments</b> Ch. 2 Bank Norwegian's policies / <b>Ethics policy and our Code of Conduct</b>
<b>Governance and organisation</b>	Ch. 3 Management and results / <b>Presentation of management; Presentation of Board of Directors; The work of the Board of Directors in 2021; Corporate governance</b>	Ch. 1 Our Sustainability Commitment / <b>Our organisation</b> Ch. 3 Our ESG Performance
<b>Materiality</b>	Ch. 2 Sustainability	Ch. 1 Our Sustainability Commitment / <b>Materiality matrix</b>
<b>Outlook</b>	Ch. 3 Management and results / <b>Director's report</b>	Ch. 4 Reporting Initiatives, Metrics and Targets
<b>Products</b>	Ch. 1 About us / <b>Our products</b>	Ch. 2 Our Policies / <b>Risk management framework</b>
<b>Regulations</b>	Ch. 2 Sustainability / <b>Responsible lending; Privacy of customers, applicants and employees; New regulatory framework for the Bank</b>	Ch. 1 Our Sustainability Commitment / <b>Financial stability</b>
<b>Results</b>	Ch. 1 About us / <b>Financial highlights</b> Ch. 3 Management and results / <b>Annual accounts</b>	Ch. 3 Our ESG Performance
<b>Risk management</b>	Ch. 1 About us / <b>Letter from the CEO; Strategy – our future</b> Ch. 3 Management and results / <b>Corporate governance; Director's report</b>	Ch. 2 Our Policies / <b>Risk management framework; Operational risk and internal control system</b> Ch. 3 Our ESG Performance / <b>Sustainable operations and human rights</b>
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Snarøyveien 36  
1364 Fornebu  
Norway

DESIGN & ADVISORY:  
ITERA

PHOTOS:  
GETTY IMAGES: 5, 7, 28, 29, 30, 44  
JOHNÉR: 22  
PRIVATE: 17  
ALL OTHER: BANK NORWEGIAN