

GRI content index	
Statement of use	Arion Bank has reported in accordance with the GRI Standards for the period from 1 January 2022 until 31 of December 2022.
GRI 1 used	GRI 1: Foundation 2021.
Applicable GRI Sector Standards(s)	No sector standard has been issued for banks.

GRI Standard	Disclosure	Location	Requirements fulfilled and if not, reason for omission
General disclosures			
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	<a href="#">About Arion Bank</a> <a href="#">Shares and shareholders</a>	Yes
	2-2 Entities included in the organization's sustainability reporting	All material topics and their boundaries in Arion Bank's 2022 Annual and Sustainability Report concern Arion Bank. The Bank's subsidiaries are not included unless otherwise stated.	Yes
	2-3 Reporting period, frequency and contact point	<p>Arion Bank's 2022 Annual and Sustainability Report and the annual financial statements cover the period 1 January - 31 December 2022.</p> <p>The report is published on 15 February 2023 and is published annually.</p> <p>For further information on the report:  <a href="mailto:samskiptasvid@arionbanki.is">samskiptasvid@arionbanki.is</a> </p>	Yes

<p>2-4 Restatements of information</p>	<p>Data for the environmental accounts is recalculated according to the latest information. Consequently, this leads to some discrepancies if the 2022 accounts are compared with the previous environmental accounts.</p> <p>Klappir Green Solutions conducted a survey among employees about their habits when travelling to and from work in 2021 and 2022. Any comparison between years is subject to the proviso that the 2020 survey was conducted by another organization.</p>	<p>Yes</p>
<p>2-5 External assurance</p>	<p>Deloitte has for the third time provided an <a href="#">opinion</a> with limited assurance on non-financial reporting by Arion Bank in 2022 which is presented in accordance with the Global Reporting Initiative (GRI) and Nasdaq ESG Reporting Guide.</p> <p>Data on the Bank's environmental impact is prepared in partnership with the Icelandic innovation company Klappir Green Solutions. Data is in most cases streamed directly from the service providers to Klappir Core. Wherever data streaming was not available, accounting data was used. The data is reviewed by Klappir Green Solutions.</p> <p>Data on human resources is obtained from the Bank's human resources system and data on corporate governance is based on the Bank's corporate governance statement. Financial information has been audited and affirmed by Deloitte.</p>	<p>Yes</p>
<p>2-6 Activities, value chain and other business relationships</p>	<p>Information on Arion Bank can be found here:</p> <p><a href="#">About Arion Bank</a></p> <p><a href="#">Responsible banking: Responsible buying</a></p> <p><a href="#">Financial Statements 2022</a></p> <p>No fundamental changes have been made to reporting from the previous year</p>	<p>Yes</p>

2-7 Employees	<a href="#">Sustainability account: Social</a> <a href="#">Human resources</a>	Yes
2-8 Workers who are not employees	<a href="#">Responsible banking: Responsible buying</a>	Yes
2-9 Governance structure and composition	<a href="#">Corporate Governance Statement of Arion Bank 2022</a> <a href="#">Responsible banking: Governance, sustainability and risk management</a> <a href="#">Board of directors and senior management</a> <a href="#">Sustainability accounts: Governance</a>	Yes
2-10 Nomination and selection of the highest governance body	<a href="#">Rules of Procedure for the Nomination Committee</a> <a href="#">Corporate Governance Statement of Arion Bank 2022</a>	Yes
2-11 Chair of the highest governance body	<a href="#">Corporate Governance Statement of Arion Bank 2022</a>	Yes
2-12 Role of the highest governance body in overseeing the management of impacts	<a href="#">Responsible banking: Governance, sustainability, and risk management</a>	Yes
2-13 Delegation of responsibility for managing impacts	<a href="#">Responsible banking: Governance, sustainability, and risk management</a>	Yes
2-14 Role of the highest governance body in sustainability reporting	<a href="#">Responsible banking: Governance, sustainability, and risk management</a> The sustainability committee has examined and approved the material in connection with Arion Bank's 2022 Annual and Sustainability Report.	Yes

2-15 Conflicts of interest	<p>Information on measures to prevent conflicts of interest can be found in the board's <a href="#">rules of procedure</a>.</p> <p>Information on board members serving on boards of other companies can be found in the section on the board of directors and senior management: <a href="#">See here</a>.</p> <p>A list of related parties exists at the Bank but has not been published.</p> <p>Information on the main shareholders can be seen <a href="#">here</a>.</p>	Yes
2-16 Communication of critical concerns	<p><a href="#">The Board's rules of procedure</a> describe how items of business are submitted to the Board. The Bank publishes information on some of the matters submitted to the Board, e.g., the interim and annual financial statements, but in other respects such matters are confidential.</p>	Yes
2-17 Collective knowledge of the highest governance body		<p>No</p> <p>Reason for omission: Information unavailable/incomplete.</p>
2-18 Evaluation of the performance of the highest governance body	<p><a href="#">Corporate Governance Statement of Arion Bank 2022</a></p> <p><a href="#">Responsible banking: Governance, sustainability and risk management</a></p>	Yes
2-19 Remuneration policies	<p><a href="#">Rules of Procedure for the Board Remuneration Committee</a></p>	Yes

2-20 Process to determine remuneration	<a href="#">Rules of Procedure for the Board Remuneration Committee</a> <a href="#">Remuneration policy</a> <a href="#">Annual General Meeting 2022</a>	Yes
2-21 Annual total compensation ratio	<a href="#">Sustainability account: Social</a>	Yes, this requirement is fulfilled except for section b. Reason for omission: Information unavailable/incomplete
2-22 Statement on sustainable development strategy	<a href="#">Chairman's address</a>	Yes
2-23 Policy commitments	The Board of Directors of the Bank approves the risk policy on sustainability. <a href="#">Environmental and climate issues</a> <a href="#">Arion Bank's equality and human rights policy</a> <a href="#">Human resources</a> <a href="#">Responsible banking: Our commitment to sustainability</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
2-24 Embedding policy commitments	Arion Bank has a sustainability committee and the management of risk in connection with ESG factors was defined as part of the Bank's risk management system. Further information on governance, sustainability and risk management can be seen <a href="#">here</a> .	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
2-25 Processes to remediate negative impacts	<a href="#">Stakeholders - customers</a> <a href="#">PCAF report</a> <a href="#">Rules on the Handling of Complaints</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete

2-26 Mechanisms for seeking advice and raising concerns	<a href="#">Pillar 3 Risk Disclosures</a>	Yes
2-27 Compliance with laws and regulations	No significant incidents in 2022	Yes
2-28 Membership associations	<a href="#">Responsible banking: Our commitment to sustainability</a> The Bank is also member of SA Confederation of Icelandic Enterprise, the Icelandic Financial Services Association, and the Iceland Chamber of Commerce.	Yes
2-29 Approach to stakeholder engagement	<a href="#">Stakeholders</a>	Yes
2-30 Collective bargaining agreements	100% of the Bank's employees work in accordance with labour market laws and 97.4% of employees are union members. Rights provided by collective pay agreements also broadly apply to the 2.6% who are not union members.	Yes

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### Material topics

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<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	<a href="#">Material topics – Process for selection and management</a>	Yes
	3-2 List of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes

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Economic performance

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<p><b>GRI 3: Material Topics 2021</b></p>	<p>3-3 Management of material topics</p>	<p><a href="#">Material topics – Process for selection and management</a></p>	<p>Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete</p>
	<p>201-1 Direct economic value generated and distributed</p>	<p><a href="#">Financial Statements 2022</a></p>	<p>Yes</p>
	<p>201-2 Financial implications and other risks and opportunities due to climate change</p>	<p><a href="#">Pillar 3 Risk Disclosures</a></p>	<p>Yes</p>
<p><b>GRI 201: Economic Performance 2016</b></p>	<p>201-3 Defined benefit plan obligations and other retirement plans</p>	<p>Under collective wage agreements, employees pay 4% of salaries into a co-insurance pension fund and Arion Bank pays an additional 6%. The Bank pays 5.5% of an employee's total salary into a private pension fund for the first three years of employment and 7% after that. Where an employee makes a supplementary contribution into a private fund, the financial institution makes a contribution, up to 2% against the employee's 2% contribution.</p>	<p>Yes</p>
	<p>201-4 Financial assistance received from government</p>	<p>Arion Bank received no financial aid from the authorities in 2022.</p>	<p>Yes</p>

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Indirect economic impacts

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<p><b>GRI 3: Material Topics 2021</b></p>	<p>3-3 Management of material topics</p>	<p><a href="#">Material topics – Process for selection and management</a></p>	<p>Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete</p>
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<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	<a href="#">Retail customers</a> <a href="#">Corporate customers</a> <a href="#">Responsible banking</a> <a href="#">Impact and Allocation Report 2021</a> <a href="#">Green finance</a>	Yes
	203-2 Significant indirect economic impacts		No Reason for omission: Information unavailable/incomplete.
<b>Procurement practices</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	<a href="#">Responsible banking: Responsible buying</a>	Yes
<b>Anti-corruption</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	<a href="#">Pillar 3 Risk Disclosures</a>	Yes
	205-2 Communication and training about anti-corruption policies and procedures	<a href="#">Pillar 3 Risk Disclosures</a>	Yes



	205-3 Confirmed incidents of corruption and actions taken	<a href="#">Pillar 3 Risk Disclosures</a>	Yes
<b>Anti-competitive behavior</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No such incidents occurred in 2022.	Yes
<b>Energy</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
	302-1 Energy consumption within the organization	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a> <a href="#">Environmental and climate issues</a>	Yes, this requirement is fulfilled, except for sections c. (iii, iv) and d. (i,ii,iii,iv). Reason for omission: Not applicable
<b>GRI 302: Energy 2016</b>	302-2 Energy consumption outside of the organization		No Reason for omission: Not applicable
	302-3 Energy intensity	<a href="#">Sustainability accounts: Environment</a>	No Reason for omission: Information unavailable/incomplete

	302-4 Reduction of energy consumption		No Reason for omission: Information unavailable/incomplete
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Water and effluents

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 303: Water and Effluents 2018</b>	303-5 Water consumption	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a>	Yes, this requirement is fulfilled, except for section b. Reason for omission: Not applicable

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Biodiversity

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	No Reason for omission: Information unavailable/incomplete
<b>GRI 304: Biodiversity 2016</b>	304-2 Significant impacts of activities, products and services on biodiversity		No Reason for omission: Information unavailable/incomplete
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		No Reason for omission: Information unavailable/incomplete

## Emissions

<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled.  Reason for omission: Information unavailable/incomplete
	305-1 Direct (Scope 1) GHG emissions	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a> <a href="#">Environmental and climate issues</a>	Yes, this requirement is fulfilled, except for sections c. and e.  Reason for omission: Information unavailable/incomplete Not applicable
	305-2 Energy indirect (Scope 2) GHG emissions	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a> <a href="#">Environmental and climate issues</a>	Yes, this requirement is fulfilled, except for section e.  Reason for omission: Information unavailable/incomplete
<b>GRI 305: Emissions 2016</b>	305-3 Other indirect (Scope 3) GHG emissions	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a> <a href="#">Environmental and climate issues</a>	Yes, this requirement is fulfilled, except for sections c. and f.  Reason for omission: Information unavailable/incomplete
	305-4 GHG emissions intensity	<a href="#">Sustainability accounts: Environment</a>	Yes
	305-5 Reduction of GHG emissions	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a>	Yes
	305-6 Emissions of ozone-depleting substances (ODS)		No  Reason for omission: Information unavailable/incomplete

Waste

<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
	306-3 Waste generated	<a href="#">Sustainability accounts: Environment</a> <a href="#">Methodology for environmental accounting</a>	Yes
<b>GRI 306: Waste 2020</b>	306-4 Waste diverted from disposal	<a href="#">Sustainability accounts: Environment</a>	Yes, this requirement is fulfilled, except for sections b., c., and d. Reason for omission: Information unavailable/incomplete
	306-5 Waste directed to disposal	<a href="#">Sustainability accounts: Environment</a>	Yes, this requirement is fulfilled, except for sections b., c., and d. Reason for omission: Information unavailable/incomplete

Supplier environment assessment

<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	<a href="#">Responsible banking: Responsible buying</a>	Yes
	308-2 Negative environmental impacts in the supply chain and actions taken		No Reason for omission: Information unavailable/incomplete

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Employment

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled.  Reason for omission: Information unavailable/incomplete
	401-1 New employee hires and employee turnover	<a href="#">Sustainability accounts: Social</a>	Yes
<b>GRI 401: Employment 2016</b>	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	See section covering remuneration policy, including the incentive scheme and share options <a href="#">here</a> .  See section covering additional benefits to employees on parental leave <a href="#">here</a> .  Permanents employees are regularly invited to undergo health checks and preventive health measures are also recommended.	Yes
	401-3 Parental leave	Information on the total number of employees entitled to parental leave and who took leave, specified by gender, can be seen <a href="#">here</a> .	Yes, this requirement is fulfilled, except for sections d. and e.  Reason for omission: Information unavailable/incomplete

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Labor/management relations

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled.  Reason for omission: Information unavailable/incomplete
<b>GRI 402: Labor/Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	The period of notice for temporary employees is two months. The period of notice for permanent employees is three months. Permanent employees with more than 10 years' experience at a financial institution or who are at least 45 years old have a period of notice of six months.	Yes

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Occupational health and safety

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
	403-3 Occupational health services	<a href="#">Human resources</a> <a href="#">Health and safety policy</a>	Yes
<b>GRI 403: Occupational Health and Safety 2018</b>	403-6 Promotion of worker health	<a href="#">Human resources</a> <a href="#">Health and safety policy</a>	Yes
	403-9 Work-related injuries	<a href="#">Sustainability accounts: Social</a> <a href="#">Human resources</a>	Yes, this requirement is fulfilled, except for sections b.- g. Reason for omission: Information unavailable/incomplete

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Training and education

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
	404-1 Average hours of training per year per employee	<a href="#">Sustainability accounts: Social</a> <a href="#">Human Resources</a>	Yes
<b>GRI 404: Training and education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	Arion Bank seeks to ensure people leave the Bank on the best possible terms and the Bank's procedures aim to provide various levels of support to employees when the leave. <a href="#">Retirement</a>	Yes

	404-3 Percentage of employees receiving regular performance and career development reviews	All employees of Arion Bank receive regular feedback.	Yes
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#### Diversity and equal opportunity

<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	<a href="#">Sustainability accounts: Social</a> <a href="#">Human Resources</a>	Yes
	405-2 Ratio of basic salary and remuneration of women to men	<a href="#">Sustainability accounts: Social</a> <a href="#">Human Resources</a>	Yes

#### Non-discrimination

<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	<a href="#">Sustainability accounts: Social</a>	Yes, this requirement is fulfilled, except for section b. Reason for omission: Confidentiality constraints

#### Local communities

<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics		No Reason for omission: Information unavailable/incomplete
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<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs		No Reason for omission: Information unavailable/incomplete
	413-2 Operations with significant actual and potential negative impacts on local communities		No Reason for omission: Information unavailable/incomplete

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Supplier social assessment

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	<a href="#">Responsible banking: Responsible buying</a>	Yes
	414-2 Negative social impacts in the supply chain and actions taken		No Reason for omission: Information unavailable/incomplete

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Public policy

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	<a href="#">Arion Bank's policy on donations to political activities</a> <a href="#">Responsible banking: Donations to political activities</a>	Yes



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**Marketing and labeling**

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 417: Marketing and Labeling 2016</b>	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents in 2022	Yes
	417-3 Incidents of non-compliance concerning marketing communications	No incidents in 2022	Yes

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**Customer privacy**

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<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	<a href="#">Material topics – Process for selection and management</a>	Yes, this requirement is partially fulfilled. Reason for omission: Information unavailable/incomplete
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Pillar 3 Risk Disclosures</a>	Yes