

## CORPORATE GOVERNANCE

Corporate governance is about the good management of companies and their supervision. It governs the relationship between directors, supervisors and shareholders. For NWB Bank, this means sound, transparent corporate governance focused on long-term value creation and the interests of all our stakeholders, especially given our special societal responsibility as a bank of and for the public sector.

### GUIDELINES

The Supervisory Board and the Managing Board are jointly responsible for good corporate governance and compliance within the bank. This responsibility is partly laid down in legislation, such as the Financial Supervision Act (Wft), and partly based on self-regulation. In this section, we outline the key regulations and explain how we apply them.

### Dutch Corporate Governance Code

The Dutch Corporate Governance Code (hereafter: the Code) contains principles and best practice provisions that govern the relationships between the Managing Board, the Supervisory Board and the (General Meeting of) shareholders. The Code applies to Dutch companies whose shares are listed on the stock exchange. Our bank's shares are not listed, which is why we are not required by law to apply the Code. Nevertheless, we apply the Code to the greatest extent possible, taking into account that shares in NWB Bank can only be

held by the State of the Netherlands, water authorities and other legal entities governed by public law. The application of the Code is also in line with the Policy Document on Minority-State-Owned Enterprises (Nota Deelnemingenbeleid Rijksoverheid), which we follow as far as possible, given our position as a minority state participant.

The charters of the Supervisory Board and its committees are reviewed annually. These charters set out arrangements relating to composition, division of responsibilities and working methods. They also include provisions on conflicts of interest, relationships with the Managing Board and shareholders, sustainable long-term value creation, ESG, and the expansion of reporting on diversity and inclusion. In addition, attention is given to behaviour and culture in the evaluations of the Managing Board and Supervisory Board, the clarification of reporting lines, and the assessment of the internal audit function. The Executive Committee Charter was

updated on several points at the end of 2025; the other charters were last updated in March 2023. In light of the planned update of the EBA Guidelines on internal governance and the intended revision of the articles of association, NWB Bank's charters will be updated as required in 2026.

NWB Bank deviates from the Code on the following points:

- Due to our bank's two-tier board structure and the absence of share certification, the principles and best practice provisions relating to one-tier boards and the certification of shares do not apply.
- The best practice provisions on disclosure and information to the General Meeting of Shareholders are not fully formalised, as we do not have listed shares. As a result, we have not adopted a policy on bilateral contacts with shareholders.
- As the bank has only registered shares, all shareholders are known. We keep a register with the names and addresses of our shareholders, the date of acquisition of the shares and the amount paid for each share. We maintain direct contact with our shareholders throughout the year.
- The Corporate Governance Code 2025 extends responsibility for risk management through the introduction of a Risk Management Statement

(Verklaring Omtrent Risicobeheer, VOR), which will apply to listed companies from the 2025 financial year. NWB Bank is considering voluntary application.

- In the absence of variable remuneration, we have not performed scenario analyses for the remuneration policy.

## Future-Oriented Banking

Since its publication in 2014, we have adhered to the Future-Oriented Banking package, a set of self-regulatory rules issued by the Dutch Banking Association (NVB). The package consists of three sections: the Social Charter, the Dutch Banking Code and the Code of Conduct. The Social Charter describes the role banks should fulfil in society and the shared values of the banking sector. The Dutch Banking Code safeguards good governance by all Dutch banks and sets out principles for the controlled and ethical conduct of business and effective risk management as well as for the structure of the Managing Board and Supervisory Board. The Code of Conduct provides guidelines for employees on practicing their profession prudently and ethically. The principles of the package are integrated into our organisation's mission, core values and codes of conduct.

In 2014, the Banking Code was supplemented in two ways: by provisions on safeguarding societal interests (Banking Code, page 4) and on the creation of remuneration policies (Banking Code, page 13). We are already putting the first of these into practice: the requirement that

stakeholder interests are identified and carefully weighed when formulating strategy, objectives and policies. We have not yet implemented the second, as we have just adopted a new remuneration policy in 2025.

## Other guidelines

In addition to the Dutch Corporate Governance Code and the Future-Oriented Banking package, we apply the guidelines of the European Banking Authority, European Securities and Markets Authority, ECB and Bank for International Settlements.

NWB Bank's tax strategy is aimed at strict compliance with tax laws and regulations, taking into account not only their literal wording but also their intent and scope.

## STRUCTURE

The corporate governance structure of our organisation is as follows.

## Supervisory Board

The Supervisory Board independently oversees the strategy and its implementation, with a strong focus on long-term value creation. The Supervisory Board has a balanced, expert and diverse composition.

### Profile

We have a general profile for the composition and appointment of our Supervisory Board members. This was last updated as part of the review of our corporate

governance with laws and regulations at the end of 2021. In addition, we draw up an individual profile for each vacancy on the Supervisory Board that fits within the general profile. Supervisory Board members should have an eye for (international) social, economic, political and other developments relevant to NWB Bank. They must also be able to assess these developments.

### Composition

At the end of 2025, the Supervisory Board consisted of seven members: four men and three women, representing a ratio of 57% men to 43% women. Each member of the Supervisory Board has the expertise and background required to fulfil his or her role on the Supervisory Board. The Supervisory Board complies with NWB Bank's diversity and inclusion policy. We aim for the Supervisory Board to be at least 30% male and 30% female, with a diversity of skills, backgrounds and experience.

The distribution of expertise on the Supervisory Board is currently as follows. Supervisory Board members Joanne Kellermann (chair), Caroline Oosterloo and Geert Embrechts have extensive financial expertise, a banking background, knowledge of international money and capital markets, experience in prudential supervision and knowledge of risk management. André ten Damme has broad expertise in financial services, financial management and IT management. He is also an experienced supervisor with broad interests across

the financial sector. Toon van der Klugt has broad management experience, extensive knowledge of public policy and a network within the public administration. Annette Ottolini, Frida van den Maagdenberg and Maarten Otto have general administrative experience in the semi-public sector and, in addition, bring expertise in ESG risks as well as knowledge of business operations and outsourcing.

At the Annual General Meeting (AGM) on 16 April 2026, Toon van der Klugt will step down after reaching the maximum term of office. His intended successor will be nominated for appointment at the same meeting. The composition and distribution of the Supervisory Board's committees meet the requirements in the charters. An overview of the areas of expertise is provided in the [Report of the Supervisory Board](#).

The composition of the Supervisory Board ensures that its members can act independently and critically toward one another and the Managing Board. The requirements for independence are therefore standard in the general profile for the composition of the Supervisory Board and the appointment of its members. At the start of every meeting, the Supervisory Board assesses whether a conflict of interest is anticipated. In doing so, it emphasises the importance of independence.

The annual review of the bank's corporate governance against laws, regulations and guidelines in 2025 showed no reason to make further refinements to the charters of the Supervisory Board or its committees.

### Managing Board

The day-to-day management of our bank is in the hands of the Managing Board. The AGM appoints the statutory members of the Managing Board for a period of four years on the recommendation of the Supervisory Board. In principle, the Managing Board consists of four members, including Lidwin van Velden (CEO), Ard van Eijl (CRO) and Frenk van der Vliet (CCO)<sup>2]</sup>. CFO Wilma Schouten stepped down in August 2025. A successor has been identified and will be proposed for appointment in the AGM on 16 April 2026.

The Managing Board operates in accordance with the Executive Committee Charter, which was last updated at the end of 2025. The charter contains rules on the division of responsibilities, working methods and decision-making, rules on conduct and culture, interaction with and information for the Supervisory Board, remuneration policy and conflicts of interest. As with the Supervisory Board, the composition of the Managing Board should align with the organisation's diversity and inclusion policy. We aim for a balanced and mixed composition, including diversity of gender, knowledge and experience. For the Managing Board

and senior management, we aim for a composition of at least 30% men and at least 30% women. The current composition of the Managing Board consists of one woman, two men and one vacancy, and therefore meets this target. An individual profile is prepared for each vacancy on the Managing Board, outlining the required knowledge and skills. Each member of the Managing Board must have knowledge of the financial sector in general and the banking sector in particular, the organisation's role in society and the interests of all stakeholders.

### Works Council

The Works Council consists of seven members and operates in accordance with the Works Council regulations, which set out rules on composition, term of office, elections and working methods. In 2025, the Works Council set out a number of priorities for its current term, which remained unchanged in 2026. The WC meets every two weeks to discuss employees' interests. Additionally, the Works Council meets with Human Resources once a month to share updates on recent developments.

In 2025, a total of four consultation meetings took place between the Works Council and the Chair of the Managing Board, attended by Human Resources. Two of these meetings were also attended by a delegation from the Supervisory Board (in accordance with Article 24(2) of the Works Councils Act). Following each consultation

2] Frenk van der Vliet stepped down as a member of the Managing Board/CCO in January 2026 after reaching the end of his maximum term. On 8 January 2026, Elvira Eurlings was appointed as his successor.

meeting, the Works Council shares a summary with employees. The Works Council also organises an open consultation hour after these meetings.

### Internal auditor

The internal auditor function within our organisation is embedded in the Internal Audit Department. This department strengthens NWB Bank's ability to create, protect and preserve value by providing the Managing Board with independent, risk-based and objective assurance, advice, insight and foresight. Its objective, mandate, position, reporting lines, scope of activities, services and other arrangements are set out in the Internal Audit Charter, which has been approved by the Supervisory Board. The head of Internal Audit reports to the CEO and also has a functional reporting line to the Audit Committee and the Supervisory Board. In 2025, she attended all meetings of the Audit Committee and the Risk Committee and reported periodically to both the Audit Committee and the Supervisory Board. This concerns reports on the outcomes of the audits performed, the progress of management follow-up actions, the implementation of the risk-based audit plan, significant developments and emerging risks. In addition, in line with governance arrangements, a separate meeting was held in 2025 between the Audit Committee and the Head of Internal Audit without the presence of management.

Internal Audit cooperates with second-line departments by observing their activities, preventing overlap and

building on their results where appropriate. At the same time, the head of Internal Audit remains fully responsible for substantiating audit findings and opinions. Internal Audit also maintains a close working relationship with the external auditor by coordinating audit plans, sharing findings and reports, and cooperating where necessary. In addition, Internal Audit maintains open contact with regulators and provides reports and information upon request.

Internal Audit operates in accordance with the International Professional Practices Framework of the Institute of Internal Auditors and complies with the code of conduct of the Dutch Professional Organisation of Accountants (NBA), the code of conduct and relevant quality standards of the professional organisation of IT auditors (NOREA), as well as the NWB Bank Code of Conduct and other applicable policies and procedures. A Quality Assurance and Improvement Programme has been established and is being implemented to assess compliance with these standards and codes, ensure the effectiveness of the function and support continuous improvement.

### Gathering information

The Supervisory Board has the option of gathering information from external experts if the performance of its duties so requires. This was not used in 2025. In addition, the Supervisory Board consults internal experts, and the SB obtains information internally by

attending discussions between the Managing Board and the Works Council.

### External auditor

Like the internal auditor, the external auditor (EY) attended all meetings of the Audit Committee and the Risk Committee in 2025. The external auditor also attended the March meeting of the Supervisory Board at which the annual accounts were discussed. The Audit Committee held one separate meeting with the external auditor in 2025. As part of the mandatory rotation, EY audited the bank's financial statements for the final time in 2025. With effect from the 2026 financial year, PwC will be appointed as the external auditor of NWB Bank, following approval by the AGM on 4 April 2024.

## CONTROLLED AND ETHICAL CONDUCT

We ensure controlled and sound business operations in the following ways.

### Long-term value creation

Sustainable long-term value creation is embedded in the strategy of the sustainable water bank. More information on this strategy and its implementation in 2025 can be found in the [Strategy and value creation](#) section.

### Risk policy

The policy on the management of financial and non-financial risks and its application in 2025 can be found in the [Risk management](#) section.

## Conduct and culture

The organisation has grown considerably over the past few years. In 2025, the focus was on consolidating and stabilising this growth. Particular attention was given to challenging, strengthening and living our mission, as well as to fostering connection and an open organisational culture. The 'vision quadrant' is the foundation on which we build when it comes to topics such as leadership, diversity and inclusion, development and safety. In this way, we enable our employees to work together to achieve NWB Bank's mission: to invest together in a water-conscious and sustainable society.

The leadership model defines how leadership is understood within NWB Bank. In 2025, managers participated in a 360-degree feedback process to gain insight into their performance against the leadership model's values and identify areas for further development.

The Managing Board and employees enjoyed participating in the fourth edition of the NWB Bank Together Days. These two days focused on collaboration. We devoted significant attention to internal communication. Alongside organising a number of town hall meetings, this ensured that all employees were kept informed about the organisation's goals and results.

An employee satisfaction survey was conducted to identify strengths, shared learning opportunities and

areas for improvement. The results were discussed at organisation-wide sessions, within teams and in thematic focus groups. Based on the insights gained, further concrete steps will be taken in 2026.

## Banker's oath and rules of conduct

All our employees take the banker's oath upon commencement of employment. This also applies to external advisers who have been working for the organisation for more than three months. Taking and signing the banker's oath subjects them to the banking sector's disciplinary rules. The banker's oath is integrated into the organisation's rules of conduct. This Code of Conduct was updated in 2023 by HR and Compliance, with our vision quadrant also incorporated into the document. The new Code of Conduct was approved by the Works Council at the beginning of 2024 and then given final approval by the Managing Board. We also informed all of our colleagues about this new Code of Conduct.

## Compliance and integrity

In line with the Three Lines of Defence model, where each line has a specific role and responsibilities, NWB Bank has placed the compliance function in the second line. The Compliance department's responsibilities are set out in the Compliance Charter, which we update annually. The compliance function focuses on promoting compliance with laws, regulations, internal procedures and codes of conduct that are relevant to the integrity and reputation

of the organisation. Compliance acts independently and is not involved in the execution of front-line activities. Organisationally, the Compliance department reports to the CRO and has a direct reporting line to the Managing Board and an escalation line to the Supervisory Board. Compliance reports to the Risk Committee on a quarterly basis.

In 2025, we carried out another thorough systematic integrity risk analysis (SIRA). The results of the analysis provide clear, detailed insight into the integrity risks the organisation may be exposed to. This enables the Managing Board and the Supervisory Board to focus on managing integrity risks within the bank. Managers and their relevant team members have been, and continue to be, closely involved in implementing the SIRA.

We again conducted control monitoring and testing in 2025, including periodic reviews of key control measures related to compliance risks, such as customer due diligence (CDD). These short monitoring and testing cycles show how effectively controls are being applied and where improvements can be made. The results are also used in the SIRA to assess the extent to which identified integrity risks are controlled.

Compliance updated the CDD policy in 2025 and monitored NWB Bank's insider regulations. The Code of Conduct was also updated. As in previous years, Compliance provided internal training in 2025 on various

topics, including CDD and transaction monitoring. New colleagues from Public Finance, Specialised Finance and Treasury, as well as the Managing Board, also participated in an e-learning session on market abuse. Colleagues from various departments who deal with laws and regulations in their day-to-day work took the 'Getting to grips with regulations' training course. Together with Operational Risk Management, the department also organised onboarding sessions for new colleagues at the bank. Attention was also paid to the training of the Compliance team members themselves.

### Disclosure of conflicts of interest

The members of the Supervisory Board and the Managing Board have disclosed all their relevant outside activities to the organisation. These are disclosed elsewhere in this report. Where there is a potential conflict of interest in relation to a Supervisory Board member's principal and/or secondary position, the Supervisory Board member concerned does not take part in the discussion or decision. Since the end of 2021, the reporting of potential conflicts of interest has been a standard agenda item at Supervisory Board and committee meetings. There were no reports of (potential) conflicts of interest in 2025.

### Diversity and inclusion

As an employer, NWB Bank strives for a balanced composition of employees who complement one another, recognizing the importance of 'diversity of thought'

and the need to avoid tunnel vision. To underline this, we signed the SER *Diversity at Work* charter in 2023. In this way, we also communicate our commitment and the importance of a diverse and inclusive workplace externally.

Gender diversity is a key component of this policy. The gender targets for the Managing Board and the Supervisory Board (at least 30% women and 30% men) also apply to senior management. In 2025, the Managing Board comprised 66% men and 33% women, meeting the target. Within senior management, the distribution was 46% men and 54% women. When filling vacancies, preference is given to candidates who contribute to diversity and inclusion, provided they are equally suitable.

### Remuneration policy

The remuneration policy and its application in 2025 can be found in the [Remuneration report](#).