



## **Green Bond Allocation Report**

**Nationale-Nederlanden Bank N.V.**

Financial Year 2023

## NN Bank Green Bond Allocation Reporting

As a mortgage loan provider, NN Bank wants to contribute to the reduction of greenhouse gas emission in houses NN Bank finances. We encourage our customers to reduce emissions by making their homes more sustainable. NN Bank believes that Green Bonds are an effective tool to channel financing to projects that have demonstrated clear environmental or climate benefits and contribute to the achievement of the Sustainable Development Goals.

31 December 2023

Eligible Green Loan Portfolio			Green Funding			
Category	Number of properties	Amount (EURm) <sup>1</sup>	Instrument (ISIN) <sup>2</sup>	Issuance Date	Maturity Date	Amount (EURm)
<b>Green Buildings</b>						
- Properties built before 31 December 2020 <sup>3</sup>	19,376	5,601	XS2388449758 <sup>4</sup>	Sept 2021	Sept 2028	500
- Energy label A	15,145	4,350	Tier 2 loan <sup>5</sup>	Feb 2022	Feb 2027	15
- Top 15%	4,231	1,251	NL0015000WP1	May 2022	May 2032	500
- Properties built after 31 December 2020 <sup>6</sup>			NL0015001BV1	Feb 2023	May 2027	750
- NZEB – 10%	625	241				
<b>Total</b>	<b>20,001</b>	<b>5,842</b>	<b>Total</b>			<b>1,765</b>

Percentage of Eligible Green Loan Portfolio allocated to net proceeds of green funding (usage):	30%
Percentage of net proceeds of Green Bond allocated to Eligible Green Loan Portfolio:	100%
Alignment with EU Taxonomy TSC for substantial contribution criteria	100%
Alignment with EU Taxonomy TSC (SCC + DNSH + MS)	88% <sup>7</sup>
Eligible Green Loan Portfolio - Unallocated (EURm)	4,077
New Loans in the Eligible Green Loan Portfolio since 31 Dec 2022 (EURm)	2,031
- Eligible Green Loans originated in 2023 (EURm)	763
- Eligible Green Loans due to updated Green Bond Framework and Eligibility Criteria (EURm)	1,268

<sup>1</sup> Amounts represent the 31 December 2023 total outstanding loans that NN Bank has identified as Eligible Green Loans in accordance with the NN Bank Green Bond Framework 2024. KPMG's Limited Assurance Report in relation to the Eligible Green Loan Portfolio and respective disclosed Amounts, is included on the following pages.

<sup>2</sup> Green covered bonds are allocated to green residential buildings situated within the covered bond entity. Green senior bonds and green tier 2 loans are allocated to green residential buildings (minus any green residential buildings already allocated to green covered bonds).

<sup>3</sup> Dutch residential buildings built before 31 December 2020 with an EPC "A" or belonging to the top 15% low-carbon residential buildings in the Netherlands, as defined in the Green Bond Framework 2024.

<sup>4</sup> This Green Bond has been certified by the Climate Bonds Standard Board on behalf of the Climate Bonds Initiative

<sup>5</sup> NN Group has provided subordinated loans to NN Bank, which qualify as Tier 2 capital under the CRR.

<sup>6</sup> Dutch residential buildings built after 31 December 2020 that have a primary energy demand at least 10% lower than the one resulting from the local Nearly Zero Energy Buildings (NZEB), as defined in the Green Bond Framework 2024.

<sup>7</sup> Figure is explicitly excluded from limited assurance provided by KPMG since the do-no-significant-harm criteria (related to climate change adaptation) and the minimum safeguards within the EU Taxonomy were also out of scope for the NN Bank 2023 annual report audit.



## Limited assurance report of the independent auditor on the Eligible Green Loan Portfolio

To: the Management Board of Nationale-Nederlanden Bank N.V. and the holders of Green Bonds issued by Nationale-Nederlanden Bank N.V.

### Our conclusion

We have performed a limited assurance engagement on the Eligible Green Loan Portfolio as included in the 2023 Green Bond Allocation Report of Nationale-Nederlanden Bank N.V. based in The Hague (hereafter: the information in the Report).

Based on the procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the information in the Report is not prepared, in all material respects, in accordance with the applicable criteria as included in the section 'Criteria'.

### Basis for our conclusion

We performed our review on the information in the Report in accordance with Dutch law, including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten) (assurance engagements other than audits or reviews of historical financial information (attestation engagements)). This engagement is aimed to obtain limited assurance. Our responsibilities under this standard are further described in the section 'Our responsibilities for the assurance engagement on the information in the Report' section of our report.

We are independent of Nationale-Nederlanden Bank N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Criteria

The criteria applied for the preparation of the information in the Report are described in the NN Bank Green Bond Framework 2024 as referred to in the Green Bond Allocation Report. Nationale-Nederlanden Bank N.V. is solely responsible for selecting and applying these criteria, taking into account applicable law and regulations related to reporting.

The comparability of information between entities and over time may be affected by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

Consequently, the information needs to be read and understood together with the criteria applied.

#### Document classification:

KPMG Accountants N.V., a Dutch limited liability company registered with the trade register in the Netherlands under number 33263683, is a member firm of the global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

This Independent Assurance Report for the Eligible Green Loan Portfolio as included in the 2023 Green Bond Allocation Report of Nationale-Nederlanden Bank N.V. is part of the letter dated 17 April 2024 with ref. 033-2024\TH\CC\ng



## **Materiality**

Based on our professional judgement we determined materiality levels for each relevant category of the Eligible Green Loan Portfolio.

## **Limitations to the scope of our assurance engagement**

The references to external sources or websites in the information are not part of the information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

The Green Bond Allocation Report includes other information besides the information in the Report. Our review did not extend to this other information and this report does not provide assurance on the other information as included in the Green Bond Allocation Report.

Our conclusion is not modified in respect to these matters.

## **Responsibilities of the Management Board for the information in the Report**

The Management Board is responsible for the preparation and fair presentation of the Green Bond Allocation Report in accordance with the criteria as included in the section 'Criteria'. The Management Board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of stakeholders, considering applicable law and regulations related to reporting.

Furthermore, Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the Green Bond Allocation Report issues report that is free from material misstatement, whether due to fraud or error.

## **Our responsibilities for the assurance engagement on the information in the Report**

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of information. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is substantially less than the assurance that is obtained had a reasonable assurance engagement is performed.

We apply the 'Nadere Voorschriften Kwaliteitssystemen' (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our assurance engagement included among others:

- Performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, and the characteristics of Nationale-Nederlanden Bank N.V.;
- Evaluating the appropriateness of the criteria applied, their consistent application and related disclosures in the information;
- Reviewing the second party opinion which addresses the applicability of the Eligibility criteria used in the preparation of the information in the Report;



- Obtaining through inquiries a general understanding of the internal control environment, the reporting processes, the information systems and the entity's risk assessment process relevant to the preparation of the information, without testing the operating effectiveness of controls;
- Identifying areas of the information where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures aimed at determining the plausibility of the information responsive to this risk analysis. These procedures consisted amongst others of:
  - Obtaining inquiries from management in treasury and finance departments responsible for Green Bond management and reporting;
  - Obtaining inquiries from relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the information;
  - Obtaining assurance evidence that the information reconciles with underlying records of the company;
  - Reviewing, on a limited test basis, relevant internal and external documentation.
- Reading the information in the Green Bond Allocation Report which is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the information in the Report.

Amstelveen, 17 April 2024

KPMG Accountants N.V.

T.P.D. Helsloot RA  
Director