

Shareholder resolution to Nordea's AGM 2023

Stop financing fossil companies that expand extraction and lack robust fossil phase-out plans in line with 1.5 degrees

Resolved: the General Assembly asks Nordea to revise its overall strategy so that it is fully aligned with the Paris Agreement and its goal of limiting global warming to 1.5°C, before the end of 2023. This strategy should include a policy that stops all new lending and all financing services to fossil fuel companies that lack robust phase-out plans in line with 1.5 degrees. The phase-out plans must be science-based and include an immediate halt to new fossil fuel extraction as well as both short- and long-term phase-out targets.

Supporting statement

The Paris Agreement states that all financial flows must be directed away from activities that exacerbate the climate crisis and instead be directed towards activities that offer solutions to it. It has never been clearer that climate action must be radically accelerated; the world is headed for a warming of more than 2.5 degrees with devastating consequences. The banks play an important role in breaking this trend and speeding up the transition.

A report from ActionAid Denmark, BankTrack, Fair Finance Guide, Greenpeace and the Swedish Society for Nature Conservation (Naturskyddsföreningen) shows that Nordea has continued to support fossil fuel companies with new loans totalling USD 3,2 billion over the past two years (July 2020 – June 2022). The majority of the loans have gone to companies that are expanding their extraction, including in sensitive areas such as the Arctic. This despite the fact that the International Energy Agency (IEA) has concluded that the expansion of the extraction of fossil fuels must stop immediately, if we are to limit global warming in accordance with the Paris Agreement's 1.5-degree target.

Nordea's current fossil fuel sector policy does not live up to best practice. Two of its main competitors, [Handelsbanken](#) and [Danske Bank](#), have in the last year imposed restrictions that to a large extent are in line with this shareholder resolution. Handelsbanken published its new climate policy in June last year and already see a positive impact on their business. The bank's new climate policy has been appreciated by many of its clients, and also attracted new clients. Nordea needs to take the same steps to remain competitive in the Nordic market where sustainability issues is a growing business risk and opportunity.

Nordea's continued support of expanding fossil fuel companies that lack robust transition plans violates the bank's own climate commitments to contribute to the fulfilment of the Paris Agreement. By strengthening its overall climate strategy and its financing requirements, Nordea could become part of the solution to the climate crisis instead of being part of the problem.

Shareholders behind the resolution

- Greenpeace Nordic
- Swedish Society for Nature Conservation (Naturskyddsföreningen)
- Mellempfolkeligt Samvirke / Action Aid Denmark

The resolution is also supported by Fair Finance Guide, Banktrack and Hiilivapaa Suomi / Friends of the Earth Finland, which do not hold shares in Nordea.