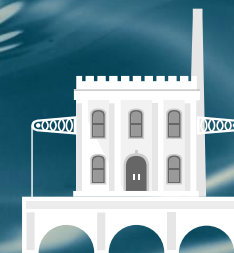


INVESTOR PRESENTATION



The sustainable water bank



Welcome

- About us
 - NWB Bank facts
 - Ownership structure
 - Breakdown of loan portfolio
- Safe & Sound
 - Key financials
 - Funding strategy
 - Commercial paper
 - Rules and regulations
- ESG
 - ESG transition plan
 - ESG ratings
 - Climate impact of loan portfolio
 - ESG bond issuances
 - Waterbond framework
 - SDG Housing bond framework
- Take aways



The sustainable water bank



Our objective:
Responsible and
social return

Bank of and for the
public water sector

Financing partner to enhance
sustainability in the Netherlands

Key player in financing
the Dutch public sector

Sustainable, efficient and socially
committed organisation

Key investor points

NWB Bank – Nederlandse Waterschapsbank

- Bank for the Dutch public sector established in 1954
- Ratings:



S&P
AAA
Stable
A-1+



Moody's
Aaa
Stable
P-1

- 100% owned by Dutch State and local authorities
- Almost all credit exposure to Dutch government
- Never a default on a loan
- Bloomberg ticker: NEDWBK



Key investor points

- **5th bank**

in the **Netherlands** in terms of balance sheet total

- **6th bank**

in the **World's Safest Bank** List

- Government shareholders with a clear mandate
- No profit maximization
- Largest issuer of sustainable bonds in the Netherlands



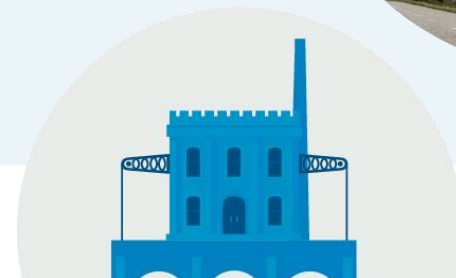
Key investor points

NWB Bank – Nederlandse Waterschapsbank

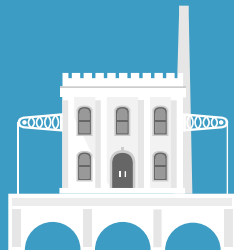
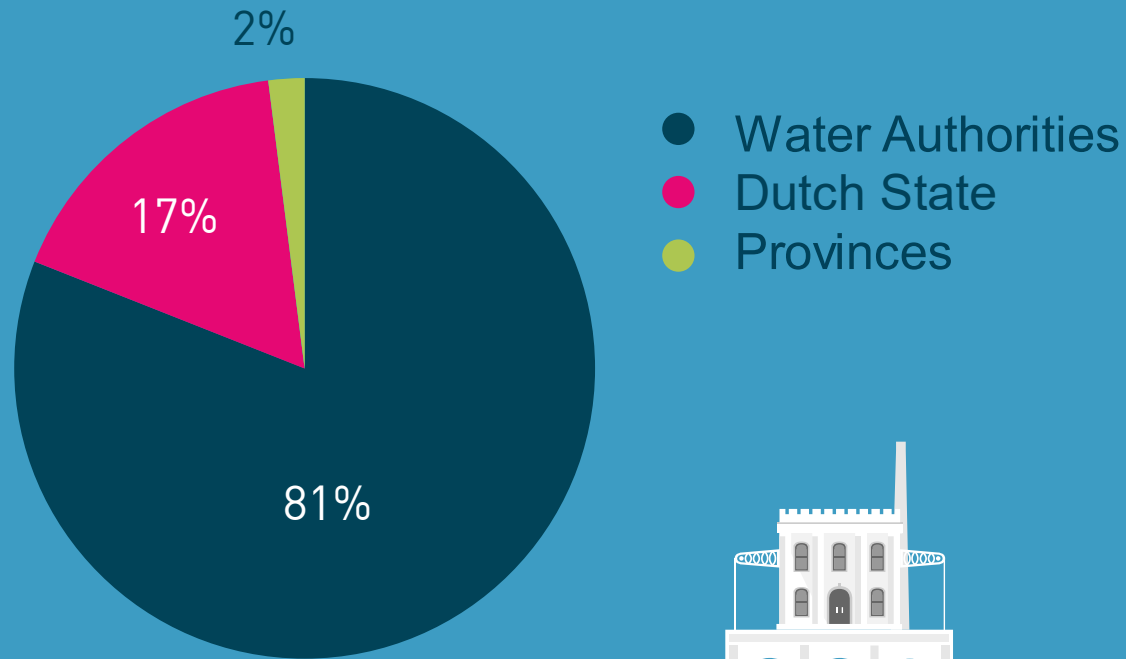
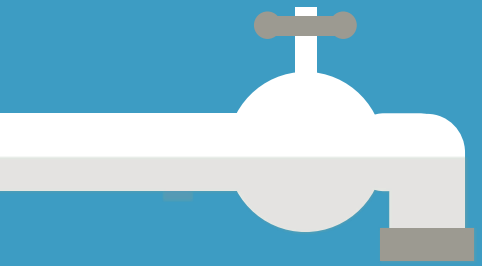
- Supervision by ECB
- **20%**
BIS risk weighting
- Level 1 High Quality Liquid Asset
- ECB repo-eligibility
- Annual issuance Green and Sustainable Bonds
- Long term funding requirement 2025 around

€ 11-13 bln

>33%
Of total long term funding



Ownership structure



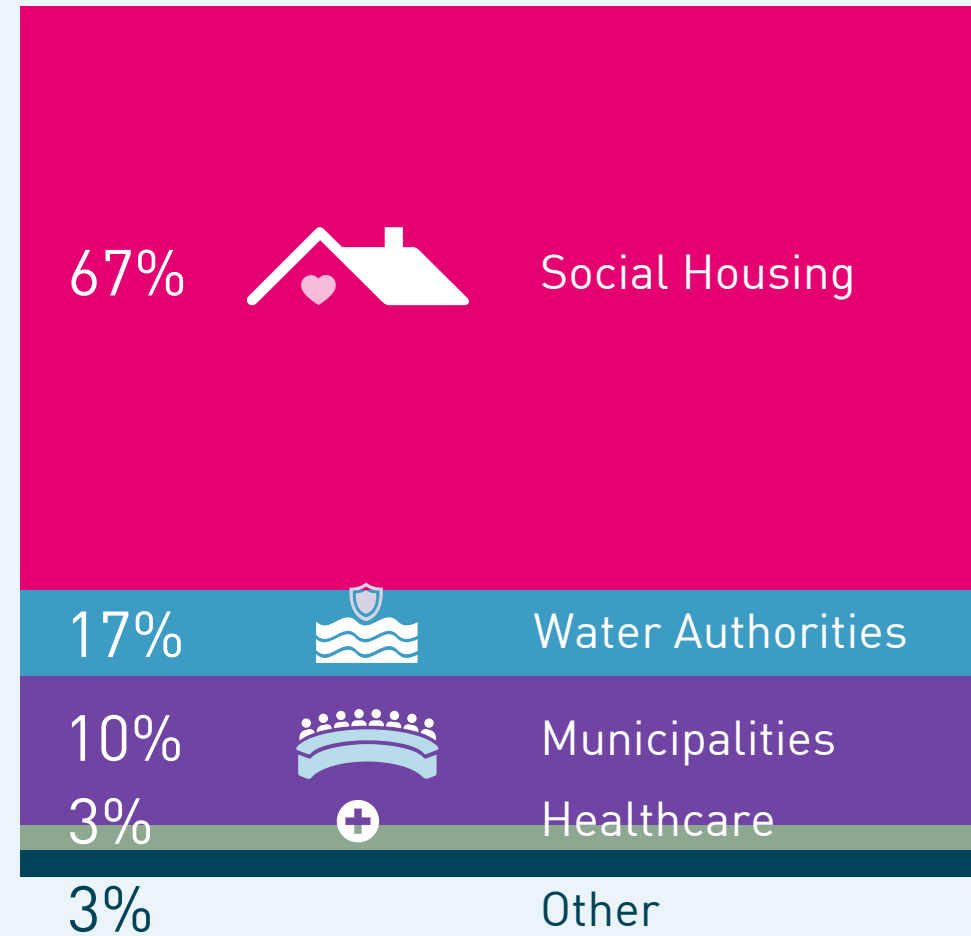
Memorandum and Articles of Association state that only the Dutch State and other public legal entities can be shareholders of NWB Bank

Water authorities are decentralised public authorities

- Similar legal status to municipalities
- Responsible for the flood control, water quality, water quantity and treatment of urban wastewater
- Receive on average 5% of their revenues from the government and the rest from taxes they are allowed to levy
- The mandate of the Water authorities is laid down by law in the “Waterschapswet” (www.overheid.nl)

Breakdown of promotional loan portfolio

- **AAA** implicit rating
- Dutch government risk
- Zero-risk solvency weighting



Key financials 2024

Net profit

€94
million



Balance
sheet total

€78.8
billion



Cost/income
ratio

28.6%



Equity

€2.09
billion



CET1
ratio

35.7%



required minimum 10,27%
(including buffer)

Liquidity
coverage ratio

183%



required minimum 100%

Leverage
ratio

24.0%



required minimum 3%

Net stable
funding ratio

134%



required minimum 100%

Funding strategy

Benchmark transactions

Debt Issuance Program **€ 75 bln**

- In EUR and USD
- In benchmark maturities and size
- Eurobond (Reg S) format and 144A

Private placements – EMTN, loan format, SSD, NSV

- On reverse inquiry, customized, listing option
- Flexible as to currency, maturity and structure

Public transactions




EMTN, Kangaroo, Kauri, Formosa

- In various currencies:
AUD, CAD, CHF, GBP, JPY, NOK, SEK
- Plain vanilla



Rules and regulations

High Quality Liquid Assets (HQLA) definition for the LCR

-  European Union: Level 1
-  Switzerland: Level 2a
-  US: Level 2a
(guidelines are subject to individual investor interpretation)

Repo eligible with: ECB, Swiss National Bank and Federal Reserve Bank

Accepted as collateral at EUREX, likely to be accepted in 2025 as collateral in LCH

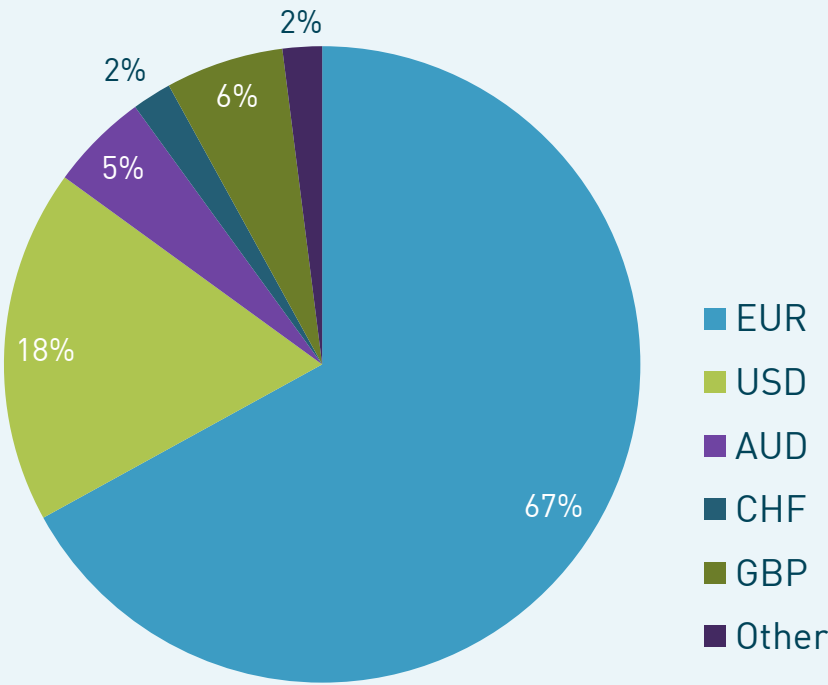
Bank Recovery and Resolution Directive (BRRD) / Single Resolution Mechanism (SRM)

- In case of NWB Bank, BRRD/SRM does not restrict the ability of the Dutch State to support
- Dutch State acts as a shareholder, as such this is considered as private solution

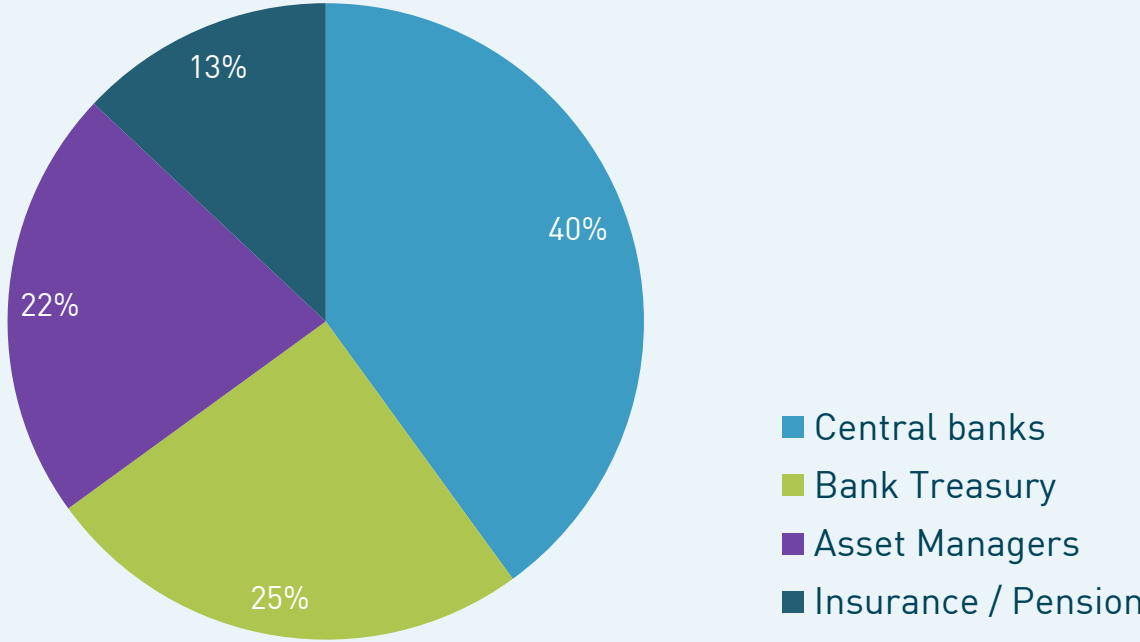


Debt distribution

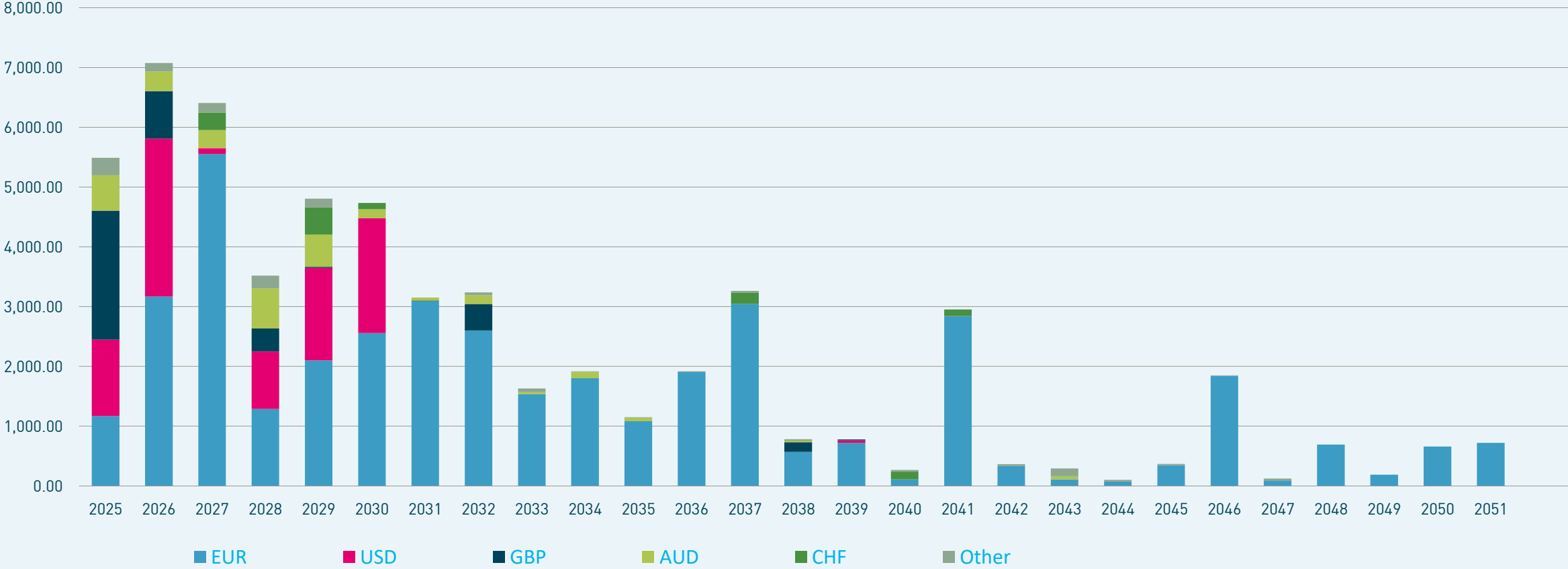
Currency



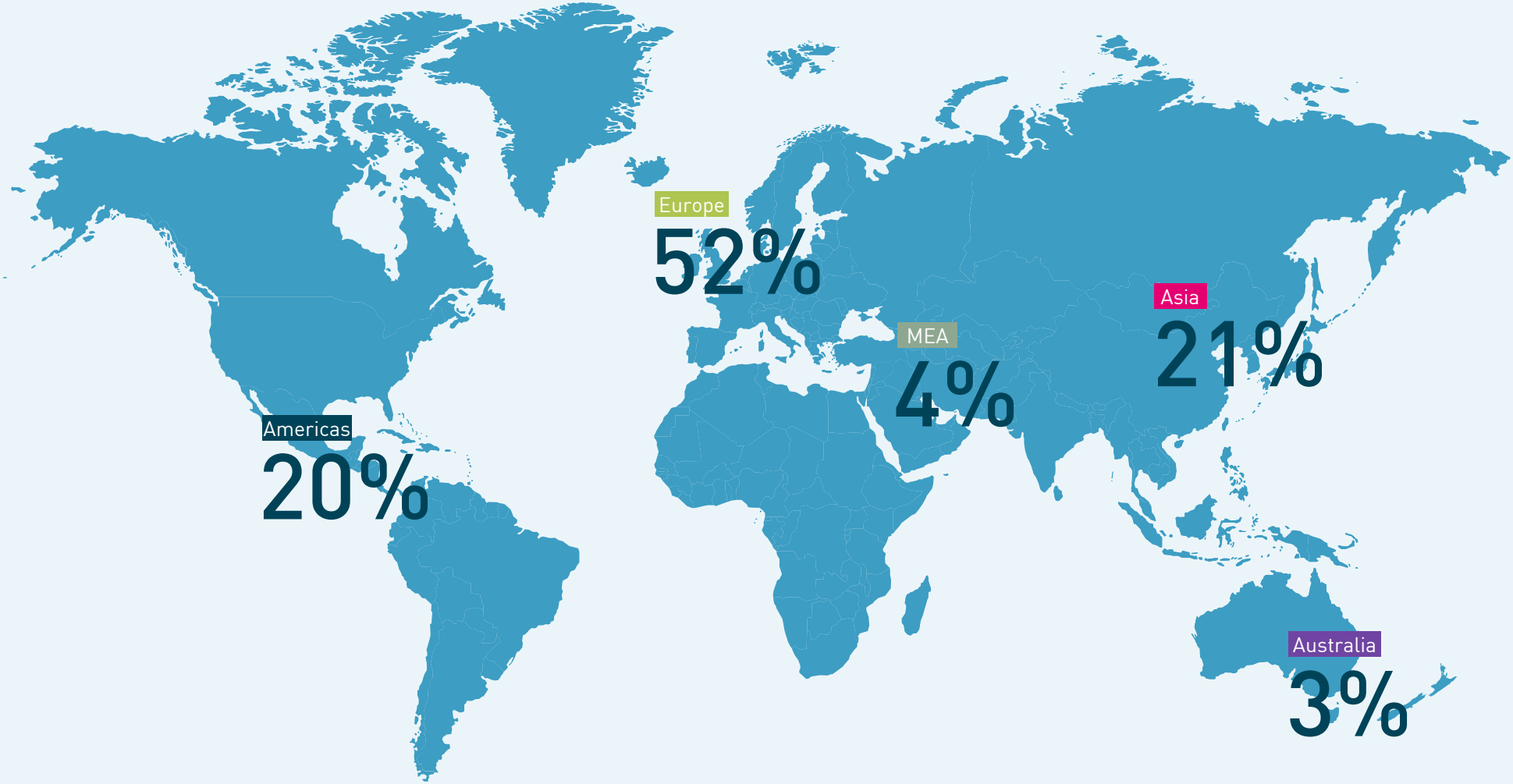
Investor type



Maturity Profile



Debt distribution by region



Commercial paper



Euro Commercial Paper Program

€ 25 bln

- Dealers:
Barclays, BoAML, BRED, CA-CIB, Citi, ING,
Natwest, UBS, Rabobank
- Minimum ticket size

€ 75 mln equivalent

- Fixed or floating coupons



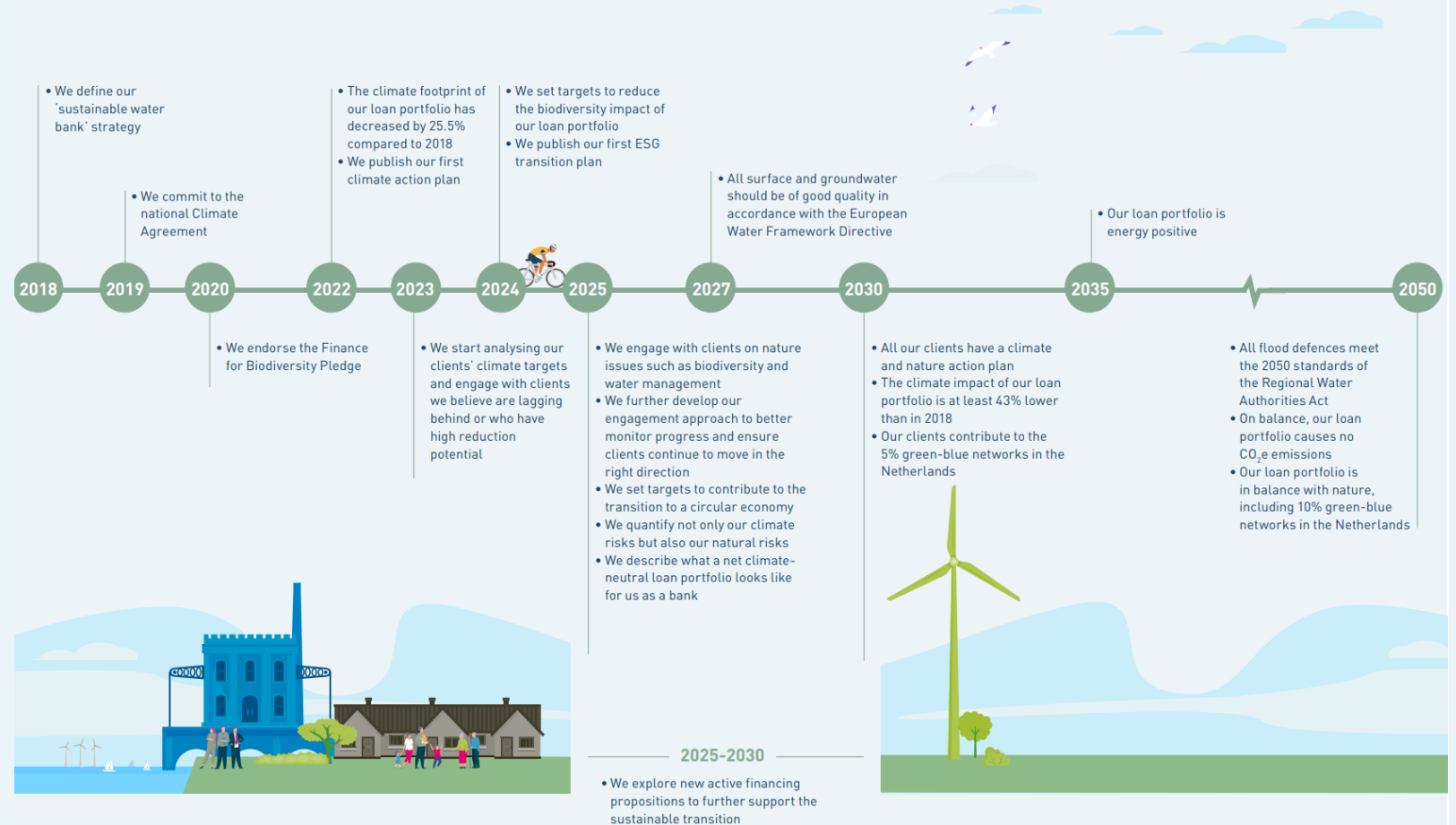
US Commercial Paper Program

\$ 25 bln

ESG Transition Plan

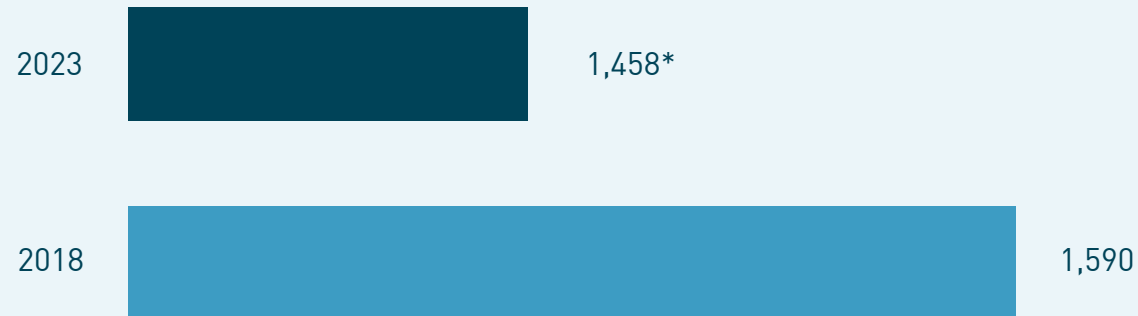
- Sustainability is about more than climate mitigation:
Climate Action Plan → ESG Transition Plan
- Steps we intend to take to make a positive contribution while mitigating ESG risks for society and the bank.

TIMELINE ESG TRANSITION PLAN



Climate impact of loan portfolio


- 1,511 kton CO₂e-emissions



- 25.8ton CO₂e/€ million Emission intensity



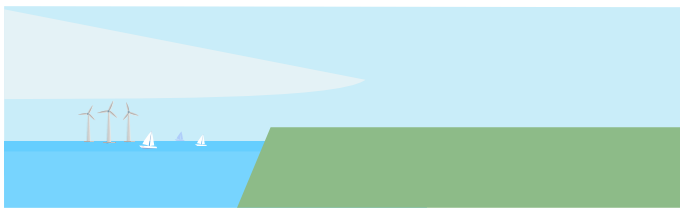
ESG ratings NWB Bank

Ratings	Agency:	Sustainalytics	ISS ESG
	NWB Bank	9.4	B (Prime)
	Rating Scale	100-1	D-A+



ESG bond issuances in time

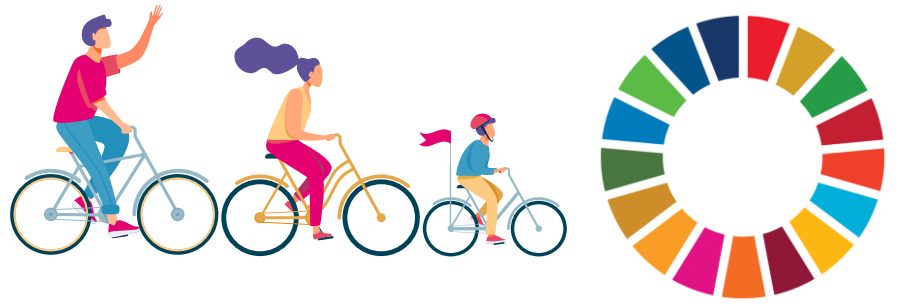
Water Bond



Affordable Housing Bond

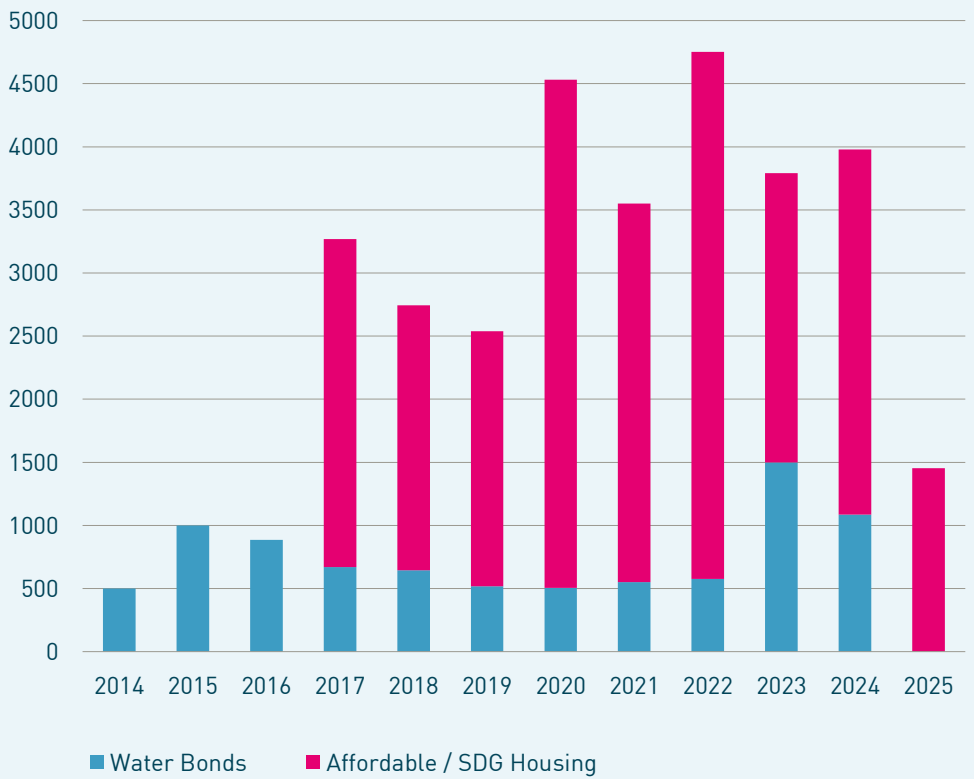


SDG Housing Bond

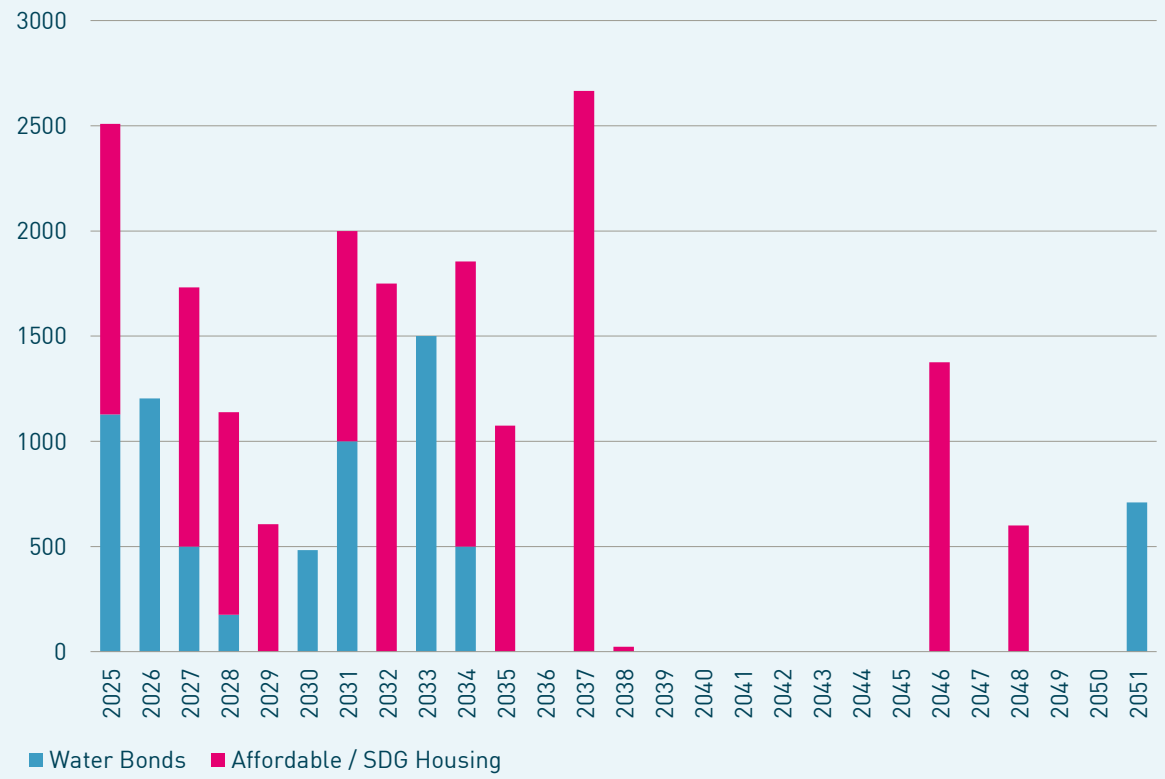


ESG bond issuances NWB Bank > € 30 bln

Issuance ESG bonds



Maturities ESG bonds



Water Bonds

Water Bonds

- Use of proceeds is lending to the water authorities
- Green Bond Principles are leading
- 2nd Opinion by Cicero



°CICERO
Dark Green

Water authorities activities

- Mitigation of climate change (renewable energy)
- Adaptation to climate change (a.o.flood protection)
- Biodiversity projects ((waste)water management)



Water Bonds (Green Bonds)

Eligible criteria

The proceeds from NWB Bank's Water Bonds are being used to provide loans to the Dutch water authorities. The water authorities are Dutch governmental bodies responsible for flood protection, water management and water quality.



CICERO
Dark Green

Eligible projects

Climate change mitigation / Renewable energy

- Energy recovery from waste water and extraction of phosphor

Climate change adaptation

- Flood protection and other flood defenses
- Pumping stations

Biodiversity conservation / Water and wastewater management

- Sanitation and dredging of waterbeds
- Transport and cleaning of wastewater
- Disposal of sewage sludge

Water Bonds (Green Bonds): our impact



Climate change mitigation (2022)

Quantity of biogas produced (million of m ³)	129.2
Share of own production in total energy consumption	64.3%

Climate change adaptation (2022)

Non-primary flood defenses that comply with the safety standard (km)	7,723
% of regions managed by water authorities that comply with flooding standards	99.7%

Biodiversity conservation (2022)

% of quantity of substances eliminated from waste water:	
• Phosphates	87.3%
• Nitrates	85.8%
• Oxygen-binding substances	93.2%
% of bathing water locations that comply with the European bathing water directive	94

Source: Dutch Water Authorities

SDG Housing Bonds (Sustainable Bonds)

Eligible criteria

A selected pool of loans funded, in whole or in part, by NWB that promote the social housing system in The Netherlands as determined by the guarantee fund (WSW), and that promote any of the selected UN SDG's as outlined in the framework.



Eligible projects (2025)

- 80% of the social housing lettings must be given to households with a maximum income of €49,669 (one-person household) or €54.847 (multi-person household) per annum.
- Rents are capped at € 900.07 per month
- A maximum of 7.5% of the yearly social lettings may be allocated freely to specific priority groups.



ONE THIRD OF SOCIAL HOUSING IN THE NETHERLANDS IS FINANCED BY NWB BANK

SDG Housing Bond



Deliver adequate dwellings



Manage affordable housing



Housing vulnerable groups



Quality of adequate housing



Livable communities



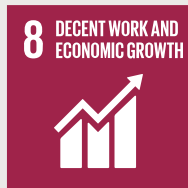
Environment & energy



Local partnerships



SDG Housing Bonds (Social Bonds): our impact



Deliver adequate homes

Homes owned and managed by social housing providers (approximately) **2.3 million**

Manage an affordable housingstock

The average net housing cost ratio (2021) is **33 %**

Provide housing to vulnerable groups

Number of tenants that are single parents with at least one child (aproximately 85% of these are single mothers) **85 %**

Maintain an adequate housing quality

Annual expenditures in maintenance and improvements in 2022 **9.1 billion**

Contribute to livable communities & neighborhood quality

Average per dwelling spent on community services and other neighbourhood improvements **130**

Take responsible environment and energy measures

Energy performance of the social housing stock (2021-2022) **4.9 %**

Responsible local partnerships

Local performance agreements with local authorities & tenant associations (2020) **705**

Take aways NWB Bank

- Funding vehicle for the Dutch public sector
- AAA/Aaa by S&P / Moody's
- 100% owned by Dutch public sector
- Credit risk similar to Dutch government
- Promotional bank, so >90% of assets 0% risk-weighted and implied AAA
- One-sided liquidity, always a bid in the market
- Bonds are HQLA and eligible collateral at EUREX
- Tier 1 ratio around 40%
- Annual green and sustainable bond issuance



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Thank you