

# Second-Party Opinion Obvion N.V. Green STORM 2021



## Evaluation Summary

Sustainalytics is of the opinion that the Green STORM 2021 is credible and impactful and aligns to the four core components of the Green Bond Principles 2018. This assessment is based on the following:



**USE OF PROCEEDS** The eligible category for the use of proceeds – Green Buildings – is aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7 and 11.



**PROJECT EVALUATION / SELECTION** Obvion N.V.'s internal process in evaluating and selecting projects is overseen by a dedicated internal team consisting of representatives from the Funding & Portfolio Management team of Obvion, and the Securitisation & Covered Bonds team and Sustainability Capital Markets teams of Rabobank. The team will select the eligible mortgages, using data provided by real estate data provider Calcasa. Sustainalytics considers the project selection process in line with market practice.



**MANAGEMENT OF PROCEEDS** Obvion N.V. will allocate the full amount of net proceeds of the RMBS transaction to refinance eligible assets at the time of closing of the issuance. A third-party will verify that the included loans are eligible on an ongoing basis. Obvion commits to purchasing back any loans which are no longer compliant and substituting any ineligible mortgages. This is in line with market practice.



**REPORTING** Obvion N.V. Green STORM 2021 transaction will make available to investors loan data on the mortgages in the transaction pool in a monthly summary report as well as an annual statement demonstrating compliance with the eligibility criteria. In addition, the transaction will publish information on energy performance certificates of the mortgage's assets every quarter. A third-party has been appointed to calculate the impact, in the form of CO<sub>2</sub> reductions achieved based on real energy consumption, which will be made available to investors at the time of issuance. Sustainalytics views Obvion N.V.'s allocation and impact reporting as aligned with market practice.

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**Evaluation Date** March 8, 2021

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**Issuer Location** Heerlen,  
Netherlands

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## Introduction

Obvion N.V. (“Obvion”, or the “Company”) is a subsidiary of Rabobank, an international cooperative bank focused on providing financial services in the Netherlands and involved in retail and wholesale banking, as well as food and agriculture internationally. Rabobank has one of the largest mortgage-lending business in the Netherlands, which is complemented with a lending portfolio that is directed towards retail customers and corporates.

Obvion has developed the Green STORM 2021 Green Bond Framework (the “Framework”) under which it intends to issue a green residential mortgage-backed security (RMBS) and use the proceeds to refinance, in whole or in part, Obvion’s mortgage asset pool with relevant energy-efficient characteristics. This Framework follows the 2016, 2017, 2018 and 2019 Green STORM Frameworks, which applied to prior issuances under the same programme. The Framework defines eligibility criteria in three areas:

1. Residential buildings built before 2021 that have a definitive or provisional Energy Performance Certificate (EPC) of at least A by the Netherlands Enterprise Agency and which are amongst the top 15% of most energy efficient properties in the Netherlands, or;
2. Residential buildings built as of 2021 that have an EPC Label of at least A++++ to ensure a net primary energy demand which is at least 20% lower than the requirement for Nearly Zero Emissions Buildings (NZEB), or;
3. Residential buildings that have obtained a definitive Energy Performance Certificate of B or C by the Netherlands Enterprise Agency and that have realised at least a two-step label improvement in energy performance quality compared to an average house within the same building period.

Obvion engaged Sustainalytics to review the Obvion NV Green STORM 2021 Green Bond Framework, dated March 2021, and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2018 (GBP).<sup>1</sup> This Framework has been published in a separate document.<sup>2</sup>

### Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>3</sup> opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2018, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.7.1, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Obvion’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Obvion representatives have confirmed (1) they understand it is the sole responsibility of Obvion to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

<sup>1</sup> The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

<sup>2</sup> The Green STORM 2021 Green Bond Framework has been produced by Obvion and may be made available by the bank at their market discretion.

<sup>3</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Obvion.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Obvion has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Green STORM 2021

Sustainalytics is of the opinion that the Green STORM 2021 is credible and impactful and aligns to the four core components of the GBP. Sustainalytics highlights the following elements of Obvion's Framework:

- Use of Proceeds:
  - The eligible category, Green Buildings, is aligned with those recognized by the GBP. Sustainalytics notes that the net proceeds of the Green STORM 2021 mortgage-backed notes will be used to refinance the selected mortgage loans in the portfolio.
  - The Issuer may refinance residential buildings which meet one of the following criteria:
    - Residential buildings built before 2021 that have obtained a definitive or provisional EPC label of at least A. Sustainalytics considers the methodology used to determine the top 15%, based on construction date and EPC data, to be robust and credible. (please see Appendix for further details on the methodology used).
    - Residential buildings built as of 2021 that have obtained a definitive EPC label of at least A++++, to ensure a net primary energy demand 20% lower than the requirement for Nearly Zero Emissions Building (NZEB).<sup>4</sup>
    - Residential buildings with a definitive EPC label of B or C, which have achieved an increase of at least two-step label improvement in energy efficiency compared to the average house built within the same period.
  - Sustainalytics notes that the above criteria are aligned with the Climate Bonds Initiative standard for Low Carbon Buildings and is aligned with market practice. Sustainalytics is of the opinion that financing residential buildings which meet the above criteria will contribute to improved performance of the Dutch residential building stock.
- Project Evaluation and Selection:
  - Obvion 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, consisting of representatives from the Funding & Portfolio Management team of Obvion, the Securitisation & Covered Bonds team and Sustainability Capital Markets team of Rabobank.
  - Based on the use of third-party data to support the decision-making, and the establishment of a cross-functional team to carry out the process, Sustainalytics considers this to be in line with market practice.
- Management of Proceeds:

<sup>4</sup> From 01/01/2021, all new buildings in the Netherlands must meet the Nearly Zero Emissions Building requirements (Bijna Energie neutrale Gebouwen, BENG). You can find more information at: <https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/wetten-en-regels/nieuwbouw/energieprestatie-beng/indicatoren>

- As part of the residential mortgage-backed securities (RMBS) structure, at closing, the net proceeds will be allocated in full to finance eligible loans. A third-party will track the portfolio monthly for size, repayments, defaults, and other factors which may affect the balance of loans outstanding. Obvion will, as needed, repurchase any loan which no longer complies with the eligibility criteria and replace it with a compliant asset. In addition, Obvion will engage an independent external adviser to check whether the information included in the loan tape of the underlying pool is included in the relevant prospectus. The external adviser will also check whether the mortgage loans included in the loan tape meet eligibility criteria.
- Based on the structure of the security, as well as the commitment to ongoing tracking, Sustainalytics considers the management of proceeds to be in line with market practice.
- Reporting:
  - Obvion's Green STORM 2021 transaction will be made available to investors will include loan data on the underlying pool of mortgages in the transaction pool in a monthly summary. The Green Storm 2021 transaction will publish a monthly report providing information to investors regarding the mortgages included in the transaction pool. In addition, the transaction will publish information on energy performance certificates of the mortgage's assets every quarter. A third-party has been appointed to calculate the impact, in the form of CO<sub>2</sub> reductions achieved based on real energy consumption, which will be made available to investors at the time of issuance.
  - Based on the commitment to ongoing allocation reporting, and the intention to make available quantitative impact data, Sustainalytics considers this process to be in line with market practice.

#### Alignment with Green Bond Principles 2018

Sustainalytics has determined that the Green STORM 2021 aligns to the four core components of the GBP. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

## Section 2: Sustainability Strategy of Obvion

### Contribution of framework to Obvion N.V.'s sustainability strategy

Sustainalytics is of the opinion that Obvion, a subsidiary of Rabobank, demonstrates a strong commitment to sustainability with a focus on four key environmental areas: (i) environment, (ii) human rights (iii) labour standards, and anti-corruption, which apply across its operations, as well as a variety of thematic or sectoral policies.<sup>5</sup>

With specific reference to mortgage lending, Rabobank has an important presence in the Dutch housing and real estate market and has enacted sustainability policies for the real estate sector that aim to promote higher energy efficiency, a circular economy, lower greenhouse gas emissions, and the use of more renewable energy in housing and real estate. Additionally, the Bank supports Dutch retail customers investing in home energy efficiency improvements, by acting as a co-financer of the Dutch National Energy Saving Fund (Nationaal Energiebespaarfonds). This fund allows homeowners to invest in energy-saving measures with favourable conditions. Local Rabobank branches in the Netherlands are also organizing Smart Refurbishment meetings, where retail customers can meet experts in the field of energy conservation and the generation of sustainable energy. Furthermore, the company is a signatory to the Dutch Energy Agreement for Sustainable Growth.<sup>6</sup>

Obvion (and its legal predecessor) has been investing in the Dutch housing market for over 30 years and, alongside its parent, Rabobank, is using its presence in the local market to promote the country's transition towards a sustainable economy.<sup>7</sup> Obvion has demonstrated their commitment by offering new and existing borrowers a sustainability-discount on the interest rate if the mortgage loan is used to finance an energy-efficient house.<sup>8</sup> In addition, through its JobCoach programme, Obvion supports customers having difficulty making their payments with career support.<sup>9</sup> These activities provide evidence that both Obvion and Rabobank are, in Sustainalytics' opinion, well positioned to issue a green RMBS.

<sup>5</sup> Rabobank, "Vision and Policy", <https://www.rabobank.com/en/about-rabobank/in-society/sustainability/vision-and-policy/vision-sustainably-successful-together.html>

<sup>6</sup> SER, "Energieakkoord voor duurzame groei", <http://www.energieakkoordser.nl/energieakkoord.aspx>

<sup>7</sup> Rabobank, "About Rabobank", <https://www.rabobank.nl/particulieren/over-rabobank/>

<sup>8</sup> Obvion, hypotheek, "Duurzaamheid", at: <https://www.obvion.nl/Over-Obvion/Duurzaamheid.htm>

<sup>9</sup> Obvion, "Jobcoach", <https://www.obvion.nl/Mijn-situatie/Jobcoach.htm>

Sustainalytics is of the opinion that the Green STORM 2021 is aligned with the Obvion and Rabobank's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

### **Well-positioned to address common environmental and social risks associated with the projects**

While Sustainalytics recognizes that the net proceeds from the bond(s) issued under the Framework will be directed towards eligible projects that are recognized by the Green Bond Principles (2018) to have positive environmental impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects, could include occupational health and safety, community relations/stakeholder participation, land use and biodiversity issues associated with large-scale infrastructure development, emissions, effluents, waste generated in construction, and financial risks related to credit and securitization.

Sustainalytics is of the opinion that Obvion, a subsidiary of Rabobank, is able to manage and/or mitigate potential risks through implementation of the following:

- Rabobank is a signatory of the United Nations Global Compact as of 2002 and communicates on the progress of environmental and social targets on an annual basis.<sup>10</sup>
- The Rabobank Group has a Sustainability Policy Framework<sup>11</sup> which includes several responsible investment policies and guidelines with respect to its credit and loan business, communicating the company's stance and due diligence process to avoid potential social and environmental risks stemming from the financed projects. For instance, the group has position papers setting expectations on compliance with human rights issues and animal welfare and has published several sector statements that serve as a guide for its credit policy.
- To mitigate risks related to worker health and safety, all clients of Rabobank and Obvion are expected to respect labour standards as described in International Labour Organization Declaration on Fundamental Principles and Rights at Work.<sup>11, 12</sup>
- On the note of regulatory context, the Netherlands is known to have robust workplace protections and health and safety regulations in place and large European banks such as Rabobank are subject to liquidity coverage regulations under the terms of Basel III.
- In order to keep an ongoing conversation with all stakeholders, Rabobank conducts a materiality analysis on an annual basis. A materiality assessment was conducted and published in their Annual Report 2019<sup>13</sup> to showcase the topics most significant to investors, employees, the broader community, and customers.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Obvion has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

## **Section 3: Impact of Use of Proceeds**

All use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused on one key area below where the impact is specifically relevant in the local context.

### **Importance of energy-efficient buildings in the Netherlands**

The Dutch Government has laid out a multi-sectoral approach to reducing greenhouse gas emissions, which is intended to be aligned with the EU's overall climate strategy.<sup>14</sup> This approach includes the construction and housing sector, which are the source of approximately 15% of emissions in the Netherlands.<sup>15</sup> One of the action areas to address the industry's emissions is the requirement that all homes, commercial buildings, and public buildings receive EPCs when they are being built, sold or rented.<sup>16</sup> The Government intends to gradually make EPC requirements to obtain building permits more stringent, so that new buildings are continually more efficient; the next update to this system is intended to move beyond EPCs to a new system based on the

<sup>10</sup> United Nations Global Compact, "Rabobank Group", (2020), at: <https://www.unglobalcompact.org/what-is-gc/participants/7837#company-information>

<sup>11</sup> Rabobank, "Sustainability Policy Framework", <https://www.rabobank.com/en/images/sustainability-policy-framework.pdf>

<sup>12</sup> International Labour Organization, "ILO Declaration on Fundamental Principles and Rights at Work", at: <http://www.ilo.org/declaration/lang-en/index.htm>

<sup>13</sup> Rabobank Group, "Annual Report 2019", (2020), at: [https://ungc-production.s3.us-west-2.amazonaws.com/attachments/cop\\_2020/484857/original/annual-report-2019.pdf?1586175400](https://ungc-production.s3.us-west-2.amazonaws.com/attachments/cop_2020/484857/original/annual-report-2019.pdf?1586175400)

<sup>14</sup> Government of the Netherlands, "Dutch goals within the EU", <https://www.government.nl/topics/climate-change/eu-policy>

<sup>15</sup> Government of the Netherlands, "Measures to reduce greenhouse gas emissions", <https://www.government.nl/topics/climate-change/national-measures>

<sup>16</sup> Government of the Netherlands, "Mandatory EPCs for buildings", <https://www.government.nl/topics/energy-performance-certificates-for-homes-and-buildings/mandatory-epcs-for-buildings>

BENG,<sup>17</sup> which is compliant with near-net-zero energy buildings. As of 1 January 2021 a new standard is used to determine Energy Performance Certificates, whereas before the energy performance certificate was based on the energy index of a property, the new metric has changed to primary fossil energy consumption (in kWh/m<sup>2</sup>.jr).<sup>18</sup>

Considering the goals and policy directives of the Dutch government, Sustainalytics is of the opinion that the asset selection criteria defined by Obvion is aligned with the Dutch government’s initiatives to improve energy efficiency in the housing sector and contribute to the overall efforts to achieve commitments. The assets selected represent the top 15% in terms of energy ratings (“A” ratings) or demonstrate a significant improvement in performance over time.

**Adjustments in comparison to Obvion’s Green STORM 2019**

Obvion issued a Green STORM in 2016, 2017, 2018, and 2019 using an approach similar to the one defined for this issuance. In comparison to the most recent prior issuance, Obvion has selected a new eligible pool of assets in line with updated EPC data from Calcasa.

**Alignment with/contribution to SDGs**

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) issued under the Green STORM 2021 advances the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
	11. Sustainable Cities and Communities	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

**Conclusion**

Obvion has developed the Green STORM 2021 under which it will issue green bonds and the use of proceeds to finance residential mortgage-backed securities. Sustainalytics considers that the projects funded by the green bond proceeds are expected to provide positive environmental impact.

The Green STORM 2021 outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Green STORM 2021 is aligned with the overall sustainability strategy of the company and that the green use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 7 and 11. Additionally, Sustainalytics is of the opinion that Obvion has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Obvion N.V. is well-positioned to issue green bonds and that the Green STORM 2021 is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.

<sup>17</sup> “BENG” is the Dutch acronym for almost net-zero buildings.

<sup>18</sup> Government of the Netherlands, “Energieprestatie – BENG”, <https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/wetten-en-regels-gebouwen/nieuwbouw/energieprestatie-beng>

## Appendices

### Appendix 1: Illustrative graphics of eligible EPCs for top 15% energy efficient properties and refurbishments leading to 30% energy improvements

The following figures summarize the eligible mortgage loans for Green STORM 2021. The first graphic displays which subset of EPCs is eligible for inclusion (which has been calculated using the top 15% methodology), while the second figure illustrates which building upgrades, resulting in an increase in EPC, are eligible.

Eligible EPCs for Green STORM 2021:

PROPERTY TYPE (C)	CONSTRUCTION PERIOD (J)										
	up to 1945	1946-1964	1965-1974	1975-1982	1983-1987	1988-1991	1992-1999	2000-2005	2006-2013	2014 and later	
	J1	J2	J3	J4	J5	J6	J7	J8	J9	J10	
C1 Detached house	G	F	D	C	C	B	B	B	A	A	
C2 Semi-detached house	G	F	D	C	C	C	B	B	A	A	
C3 Terraced house (corner)	G	F	D	C	C	C	B	B	A	A	
C4 Terraced house (mid)	F	E	C	C	C	C	B	A	A	A	
C5 Multi-family home	Single-story	G	E	E	B	C	C	C	B	A	A
	Multi-story	F	E	C	B	C	C	A	A	A	A

Eligible refurbishments for Green STORM 2021 for buildings built as of 2021:

		TO							
		A++	A+	A	B	C	D	E	
Primary fossil energy consumption (in kWh/m2.jr)		50	75	105	160	190	250	290	
FROM	B	160	-69%	-53%	-34%				
	C	190	-74%	-61%	-45%	-16%			
	D	250	-80%	-70%	-58%	-36%	-24%		
	E	290	-83%	-74%	-64%	-45%	-34%	-14%	
	F	335	-85%	-78%	-69%	-52%	-43%	-25%	-13%
	G	380	-87%	-80%	-72%	-58%	-50%	-34%	-24%

Eligible refurbishments for Green STORM 2021 for buildings built before 2021:

		TO					
		A	B	C	D	E	
Energy index		0.6	1.2	1.4	1.8	2.1	
FROM	C	1.4	-57%	-14%			
	D	1.8	-67%	-33%	-22%		
	E	2.1	-71%	-43%	-33%	-14%	
	F	2.4	-75%	-50%	-42%	-25%	-13%
	G	2.7	-78%	-56%	-48%	-33%	-22%

## Appendix 2: Green Bond / Green Bond Programme - External Review Form

### Section 1. Basic Information

Issuer name:	Obvion N.V.
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Green STORM 2021
Review provider's name:	Sustainalytics
Completion date of this form:	March 8, 2021
Publication date of review publication:	

### Section 2. Review overview

#### SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds        | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting                                    |

#### ROLE(S) OF REVIEW PROVIDER

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 <sup>nd</sup> opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification   | <input type="checkbox"/> Rating        |
| <input type="checkbox"/> Other ( <i>please specify</i> ):                       |  |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

#### EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

### Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

#### 1. USE OF PROCEEDS

Overall comment on section (*if applicable*):



The eligible category for the use of proceeds – Green Buildings – is aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7 and 11.

**Use of proceeds categories as per GBP:**

- |   |  |
|---|--|
| <input type="checkbox"/> Renewable energy   | <input type="checkbox"/> Energy efficiency   |
| <input type="checkbox"/> Pollution prevention and control   | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation  | <input type="checkbox"/> Clean transportation  |
| <input type="checkbox"/> Sustainable water and wastewater management  | <input type="checkbox"/> Climate change adaptation   |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes                            | <input checked="" type="checkbox"/> Green buildings  |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input type="checkbox"/> Other <i>(please specify)</i> :   |

If applicable please specify the environmental taxonomy, if other than GBP:

**2. PROCESS FOR PROJECT EVALUATION AND SELECTION**

Overall comment on section (if applicable):

Obvion N.V.'s internal process in evaluating and selecting projects is overseen by a dedicated internal team consisting of representatives from the Funding & Portfolio Management team of Obvion, and the Securitisation & Covered Bonds team and Sustainability Capital Markets teams of Rabobank. The team will select the eligible mortgages, using data provided by real estate data provider Calcasa. Sustainalytics considers the project selection process in line with market practice.

**Evaluation and selection**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives            | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories    |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input type="checkbox"/> Summary criteria for project evaluation and selection publicly available                  | <input type="checkbox"/> Other <i>(please specify)</i> :   |

**Information on Responsibilities and Accountability**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
|--|--|

- Other (please specify):

### 3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

Obvion N.V. will allocate the full amount of net proceeds of the RMBS transaction to refinance eligible assets at the time of closing of the issuance. A third-party will verify that the included loans are eligible on an ongoing basis. Obvion commits to purchasing back any loans which are no longer compliant and substituting any ineligible mortgages. This is in line with market practice.

#### Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify):

#### Additional disclosure:

- |  |   |
|--|---|
| <input type="checkbox"/> Allocations to future investments only                  | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements                  | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements          |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (please specify):  |

### 4. REPORTING

Overall comment on section (if applicable):

Obvion N.V. Green STORM 2021 transaction will make available to investors loan data on the mortgages in the transaction pool in a monthly summary report as well as an annual statement demonstrating compliance with the eligibility criteria. In addition, the transaction will publish information on energy performance certificates of the mortgage's assets every quarter. A third-party has been appointed to calculate the impact, in the form of CO<sub>2</sub> reductions achieved based on real energy consumption, which will be made available to investors at the time of issuance. Sustainalytics views Obvion N.V.'s allocation and impact reporting as aligned with market practice.

#### Use of proceeds reporting:

- |  |  |
|--|--|
| <input type="checkbox"/> Project-by-project            | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify):                 |

**Information reported:**

- Allocated amounts  Green Bond financed share of total investment
- Other (*please specify*):

**Frequency:**

- Annual  Semi-annual
- Other (*please specify*):

**Impact reporting:**

- Project-by-project  On a project portfolio basis
- Linkage to individual bond(s)  Other (*please specify*):

**Information reported (expected or ex-post):**

- GHG Emissions / Savings  Energy Savings
- Decrease in water use  Other ESG indicators (*please specify*):

**Frequency**

- Annual  Semi-annual
- Other (*please specify*):

**Means of Disclosure**

- Information published in financial report  Information published in sustainability report
- Information published in ad hoc documents  Other (*please specify*):
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

**USEFUL LINKS** (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE**

**Type(s) of Review provided:**

- Consultancy (incl. 2<sup>nd</sup> opinion)  Certification
- Verification / Audit  Rating
- Other (*please specify*):

**Review provider(s):**

**Date of publication:**

**ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP**

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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