

# Green STORM 2022

## PRE-ISSUANCE VERIFICATION LETTER

### LOW CARBON BUILDINGS CRITERIA OF THE CLIMATE BONDS STANDARD

**Type of engagement:** Assurance Engagement

**Period engagement was carried out:** March 2022

**Approved verifier:** Sustainalytics

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### Scope and Objectives

Obvion N.V. (“Obvion” or the “Issuer”) is a Dutch residential mortgage provider headquartered in Heerlen, the Netherlands, and is a wholly owned subsidiary of Coöperatieve Rabobank U.A. (“Rabobank”), a Dutch multinational banking and financial services company involved in retail and wholesale banking, as well as in food and agribusiness.

Obvion has engaged Sustainalytics to review and verify that its green bond(s) issued under the Green Storm 2022 transaction meets the requirements of the Low Carbon Buildings criteria of the Climate Bonds Standard.<sup>1</sup>

The green bond(s) will be part of Obvion’s residential mortgage-backed securitisation program known as STORM and this issuance is known as Green STORM 2022. The aim of the Green STORM 2022 issuance is to refinance a mortgage asset pool with added environmental value, focusing namely on energy performance. The security will refinance an existing mortgage loan portfolio with residential buildings in the Netherlands that meet the following criteria: (i) residential buildings built before 31/12/2020 that have obtained a definitive Energy Performance Certificate (EPC) of at least ‘A’, or (ii) residential buildings built as of 01/01/2021 that have obtained a definitive EPC of at least ‘A++++’; to ensure that the buildings have a net primary energy demand which is at least 10% lower than the requirement for nearly zero-energy buildings (NZEB),<sup>2</sup> and therefore comply with the Climate Bonds Initiative (CBI) standards for reductions in carbon emissions.

### Climate Bonds Standard Criteria

Pre-issuance requirements under Version 3.0:<sup>3</sup>

- Low Carbon Buildings
  - Residential buildings in the Netherlands built before 31/12/2020 that have achieved a definitive Energy Performance Certificate (EPC) of at least ‘A’.
  - Residential buildings in the Netherlands built as of 01/01/2021 that have obtained a definitive EPC of at least ‘A++++’ to ensure that the buildings have a net primary energy demand which is at least 10% lower than the requirement for nearly zero-energy buildings (NZEB).

### Issuing Entity’s Responsibility

Obvion was responsible for providing information and documents relating to:

- The details concerning the selection process for the Nominated Projects
- The details of the Nominated Projects
- The management systems for internal processes and controls for Nominated Projects, including: tracking of proceeds, managing unallocated proceeds and Earmarking funds to Nominated Projects

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<sup>1</sup> Climate Bonds Standard, “Residential Buildings Criteria under the Climate Bonds Standard”, (2019), at: <https://www.climatebonds.net/standard/buildings/residential>

<sup>2</sup> As of 01/01/2021, all new buildings in the Netherlands must meet the nearly zero-energy building (NZEB) requirements (Bijna Energieneutrale Gebouwen, BENG)

<sup>3</sup> Climate Bonds Standard, “Climate Bonds Standard Version 3.0”, (2019), at: <https://www.climatebonds.net/files/files/climate-bonds-standard-v3-20191210.pdf>

- The details of commitments for reporting prior to issuance, including: investment areas, management of unallocated proceeds and frequency of periodic Assurance Engagements

### **Independence and Quality Control**

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Obvion's green bond, issued to finance eligible projects related to energy-efficient residential buildings, and provided an independent opinion informing Obvion as to the conformance of the green bond with the Pre-Issuance requirements and Low Carbon Buildings criteria of the Climate Bonds Standard.

Sustainalytics has relied on the information and the facts presented by Obvion with respect to the Nominated Projects & Assets. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by Obvion.

Sustainalytics makes all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the bond.

### **Verifier's Responsibility**

The work undertaken as part of this engagement included conversations with relevant Obvion employees and review of relevant documentation to confirm the green bond's conformance with the Climate Bonds Certification Pre-Issuance Requirements, which include:

- Conformance of Obvion's green bond with the Climate Bonds Standard Version 3.0;
- Conformance with the Low Carbon Buildings Technical Criteria;
- Conformance with the Internal Processes & Controls requirements;
- Conformance with Reporting Prior to Issuance requirements

### **Basis of the Opinion**

Sustainalytics conducted the verification in accordance with the Climate Bonds Standard Version 3.0 and with International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Information.

Sustainalytics planned and performed the verification by obtaining evidence and other information and explanations that Sustainalytics considers necessary to give limited assurance that Obvion's green bond meets the requirements of the Climate Bonds Standard. Upon reviewing evidence and other information, Sustainalytics is of the opinion that Obvion will ensure compliance with the Climate Bonds Standard's requirements.

### **Conclusion**

The aim of Obvion's Green STORM 2022 issuance is to refinance a mortgage asset pool which contains a selection of energy efficient residential buildings in the Netherlands. In this context, Obvion's issuance is expected to advance energy efficient buildings in the Netherlands, towards the transition a low-carbon economy.

Based on the limited assurance procedures conducted of Obvion's green bond under the Low Carbon Buildings criteria of the Climate Bonds Standard, nothing has come to Sustainalytics' attention that causes us to believe that, in all material aspects, Obvion's green bond is not in conformance with the Low Carbon Buildings of the Climate Bonds Standard's Pre-Issuance Requirements.

## Schedule 1: Green STORM 2022 Energy Efficient Properties Selection Process

This section describes the methodology that Obvion applies to select energy efficient mortgage loans for its green residential mortgage-backed security (RMBS) programme in line with the Green Bond Principles; a selection of Dutch residential properties with a definitive Energy Performance Certificate (EPC) of at least 'A' or a definitive EPC of at least 'A++++' to ensure that the buildings have a net primary energy demand which is at least 10% lower than the requirement for Nearly Zero Emission Buildings (NZEB).

### Dutch housing energy performance methodology

The Green STORM 2022 selection methodology is based on EPCs as calculated by the Dutch government's methodologies. As of 01/01/2021, a new standard to determine EPCs is used. The Green STORM 2022 transaction can include EPCs that have been issued before or after 31/12/2020. Both methodologies are described as follows:

*For EPCs issued before 31/12/2020:*

- (i) The calculation methodology version 1.2 ("Rekenmethodiek definitief energielabel inclusief indeling energielabelklassen") of the Netherlands Enterprise Agency ("Rijksdienst voor Ondernemend Nederland" (RVO)) which stated the provisional EPCs and the Energy Index (EI) which was used to determine definitive EPCs; and
- (ii) The Dutch Buildings Directive ("Bouwbesluit")<sup>4</sup> which set the Dutch energy performance coefficient requirements for newly built residential houses and which was in line with the European Buildings Directive.

*For EPCs issued as of 01/01/2021:*

The Dutch government uses a new standard to determine the EPC for newly built houses, "Bijna Energieneutrale Gebouwen" (BENG),<sup>5</sup> which is based on NTA 8800 and is compliant with the European Energy Performance of Buildings Directive (EPBD).<sup>6</sup> It includes a scale based on BENG requirements which focuses on the energy requirements of a house (BENG 1, 2 and 3) and has replaced the system of energy performance coefficients. They apply to all buildings for which an environmental permit (for the construction of a new building) has been filed after 31 December 2020. The BENG regulation distinguishes three different criteria:

- (i) BENG 1: The maximum energy demand in kWh per square meter on an annual basis;
- (ii) BENG 2: The maximum allowed usage of primary fossil energy per square meter on an annual basis; and,
- (iii) BENG 3: The minimum required percentage of renewable energy that is generated by the property.

The new certificates are provided by accredited real estate certification organizations. It has no effect on EPCs already issued before 01/01/2021, which remain valid for a period of 10 years after issuance.

EPCs ranked houses based on their environmental impact with A being the highest and G being the lowest category, where the energy performance coefficient was the minimum environmental standard for newly built residential buildings. All houses and apartments must have an EPC when they are being built, sold or rented. Since January 2021, homeowners that sell their house are obliged to request a definitive EPC, which can only be issued by a certified advisor.

### Dutch housing energy performance methodology – comparison between the old and new method

The new standard used from 01/01/2021 onwards will have an impact on both the norms of newly built buildings as well as EPCs issued from 2021 onwards for existing buildings. The new methodology has been calibrated by the Dutch Government to align with the current distribution of EPCs of the Dutch housing stock.

<sup>4</sup> Netherlands Enterprise Agency RVO, "Building regulations", (2021), at: <https://business.gov.nl/regulation/building-regulations/>

<sup>5</sup> Rijksdienst voor Ondernemend Nederlands, "Energieprestatie – Beng", (2022), at: <https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/wetten-en-regels/nieuwbouw/energieprestatie-beng>

<sup>6</sup> European Commission, "Energy Performance of Buildings Directive", (2022), at: [https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive\\_en](https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en)

According to the “Inijking energielabels woningen”,<sup>7</sup> an EPC issued under the old and new methodology will on average stay the same. Based on their calculations, 53% of the houses would receive the same energy performance certificate, while 21% would receive a one notch improvement and 17% would receive a one notch deterioration. Hence, in total 91% of the EPCs issued under both standards would be within one notch of each other. On average, the total difference is close to 0. As the Green STORM 2022 transaction can include both EPCs issued under the new and old criteria the before mentioned shows that for comparison reasons these on average align to one another.

### Identification of houses with a net primary energy demand which is at least 10% lower than the requirement of Nearly Zero Emissions Building (NZEB)

The requirements in the Dutch Buildings Directive (“Bouwbesluit”) as of 01/01/2021 for newly built houses include a maximum primary fossil energy consumption of 50 kWh/m<sup>2</sup> per year. This translates to a minimum EPC A+++ based on the Energy Performance (Buildings) Regulations (“Regeling energieprestatie gebouwen”). In order to identify the portfolio which has a net primary energy demand which is at least 10% lower than the requirement of the NZEB, a house can have a maximum primary fossil energy consumption of 45 kWh/m<sup>2</sup> per year. All houses built as of 01/01/2021 that have an EPC of A++++ and those that have an EPC of A+++ and a maximum primary fossil energy consumption of 45 kWh/m<sup>2</sup> per year are therefore meeting at least 10% lower than NZEB requirements threshold (please refer to Table 1 below). Obvion applies a conservative approach to this, by focusing on the most energy efficient houses in this category by selecting only those houses that have at least an A++++ certificate. Based on the EPC data as provided by Calcasa, combined with data on the construction year, it is possible for Obvion to identify all houses that have been built since 1 January 2021 and that have at least an EPC of A++++.

<i>Energy performance certificate</i>	<i>Primary fossil energy consumption (in kWh/m<sup>2</sup>.jr)</i>
A++++	<= 0.00
A+++	0.01 – 50.00
A++	50.01 – 75.00
A+	75.01 – 105.00
A	105.01 – 160.00
B	160.01 – 190.00
C	190.01 – 250.00
D	250.01 – 290.00
E	290.01 – 335.00
F	335.01 – 380.00
G	> 380.00

Table 1. EPC mapping based on primary fossil energy performance consumption (as included in the Energy Performance (Buildings) Regulations (“Regeling energieprestatie gebouwen”))

### Matching Obvion’s mortgage loans with EPC data

To identify the current EPCs of Obvion’s mortgage pool, Obvion matches the zip codes and addresses of the residential buildings that serve as collateral to the mortgage loans with externally provided EPC data. The data was provided by real estate data provider Calcasa.<sup>8</sup> Calcasa has provided an overview of the EPCs issued in respect of the properties that secure the relevant mortgage loans. For properties in respect of which definitive EPCs have been issued, Calcasa relied on the information provided by the RVO. Based on the EPC data provided combined with the construction year of the house, it is possible for Obvion to identify this group.

### Obvion’s green asset pool

Based on the analysis above, Obvion selects mortgage loans connected to houses built before 2021 with an EPC of at least A, and houses built as of 2021 with an EPC A++++.

As of February 2022, the green asset portfolio for Green STORM 2022 consists of 2,140 loans falling under the Low Carbon Buildings Criteria of the Climate Bonds Standard with an approximate total value of EUR 590.94 million. The asset portfolio refers to five different property types (i) single family houses, (ii) single family houses with garage, (iii) condominium, (iv) condominium with garage and (v) residential.

<sup>7</sup> INNAX, Rijksdienst voor Ondernemend Nederland, (2020), at: <https://www.rijksoverheid.nl/documenten/publicaties/2019/10/04/advies-inijking-labelklassen-energielabel-op-basis-van-nta-8800-woningbouw-en-utiliteitsbouw>

<sup>8</sup> Calcasa, “About us”, (2022), at: <https://www.calcasa.co.uk/about>

<b>Definitive EPC</b>	<b>Number of loans (nominated assets)</b>	<b>Net loan value (EUR million)</b>
A	2,108	581.67
A+	15	4.50
A++	11	1.96
A+++	5	2.37
A++++	1	0.44
<b>Total</b>	<b>2,140</b>	<b>590.94</b>

*Table 2. Number and value of mortgage loans linked to the green asset portfolio as of February 2022.*

The selection of the actual mortgage loans that will be included in the pool is done by a team set up for the Green STORM 2022 transaction consisting of members of Obvion's Funding & Portfolio Management team, Rabobank's Securitisation & Covered Bonds team and Rabobank's Sustainable Capital Markets team.

The above selection methodology leads to a total eligible pool of assets for Obvion's Green RMBS. Obvion will randomly select a final pool from the pool to match the final note size. The proceeds of the notes will be used to refinance these existing mortgage loans following the transaction documentation.

## Schedule 2A: Pre-Issuance General Requirements

Sustainalytics has conducted this verification using the following Pre-Issuance Requirements under Climate Bonds Standard Version 3.0:

<p>1. Use of Proceeds</p>	<p>1.1 The Issuer shall document the Nominated Projects &amp; Assets which are proposed to be associated with the Bond and which have been assessed as likely to be Eligible Projects &amp; Assets. The Issuer shall establish a list of Nominated Projects &amp; Assets which can be kept up-to-date during the term of the Bond.</p> <p>1.2 The expected Net Proceeds of the Bond shall be no greater than the Issuer's total investment exposure to the proposed Nominated Projects &amp; Assets, or the relevant proportion of the total Market Value of the proposed Nominated Projects &amp; Assets which are owned or funded by the Issuer.</p> <p>1.3 Nominated Projects &amp; Assets shall not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments (such as social bonds or SDG bonds) unless it is demonstrated by the Issuer that:</p> <p>1.3.1 distinct portions of the Nominated Projects &amp; Assets are being funded by different Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments; or,</p> <p>1.3.2 the existing Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument is being refinanced via another Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument.</p>
<p>2. Process for Evaluation and Selection of Projects &amp; Assets</p>	<p>2.1 The Issuer shall establish, document and maintain a decision-making process which it uses to determine the eligibility of the Nominated Projects &amp; Assets. The decision-making process shall include, without limitation:</p> <p>2.1.1 A statement on the climate-related objectives of the Bond;</p> <p>2.1.2 How the climate-related objectives of the Bond are positioned within the context of the Issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability;</p> <p>2.1.3 The Issuer's rationale for issuing the Bond;</p> <p>2.1.4 A process to determine whether the Nominated Projects &amp; Assets meet the eligibility requirements specified in Part C of the Climate Bonds Standard.</p> <p><i>Note to 2.1: A wide variety of climate-related objectives are possible. These can vary from increasing the installed capacity of low carbon assets, such as solar power facilities, to having a specific objective focused on the operations or indirect effects of the projects &amp; assets, such as emissions reductions.</i></p> <p><i>The climate-related objectives of the Bond, as stated by the Issuer, have implications for the reporting requirements under the Climate Bonds Standard. See Clauses 2.3, 5.2, 5.8, 6.1.1 and 8.4.</i></p> <p>2.2 The Issuer should include under Clause 2.1 further aspects of the decision-making process, including:</p>

	<p>2.2.1 related eligibility criteria, including, if applicable, exclusion criteria or any other process, applied to identify and manage potentially material environmental, social or governance risks associated with the Nominated Projects &amp; Assets;</p> <p>2.2.2 any green standards or certifications referenced in the selection of Nominated Projects &amp; Assets.</p> <p>2.3 The Issuer shall assess that all proposed Nominated Projects &amp; Assets to be associated with the Bond meet the documented objectives as stated under Clause 2.1.1 and are likely to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard.</p>
<p>3. Management of Proceeds</p>	<p>3.1 The systems, policies and processes to be used for management of the Net Proceeds shall be documented by the Issuer and disclosed to the Verifier, and shall include arrangements for the following activities:</p> <p>3.1.1 Tracking of proceeds: The Net Proceeds of the Bond can be credited to a sub-account, moved to a sub-portfolio, or otherwise tracked by the Issuer in an appropriate manner and documented.</p> <p>3.1.2 Managing unallocated proceeds: The balance of unallocated Net Proceeds can be managed as per the requirements in Clause 7.3.</p> <p>3.1.3 Earmarking funds to Nominated Projects &amp; Assets: An earmarking process can be used to manage and account for funding to the Nominated Projects &amp; Assets and enables estimation of the share of the Net Proceeds being used for financing and refinancing.</p>
<p>4. Reporting</p>	<p>4.1 The Issuer shall prepare a Green Bond Framework and make it publicly available prior to Issuance or at the time of Issuance. The Green Bond Framework shall include, without limitation:</p> <p>4.1.1 Confirmation that the Bonds issued under the Green Bond Framework are aligned with the Climate Bonds Standard. This may include statements of alignment with other applicable standards, such as the EU Green Bond Standard, the ASEAN Green Bond Standard, Chinese domestic regulations, Japanese Green Bond Guidelines, etc.;</p> <p>4.1.2 A summary of the expected use of proceeds, as defined under Clause 1.1, and the expected contribution of the relevant sectors or sub-sectors to the rapid transition required to achieve the goals of the Paris Climate Agreement;</p> <p>4.1.3 A description of the decision-making process, as defined under Clause 2.1, with particular reference to the requirements in Clause 2.1.2;</p> <p>4.1.4 Information on the methodology and assumptions to be used for: confirming, where required by relevant Sector Eligibility Criteria, the characteristics or performance of Nominated Projects &amp; Assets required to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard; and any other additional impact metrics that the issuer will define.</p> <p>4.1.5 A summary of the approach to the management of unallocated Net Proceeds in accordance with Clause 3.1;</p> <p>4.1.6 The intended approach to providing Update Reports to reaffirm conformance with the Climate Bonds Standard while the Bond remains outstanding;</p> <p>4.1.7 The list of proposed Nominated Projects &amp; Assets associated with the Bond and the investment areas, as provided in Clause 9.1, into which the Nominated Projects &amp; Assets fall. Where there are limits on the amount of detail that can be made available about specific Nominated Projects &amp; Assets, information shall be presented on the investment areas which the Nominated Projects &amp; Assets fall into, as provided in</p>

	<p>Clause 9.1, and the Issuer shall provide an explanation of why detail on Nominated Projects &amp; Assets is limited;</p> <p>4.1.8 Where a proportion of the Net Proceeds are used for refinancing, an estimate of the share of the Net Proceeds used for financing and refinancing, and the relevant Nominated Projects &amp; Assets or investment areas which may be refinanced. This may also include the expected look-back period for refinanced Nominated Projects &amp; Assets.</p> <p><i>Note: Issuers are encouraged to disclose as much information as possible with respect to Nominated Projects &amp; Assets. However, in many cases it is not possible for the Issuer to disclose detailed information about specific projects &amp; assets prior to the issuance of the Bond. This limitation may be due to confidentiality arrangements with owners of projects &amp; assets, the dynamic nature of the project portfolio, competitive considerations, or other legal provisions which limit the disclosure of detailed information.</i></p> <p>4.2 The Issuer shall include in the Disclosure Documentation:</p> <p>4.2.1 The investment areas, as provided in Clause 9.1, into which the Nominated Projects &amp; Assets fall;</p> <p>4.2.2 The intended types of temporary investment instruments for the management of unallocated Net Proceeds in accordance with Clause 7.3;</p> <p>4.2.3 The Verifier engaged by the Issuer for the mandatory verification engagements;</p> <p>4.2.4 The intended approach to providing Update Reports to reaffirm conformance with the Climate Bonds Standard while the Bond remains outstanding, including the location of the published documents;</p> <p>4.2.5 The Climate Bonds Initiative Disclaimer provided in the Certification Agreement.</p> <p><i>Note to 4.2.4: Issuers are encouraged to provide their Update Reports through existing reporting channels for the bond markets, such as the Electronic Municipal Market Access (EMMA) website for the US Municipality sector.</i></p>
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## Schedule 2B: Conformance to the Pre-Issuance Requirements

Details of Obvion's internal processes and controls as per the Pre-Issuance Requirements are provided below:

Procedure Performed	Factual Findings	Error or Exceptions Identified
1. Use of Proceeds	<p>1.1 Obvion has developed a list of proposed Nominated Projects &amp; Assets which comply with the Low Carbon Buildings sector criteria of the Climate Bonds Standard. Obvion intends to keep this list updated with all the financed projects that fall within the scope of the Green STORM 2022 green bond program and Framework. The proposed Nominated Projects and Assets include:</p> <ul style="list-style-type: none"> <li>• Mortgage loans for residential buildings in the Netherlands built before 31/12/2020 that have achieved a definitive Energy Performance Certificate (EPC) of at least 'A'.</li> <li>• Mortgage loans for residential buildings in the Netherlands built as of 01/01/2021 that have obtained a definitive EPC of at least 'A++++' to ensure that the buildings have a net primary energy demand which is at least 10% lower than the requirement for nearly zero-energy buildings (NZEB).</li> </ul> <p>1.2 Obvion's management confirms that the net proceeds of the future bond will not be greater than the total investment exposure to the proposed Nominated Projects &amp; Assets.</p> <p>1.3 Obvion's management confirms that the Nominated Projects &amp; Assets will not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instrument, green bonds, green loans or other labelled instruments unless it is demonstrated by Obvion that distinct portions of the Nominated Projects &amp; Assets are being funded by different instruments or that the existing instrument is being refinanced via another labelled instrument.</p>	None
2. Process for Evaluation and Selection of Projects & Assets	<p>2.1.1. The Green STORM 2022 states that the intention of the green bonds are to improve the energy performance of residential building stock in the Netherlands.</p> <p>2.1.2. Obvion's environmental objectives are summarized in the Green STORM 2022.</p> <p>2.1.3. Obvion's rationale for issuing green bonds is primarily to use the proceeds to refinance a mortgage asset pool of residential buildings in the Netherlands.</p> <p>2.1.4. The Green STORM 2022 includes a process for project evaluation and selection which is performed by a dedicated Green STORM project team.</p> <p>2.2.1. Obvion has sufficient measures in place to manage and mitigate environmental and social risks that are commonly associated with the eligible category.</p> <p>2.2.2. Obvion's internal team consisting of representatives from Obvion's Funding &amp; Portfolio Management team, Rabobank's</p>	None

	Securitisation & Covered Bonds team and Rabobank's Sustainable Capital Markets team verify that all proposed Nominated Projects & Assets conform to the Climate Bonds Taxonomy and Low Carbon Buildings sector criteria.	
3. Management of Proceeds	<p>3.1.1 The Green STORM 2022 outlines a process by which proceeds will be tracked.</p> <p>3.1.2 Obvion has confirmed that proceeds from Green STORM 2022 will be fully allocated upon issuance and Obvion will report on the portfolio regarding size, prepayments, defaults and losses on a monthly basis.</p> <p>3.1.3 The Green STORM 2022 details the process Obvion will use to allocate and manage green bonds proceeds. This will enable the estimation of the share of the Net Proceeds being used for refinancing.</p>	None
4. Reporting Prior to Issuance	<p>4.1.1. Bonds issued under the Green STORM 2022 are intended to align with the Climate Bonds Standard.</p> <p>4.1.2. The Green STORM 2022 indicates that green bond proceeds will be used, as defined under Clause 1.1, and the expected contribution of the relevant sectors or sub-sectors to the rapid transition required to achieve the goals of the Paris Climate Agreement.</p> <p>4.1.3. The Green STORM 2022 provides detail on its decision-making process, in which the Company has defined the steps that it will take to match Obvion's mortgage loans with qualifying EPCs, based on data and research from Calcasa, a third-party real estate data provider. The final selection of eligible mortgages will be carried out by an internal team set up for this purpose.</p> <p>4.1.4. Obvion's Nominated Projects &amp; Assets will conform with the Low Carbon Buildings sector criteria. Obvion may report on the following impact metrics: breakdown of portfolio by EPCs, energy consumption and CO<sub>2</sub> emissions of properties.</p> <p>4.1.5. Obvion will manage unallocated net proceeds in accordance with Clause 3.1.</p> <p>4.1.6. Obvion will appoint an approved third-party verifier to confirm the bond's conformance with pre-issuance requirements of the Low Carbon Buildings Criteria of the Climate Bonds Standard.</p> <p>4.1.7. Obvion's Nominated Projects &amp; Assets fall under Low Carbon Buildings sector criteria. Information made available to investors will include loan by loan data on the underlying pool of eligible assets on a quarterly basis. As part of the regular investor reporting, Obvion will publish on a quarterly basis information on the EPCs of the properties securing the mortgage loans. Obvion will report yearly on the composition of the mortgages in the pool in terms of compliance with the selection criteria.</p> <p>4.1.8. Obvion has estimated that all proceeds will be used for the refinancing of mortgage-backed residential buildings.</p> <p>4.2.1. Obvion's Nominated Projects &amp; Assets will conform with the Low Carbon Buildings sector criteria.</p>	None

	<p>4.2.2. The intended types of temporary investment instruments for the management of unallocated Net Proceeds are in accordance with Clause 7.3 of the Climate Bonds Standard.</p> <p>4.2.3. Obvion has confirmed that an approved third-party verifier will conduct periodic assurance within two years to reaffirm conformance of the bond with the Low Carbon Buildings criteria of the Climate Bonds Standard.</p> <p>4.2.4. Obvion will make Green STORM 2022 transaction data on the composition of the mortgages in the transaction pool available in a yearly report. Moreover, Obvion will publish information on the EPCs of the properties securing the mortgage loans on a quarterly basis.</p> <p>4.2.5. Sustainalytics notes that under the terms of its certification, Obvion must include the CBI Disclaimer provided in the Certification Agreement in disclosure documentation.</p>	
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In case of discrepancies between the English language and translated versions, the English language version shall prevail.

## About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world's foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2021, Climate Bonds Initiative named Sustainalytics the "Largest Approved Verifier for Certified Climate Bonds" for the fourth consecutive year. The firm was also recognized by Environmental Finance as the "Largest External Reviewer" in 2021 for the third consecutive year. For more information, visit [www.sustainalytics.com](http://www.sustainalytics.com).

