



Operational Parameters

Operational Parameters	Unit	2015	2020	2021	2022	2023
Total revenue	Billion ISK	86.60	50.76	58.23	53.68	61.81
Total assets	Billion ISK	1,011	1,173	1,314	1,458	1,507
Number of employees at the end of year	No.	-	698	681	767	813
Number of employees	No.	930	-	-	-	-

Environment (without financed emission)

ESRS links

Direct and indirect GHG emissions (E1 UNGC-P7 GRI: 305-1, GRI: 305-2, GRI: 305-3, GRI: 305-5)	Unit	2015	2020	2021	2022	2023	GHG Emissions: ESRS E1-6
Scope 1	tCO2e	86.3	37.5	30.4	28.9	31.6	
Scope 2	tCO2e	95.2	100.5	86.3	51.7	13.0	
Scope 3	tCO2e	273.4	350.9	255.0	493.5	576.6	
Total emissions scope 1 & 2	tCO2e	181.6	138.0	116.7	80.7	44.6	
Total emissions with carbon offsets (scope 1 & 2)	tCO2e	181.6	-332.0	-383.3	-519.3	-605.4	
Total emissions scope 1, 2 & 3	tCO2e	454.9	488.9	371.7	574.1	621.1	
Total emissions neutralised by carbon offsets projects	tCO2e	0	470.0	500.0	600.0	650.0	
Total emissions with carbon offsets scope 1, 2 & 3	tCO2e	454.9	18.9	-128.3	-25.9	-28.9	

Emissions intensity scope 1 & 2 (E2 | UNGC-P7, P8 | GRI: 305-4 | SDG 13)

	Unit	2015	2020	2021	2022	2023	GHG emissions: ESRS E1-6
Emission intensity of energy consumption	kgCO2e/MWh	17.2	12.7	12.4	14.2	9.6	
Emissions intensity of employees	tCO2e/no	-	0.20	0.17	0.11	0.06	
Emission intensity per total assets	tCO2e/ billion	0.18	0.12	0.09	0.6	0.03	
Emission intensity of total revenue	tCO2e/billion	2.1	2.7	2.0	1.5	0.7	

Emissions intensity scope 1, 2 & 3 (E2 | UNGC-P7, P8 | GRI: 305-4 | SDG 13)

	Unit	2015	2020	2021	2022	2023	GHG emissions: ESRS E1-6
Emission intensity of energy consumption	kgCO2e/MWh	43.2	44.8	39.5	101.3	133.4	
Emission intensity of employees	tCO2e/no	-	0.7	0.5	0.7	0.8	
Emission intensity per total assets	tCO2e/billion	0.4	0.4	0.3	0.4	0.4	
Emission intensity of total revenue	tCO2e/billion	5.3	9.6	6.4	10.7	10.0	

Direct & indirect energy consumption (E3 | UNGC-P7, P8 | GRI: 302-1 | SDG 12)

Energy consumptions: ESRS E1-5

	Unit	2015	2020	2021	2022	2023
Total energy consumption	kWh	10,526,575	10,907,642	9,406,148	5,666,754	4,656,978
Of which energy from fossil fuel	kWh	335,087	150,995	124,408	118,707	120,848
Of which energy from electricity	kWh	4,032,727	3,214,296	2,518,111	1,822,163	1,765,819
Of which energy from hot water	kWh	6,158,762	7,542,351	6,763,630	3,725,883	2,770,311



Energy intensity (E4 UNGC-P7 GRI: 302-3 SDG 12)	Unit	2015	2020	2021	2022	2023	Energy consumptions: ESRS E1-5
Energy per employee	kWh/no	-	15,627	13,812	7,388	5,728	
Energy intensity per total assets	kWh/billion	10,412	9,299	7,158	3,888	3,090	
Energy intensity per total revenue	kWh/billion	121,554	214,887	161,534	105,575	75,343	
Energy mix (E5 GRI: 302-1 SDG 7)	Unit	2015	2020	2021	2022	2023	Energy consumptions: ESRS E1-5
Fossil fuel	%	8.1%	1.4%	1.3%	2.1%	2.6%	
Renewable energy	%	85.4%	98.6%	98.7%	97.9%	97.4%	
Nuclear energy	%	3.5%	0.0%	0.0%	0.0%	0.0%	
Water management (E6 UNGC-P7 GRI: 303-5 SDG 6)	Unit	2015	2020	2021	2022	2023	Water consumptions: ESRS E3-4
Total water consumption	m ³	169,855	177,904	171,893	106,748	107,860	
Cold water	m ³	63,670	47,863	55,279	42,508	48,206	
Hot water	m ³	106,186	130,041	116,614	64,239	59,654	
Environmental operations (E7 GRI: 2.23)	Unit	2015	2020	2021	2022	2023	
Environmental Policy approved by the board	Yes/No	-	Yes	Yes	Yes	Yes	
Company follows specific waste, water, energy, and/or recycling policies	Yes/No	-	Yes	Yes	Yes	Yes	
Company uses a recognised energy management system	Yes/No	-	No	No	No	No	
Climate oversight / board (E8 GRI: 2.12)	Unit	2015	2020	2021	2022	2023	GHG emissions: ESRS E1-2
Does your Board of Directors oversee and/or manage climate-related risks?	Yes/No	-	No	Yes	Yes	Yes	
Climate oversight / management (E9 GRI: 2.13)	Unit	2015	2020	2021	2022	2023	GHG emissions: ESRS E1-2
Does your Senior Management Team oversee and/or manage climate-related risks?	Yes/No	-	Yes	Yes	Yes	Yes	
Climate risk mitigation (E10)	Unit	2015	2020	2021	2022	2023	GHG emissions: ESRS E1-2
Total annual investment in climate-related infrastructure, resilience, and product development	billion ISK	-	-	-	-	-	
Paper management	Unit	2015	2020	2021	2022	2023	
Total amount of printed paper	pages	2,394,280	756,387	737,733	556,919	580,489	
Of which color print	pages	913,333	260,041	247,710	182,539	190,077	
Of which black/white print	pages	2,315,060	336,616	333,872	259,457	273,892	
Duplex	pages	1,668,220	159,730	156,151	114,923	116,520	



Waste management (GRI: 306-3, 306-4, 306-5)	Unit	2015	2020	2021	2022	2023	Waste: ESRS E5-5
Total waste generated	kg	119,992	225,048	137,284	137,743	57,126	
Of which sorted waste	kg	49,068	104,701	72,910	110,389	38,354	
Of which unsorted waste	kg	68,404	120,347	64,375	27,371	16,712	
Recycled/recovery	kg	48,558	100,947	72,024	126,528	30,714	
Landfill/disposal	kg	71,434	124,101	65,260	11,232	-	
Waste to energy	kg	-	-	-	-	17,870	
Landfill	kg	-	-	-	-	470	
Percentage of sorted waste	%	40.9%	46.5%	53.1%	80.1%	67.1%	
Percentage of recycled waste	%	40.5%	44.9%	52.5%	91.9%	53.8%	

Emission in scope 3 (GRI: 305-3)	Unit	2015	2020	2021	2022	2023	GHG emissions: ESRS E1-6
Category 1 – Purchased goods and services	tCO2e				57.4	17.0	
Category 5 – Waste from operations	tCO2e	34.7	61.4	30.0	7.5	5.0	
Category 6 – Business trips	tCO2e	238.6	91.5	37.1	180.7	280.0	
Flights	tCO2e	238.6	88.6	33.7	178.2	277.3	
Taxi	tCO2e	-	2.9	3.4	2.5	2.7	
Category 7 – Emissions from employees commuting	tCO2e	-	198.0	187.9	220.9	269.0	
Category 8 – Emissions from upstream leased assets	tCO2e	-	-	-	22.3	5.5	
Category 13 – Emission from downstream leased assets	tCO2e	-	-	-	4.7	1.7	
Category 15 - Investments	tCO2e						

See: [Arion Bank's financed emissions and emissions reduction targets](#)

Carbon offsets (GRI: 305-5)	Unit	2015	2020	2021	2022	2023	Carbon offsets: ESRS E1-7
Total emissions offset	tCO2e	0	470	500	600	650	
Does a third party verify carbon offset projects?	yes/no	-	no	no	yes	yes	

Total fuel consumption (UNGC-P7 GRI: 302-1)	Unit	2015	2020	2021	2022	2023	Energy consumptions: ESRS E1-5
Total fuel consumption in litres	litres	33,457	15,340	13,049	12,508	12,768	
Petrol	litres	2,916	4,121	7,763	8,011	8,276	
Disel oil	litres	30,541	11,219	5,286	4,497	4,492	



KPMG's role

KPMG ehf. was engaged to assist with the preparation of the environmental accounts of Arion Bank for 2023. The Bank is responsible for overall disclosure and therefore ensuring that the provided data, on which the analysis is based, is correct. KPMG examined the data, calculated the environmental impact in accordance with the Greenhouse Gas Protocol and assisted with the configuration of the accounts in accordance with the Nasdaq ESG Reporting Guide and looked at links to the forthcoming ESRS. The work carried out by KPMG was not in accordance with accounting or attestation standards.

Organizational and operational boundaries

Arion Bank's environmental accounts were prepared using operational control methodology, according to which the Bank accounts for all greenhouse gas emissions from the business units over which it has control. It does not account for greenhouse gas emissions from business units over which it does not have control.

The following activities of Arion Bank are included in these environmental accounts:

Scope 1: Direct emissions from the company's activities as defined in the GHG protocol

Scope 2: Indirect emissions from the company's activities as defined in the GHG protocol

Emissions from fuel consumption and from electricity and hot water consumption represent emissions in Scopes 1 and 2 at the Bank, fully included with data from service providers.

Scope 3: Indirect emissions from the company's value chain as defined in the GHG protocol

Categories in Scope 3 calculated in Arion Bank's 2023 environmental accounts

Category 1: Purchased goods and services (partially included only with data on purchased paper and computer equipment)

Category 5: Waste from operations (fully estimated with data from service providers, biowaste from canteen was estimated)

Category 6: Business travel (partially included with data on employee flights and taxi journeys, emissions from hotel stays not included)

Category 7: Employee commute (fully estimated with transportation survey)

Category 8: Upstream leased assets (Scopes 1 and 2 emissions fully estimated due to leased assets with data from service providers)

Category 13: Downstream leased assets (Scopes 1 and 2 emissions fully estimated due to activities of Vörður and Stefnir with data from service providers)

Category 15: Investments (partially included in Bank's PCAF analysis)

Categories in Scope 3 excluded in Arion Bank's 2023 environmental accounts

Category 2: Capital goods

Category 3: Fuel and energy-related assets

Category 4: Upstream transportation and distribution



Categories in Scope 3 which do not apply to Arion Bank's supply chain

Category 9: Downstream transportation and distribution

Category 10: Processing of sold products

Category 11: Use of sold products

Category 12: End-of-life treatment of sold products

Category 14: Franchises

Notes

The technical criteria used in the environmental accounts are defined terms which have been published by the international accounting standard GHG Protocol. This includes Scopes 1, 2 and 3 and the 15 categories in Scope 3. The technical criteria for these scopes were followed when collecting data and performing calculations. Arion Bank purchased certificates of origin for the electricity which the Bank used in 2023. Emissions in Scope 2 for electricity consumption are therefore the same for location-based and market-based emissions. All financed emissions are accounted for in Arion Bank's report on [financed emissions and emissions reductions targets](#). The accounts for 2015 and 2019-2022 are unchanged between years, except for the changes in use of paper due to better quality information. Please note that different emissions standards may have been used in previous years.