

Nordea's old vs. new fossil fuel lending policy

Type of extraction	Old policy	New policy	Conclusion
Unconventional extraction (shale oil and gas, and tar sand)	<p>6.4.1 New business Nordea does not initiate any new financing relationships with companies having more than 5% of their revenues coming from the extraction of unconventional oil and gas. Nordea does not finance or refinance new and pre-construction phase unconventional oil and gas extraction activities or pipelines dedicated to transporting oil or gas from unconventional oil & gas fields.</p> <p>6.4.2 Existing business Nordea will phase out customers that have not exited unconventional oil and gas extraction by 2026. Nordea will exclude existing clients that base more than 5% of their exploration & production volumes on unconventional oil and gas. Nordea will not expand financing or refinance existing customers unless the customer has a credible transition plan in line with the Paris Agreement. Nordea does not provide project financing dedicated to the extraction of unconventional oil and gas or pipelines related to unconventional oil & gas activities.</p>	<p>Nordea does not provide or facilitate financing to:</p> <ul style="list-style-type: none"> • Projects dedicated to expanding exploration and production of unconventional oil and gas. 	<p>Nordea has weakened its lending policy for unconventional oil and gas. Now, they will only exclude project financing. Previously, they would not provide loans to new customers and would exclude customers with more than 5% production volumes from unconvensionals. In addition, they planned to phase out customers involved in unconvensionals by 2026.</p> <p>This shift is probably to make it possible to give new loans to Equinor, which currently has 10,5% of its production in fracking (shale oil and gas). It also means they are free to give loans to companies betting on the Ukraine and Trump infused boom in fracking.</p> <p>Additionally Nordea backtracked by removing oil shale (extraction of kerogen from rock formations) from its list of unconvensionals.</p>

<p>Arctic oil and gas</p>	<p>Arctic drilling Nordea does not finance companies with exposure to oil and gas extraction through arctic drilling with a 5% revenue threshold.</p> <p>Nordea seeks to phase out financing relationship with customers that are drilling north of the southernmost extent of winter sea ice by latest 2023.</p> <p>Nordea's priority is to assess and promote sound management of biodiversity and ecosystem risks in the wider Arctic region north of the Arctic Circle. We recognize that such risks are especially severe in offshore locations enclosed by the southernmost extent of winter sea ice. For companies involved in exploration and extraction in the Barents Sea it is required that they operate under a license awarded by the Norwegian Ministry of Energy and Petroleum with the permission to carry out exploration and extraction by the Norwegian Environment Agency and the Norwegian Petroleum Safety Authority.</p>	<p>6.2.3 Arctic drilling Nordea does not provide or facilitate financing to:</p> <ul style="list-style-type: none"> • Projects dedicated to expanding exploration and production through arctic drilling. <p>For companies involved in exploration, development and/or extraction in the Barents Sea it is required that they operate under a license awarded by the Norwegian Ministry of Energy and Petroleum with the permission to carry out said activities by the Norwegian Environment Agency and the Norwegian Petroleum Safety Authority.</p>	<p>Nordea has significantly weakened its Arctic policy on lending. (Previously, a 5% threshold exclusion applied to loans to companies operating in the Arctic and to phase out clients drilling North of the southernmost extent of the winter sea ice by 2023 – now they only exclude project financing.)</p> <p>This means, that Nordea can continue to finance companies like Aker BP, Equinor and Eni/Vår Energi, even if they expand their activities to Arctic areas covered by winter sea ice.</p>
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