

Arion Bank's Reporting and Self-Assessment Template 2022

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Reporting Reference
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Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

1.1 *Describe* (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.

Arion Bank and its subsidiaries provide comprehensive financial services to Icelandic society. The Bank's strategy is to excel by offering smart and reliable financial solutions which create future value for our customers, shareholders and society as a whole. Arion Bank places great importance on developing long-term relationships with its clients and is a market leader as a provider of cutting-edge and modern banking services. In partnership with our customers the Bank stimulates shared growth and progress in Icelandic society.

Arion Bank provides services to households, corporates and investors in three business segments: Retail Banking, Corporate & Investment Banking, and Markets. The service offering is further augmented by the subsidiaries Stefmir and Vörður. Stefmir is one of the largest fund management companies in Iceland, and Vörður is the fastest growing insurance company in Iceland, providing non-life and life insurance. The Bank is a market leader in terms of digital solutions and innovation.

The Bank is listed on the main lists of Nasdaq Iceland and Nasdaq Stockholm.

See Annual and Sustainability Report 2022:

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[Retail customers](#)

[Corporate customers](#)

[Markets](#)



1.2 *Describe* how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

The board of directors of Arion Bank approved the Bank's strategy in December 2020. The Bank's core strategy is to excel by offering smart and reliable financial solutions which create future value for our customers, shareholders and society as a whole. According to the strategy employees should try to see things from the customer's perspective and understand their needs and goals and work responsibly with sustainability at the forefront of their efforts.

Arion Bank's sustainability policy bears the title *Together we make good things happen* and signifies that the Bank wants to act as a role model in responsible and profitable business practices, taking into account the environment, the economy and the society in which we live and work.

Arion Bank's environment and climate policy takes into account the objective of the Paris Climate Agreement and other relevant domestic and international commitments to the environment. The policy also addresses the mapping of the Bank's impact on the environment and the requirements it makes of its suppliers.

The Bank has adopted a risk policy on sustainability which is approved by the Board of Directors and reviewed annually. This policy states that the Bank seeks to ensure that its operations and services do not have a negative impact on people or the environment. It also states that the Bank supports Iceland's climate action plan whose goal is to meet the obligations of the Paris Climate Agreement and to achieve the ambitious goal of carbon neutrality in Iceland by 2040. Key performance indicators relating to ESG issues have been added to the monthly risk report to the Board and the Bank's risk appetite connected to these issues was defined.

Arion Bank has adopted a clear policy on equality and human rights and the CEO is responsible for implementing equal opportunities at the Bank. The CEO serves on the Equality Committee along with representatives of the employees. During the year 2021 a new equality and human rights policy was adopted, as well as a 3-year equality action plan. The objective of the policy and action plan is to create an environment where people of similar education, work experience and responsibility have equal opportunities and terms, irrespective of gender, gender identity, sexual orientation, origin, nationality, skin colour, age, disability or

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[Responsible banking](#)

[Environmental and climate issues](#)

[Stakeholders](#)

[Human resources](#)

[Arion Bank's sustainability policy on seafood](#)



religion or other factor. The Bank's action plan places greater emphasis on balancing gender ratios at the Bank, not just at management level but throughout different job families, committees and business units. Since 2015 the Bank has had an equal pay system and equal pay certification.

In January 2020 the executive committee of Arion Bank approved six UN Sustainable Development Goals which the Bank intends to focus on. These goals are number 5 on gender equality; number 7 on affordable and clean energy; number 8 on decent work and economic growth; number 9 on industry, innovation and infrastructure; number 12 on responsible consumption and production; and number 13 on climate action. The Bank's operations, including action on gender equality, our policy and actions on environment and climate issues, support for innovation and the business sector as a whole, state-of-the-art digital services and active participation in the development of the economy closely align with these sustainable development goals.

In 2022 we devised our first sustainability policy on lending to different sectors of the economy. The first sector policy, Arion Bank's sustainability policy on seafood, was approved by the Bank's sustainability committee at the beginning of 2023, and we will set more policies for key sectors in 2023. These policies enable us to better support and motivate our customers on their journey towards a sustainable future.

Principle 2: Impact and Target Setting

We will work to continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- a) Scope: The bank's core business areas, products/services across the main

We engaged the consultancy CIRCULAR Solutions, now part of KPMG, to perform a materiality assessment of the Bank in 2020. The methodology used was based on identifying risks relating to environmental, social and governance issues and takes into account the Bank's geographical location and activities. The materiality assessment was used as a basis for the stakeholder analysis, and a survey was sent to employees as well as a sample of customers, suppliers, shareholders and partners at the beginning of 2021. The survey investigated how stakeholders

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[Stakeholders](#)

[Responsible banking](#)

[Iceland's Implementation of the 2030 Agenda for](#)



geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.

- b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.
- d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))

Show that building on this analysis, the bank has

- Identified and disclosed its areas of most significant (potential) positive and negative impact.
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

viewed the Bank's main focuses in terms of sustainability and social responsibility.

Arion Bank is a signatory to the Partnership for Carbon Accounting Financials (PCAF). This is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments. At the end of 2022 Arion Bank published its first report on financed emissions which is based on PCAF methodology. Assessing and disclosing the GHG emissions which are financed through lending and investments is a prerequisite for the Bank's ability to set targets on reducing emissions, and this is the next step in 2023.

In order to gain a better overview of the risk related to climate change the Bank has for the third time made use of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The section on sustainability risk in the Bank's 2022 Pillar 3 Risk Disclosures is partly based on these guidelines and it also contains an analysis of the Bank's loan portfolio from the point of view of climate risk. The Bank formally became a signatory to TCFD in February 2022.

The Icelandic Prime Minister's Office has published a voluntary national review of Iceland's Implementation of the 2030 Agenda for Sustainable Development, highlighting the main challenges in Icelandic society regarding the SDGs. The results of the report were taken into account when choosing the Sustainable Development Goals on which the Bank places greatest emphasis.

At the beginning of 2022 Arion Bank published an Impact and Allocation Report in respect of the Green Financing Framework for 2021. The report specifies the allocation of funds raised through green bond issues and green deposits in 2021, and there is also a section on the positive environment and climate impact of green projects at Arion Bank. It is planned to publish an Impact and Allocation Report for 2022 in the first half of 2023.

In 2023 we will work on further analyzing our impact with respect to the requirements made in PRB.

[Sustainable Development - Voluntary National Review](#)

[Green finance](#)

[Impact and Allocation Report 2021](#)

[Pillar 3 Risk Disclosures](#)

[Arion Bank's financed emissions 2021](#)



Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

A number of steps have been taken towards assessing the Bank's impact but there are still further opportunities to analyze the impact in 2023.

2.2 Target Setting:

*Show that the bank has set and published a minimum of two **Specific, Measurable** (can be qualitative or quantitative), **Achievable, Relevant** and **Time-bound** (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.*

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

After signing PRB we set ourselves further targets with respect to integrating sustainability into our business strategy, products and services.

In order to better align ourselves with PRB and the goals of the Paris Climate Agreement we adopted an ambitious environment and climate policy and targets in 2019 which are designed to support Arion Bank's commitment to lead by example in environment and climate issues. The policy was updated slightly at the end of 2021 and the targets updated to bring them in line with our progress and plans for the next few years.

In 2022 we set a target for green loans as a percentage of total loans by 2030. The percentage of green loans which come under the Green Financing Framework is currently 12.5% of the Bank's total loan portfolio and the Bank aims to increase this figure to at least 20% by 2030. By setting this target the Bank aims to increase its green lending so that the annual growth rate of the green loan book is double the growth rate of the Bank's total loan book. This target on the ratio of green loans will be reviewed annually, taking into consideration the opportunities over the next few years for green financing and the implementation of EU taxonomy in Iceland. The Bank hopes the growth rate might even exceed the target figure.

The Bank has adopted a clear equality and human rights policy, which was reviewed in 2021, and a 3-year action plan. The objective of the policy and action plan is to create an environment where people of similar education, work experience and responsibility have equal opportunities and terms, irrespective of gender, gender identity, sexual orientation, origin, nationality, skin colour, age, disability or religion or other factor. The Bank's action plan places great

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[Responsible banking: Governance, sustainability and risk management](#)

[Environmental and climate issues](#)

[Green finance](#)

[Human resources](#)

[Sustainability accounts](#)

[GRI Standards Index](#)



emphasis on balancing gender ratios at the Bank, not just at management level but throughout different job families, committees and business units.

In 2022 the Bank underwent a pay equity audit which revealed an unexplained gender pay gap of 0.4%, with women receiving higher pay. The Bank's target is for the result of the equal pay audit to be less than 1%. One of the Bank's equality goals set out in the 2021-2024 action plan is to reduce the median value of total salary payments to men compared with total salary payments to women to below 1.3. Good progress has been made in this respect and in mid-year the median value was 1.29 compared with 1.43 in 2021.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.

We have set targets on environmental and equality issues and we will continue to work towards fulfilling these requirements in 2023.

2.3 Plans for Target Implementation and Monitoring:

Show that your bank has defined actions and milestones to meet the set targets.

Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

The current targets and performance indicators are regularly followed up on and the results are published in the Annual and Sustainability Report. We have adopted performance indicators for various areas operations and will continue to set and implement targets in line with PRB.

Arion Bank has a sustainability committee and the management of risk in connection with ESG factors is now defined as part of the Bank's risk management system. The CEO is the chairman of the committee, whose role is to monitor the Bank's performance in connection with its policy and commitment on sustainability and to ensure that ESG factors are considered in decisions and plans made by the Bank. The Bank's green financing committee and equality committee are sub-committees of this committee.

Key performance indicators relating to ESG issues have been added to the monthly risk report to the Board and the Bank's risk appetite connected to these issues have been defined.

At the end of 2022 the Board of Directors approved an updated bonus scheme for permanent employees which is based on clear targets and subject to strict

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[Responsible banking](#)

[Sustainability accounts](#)

[GRI Standards Index](#)

[Environmental and climate issues](#)

[Human resources](#)



requirements from the FSA. In 2023 both financial and non-financial indicators will be incorporated into the scheme. Non-financial indicators are linked to factors such as customer satisfaction, know-your-customer, learning and development, and equality.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

Arion Bank has implemented appropriate structures to monitor the indicators and targets we have adopted with respect to sustainability and PRB.

2.4 Progress on Implementing Targets:

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

The progress on implementing targets is regularly monitored by the sustainability committee, the green financing committee and equality committee. Additionally, key performance indicators relating to ESG issues are monitored by the Board. Information about the progress can be found in Annual and Sustainability Report 2022.

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[Environmental and climate issues](#)

[Green finance](#)

[Human resources](#)

[Sustainability accounts](#)

[GRI Standards Index](#)

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets

We have adopted performance indicators for various areas of operations and will continue to set and implement targets in line with PRB.



Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 *Provide an overview* of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

In order to adapt our strategy to PRB and the goals of the Paris Climate Agreement, we have adopted an environment and climate policy and goals which are reviewed and updated annually. The Bank's credit policy places an emphasis on sustainability and increasing the percentage of green loans, and quantifiable targets have been set. The Bank's credit rules also stipulate that environmental, social and governance factors must be considered when assessing loans. In 2023, we will increase the importance of ESG factors when assessing loan applications.

Arion Bank's sustainability policy bears the title *Together we make good things happen* and signifies that the Bank wants to act as a role model in responsible and profitable business practices, taking into account the environment, the economy and society.

The Bank's risk policy on sustainability was approved by the board of directors during 2021 and will be reviewed annually. According to the policy the Bank seeks to ensure that its operations and services do not have a negative impact on people or the environment. It also states that the Bank supports Iceland's climate action plan, whose goal is to meet the obligations of the Paris Climate Agreement and to achieve the ambitious goal of carbon neutrality by 2040.

In 2022 we devised our first sustainability policy on lending to different sectors of the economy. The first sector policy, Arion Bank's sustainability policy on seafood, was approved by the Bank's sustainability committee at the beginning of 2023, and we will set more policies for key sectors in 2023. These policies enable us to better support and motivate our customers on their journey towards a sustainable future.

Annual and Sustainability Report 2022:

[Strategy and vision](#)

[Stakeholders](#)

[Responsible banking](#)

[Environmental and climate issues](#)

[Human resources](#)

[Green finance](#)

[Arion Bank's sustainability policy on seafood](#)



3.2 *Describe* how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

Arion Bank has published a Green Financing Framework which applies to the Bank's funding and lending activities. The Framework sets out clearly and transparently the conditions which the Bank's loans need to meet in order to be considered environmentally friendly. The Framework also specifies the Bank's governance structure for the selection of green assets.

We offer green products, i.e. green deposits, green car loans, green corporate loans and green mortgages which support the UN Sustainable Development Goals.

We support different groups such as young people, students, people on parental leave, people who are experiencing temporary financial difficulties and offer a range of personalized financial advice. Personalized services are also available to older members of the community.

In asset management, Arion Bank has introduced rules of procedure on responsible investment which incorporate the three basic criteria of sustainability: environmental, social and governance. The Bank is a signatory to the United Nations Principles for Responsible Investment (PRI) and has published progress reports since 2019. This means that not only financial criteria, but also other relevant criteria, are taken into account when analyzing investments and developing clients' asset portfolios.

Our first sector policy on the seafood industry was developed in good cooperation with our customers in the seafood sector.

Arion Bank website:

[Green future](#)

[Lower payments in parental leave](#)

[Student support loans](#)

[60 years and older](#)

[Young people pay no fees on debit cards](#)

[Temporary financial difficulty](#)

Annual and Sustainability Report 2022:

[Responsible banking](#)

[Green finance](#)

[Retail customers](#)

[Corporate customers](#)

[Markets](#)

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.



4.1 *Describe* which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

We enjoy good relations with our stakeholders. At the beginning of 2021 we conducted a survey among stakeholders on Arion Bank's focuses on sustainability and social responsibility and we will build on the results when implementing PRB.

When creating the Green Financing Framework we consulted numerous stakeholders from the business sector who are engaged in environmental and climate change issues: individuals, companies and government agencies.

We are engaged in wide-ranging and active partnerships in the field of sustainability.

Annual and Sustainability Report 2022:

[Stakeholders](#)

[Our commitment to sustainability](#)

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 *Describe* the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

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. The CEO is the chairman of the committee, whose role is to monitor the Bank's performance in connection with its policy and commitment on sustainability and to ensure that ESG factors are considered in decisions and plans made by the Bank. The Bank's green financing committee and equality committee are sub-committees of this committee.

In addition to the CEO, the sustainability committee includes the managing directors of Retail Banking, Corporate & Investment Banking, Markets, Customer Experience and Finance. The Chief Risk Officer, the Head of Corporate Communications and Sustainability, and Sustainability Officer attend meetings but do not have voting rights. Meetings are also attended by representatives of Stefnir and Vörður if required. The Bank has adopted a risk policy on sustainability which is approved by the Board of Directors and reviewed annually. This policy states that the Bank seeks to ensure that its operations and services do not have a negative impact on people or the environment. It also states that the Bank supports Iceland's climate action plan whose goal is to meet the obligations of the Paris Climate Agreement and to achieve the ambitious goal of carbon neutrality in Iceland by 2040.

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[Responsible banking: Governance, sustainability and risk management](#)

[Pillar 3 Risk Disclosures](#)



5.2 *Describe* the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

At the end of 2022 the Board of Directors approved an updated bonus scheme for permanent employees which is based on clear targets and subject to strict requirements from the FSA. In 2023 both financial and non-financial indicators are incorporated into the scheme. Non-financial indicators are linked to factors such as customer satisfaction, know-your-customer, learning and development, and equality.

Annual and Sustainability Report 2022:

[Corporate Governance and Remuneration Policy](#)

The Bank's learning and development programme for employees regularly offers courses on environmental and climate change issues, equality and responsible banking in general. These courses are open to all employees.

5.3 Governance Structure for Implementation of the Principles.

The sustainability committee has the role of monitoring the Bank's performance in connection with its policy and commitment on sustainability and to ensure that ESG factors are considered in decisions and plans made by the Bank including implementation of PRB.

Annual and Sustainability Report 2022:

[Responsible banking: Governance, sustainability and risk management](#)

Show that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set
- b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.

[Pillar 3 Risk Disclosures](#)

Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

Arion Bank's sustainability committee fulfills the requirement regarding governance structure for implementing the principles.

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.



6.1 Progress on Implementing the Principles

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

After having committed to PRB we have placed great emphasis on aligning our policies and products with the Sustainable Development Goals and the targets of the Paris Climate Agreement.

Arion Bank signed a declaration of intent on investment for a sustainable recovery in September 2020. The Prime Minister's Office, Festa – Center for Sustainability, the Icelandic Financial Services Association (SFF) and the National Association of Pension Funds (LL) devised the declaration in close cooperation with representatives of the main participants in the financial market.

The Bank has signed a declaration of intent on the Equality Scale, stating that over the next few years Arion Bank intends make a focused effort to balance out the gender ratio at senior management level.

In 2021 Arion Bank published a Green Financing Framework which applies to the Bank's funding and lending activities and Arion Bank has published an Impact and Allocation Report in respect of the Green Financing Framework.

In November 2021 Arion Bank became a signatory to the Partnership for Carbon Accounting Financials (PCAF). At the end of 2022 Arion Bank published its first report on financed emissions which is based on PCAF methodology. Assessing and disclosing the GHG emissions which are financed through lending and investments is a prerequisite for the Bank's ability to set targets on reducing emissions, and this is the next step in 2023.

In order to gain a better overview of the risk related to climate change the Bank has for the third time made use of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The section on sustainability risk in the Bank's 2022 Pillar 3 Risk Disclosures is partly based on these guidelines and it also contains an analysis of the Bank's loan portfolio from the point of view of climate risk. The Bank formally became a signatory to TCFD in February 2022.

Annual and Sustainability Report 2022:

[Responsible banking](#)

[Green finance](#)

[Pillar 3 Risk Disclosures](#)

[Impact and Allocation Report 2021](#)

Arion Bank website:

[Declaration of intent on investment for a sustainable recovery](#)

[Declaration of intent on the Equality Balance](#)

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

Arion Bank has made good progress implementing PRB and will continue this journey in 2023.



Independent Auditor's Assurance Report

To the Management and the stakeholders of Arion banki hf.

We have been engaged by Arion banki hf. to provide limited assurance on Arion banki's report of Principles for Responsible Banking (PRB) for the year 2022 ("the Report").

Our engagement was performed in order to:

- Assess disclosures presented in Arion banki's report of Principles for Responsible Banking for the year 2022.

We express a conclusion providing limited assurance.

Management's responsibility

The Management of Arion banki is responsible for collecting, analysing, aggregating and presenting the information in the report, ensuring that the information is free from material misstatement, whether due to fraud or error.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (IESBA Code), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Deloitte ehf. is subject to International Standard on Quality Management (ISQM) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion on Arion's PRB report. We have conducted our work in accordance with ISAE 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, to obtain limited assurance about our conclusion. In accordance with the standard we have planned and performed our work to obtain limited assurance about whether the Report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material misstatement, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed reviews of data, recalculation of selected key performance indicators, reviews of the underlying data processes as well as interviews with those responsible for producing and preparing the data. Our work has included interviews with key employees of Arion banki, inquiries regarding procedures and methods to ensure the appropriateness of the disclosures in Arion banki's Report. We have assessed processes, tools and controls for gathering, consolidating and aggregating data at Arion banki, and performed analytical review procedures and tested data prepared against underlying documentation.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Arion banki's PRB Report for the year 2022 is not prepared, in all material respects, in accordance with the Principles for Responsible Banking.

Kópavogi, 15 February 2023

Deloitte ehf.

Gunnar Þorvarðarson
State Authorised Public Accountant