

INVESTOR PRESENTATION



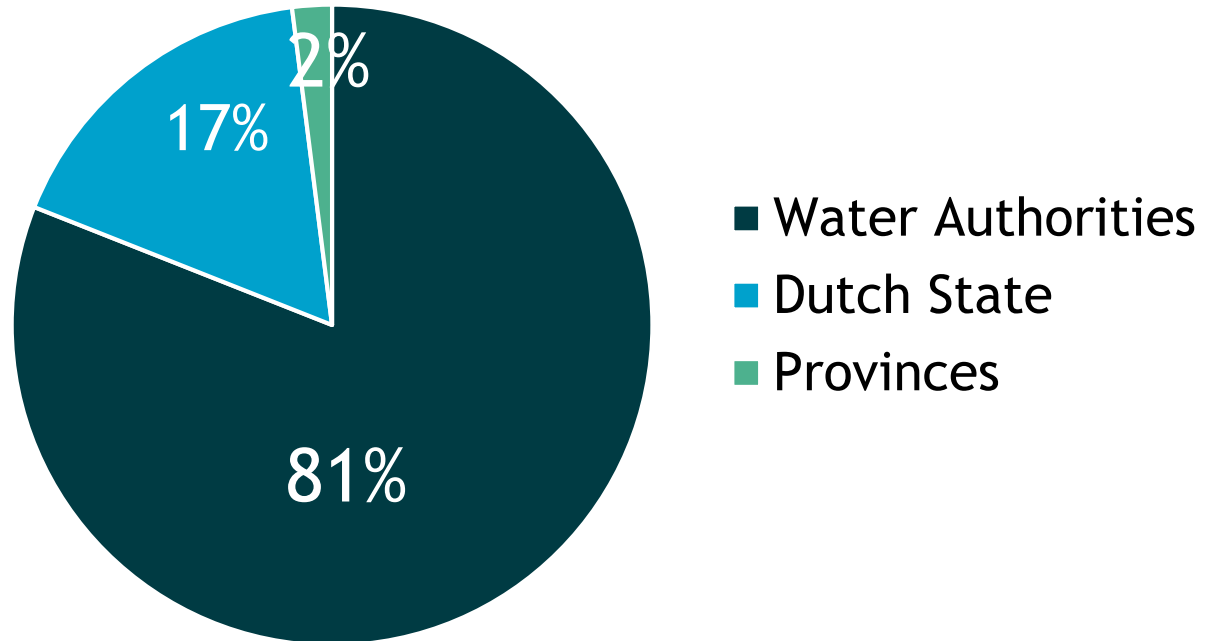
December 2019

NWB) BANK

KEY INVESTOR POINTS

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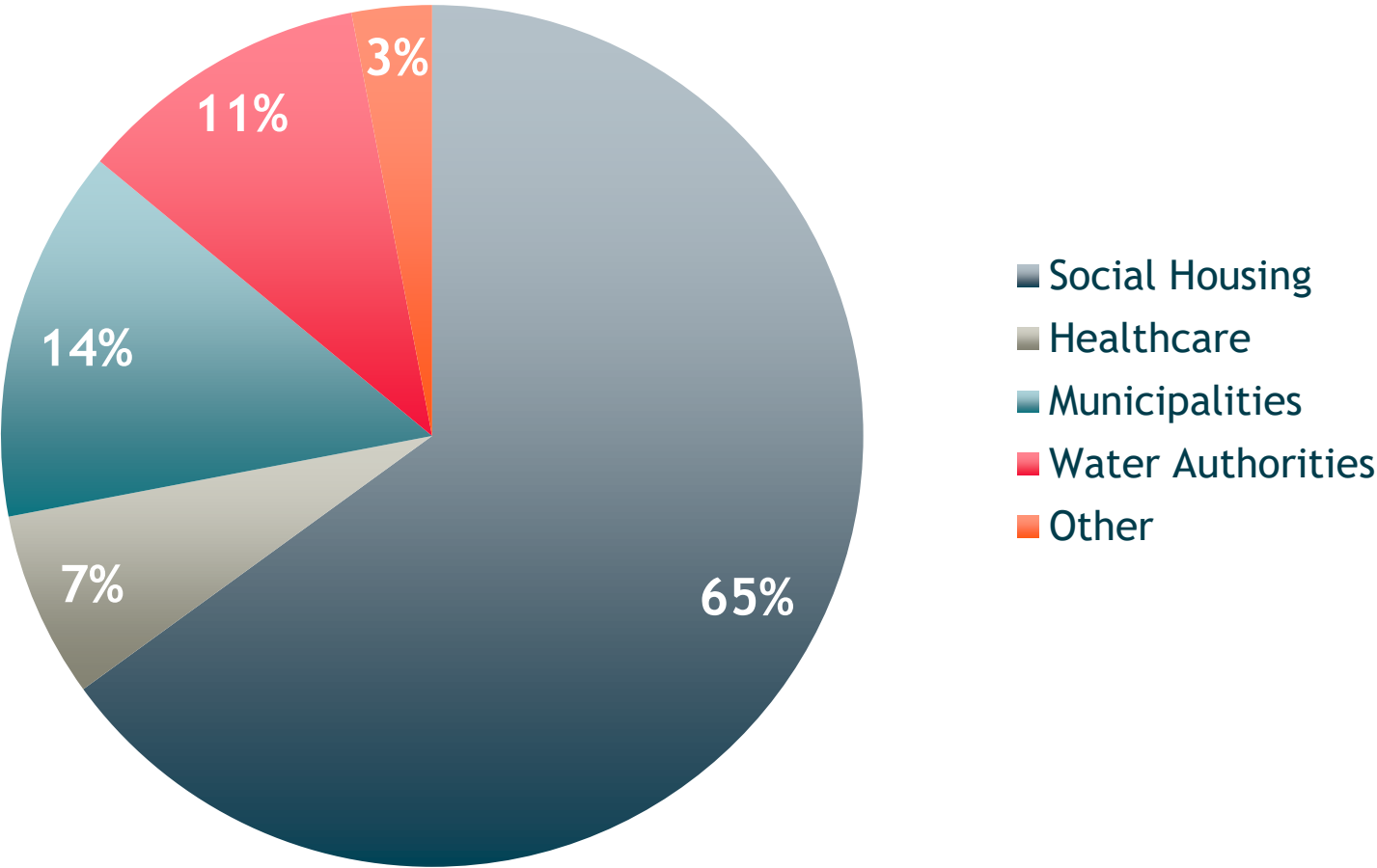
- NWB Bank - Nederlandse Waterschapsbank
- Bank for the Dutch public sector established in 1954
- Ratings: S&P AAA/Stable/A-1+ / Moody's Aaa/Stable/P-1
- 100% owned by Dutch State and local authorities
- Almost all credit exposure to Dutch government
- Never a default on a loan
- Supervision by ECB
- 20% BIS risk weighting
- Level 1 High Quality Liquid Asset
- On QE buying list of ECB
- Annual issuance green and social / sustainable bonds
- Long term funding requirement 2019 EUR 10 bln



BREAKDOWN OF LOAN PORTFOLIO

All clients (except Other):

- AAA implicit rating
- Government risk
- Zero-risk weighting



KEY FIGURES HALF YEAR 2019

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NET PROFIT

€42

MILLION

BALANCE SHEET
TOTAL

€91

BILLION

COST/INCOME
RATIO

17%

SHAREHOLDERS
EQUITY

€1.7

BILLION

CET1 RATIO

59.3%

(REQUIRED MINIMUM 7%)

LIQUIDITY
COVERAGE RATIO

297%

(REQUIRED MINIMUM 100%)

LEVERAGE RATIO

25.6%

(REQUIRED MINIMUM 3%)

NET STABLE
FUNDING RATIO

113%

(REQUIRED MINIMUM 100%)

Benchmark transactions - Debt Issuance Program EUR 60 bln

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

Public transactions - EMTN, Kangaroo, Kauri, Formosa

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

Private placements - EMTN, loan format, SSD, NSV

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

Green and Social Bonds

- Annual issuance of a 'Waterbond'
- Annual issuance of an 'Affordable Housing Bond' / 'SDG Housing Bond'

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)

Euro denominated bonds NWB Bank eligible under Public Sector Purchase Programme ('PSPP')

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

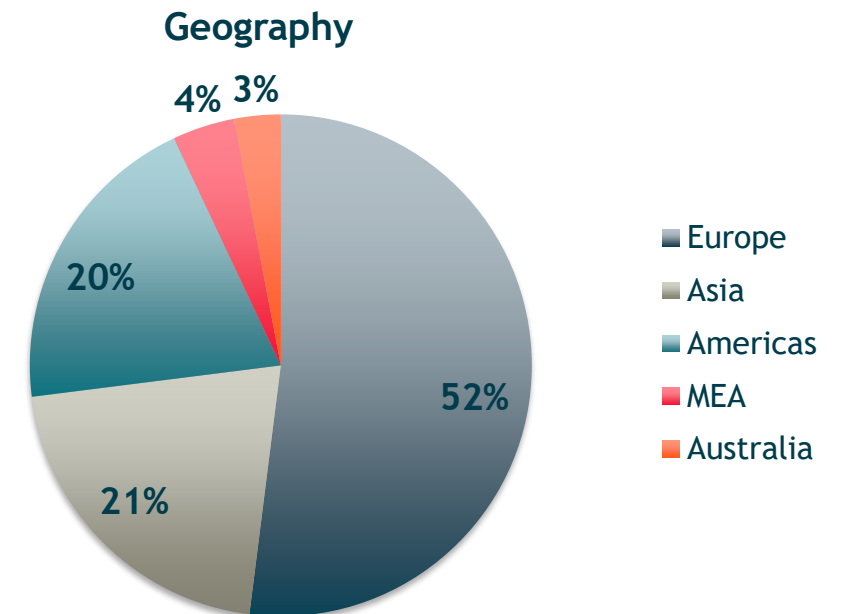
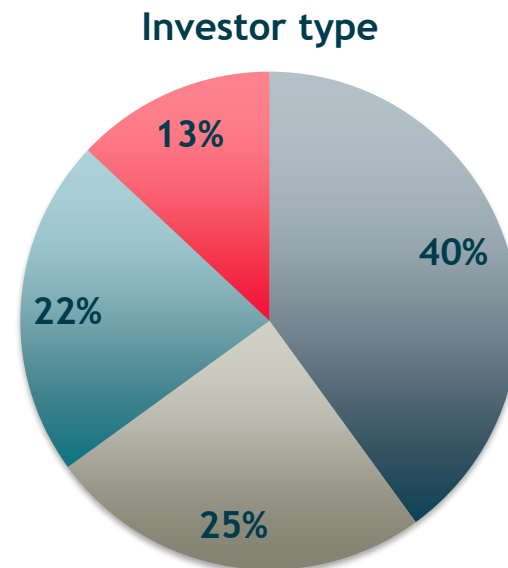
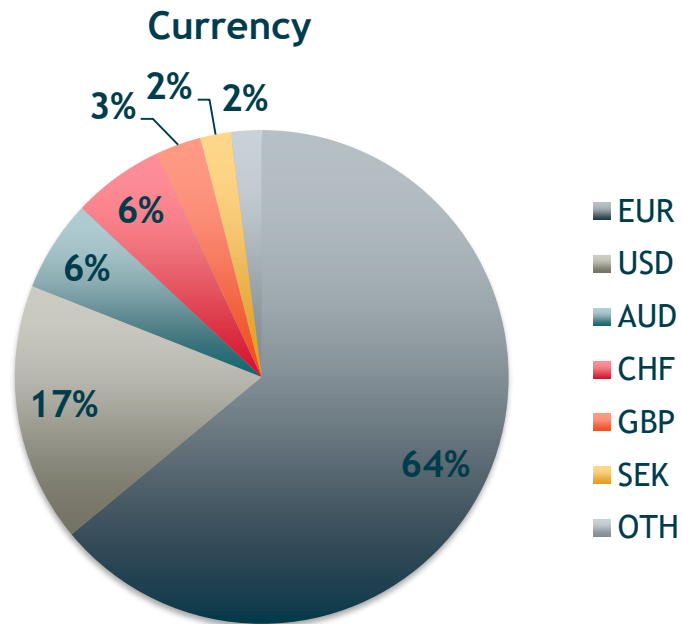
- In case of NWB Bank, BRRD/SRM does not restrict the ability of the Dutch State to support
- Dutch State acts as a shareholder, as such this is considered as private solution

Repo eligible with:

- European Central Bank, Federal Reserve of New York and Swiss National Bank

DEBT DISTRIBUTION

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COMMERCIAL PAPER

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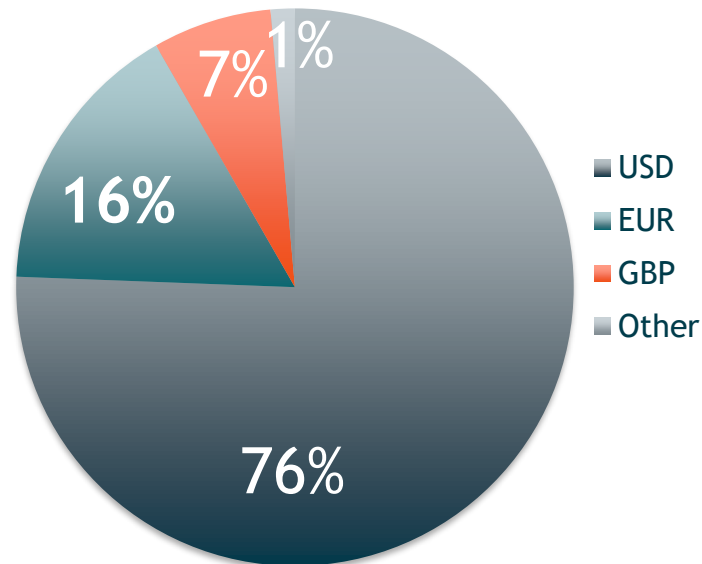
Euro Commercial Paper Program EUR 25 bln

- Dealers: Barclays, BoAML, Citi, ING, UBS, Rabobank
- Minimum ticket USD 10 mln equivalent

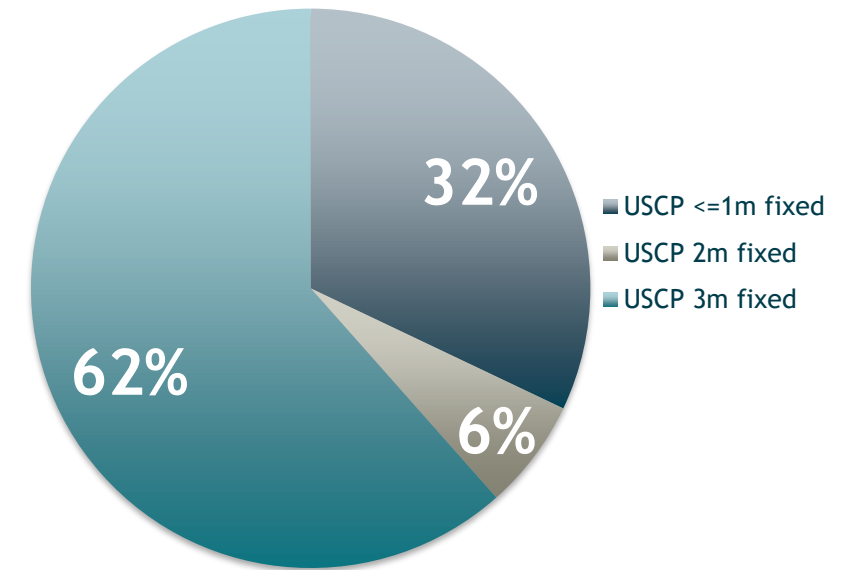
US Commercial Paper Program USD 25 bln

- Dealers: Barclays, BoAML, Citi, JP Morgan
- Minimum ticket USD 10 mln equivalent
- Fixed or floating coupons

Currency decomposition ECP



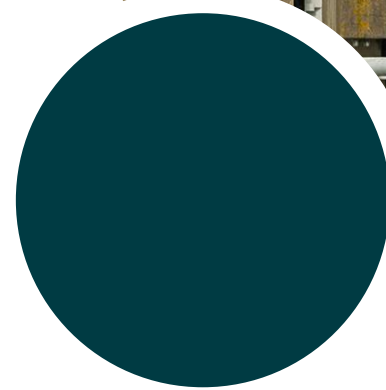
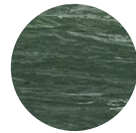
USCP Decomposition by maturity



WATER BOND

AFFORDABLE HOUSING BOND

SDG HOUSING BOND



ESG BOND ISSUES NWB BANK > EUR 11 BN

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Issue Date	CCY	Issue Amount	Maturity	Sort
07 March 2014	EUR	500	5	Water Bond
09 March 2015	EUR	1,000	10	Water Bond
24 March 2016	USD	1,250	10	Water Bond
25 January 2017	SEK	3,000	6	Water Bond
11 April 2017	SEK	1,250	8	Water Bond
07 June 2017	EUR	1,500	7	Affordable Housing Bond
07 June 2017	EUR	500	15	Affordable Housing Bond
29 August 2017	EUR	600	30	Affordable Housing Bond
15 November 2017	USD	500	4	Water Bond
24 January 2018	SEK	2,000	10	Water Bond
27 April 2018	EUR	500	20	Affordable Housing Bond
25 September 2018	EUR	1,000	5	Affordable Housing Bond
12 November 2018	EUR	600	21	Affordable Housing Bond
05 December 2018	USD	500	4	Water Bond
06 February 2019	EUR	1,000	10	Affordable Housing Bond
28 May 2019	EUR	1,000	8	SDG Housing Bond
09 July 2019	SEK	200	6	SDG Housing Bond
09 July 2019	SEK	200	6	Water Bond
30 September 2019	EUR	500	15	Water Bond





- ‘WATER BONDS’
Use of proceeds is lending to the water authorities
Green Bond Principles are leading
2nd Opinion by Cicero
- WATER AUTHORITIES ACTIVITIES
Mitigation of climate change (waterway management)
Adaptation to climate change (a.o. flood protection)
Biodiversity projects (water related)



°CICERO
Dark Green

- RATINGS

Agency	Sustainalytics	MSCI	Imug	ISS ESG
NWB Bank Rating	69	A	BB	B-
Rating Scale	1-100	CCC-AAA	DDD-AAA	D-A+



Refinancing of Water Authorities activities that include:

Climate change Mitigation



Energy recovery from waste water and extraction of phosphorus

Climate change Adaptation



Flood protection and other flood defenses



Pumping stations

Biodiversity conservation



Sanitation and dredging of waterbeds



Transport and cleaning of wastewater



Disposal of sewage sludge



CICERO
Dark Green

CLIMATE MITIGATION

Share of sustainable energy in total energy consumption	112%
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Quantity of biogas produced in millions of m³	120,8
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Share of own production in total energy consumption	33,9%
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CLIMATE ADAPTION

Km of non-primary flood defenses that comply with the safety standards	6,290
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Percentage of areas managed by water authorities that comply with the standards for flooding	99,2%
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BIODIVERSITY CONSERVATION

% of quantity of substances eliminated from wastewater:	86,2
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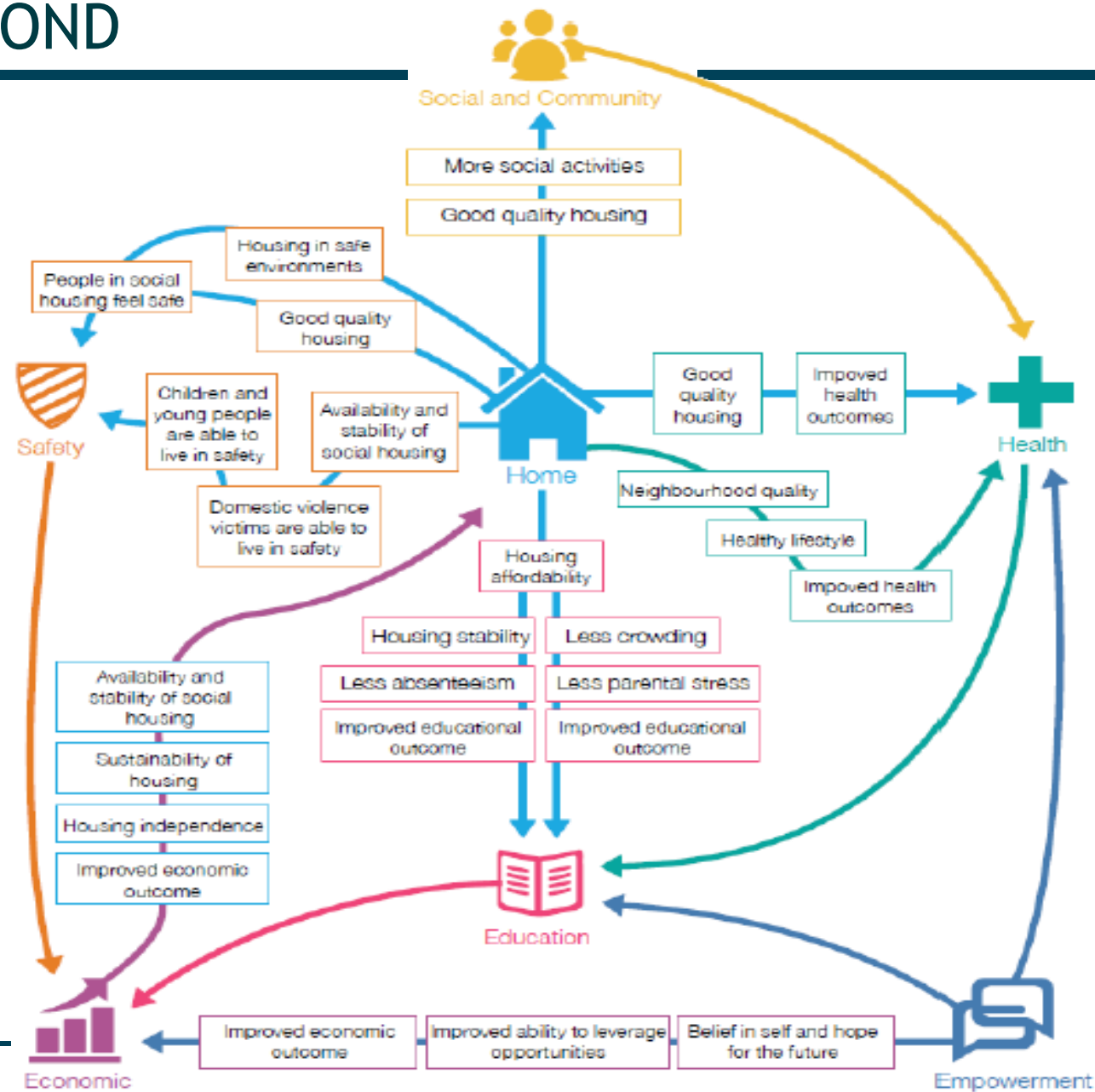
- Phosphates	84,2
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- Nitrates	92,7
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- Oxygen-binding substances	
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Percentage of bodies of water in which the surface water meets the standards for priority hazardous substances	43%
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Percentage of bathing water locations that comply with the European Bathing Water Directive	97%
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AFFORDABLE HOUSING FRAMEWORK

✓ Eligible projects

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.

✓ Eligibility Criteria

- 80% of the Social Housing Lettings must be given to households with a maximum income of EUR 36,798 (2018) per annum
- Rents are capped at EUR 710.68 per month
- A maximum of 10% of the yearly social lettings may be allocated freely up to € 42,436 or to specific priority groups⁴



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



SUSTAINALYTICS

Contribution to SDGs



VULNERABLE GROUPS

% of tenants experiencing risk of non-payment (2015) **14,8%**

HOUSING AFFORDABILITY

Monthly average housing cost as % of income (2015) **33%**

AVAILABILITY AND STABILITY

Investments in new social dwellings for rent, in euros (2015) **EUR2,600**

GOOD QUALITY

Rating given by new tenants of their overall satisfaction (on scale of 10) **7,2**

LIVEABLE COMMUNITIES

Total investments in public purpose buildings in communities with social dwellings (2016) **EUR 128m**

ENVIRONMENT AND ENERGY

Average CO₂ emissions per dwelling (theoretic level in kg/m²/year, 2015) **21,8**

RESPONSIBLE LOCAL PARTNERS

% of social housing providers that concluded a performance agreement with local authorities and tenant associations during the last 12 months (2017) **77%**

NEW FRAMEWORK: SDG HOUSING BOND

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Deliver Adequate Dwellings	✓	✓			✓	✓	✓	✓
Manage Affordable Housing	✓	✓		✓		✓	✓	
Housing Vulnerable Groups	✓	✓	✓			✓	✓	
Quality of Adequate Housing		✓				✓	✓	
Liveable Communities	✓	✓			✓	✓	✓	✓
Environment & Energy	✓	✓		✓	✓	✓	✓	
Local Partnerships	✓	✓	✓				✓	✓

- Earmarked lending activities
- Solid framework
- Liquid volumes of bonds
- High sustainability ratings
- Sound second opinions
- Extensive investor relations work together with experts social housing and water authorities
- Impact reporting
- Frequent issuance (minimum of 25% of annual funding)

- Funding vehicle for the Dutch public sector
- AAA/Aaa by S&P / Moody's
- Credit risk similar to Dutch government
- 100% owned by Dutch government
- Assets 0% risk-weighted and implied AAA
- One-sided liquidity, always a bid in the market
- Bonds are HQLA and on PSPP buy list ECB
- Tier 1 ratio around 60%
- Annual green and social / sustainable bond issuance

