

GRI TABLE

2019



GRI CONTENT INDEX

INTRODUCTION

The GRI reporting framework provides generally accepted guidelines for reporting on an organisation's economic, environmental and social performance. This framework can be found on the GRI website (www.globalreporting.org). The Report of the Managing Board (Annual Report page 22) was prepared according to the GRI framework. NWB Bank's 2019 Annual Report has been drawn up in line with the GRI Standards' core option. EY has issued an assurance report on the Report of the Managing Board. An overview of the standard disclosures and specific disclosures (material issues, indicators, management approach) belonging to the 'in accordance' core level is provided below. This table contains the GRI Content Index with references to the 2019 Annual Report.

ORGANISATIONAL PROFILE

102-1 Name of the organisation

Nederlandse Waterschapsbank N.V. (trade name: NWB Bank)

102-2 Products and/or services

NWB Bank is a leading financial services provider for the Dutch public sector. The bank arranges short-term and long-term loans for water authorities, municipal and provincial authorities, housing associations, the healthcare sector, education, and activities in the field of water, the environment and the energy transition. As the principal bank of the water authorities, NWB Bank provides payment services.

In addition to a strong financial position and efficient business operations, NWB Bank focuses specifically on creating social value. We seek to contribute to a stable and robust financial sector, which in turn contributes to an economy that serves mankind while causing the least possible harm to the environment. NWB Bank achieves this by providing finance to its clients on the most favourable terms possible to enable them to keep their financing costs as low as possible.

102-3 Location of headquarters

The Hague, Rooseveltplantsoen 3

102-4 Location of activities

NWB Bank's lending activities focus solely on the Netherlands. Lending to the Dutch public sector mainly concerns local and regional authorities, housing associations, healthcare institutions, education, public-private partnerships (PPPs) and utilities.

102-5 Nature of ownership and legal structure

Shareholders: water authorities 81%, State of the Netherlands 17% and provincial authorities 2%.
Legal structure: public limited liability company.

102-6 Markets served

NWB Bank's lending operations serve the Dutch public sector. The bank focuses on the international capital markets to secure funding. Please consult the Report of the Managing Board for more information about the bank's customers, investors and relevant markets.

102-7/102-8 Scale of the reporting organisation/employees

See the headline figures in the Annual Report (pg. 7).

The table below shows the number of employees, broken down into men and women.

Year	2019	2018	2017	2016	2015	2014
Number of employees	66	69	61	57	54	53
Number of men	43	43	37	34	34	31
Number of women	23	26	24	23	20	22

Of these employees, 64 persons held office positions and two worked in facilities. NWB Bank makes limited use of self-employed persons.

The following table contains the total number of employees and the type of contract.

Number of temporary and permanent contracts	%	Number
Employees with a permanent contract	92.40	61
Employees with a temporary contract	7.60	5
Cover	100.00	66

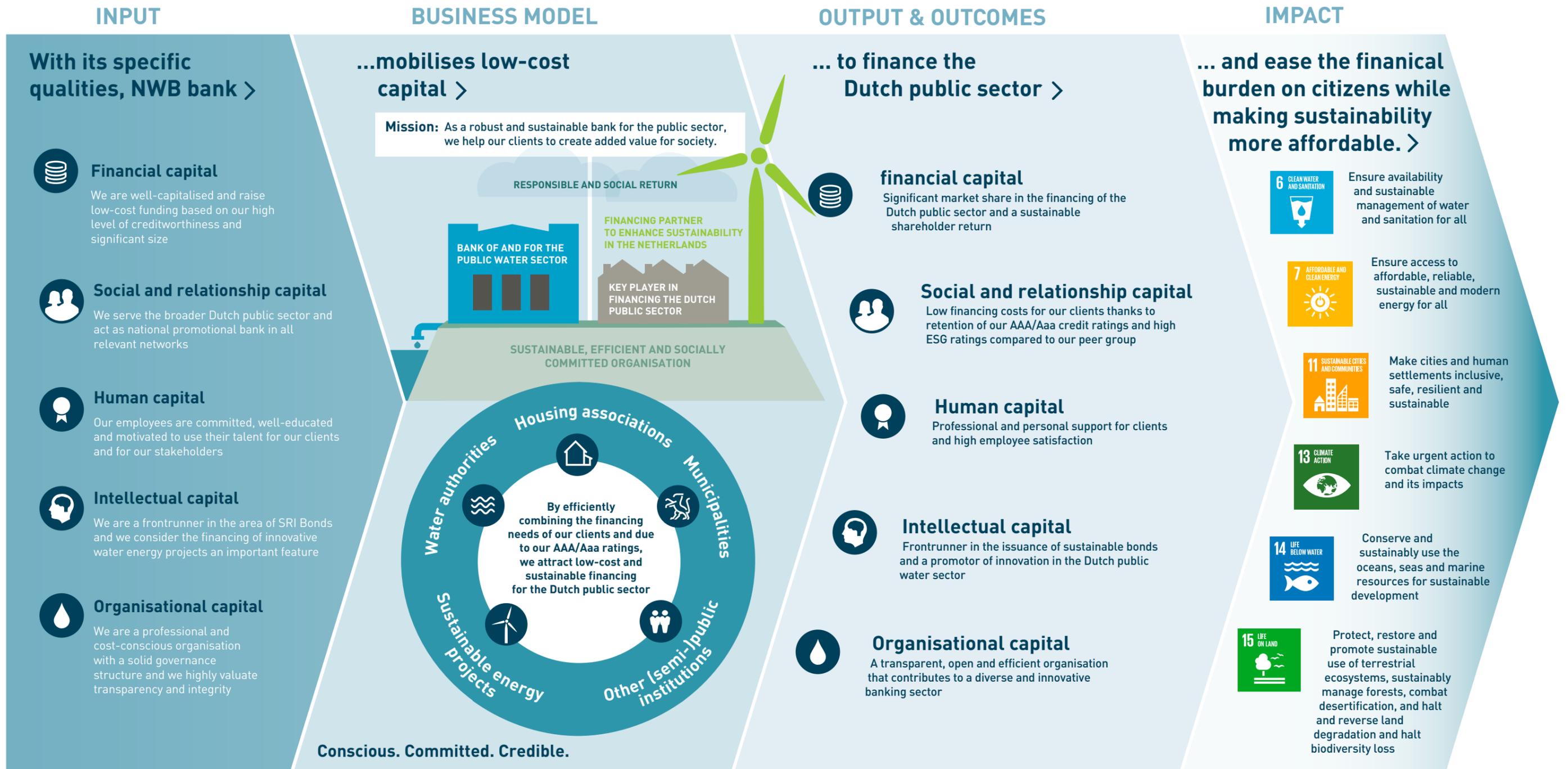
Sixty employees are covered by the collective labour agreement (CLA) for the banking industry, whereas six employees, including Managing Board members, are not. Most of the terms and conditions of employment ensuing from the CLA are applied to the latter category.

102-9 Chain

The options for reporting in the value chain are based on the Material Issues Plot (MIP). Issues are selected in terms of their MIP materiality and the reporting is adjusted accordingly. Since NWB Bank's activities focus on the Dutch public sector, the section called 'The Sustainable Water Bank' also focuses largely on issues relevant to that sector.

Issues which do not feature in the MIP, such as those that are not relevant or are less relevant to the public sector, are usually excluded from the reporting.

NWB BANK: THE SUSTAINABLE WATER BANK



102-10 Significant changes regarding size, structure or ownership

None

102-11 11 Details of the application of the precautionary principle by the reporting organisation

The precautionary principle means assessing the potential risks for people and the environment before marketing a product or starting an activity. This principle is frequently applied in the form of preliminary investigations. The various options are weighed up, for instance when accepting new clients, providing loans or developing products. In doing so, the bank applies the precautionary principle, which is reflected in processes such as the product approval and review process (PARP).

Transfer pricing and the precautionary principle: clients may ask NWB Bank to provide indicative rates through the Public Finance Department. This enables clients to base their investment decisions on sound knowledge regarding the rates applicable at the time.

As was the case in 2018, there were no acquisitions and/or disposals in 2019.

102-12 Externally developed economic, environmental and social charters, principles or other initiatives endorsed by the bank

- GRI guidelines (GRI is a binding principle for publicly held enterprises)
- (Revised) Baking Code (binding principle)
- Dutch Corporate Governance Code (voluntary application)
- Equator Principles (PPP projects)
- Green Bond Principles
- Social Bond Principles
- UN Global Compact Principles (see Appendix 2)
- Climate Statement of the Dutch Banking Association (NVB) (see Appendix 3)
- ICSR Agreement (see Appendix 4)
- UN SDGs (see Appendix 7)

NWB Bank has examined which international CSR principles could be applicable and have added value for NWB Bank. As a result, the Equator Principles are now used in PPP financing. The bank has also signed the UN Global Compact principles and is evaluating whether the Equator Principles can also be signed.

102-13 Associations (such as sector associations) of which the bank is a member and/or other special-interest organisations in which NWB Bank participates, such as:

- NVB (Dutch Banking Association)
- DSI (Dutch Securities Institute)
- EAPB (European Association of Public Banks)
- ISDA (International Swap Dealers Association)
- ICMA (International Capital Markets Association)
- NWP (Netherlands Water Partnership)
- IPFA (International Project Finance Association)
- Dutch Foundation for the Maintenance of Nieuwspoor (Stichting Instandhouding Nieuwspoor)
- Public Sector Issuers Forum (PSIF)

Consultative meetings are held several times a year with the statutory supervisory authorities – the Dutch Central Bank (DNB) and the European Central Bank (ECB) – on subjects such as risk management, compliance and integrity. NWB Bank aims to lend more structure to the dialogue with its stakeholders. The bank also participates in various regular meetings with government ministries, the Dutch Banking Association and the European Association of Public Banks.

In addition, any responses to social trends affecting NWB Bank and its stakeholders may be included in the bank's CSR policy. The responses to last year's annual report from, among other sources, the General Meeting of Shareholders, will be considered in preparing this year's report.

102-14 Strategy and analysis

NWB Bank is a national promotional bank. In other words, the bank's activities help to achieve public policy objectives. Even though NWB Bank was formed by and for the water authorities, over the years it has also started lending to the broader public sector. Examples of the bank's clients include municipal authorities, housing associations and drinking water companies. For several years, the bank has also been involved in financing PPPs and granting export loans (backed by the Dutch State).

As a bank of and for the public sector, NWB Bank's interests and values differ from those of strictly commercial parties. The bank does not pursue profit maximisation. In addition to a strong financial position and efficient business operations, NWB Bank focuses specifically on creating social value. It is committed to a stable and sustainable financial sector, which in turn contributes to an economy that serves mankind while causing the least possible harm to the environment. NWB Bank provides appropriate financing to its clients on the most favourable terms possible to keep the burden on citizens as low as possible.

The need to increase sustainability and the energy transition are key challenges for society and the bank's clients. NWB Bank is strongly committed to contributing to this aim. The transition to a climate-neutral and circular economy will require major steps and investments worldwide in the decades ahead – including in the Netherlands. Renewable energy projects are generally characterised by a large capital investment and a lengthy period during which the investment must be recouped. NWB Bank is ideally placed to provide this type of long-term financing, which can be offered at relatively low costs.

Its efficient business model and excellent creditworthiness enable NWB Bank to keep financing costs low for its clients. The bulk of the bank's loan portfolio comprises loans to local authorities or loans backed by government bodies. This is one of the reasons the bank has the highest credit ratings: AAA/Aaa. NWB Bank ranks sixth on the list of the world's safest banks. Its high credit ratings and financial expertise mean NWB Bank can always respond actively to the financing needs of the Dutch public sector.

The money NWB Bank lends to its clients is raised on the international capital market. As far as possible, the bank tries to raise funds by issuing sustainable bonds. For instance, it finances the Dutch water authorities' activities with so-called Water Bonds and issues Affordable Housing Bonds to finance social housing. The experience and expertise the bank acquired from these activities in recent years, combined with the large financing volume, means the bank is leading the way internationally in the area of Green and Social Bonds.

As a significant bank, NWB Bank is supervised directly by the European Central Bank (ECB). Despite the intensity and high requirements of that supervision, which are no different for a promotional bank such as NWB Bank than for a strictly commercial bank, the bank has maintained its compact and efficient organisational model. The flat organisation and open culture make NWB Bank an agile and efficient bank where transparency and integrity are of paramount importance.

NWB Bank's mission is to help its clients create added value for society as a robust and sustainable bank for the public sector. The social and sustainable investment agenda is the key element of NWB Bank's mission, vision and strategy. To a large extent, this is attributable to the bank's origins. It could be said that sustainability is in the bank's DNA. Climate adaptation, climate mitigation and improving biodiversity are among the core tasks of the water authorities, which also lead the way in the production of sustainable energy and the recovery of raw materials from wastewater, for example. Another important client group, the housing associations, are also making substantial investments to enhance sustainability. Housing associations own roughly one-third of the housing stock in the Netherlands, and they plan to invest heavily in the coming years in climate-neutral new-build housing, in making homes more energy-efficient and in keeping rents low.

NWB Bank aims to keep the public sector's financing costs as low as possible and to be available for its clients at all times. Ever since it was incorporated in 1954, NWB Bank's strategy has focused primarily on catering efficiently to the combined finance needs of its clients in the public arena. A cost-conscious enterprise, NWB Bank uses its AAA/Aaa ratings to raise funds in an inexpensive and sustainable way. By responding to the changing requirements of its clients and by further diversifying its lending, the bank is increasing its social commitment as an independent promotional bank.

102-15 Description of key impacts, risks and opportunities

The description of key impacts, risks and opportunities based on the strategy is presented in the form of a SWOT analysis (analysis of strengths, weaknesses, opportunities and threats). This SWOT analysis is one of the sources used to determine the CSR policy and its objectives for each theme. The objectives are accounted for in the annual report. Below is a description of the components of the SWOT analysis:

Strength

While, given its client base and field of operations, NWB Bank's lending is inherently beneficial to society and sustainable, efforts have been made over the past few years to define in more detail the bank's aspirations, policies and disclosure in the field of CSR. NWB Bank's particular strength lies in the added value it can provide to society through its lending and financing, social engagement and, to a lesser extent, the example it sets with its office-based organisation.

Weakness/Strength

NWB Bank has aligned its management approach to CSR and its choices in the area of sustainability on the fact that it is a relatively small office-based organisation. Overall, the organisation has a limited social and environmental impact (weakness), but in its role as a financial services provider in the public sector, and in terms of effect per employee, it can achieve a greater impact (strength). This approach provides the best match with NWB Bank's compact organisational structure and is expected to continue to do so.

Analysis of environment (Opportunities and Threats)

Opportunities

CSR may contribute to a low risk profile for NWB Bank. The bank makes well-considered choices for certain products, clients and investments, and sets well-considered limits in its CSR policy based on its own Articles of Association. NWB Bank operates on the basis of its core values: 'conscious, committed and credible'. There are opportunities for the future in terms of devoting greater attention to enhancing the sustainability and environmental and social impact of the assets on NWB Bank's balance sheet. For specific clients, namely water authorities and housing associations, that impact has already been translated into NWB Bank's funding (through the issuing, respectively, of Green Bonds and Social Bonds to finance the aforementioned client groups). In addition, governments (International Climate Agreement, National Energy Agreement and ICSR agreement) and intergovernmental organisations (UN: UNGC and SDGs) have concluded international agreements concerning sustainability (environmental and social) to which NWB Bank can contribute through its core duties.

Threats (Risks)

In the area of CSR, the following risks are the most relevant to NWB Bank:

- Reputational risk
- Supply chain risk
- Knowledge level risk
- Climate risk
- Integrity risk
- Environmental risk
- CSR agreements

The CSR-related subjects of governance, compliance and integrity and associated policies (see the governance documents on the website: <https://www.nwbbank.com/corporate-governance>) are particularly important to NWB Bank's reputational risk. The compliance role was designed to promote and supervise, or ensure the supervision of, compliance with laws and regulations and with internal procedures and rules of conduct that are relevant to the organisation's integrity and associated reputation. The compliance role is independent and relates to the bank's primary process, i.e. to provide financing to the Dutch public sector. Furthermore, the assurance EY provides further limits the reputational risk in respect of CSR-related disclosure. Signing CSR agreements enhances disclosure and reputation, but could also involve compliance risks if certain components of agreements are not complied with or cannot be complied with.

NWB Bank's supply chain risk is twofold. First, NWB Bank is part of a chain of more than 120 European banks under the supervision of the ECB within the framework of the European Single Supervisory Mechanism (SSM). As a result, the chain of banks is a system with its own risks over which NWB Bank, as one element, has only minor influence, unlike the institutions considered to be banks of systemic importance. Second is the value chain of which NWB Bank forms part (see the Value Chain on page 37). This is a clear illustration of how NWB Bank uses its organisation to influence social and environmental aspects concerning its clients, can limit associated risks and is transparent in how it does so through its disclosure.

Climate-related risks feature indirectly in the loan portfolio, while housing associations, for example, enhance the sustainability of their housing stock (reducing risks) and water authorities contribute to the required climate adaptation and mitigation activities (reducing risks). NWB Bank is responding to such risks through specific funding, i.e. by issuing Green Bonds so loans can be granted to water authorities. Furthermore, NWB Bank and the Dutch Association of Regional Water Authorities became a client of the Climate Monitor, which is produced by research firm Arcadis and studies the water authorities' environmental impact in terms of carbon emissions.

Social risks include the integrity of staff (Code of Conduct) and training and knowledge levels. These risks are largely controlled by holding external and in-house training sessions, as well as biannual job appraisal and career development interviews, and by sharing knowledge on an ongoing basis. In addition, integrity risks are mitigated by submitting recruits to pre-employment screening and ensuring employees who work in commercial or integrity-sensitive positions are listed in the public DSI register.

Being a small office-based organisation, NWB Bank has only a small number of relevant environmental indicators and, accordingly, the impact can be considered relatively limited. NWB Bank believes, however, that it should act as a role model for its stakeholders, which is why it attaches importance to reporting on environmental factors. Digitisation and energy reduction efforts limit the environmental impact of the office-based organisation. An additional risk is the accuracy of the reports on environmental indicators such as carbon emissions. That risk is mitigated by the assurance EY provides on the text and figures in the Report of the Managing Board.

The annual report also explains the impact developments in the banking environment have on NWB Bank's growth and continuity.

CSR Risk Matrix			
Themes/targets	Risks	Management	Monitoring results
1/2	Reputational risk	Policy and Assurance	Continuously
	Supply chain risk	Transparency and dialogue	Continuously
	Climate risk	Specific funding/lending	Continuously
	Knowledge level	Education and development	Continuously
3	Environmental impact	Compensation, digitisation and reduction	Regularly
	Energy wastage	Reduction	Regularly
4	Integrity risk	Training sessions and provision of information	Regularly
	CSR agreements	Monitoring contribution and obligations	Regularly

The extent to which NWB Bank is prepared to accept the above-mentioned risks is reflected in the risk appetite. In terms of the social, environmental and social risks, this is included in the formulation of the CSR policy. The CSR policy can be accessed on NWB Bank's website. The above-mentioned risks are largely related to the themes and targets in the CSR policy. The results are continuously monitored, particularly regarding targets and future expectations. This can result in short-term and/or long-term actions.

INTEGRITY AND ETHICS

102-16 Values, Principles, Standards and Code of Conduct

NWB Bank attaches great value to its reputation as a solid and respectable bank for the public sector. For this reason, compliance and integrity play an important role in the bank's control mechanism. The bank wishes to ensure its clients and investors can be completely confident in using its services, and secure in the knowledge that their funds are safe.

Following on from the Banking Code, the members of the Managing Board have signed the declaration of moral and ethical conduct. The principles of this declaration apply to all employees and have been further elaborated in a Code of Conduct, which forms part of the employment contract. In addition, the Code of Conduct has been posted on the intranet and on the bank's website. All employees (including the members of the Managing and Supervisory Boards) and all external staff who work in the banking sector for more than three months have taken the banker's oath. Lastly, all the bank's recruits are subject to Pre-Employment Screening, regardless of their position. In addition, all employees in commercial roles and management team members must be listed in one of the DSI registers.

NWB Bank has assigned some of the compliance-based duties to the Legal & Compliance Department and the supervision of compliance with the Insider Regulations to an external party. The external supervisory authority reports to the Managing Board and the Supervisory Board, while the internal compliance officer reports directly to the Managing Board. These reporting lines confirm the value the bank attaches to internal supervision and to the work of both compliance officers. The supervision-based rules and rules of conduct are an important element of the compliance role.

GOVERNANCE

102-18 Governance-structuur

NWB Bank is a public limited liability company. The company has a Managing Board and a Supervisory Board, the latter having all the powers granted by law to a company's supervisory board. More information on the Managing Board and the Supervisory Board is included in the annual report on page 100 and on the website. The overview below provides an insight into the bank's organisational structure (organisation chart). Further details of the business model may also be found in the Report of the Managing Board.

CHAIR OF THE MANAGING BOARD / CEO	MEMBER OF THE MANAGING BOARD / CCO	MEMBER OF THE MANAGING BOARD / CFO	MEMBER OF THE MANAGING BOARD / CRO
Executive Secretariat	Treasury	Finance & Control	Risk Management
HRM & Facility Management	Public Finance	Back Office	Operational Risk & Security Management
Internal Audit Department		ICT	
Legal & Corporate Affairs		Business Change Management	
Regulatory & Compliance			

102-19 Governance structure

Governance structure

The Managing Board is responsible for CSR and discusses the associated policy and strategy with the Supervisory Board and other parties. Assistance is provided by the various departments and a CSR Committee. In addition, the organisation has hired a sustainability officer.

Chair of highest governance body/independence:

Where board members hold ancillary positions or carry out transactions, conflicts of interest may arise. An overview of important relevant ancillary positions and supervisory directorships held by members of the Managing Board must be submitted to the Supervisory Board for approval. The relevant Managing or Supervisory Board member will not partake in discussions about a subject or transaction in respect of which the company has a conflict of interest with that member. All transactions, i.e. including those involving conflicting interests of Managing Board members, will be conducted on terms customary in the sector. In cases in which NWB Bank has a conflict of interest with the Managing Board or one of its members, the bank will be represented by one of the Supervisory Board members designated for that purpose by the Supervisory Board.

Independence of members of unitary board structure

Not applicable

102-20 Responsibilities for ESG (environmental, social and governance) issues

There is a CSR Committee within the bank whose specific task is to draw up, check and amend plans and policy changes directly related to CSR. The CSR Committee consists of staff members from various relevant departments, a member of the Managing Board and the sustainability officer. The CSR Committee reports to the Managing Board, which is responsible for policy-making, the management approach and the evaluation of the material social aspects of business. The CSR Committee members each have joint operational responsibility for their specific area of the themes, goals and the associated reporting. The Managing Board bears final responsibility for CSR.

102-21 Stakeholder dialogue regarding ESG issues

NWB Bank regularly communicates with its stakeholders to find out what is going on in the public domain in which our clients operate, and in the banking arena relevant to the bank itself. All individuals and organisations that the bank works with, or that attach importance to the social role NWB Bank fulfils as a promotional bank, are considered major stakeholders. In any event, the bank regards its shareholders, clients, investors, employees, the government and supervisory authorities as stakeholders. The Secretary to the Managing Board is responsible for coordinating contact with all those groups of stakeholders.

The European Commission has proposed an 'Anti-Tax Avoidance Directive' containing legal measures to combat the most widely used tax avoidance arrangements. In the 'Recommendation on Tax Treaties', European Member States are advised on how best to provide protection against tax abuse. NWB Bank adheres to these measures and does not aid tax evasion in any way whatsoever.

17 of the 24 issuers in which the bank invests have a sustainability ESG ranking score of 70 and above or a ISS ESG prime score. To the bank's knowledge the ESG ratings of the remaining 7 investments are not publically available.

102-22 Composition of highest governance body

The bank is managed by a Managing Board which, under the Dutch Financial Supervision Act, should be comprised of at least two members. Managing Board members are appointed by the General Meeting of Shareholders for a term of four years on nominations by the Supervisory Board. The Managing Board comprises:

Lidwin van Velden (b. 1964)

Joined NWB Bank in October 2008, a member of the Managing Board since January 2010. Chair of the Managing Board/CEO since April 2018.

Frenk van der Vliet RBA (b. 1967)

Joined NWB Bank in January 2012 as a member of the Managing Board/CCO.

Melchior de Bruijne (b. 1974)

Joined the bank in December 2018 as a member of the Managing Board/CFO.

Ard van Eijl (b. 1973)

Joined the bank in 2009, a member of the Managing Board/CRO since 2018.

In performing their duties, the Managing Board members take economic, social and environmental indicators into account. Given the bank's size, direct attribution is difficult.

102-23 Chair of the Managing Board

Lidwin van Velden has been Chair of the Managing Board since April 2018.

102-24 Nomination and selection of the highest governance body

The bank is managed by a Managing Board which, under the Dutch Financial Supervision Act, should consist of at least two members. Managing Board members are appointed by the General Meeting of Shareholders for a term of four years on nominations by the Supervisory Board. One of the Managing Board members is the Chair of the Managing Board.

Shareholders are convened by the Managing Board or the Supervisory Board by written notice stating the topics to be addressed. Shareholders representing at least 1% of the issued capital may submit topics to be placed on the agenda in writing.

The General Meeting of Shareholders adopts the financial statements and grants discharge to the members of the Managing Board for their management and to the members of the Supervisory Board for their supervision.

A delegation of employees who have been elected to the Works Council is involved in the bank's business operations.

102-25 Conflicts of interest

The Code of Conduct sets out the principles NWB Bank employees should apply in their daily activities. Preventing conflicts of interest is an important aspect of the Code. Non-compliance with the Code may result in measures under employment law. The Code of Conduct has been posted on the bank's website.

Conflicts of interest may arise when members of the Managing Board hold other positions or carry out transactions. The Supervisory Board has been informed of all ancillary positions held by members of the Managing Board. As in previous years, no transactions took place during the year under review that involved a conflict of interest.

STAKEHOLDERDIALOOG

102-40 List of stakeholder groups

The stakeholders identified by NWB Bank as part of its CSR efforts are shareholders, clients, investors, employees, the government and supervisory authorities.

102-41 CLA

Sixty employees are covered by the CLA for the banking industry, whereas six employees, including the Managing Board members, are not. Most of the terms and conditions of employment ensuing from the CLA for the banking industry are applied to the latter category.

102-42 Selection of stakeholders

As part of its CSR efforts, NWB Bank classifies shareholders, clients, investors, employees, the government and supervisory authorities as its stakeholders. The interests of the stakeholders are evaluated regularly with the CSR Committee members.

102-43 Dialogue with stakeholders

As in previous years, a materiality assessment was made in 2018 of the CSR issues that are relevant to the bank, also assessing how our stakeholders experience them. Those issues were identified based on discussions held with these stakeholders and, where possible, on the policies they pursue with respect to both general social and sector-specific issues. This resulted in the following Material Issues Plot (MIP), which was extensively debated with the CSR Committee members. Governance, supervision, compliance/integrity and transparency, in particular, are highly relevant issues affecting the stakeholders and NWB Bank. Their relevance is apparent from aspects such as supervisory policies, discussions with shareholders, the focus on credit ratings in the financial markets and the bank's policies. This analysis served as input for the Report of the Managing Board in the annual report and this GRI table.

Throughout the year, the Managing Board visits clients and investors to explain half-year and annual figures and other trends. The Managing Board convenes a General Meeting of Shareholders once a year. During that meeting, the Managing Board renders account of the objectives, corporate strategy, policies and financial results. Several times during the year, consultative meetings are held with the supervisory authority (De Nederlandsche Bank) and the European Central Bank on subjects such as risk management, compliance and integrity.

The response to last year's annual report was considered in preparing this year's report. The bank's CSR policy was also a discussion item at the General Meeting of Shareholders. The bank's shareholders are also its clients.

Employees have been represented by the Works Council since 1 January 2016.

102-44 Key subjects and findings from the stakeholder dialogue

Information and suggestions from stakeholders are used to complete and perfect the CSR policy.

As in previous years, in 2019 NWB Bank again issued a Green Bond, the Water Bond. Issuing this Water Bond has enabled NWB Bank to attract new investors and expand the market for Green Bonds. In addition, the bank again issued Social Bonds, or Affordable Housing Bonds, in 2019. By the end of 2019, NWB Bank had raised a total of more than €10 billion in socially responsible investments. The proceeds from the Affordable Housing Bonds are specifically intended for the financing of social housing in the Netherlands.

The principal relevant and current issues and NWB Bank's response to them are discussed primarily in the context of the Material Issues Plot.

REPORT

102-45 Entities involved in the reporting

NWB Bank has no subsidiaries; the data in the annual report concern all the divisions of NWB Bank.

102-46 Content of reports and demarcation of issues

Contents of report

NWB Bank's core values are the starting point for setting the bank's themes. The selected themes were derived from, and are consistent with, the bank's overall objectives. NWB Bank has identified the following themes:

1. Financing partner to enhance sustainability
2. Sustainable, robust, efficient and socially responsible bank
3. Essential player in the financing of the Dutch public sector
4. Bank of and for the public water sector
5. Responsible return

The themes are the result of a dialogue with the stakeholders. In doing so, NWB Bank seeks to account for its social performance, in addition to its financial performance. Specific issues are addressed in the Material Issues Plot, which is updated annually.

Target group

The report is intended for our stakeholders: shareholders, clients, investors, employees, the government and supervisory authorities.

Assessment

The information for the section on 'The Sustainable Water Bank' was provided by various organisational divisions. The content of the section on 'The Sustainable Water Bank' was assessed by the Internal Audit Department. EY provided external assurance for this section.

Demarcation

The annual report covers the period from 1 January 2019 up to and including 31 December 2019. NWB Bank's base currency is the euro and it therefore reports in euros. Its core activities are lending to or guaranteed by the Dutch public sector and funding in the national and international capital markets. The reporting in the annual report and the GRI table, as well as in publications on the website, is aligned with the scope of those activities.

NWB Bank has no subsidiaries. In 2006, NWB Bank, in close collaboration with its shareholders and in consultation with the Dutch Association of Regional Water Authorities, founded Stichting NWB Fonds. NWB Fonds (<http://www.nwbfonds.nl>) is an independent foundation to which initial capital is provided (see also supply chain responsibility).

The materiality analysis is the basis for the demarcation of the Report of the Managing Board. In the latter section and this GRI table, NWB Bank reports mainly on the material topics, for which purpose the decisions in terms of the depth and demarcation of this sustainability report have been discussed in the CSR Committee and the Managing Board meetings. In its lending operations, NWB Bank focuses primarily on the Dutch public sector, and therefore topics and social themes outside that sector automatically receive less attention and/or may be less material (demarcation).

NWB Bank's impact (through financing) is most evident in two sub-areas:

Making the Netherlands more sustainable: facilitating climate adaption, climate mitigation and biodiversity:

1. The proceeds from Water Bonds are earmarked for the financing of projects of the Dutch water authorities (see page 50 for further details). These authorities ensure that, despite rising sea levels and river discharge volumes, the Netherlands remains a place where we can live, work and relax in safety. Water authorities adopt innovative solutions to perform their work more effectively, intelligently, sustainably and affordably. The use of solar panels, wind turbines, self-generated energy and the useful application of residual heat and recovered raw materials have become an indispensable part of the water authorities' work.
2. Sustainable housing: housing associations own roughly one-third of the total housing stock in the Netherlands. The 'zero-energy' concept is being applied more and more frequently to new developments, and materials from demolished houses are being reused. The objectives for the migration of energy labels are also being monitored.
3. Circular economy: NWB Bank fulfils approximately 90% of the external financing needs of the water authorities, which have made strenuous efforts to limit their energy consumption, to recycle materials and to generate their own sustainable energy. They aim to increase this share to 40% by 2020 and become 100% energy-neutral by 2025.

Lower costs for citizens, including affordable social housing and healthcare:

1. Affordable social housing: the social housing guarantee system, whereby the government provides surety (through the Social Housing Guarantee Fund) for loans to housing associations, provides an interest rate advantage (see page #). NWB Bank is a major provider of guaranteed loans and thereby contributes to this interest rate advantage, which ultimately benefits the social housing tenant.
2. Reduce healthcare costs: the social added value of the Healthcare Sector Guarantee Fund (and the lenders

involved) is estimated to amount to approximately 1.5% in interest rate advantage. Historically, NWB Bank has a market share of approximately 25% in guaranteed lending to the healthcare sector.

- Low costs for government and citizens: NWB Bank's goal as a promotional bank is to provide financing to its clients on the most favourable terms possible and to take full advantage of its innovative capability to keep the socio-economic costs of public facilities in the Netherlands as low as possible. This includes the costs of the energy transition envisaged by the central government.

102-47 List of material issues

	Material topics	Ranking	Strategic themes	Key performance indicator	Result 2019	Impact on SDGs
1	Facilitating water safety, climate mitigation and biodiversity among water authorities	1		Volume of new lending to water authorities	€817 million	
				Volume of newly issued Water Bonds	€519 million	
				Volume of new lending to drinking water companies	€304 million	
2	Facilitating reliable drinking water	10				
3	Supporting innovation in the public water sector	10		Number of new loans for innovation in the public water sector	-	
4	Facilitating affordable and sustainable social housing	2		Volume of new lending to housing associations	€5.8 billion	
				Volume of newly issued Affordable and SDG Housing Bonds	€2 billion	
5	Availability of financing	3		Total volume of new lending	€10.2 billion	
6	Providing financing at the lowest possible cost	4		Credit spread on Netherlands 10Y Government Bond	15 basis points	
7	Client focus and comprehensible and appropriate products	8		Implementation of an internal product approval and review process for new products/markets	-	
8	Facilitating renewable energy projects	5		Volume of new lending to renewable energy projects	€294 million	
9	Sustainable funding	7		Volume of sustainable funding as % of new funding	26%	
10	Charting the climate impact of financing	13		% of loan portfolio, the climate impact of which has been charted	93%	

11	Financially stable bank	6		Financial ratios	Tier 1-ratio: 61.4% CET 1-ratio: 51.6% Leverage ratio: 15.4% LCR: 204% NSFR: 118%	
12	Appropriate risk profile	8		Credit ratings	S&P: AAA Moody's: Aaa	
				ESG ratings	Imug: BB MSCI: BBB Sustainalytics: 68 ISS ESG: B- Vigeo Eiris: 57	
13	Sustainable business practices	22		CO ₂ emissions generated by business operations	2.8 ton per employee	
14	Social involvement	20		Internships filled	2	
				% of sponsor budget spent	>100%	
15	Diversity of employees	21		Male-female ratio	65% male 35% female	
				Average age of employees	45 years	
16	Integrity	14		Number of complaints	0	
				Number of reports of bribery and corruption	0	
17	Sustainable employability of employees	17		Number of vacancies filled internally	2	
				% of training budget spent	89%	
				% of sickness absence	1.8%	
18	Responsible remuneration	17		Remuneration ratio of chair of Managing Board and median of employees	3.8	
19	Digitisation of services and business operations	19		% of clients on client portal	> 50%	
				Paper consumption	20 kg per employee	
20	Cybersecurity and client data protection	10		Number of data leaks	0	
21	Healthy operating profit	16		Profitability	€94.5 million	
22	Shareholder return	15		Return on equity	5.4%	
				Dividend payout ratio	58%	

102-48 Restatement of information provided in previous reports

Not applicable

102-49 Change in scope

The introduction of the GRI Standards has resulted in more extensive and detailed reporting on material issues.

102-50 Reporting period

1 January 2019 to 31 December 2019 inclusive.

102-51 Date of most recent report

The report was published on 15 March 2019.

102-52 Reporting cycle

Annual

102-53 Contact point for report

persinfo@nwbbank.com

102-54 Reporting in accordance with GRI standards

This report has been drawn up in line with the GRI Standards' core option.

102-55 GRI Content index

In its CSR policy reports, NWB bBank applies the Global Reporting Initiative (GRI) guidelines (GRI: www.globalreporting.org).

The reporting in the 2019 Annual Report is based on the GRI standards. According to NWB Bank, the GRI reporting level is 'core'.

EY has provided external assurance on the Report of the Managing Board (with the exception of risk management and PCAF).

This Content Index includes references to the relevant pages in the 2019 Annual Report for the GRI Disclosures and GRI Performance Indicators.

GRI-DISCLOSURES

Ref. nr	Omschrijving	Verwijzing
Organisational profile		
102-1	Name of the organisation	Organisation
102-2	Activities, brands, products and services	NWB Bank in 2019
102-3	Location of headquarters	General notes to the financial statements
102-4	Location of operations	NWB Bank in 2019
102-5	Ownership and legal form	Organisation
102-6	Markets served	NWB Bank in 2019
102-7	Scale of the organisation	Report of the Managing Board
102-8	Employees (a to f not specified for privacy reasons)	Sustainable, efficient and socially responsible organisation
102-9	Supply chain	Value creation
102-10	Significant changes to the organisation and its supply chain	NWB Bank in 2019
102-11	Precautionary principle or approach	Dilemmas
102-12	External initiatives	Reporting standards
102-13	Memberships of associations and other advocacy organisations	Stakeholder dialogue
Strategy		
102-14	Statement from senior decision-maker	Interview with Lidwin van Velden
102-15	Key impacts, risks and opportunities	Supervision and risk management
Ethics and integrity		
102-16	Values, principles, standards and norms of behaviour	Reporting standards
Governance		
102-18	Governance structure	Corporate governance
102-19	Delegating authority	Corporate governance
102-20	Executive-level responsibility for ESG topics	Corporate governance
102-21	Consulting stakeholders on ESG topics	Corporate governance
102-22	Composition of the highest governance body	Corporate governance
102-23	Chair of the highest governance body	Corporate governance
102-24	Nominating and selecting the highest governance body	Corporate governance
102-25	Conflicts of interests	Corporate governance
102-38	Annual total compensation ratio	Remuneration report
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder dialogue
102-41	Collective labour agreement	Remuneration report
102-42	Identifying and selecting stakeholders	Stakeholder dialogue
102-43	Approach to stakeholder engagement	Stakeholder dialogue
102-44	Key topics and concerns raised from stakeholder dialogue	Stakeholder dialogue

Reporting practice		
102-45	Entities included in the financial statements	General notes to the financial statements
102-46	Defining report content and topic boundaries	Materiality analysis
102-47	List of material topics	Materiality analysis
102-48	Restatements of information from prior years	Materiality analysis
102-49	Changes in reporting scope	Materiality analysis
102-50	Reporting period	1 January 2019 - 31 December 2019
102-51	Date of the most recent report	15 March 2019
102-52	Reporting cycle	annually
102-53	Contact point for questions regarding the report	persinfo@nwbbank.com
102-54	Reporting in accordance with the GRI Standards	Reporting standards
102-55	GRI index	
102-56	External assurance	Assurance report + Reporting standards
Management approach		
103-1	Explanation of the material topics and their boundaries	Management approach, stakeholder dialogue and materiality analysis
103-2	Management approach and its components	Management approach, stakeholder dialogue and materiality analysis
103-3	Evaluation of the management approach	Management approach, stakeholder dialogue and materiality analysis
Top 7 of material topics		
1	"Facilitating water safety, climate mitigation and biodiversity among water authorities Own indicator: Water Bonds volume 2019, volume of lending to water authorities in 2019"	Bank of and for the public water sector
2	"Facilitating affordable and sustainable social housing Own indicator: volume of Affordable and SDG Housing Bonds, volume of lending to housing associations in 2019"	Key player in financing the Dutch public sector
3	"Availability of financing Own indicator: total lending volume in 2019"	Key player in financing the Dutch public sector
4	"Providing financing at the lowest possible cost Own indicator: Credit spread on Netherlands Government Bond"	Key player in financing the Dutch public sector
5	"Facilitating sustainable energy projects Own indicator: volume of lending to sustainable energy projects"	Financing partner to enhance sustainability in the Netherlands
6	"Financially stable bank Own indicator: Financial ratios"	Sustainable, efficient and socially responsible organisation
7	"Sustainable funding Own indicator: volume of sustainable finding as % of total funding in 2019"	Financing partner to enhance sustainability in the Netherlands

102-56 external assurance

EY has provided external assurance on the 2019 Report of the Managing Board (with the exception of risk management and PCAF). EY has provided reasonable assurance as to whether the information in the section is presented in all material respects in accordance with the Global Reporting Initiative (GRI) standards and supplementary internal guidelines. EY is NWB Bank's present external auditor and was appointed by the General Meeting of Shareholders. EY's reports are also provided to the Supervisory Board.

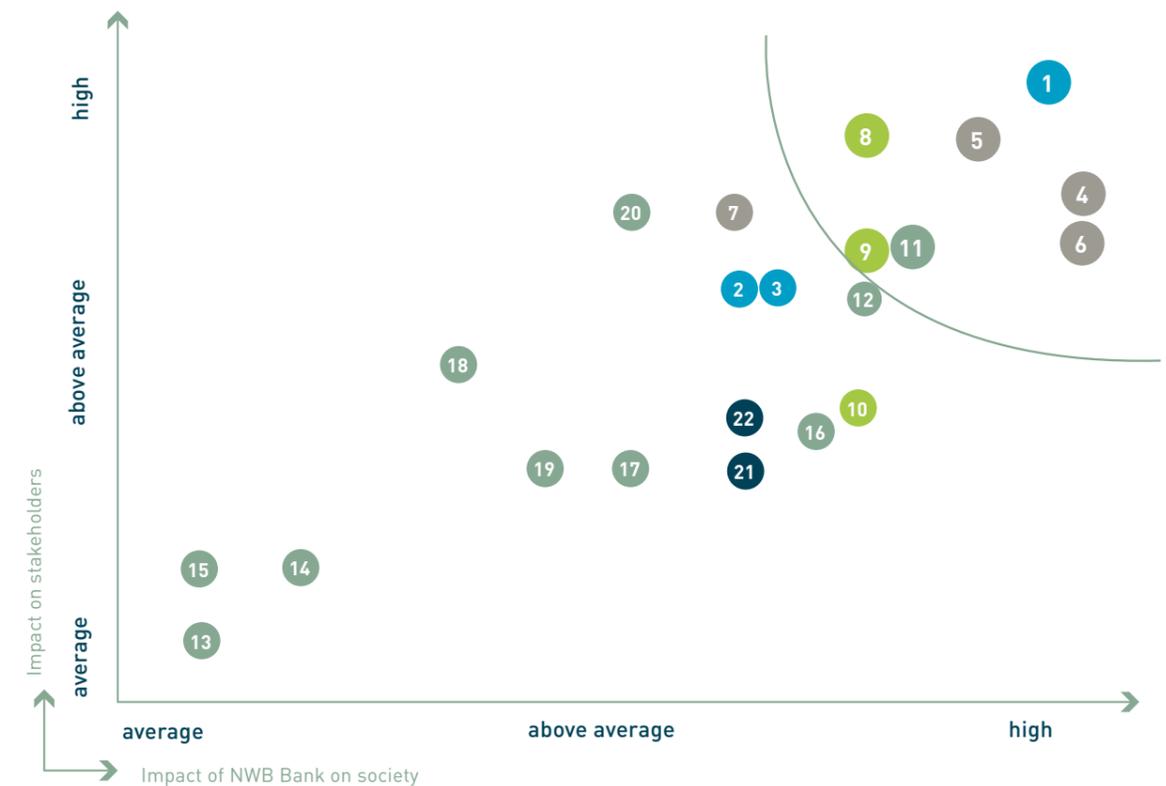
103 MANAGEMENT APPROACH

103-1 Details on material issues and demarcation

Every year, NWB Bank identifies the material themes on which it will report in its annual report.¹ The assessment of these themes is the foundation for the content in the section on 'The Sustainable Water Bank'. To determine whether a topic is sufficiently relevant and material to merit reporting, the perspective of the bank's stakeholders and that of the bank itself are considered. Consideration is also given to the potential or actual economic, environmental and social impact of each of NWB Bank's material topics.

In 2019, as in previous years, a so-called materiality analysis was again carried out on the topics that are important to the bank. The topics emerged from discussions with stakeholders, desk-based research and comparisons with similar banks. The long list of topics initially composed was then reduced to a short list based on an assessment of their relevance to stakeholders. The importance of a topic to NWB Bank is determined in the CSR Committee.

Using the short list, the CSR Committee draws up a Material Topics Plot (MTP). The potential or actual impact of NWB Bank on these topics is plotted on the x-axis, and the y-axis plots the assessment of the importance stakeholders attach to the topics. A version of the MTP was agreed with clients and shareholder water authorities at a client event. This event produced several amendments to and additions of topics, after which the MTP was finalised.



103-2 Management approach

NWB Bank has a CSR Committee comprising members of several of the bank's departments, members of the Managing Board and the CSR coordinator. The CSR Committee is accountable to the Managing Board.

The committee's tasks are as follows:

- design the sustainability policy/strategy
- monitor social and environmental risks
- structure input from stakeholders and specific target groups
- discuss topical sustainability themes concerning the sustainability policy
- monitor sustainability policy action items
- formulate targets and objectives
- debate challenges (obstacles) facing the bank
- report on sustainability

The subject of CSR is periodically addressed during Supervisory Board meetings. On those occasions, several material aspects regarding the current strategy and the future are discussed. In addition, the exclusion criteria for lending are discussed with the Supervisory Board. The exclusion criteria are elaborated on in the CSR policy. Among other things, this means NWB Bank does not grant loans to any institution connected with 'the use of child labour', 'infringement of collective rights' and land grabbing.

The CSR Committee meets every month. The members concerned have the opportunity to spend some of their time working for the CSR Committee in addition to performing the duties inherent to their respective positions. Each CSR Committee member has their own CSR performance targets upon which they are evaluated.

1] The use of material themes results from NWB Bank's application of the GRI Sustainability Reporting Standards. NWB Bank uses the Universal Standards when reporting information in its annual reports and also mentions specific standards related to the topics categorised as material. As part of the Universal Standards, the bank is consequently required to identify the themes that it deems material.

The CSR Committee's budget comprises, at a minimum, the costs for the Water Innovation Award, sponsoring, any environmental measures, assurance costs and allocated hours of employees.

Major KPIs have been defined for the next three to five years and broken down by theme. The performance objectives are measurable and can be influenced, and are therefore a challenge for the bank. The minimum preconditions are based on factors such as laws and regulations, governance codes, and internal codes of conduct and regulations.

Reporting process

Each member of the CSR Committee bears operational responsibility for their share in reporting. The reporting process has been integrated into the internal control structure, which includes social and environmental risk monitoring. Risk management includes CSR aspects and forms an integral part of NWB Bank's internal processes.

The Internal Audit Department monitors reporting quality, testing all the bank's key processes at least once every two years and the sustainability report every year. The carbon matrix, for example, is subject to an internal audit and an external assurance review for the methods used to measure (consumption), estimate (measure in the event of uncertainty) and calculate (Defra conversion factors). The involvement of the Risk Management Department and the Internal Audit Department safeguards the quality of the CSR data. In addition, it is verified whether processes used by other departments to provide information are aligned with the formalised internal control structure. In this context, it is established whether the input from stakeholders and specific target groups is included in the report.

No changes were implemented in 2019 in the definitions and measurement methods for the reported data compared with prior reporting periods.

In the annual report, NWB Bank has included an explicit disclosure concerning any changes in the corporate social responsibility policies and targets compared with the prior reporting period. The targets have remained the same in terms of their content. The bank now reports more extensively on the impact of the organisation, which was one of the elements highlighted in the materiality assessment (MIP).

The Managing Board bears final responsibility for CSR

Shareholders may respond to the annual report during the General Meeting of Shareholders. Minutes are drawn up of those meetings and, to the extent possible, recommendations made by shareholders are followed up. In addition, clients are asked for input during client meetings, which is discussed periodically in a consultative body.

The strategy and strategic priorities of NWB Bank, and the resulting annual plans and policy amendments, are discussed at Managing Board meetings and subsequently within the management team. Implementation of the annual plans is monitored internally by the Managing Board based on periodic reports, which are also placed on the management team and departmental meeting agendas. Plans, policy changes and results are also discussed by the CSR Committee. The CSR objectives are included in the objectives of the various departments and staff members involved. The extent to which NWB Bank is prepared to accept the above-mentioned risks is reflected, with regard to the economic risks, in the bank's risk appetite. With regard to the labour, environmental and social risks, this is also included in the formulation of CSR policy. The short-term and long-term actions arising from the CSR policy and associated targets are primarily discussed in the CSR Committee and are included in the half-yearly monitoring of the targets. This approach provides the best match with NWB Bank's compact organisational structure and is expected to continue to do so in the future.

The aforementioned management approach applies to all material issues. No distinction in terms of approach is made within the material issues. The environmental impact of the bank's office organisation is largely accounted for in the GRI table rather than in the Report of the Managing Board.

Other observations regarding stakeholders:

- NWB Bank invites its stakeholders to submit any suggestions they may have concerning its CSR policy and the Report of the Managing Board, which can be sent to a dedicated e-mail address pers@nwbbank.com.

103-3 Development of the management approach

Further details are provided in the section on 'The Sustainable Water Bank' for each material issue. See '102-47 List of material issues' on page 18 for further information.

The CSR policy is evaluated annually in an exercise that covers all material issues. Despite being limited, the environmental impact of the bank's office organisation is also included in the evaluation. NWB Bank seeks to set an example for its stakeholders.

PERFORMANCE INDICATORS

ECONOMIC/FINANCIAL

201-1 Direct economic value generated and distributed including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments

See the financial statements in the annual reports on page 110.

201-2 Financial implications and other risks and opportunities resulting from climate change

The energy transition is a fascinating challenge and one NWB Bank is keen to contribute to by providing finance. By signing the Paris Climate Agreement at the end of 2015, nearly every country in the world, including the Netherlands, agreed to limit further global warming as far as possible, in any event to keep the global temperature increase below two degrees Celsius. This is essential if we are to succeed in bequeathing an inhabitable world to future generations. An increasing number of parties have realised that 'doing nothing' is not an option and will ultimately prove more costly for those future generations. The transition to a climate-neutral and circular economy will require major steps and investments worldwide in the decades ahead - also in the Netherlands. To complement this, NWB has signed the National Climate Agreement.

201-3 Coverage of the organisation's defined benefit plan obligations

All NWB Bank employees participate in the bank's pension plan. It is administered by AEGON (as of 1 January 2020 Be Frank). Employees make personal contributions of a maximum of 3% of their pensionable salaries.

201-4 Financial relationships with government bodies

All of NWB Bank's clients are part of or operate in the Dutch public sector. The shareholders are also government bodies. NWB Bank finances about one-third of all local authorities and institutions with guarantees from those authorities.

Following on from the collaboration with the European Investment Bank in earlier years, NWB Bank also entered into a partnership with the Council of Europe Development Bank (CEB).

203-2 Significant indirect economic impact

Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.

NWB Bank extended its dialogue with borrowers in 2018. One of the topics addressed in these discussions is sustainability. Furthermore, institutional investors are interested in the sustainability aspect of NWB Bank's own funding. They engage research agencies specialising in sustainability that use questionnaires and assessments concerning the bank's CSR policy and its transparency. For example, NWB Bank's sustainability profile was charted by the research agencies: Sustainalytics, Vigeo, MSCI, Imug, oekom and Cicero. These agencies' findings related to the bank are published on the NWB Bank website.

Monetary value of products and services designed to deliver a specific social benefit

NWB Bank ensures housing associations have access to the capital market at the lowest financing costs. In this way, the bank helps create affordable rented accommodation for the social sector. The government facilitates this by acting as a backup for WSW-guaranteed loans to housing associations. The WSW guarantee is embedded in a security structure aimed to ensure sufficient financial resources are available to solve potential financial problems at one or several WSW participants without jeopardising the guarantee system itself.

The bank is always available for its clients and continually responds to their changing requirements. For instance, since 2017 housing associations have been able to convert their derivative contracts with commercial banks into new long-term, fixed-rate loans with NWB Bank, secured by the Social Housing Guarantee Fund. As a result, more liquidity becomes available for investments in social housing.

NWB Bank entered the Social Bond market in 2017. Affordable Housing Bonds (AHB) were again issued in 2019. As the proceeds from the AHBs specifically benefit the financing of social housing, this also helps to improve the sustainability of the existing social housing stock.

Monetary value of products and services designed to deliver a specific environmental benefit

In 2019, NWB Bank again issued Green Bonds (Water Bonds). The proceeds from those bonds are being used to finance water authorities' projects which contribute to climate mitigation, climate adaptation, biodiversity and other objectives. The issuance of Water Bonds underpins NWB Bank's role as a robust and sustainable finance partner for the funding of the water authorities' climate adaptation and mitigation projects.

205-2 Percentage of employees trained in anti-corruption policies and procedures

In 2019, training activities were held throughout the organisation in the area of compliance dilemmas. These training activities are intended for all members of staff (including the Managing Board). The anti-corruption policy is discussed by the management team (including the Managing Board).

205-3 Action taken against confirmed incidents of corruption

No incidents of corruption relating to NWB Bank have been reported or identified. NWB Bank has taken various preventive actions to combat corruption, the most important of which are as follows: pre-employment screening, the Insider Regulation, the Code of Conduct and the Whistleblower Procedure.

Social results benchmarks:

The World Justice Project (WJP) Rule of Law Index® provides original, impartial information on how the public experiences the rule of law in everyday life in 102 countries around the globe. The Netherlands is one of those countries and features in the top 10. (<http://worldjusticeproject.org/rule-law-around-world>).

ENVIRONMENT

301-1 Materials used by weight or volume

With its reporting, NWB Bank seeks to provide an insight into its results concerning the environmental aspects of its corporate responsibility in terms of emissions, in particular regarding greenhouse gases and ozone-depleting gases.

At NWB Bank's office organisation, paper is the material most used in day-to-day operations. We used an estimated 1,320 kg of paper in 2019 (2018: 1,444 kg). Carbon emissions from paper use have been offset.

302-1 Direct energy consumption by primary energy source

NWB Bank has been using green energy (gas and electricity) since 1 January 2010 (see EN 16). Consumption levels are included in Appendix 1.

305-1 Total direct and indirect greenhouse gas emissions by weight

NWB Bank started monitoring its carbon footprint in 2010. The appendix shows carbon emissions totalling approximately 186 tonnes for 2019 (2018: 251 tonnes). In 2019, electricity came from renewable sources without direct carbon emissions. Gas was supplied by the utility company including carbon offset. CO₂ emissions caused by trips abroad were offset for the whole of 2019, as were those caused by company cars. The calculation of the carbon footprint is included in Appendix 1.

In 2019, the total emissions from the bank's company cars amounted to 64 tonnes of CO₂ (2018: 86 tonnes of CO₂). The amount of petrol used decreased in 2019 because the bank only purchases electric cars now. All these carbon emissions are offset.

Gas consumption was 26 tonnes in 2019 (2018: 47 tonnes). Gas is supplied by a gas supplier including carbon offset.

In 2019, carbon emissions associated with air travel amounted to 92 tonnes (2018: 114 tonnes). NWB Bank offsets these emissions.

302-4 Initiatives to reduce greenhouse gas emissions and actual reduction

NWB Bank aspires to operate in a carbon-neutral manner regarding accommodation and air travel, by offsetting carbon emissions where needed.

As regards company cars, it seeks to achieve a positive effect by encouraging employees to drive energy-efficient cars. The car scheme for the Managing Board was changed in 2018 to one that is 100% electric. A similar scheme entered into force for employees in 2019. For 2019, carbon emissions caused by company cars were offset.

306-2 Total weight of waste by type and disposal method

As early as 2009, new arrangements were made with the bank's waste processor, which issued a certificate showing that a certain amount of carbon is offset annually through the Climate Neutral Group. The bank has a 750-litre container which is exchanged weekly. However, no insight into the quantity of waste can be given. The waste processor's information does not allow a distinction to be made by type of waste. All waste is processed by the same waste processor, which means no waste is dumped, not even in exceptional cases. Wastewater is disposed of via the sewage system. NWB Bank is negotiating with suppliers to further improve sustainability arrangements.

Given its core activities, NWB Bank does not produce any hazardous waste.

Management approach in respect of Environmental indicators:

Management approach in respect of Environmental indicators:

1. Mobility: The maximum permitted CO₂ emissions per company car are 150 grams per kilometre. In 2019, the car scheme was changed to one that is 100% electric. That change was already made to the Managing Board's car scheme in 2018. Furthermore, the travel policy recommends using public transport. Train travel is preferred over air travel within Europe and arrangements have been made about this with the bank's travel agency. To encourage the use of public transport instead of cars by all staff, they have been given the opportunity to use NS-Business Cards for business travel.
2. When buying items for everyday use, sustainability aspects are taken into account based on the PIANOo procurement criteria of the Ministry of Infrastructure and Water Management (formerly the Ministry of Infrastructure and the Environment). Any breaches of these criteria are discussed with the supplier concerned and may result in termination of the relationship.
3. New arrangements have been made with the bank's supplier of gas, electricity and business travel. In late 2009, a different gas supplier (Greenchoice) was selected, which supplies gas in a carbon-neutral manner through carbon offsetting. Since January 2012, Greenchoice has also supplied the bank's electricity. The contract with Greenchoice has been checked against the conditions for sustainable procurement of the Ministry of Infrastructure and Water Management. There are also arrangements regarding foreign travel, and carbon emissions associated with air travel are offset. In addition, an agreement has been made with the waste processor that carbon emissions will be offset.
4. The environmental management system is shown in Appendix 6. At the Ministry of Infrastructure and Water Management's request, NWB Bank has reviewed how the organisation's CO₂ emissions can be reduced further. Energy label C will apply as a minimum for utility buildings in 2023. This will also apply to NWB Bank.

LABOUR

401-1 Total number of employees and turnover rate by age group, gender, region

At the end of 2019, the management team comprised 13 persons, three of whom were women. At the end of 2019, the Managing Board comprised four persons, one of whom was a woman. NWB Bank's workforce is reasonably constant, with limited turnover.

Year	2019 Number	2019% of employees	2018 Number	2018% of employees	2017 Number	2017 % of employees
Employees aged 60 to 70	3	4,5	1	1,4	1	1,6
Employees aged 50 to 60	21	31,9	18	26,1	15	24,6
Employees aged 40 to 50	22	33,3	29	42,0	27	44,3
Employees aged 30 to 40	13	19,7	12	17,4	10	16,4
Employees aged 20 to 30	7	10,6	9	13,0	8	13,1

In 2019, 10 employees left the bank (2018: none).

The turnover per employee is 1.4 million euros. All employees work in the same entity.

403-2 Injuries, occupational diseases, lost days and absenteeism

The bank has discussed the rate of absenteeism in meetings with the management team and the CSR Committee.

NWB Bank has a target absenteeism rate of 2.0%. No physical accidents or injuries occurred in the workplace.

Year	2019	2018	2017	2016
Total sickness absence	1,8	2,94	2,92	1,8 %
Short absence of up to 7 days		1,09	0,75	1,1 %
Medium-length absence of up to 42 days		0,35	0,49	0,47 %
Long-term absence of up to 365 days		0	0,21	0,24 %
Prolonged absence of up to 730 days		1,50	1,48	

404-1 Average hours of training per year per employee by employee category

The bank attaches great importance to training and development. Department managers monitor employee development at an individual level, giving due consideration to the bank's objectives and making no distinction in terms of gender. Employees also have their own responsibility where their employability is concerned.

In 2019, an average amount of €3,286 per employee was spent on training (including in-company training sessions). It is estimated that a total of 3,340 hours was devoted to training, at an average of 48 hours per employee.

Year	2019	2018	2017	2016	2015	2014
Average costs of training	€ 3.286	€ 4.938	€ 3.096	€ 3.666	€ 4.158	€ 3.672

NWB Bank organised a number of in-company training sessions last year on the subjects of cybercrime, privacy legislation, SQL, cybercrime security, bank capital adequacy under Basel III, the ADM price server and English.

404-3 Percentage of employees receiving regular performance and career development reviews

All bank employees take part in the annual cycle of personal development, assessment and review interviews.

405-1 Breakdown of employees by category according to gender, age, minority group membership and other diversity indicators

No distinction is made on the basis of minority group membership or ethnic origin. A breakdown of employees per employee category according to gender and age group is included.

406-1 Total number of incidents of discrimination and corrective action taken

Discrimination is a type of undesirable behaviour, as laid down in NWB Bank's regulation on unwanted behaviour in the workplace. No incidents of discrimination were reported in 2019.

407-1 CLA

Sixty-three employees are covered by the CLA for the banking industry, whereas six employees (including four members of the Managing Board) are not covered by the CLA for the banking industry. Most of the terms and conditions of employment ensuing from the CLA are applied to the latter category.

The workplace automation project launched by the bank will enable more employees to work from home in 2020. Currently, xx employees have received a laptop. From a security perspective, employees involved in the core processes cannot work from a different location. This applies to the back office, treasury and public finance.

The reception duties are being carried out via job-sharing, i.e. by two part-time employees (for which an external party is being used - evt. weglaten).

Employees can use short- or long-term parental leave as determined by the government. Supplemental agreements in the CLA for the banking industry also apply.

NWB Bank does its utmost to facilitate a flexible work situation in which care and studies can be combined with performing one's duties, regardless of the type of position.

412 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening

NWB Bank offers its lending services solely in the Dutch public sector. The Netherlands has legislation and constitutional provisions on human rights, which is why the agreements NWB Bank enters into do not contain specific paragraphs on human rights. NWB Bank has signed the ICSR agreement (see Appendix 4).

In analysing clients and transactions, NWB Bank is bound by the Dutch Financial Supervision Act (Wft) and the Dutch Anti-Money Laundering and Terrorist Financing (Prevention) Act (Wet ter voorkoming van witwassen en financieren van terrorisme, Wwft).

HUMAN RIGHTS (SUPPLY CHAIN MANAGEMENT)

NWB Bank recognises that human rights are universal values and as a business has a responsibility to respect them. Human rights are defined as the rights inherent to all human beings and are deemed to constitute the basis for all rights set out in legislation and guidelines. Human rights apply to everyone, everywhere and at any time. If and when relevant, the bank pledges to mitigate or – ideally – prevent any adverse human rights impact on its clients and/or staff. The bank takes this into account in its office organisation and its lending activities.

The core of established international human rights legislation is formed by the following:

- UN treaties and conventions (International Bill of Human Rights: Universal Declaration of Human Rights, UN Global Compact)
- Guidelines/declarations of international organisations (OECD Guidelines on human rights, ILO Declaration on Fundamental Principles and Rights at Work)
- EU regulations
- National legislation

NWB Bank is a bank of and for the Dutch public sector. The bank conducts lending activities solely in the Netherlands and its clientele consists mainly of local and regional authorities (water authorities, municipalities and provinces), and institutions guaranteed by local and regional authorities, such as housing associations and healthcare institutions. The potential impact of the bank and its clients' activities on human rights are therefore not labelled as material, but this does not imply that the bank does not recognise its responsibility in this area.

Under the Dutch Banking Sector IRBC Agreement and the OECD Guidelines, adhering banks must have a procedure in place to identify, prevent and mitigate the actual and potential impacts of their activities. In addition, they must communicate in what way they have addressed these impacts. This process is referred to as 'due diligence' and NWB Bank has made human rights a standard component of its generic Customer Due Diligence policy (CDD policy). Given the limited impact of the bank's and its clients' activities on human rights as stated earlier, and partly for practical reasons, the bank has not drawn up a separate CDD policy on human rights.

The bank's generic CDD policy concerns lending to its regular clients, such as the local and regional authorities, housing associations, schools, drinking water companies and healthcare institutions, as well as the financing of Dutch Public-Private Partnerships. Under the Dutch Banking Sector IRBC Agreement, banks that provide project financing will require these clients to establish or participate in a complaints mechanism. This will give victims of human rights violations a platform for focusing attention on their situation. This measure is specifically stated in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

(UNGP). Specifically, NWB Bank requires new and existing clients to supply sufficient information about a project so it can assess any social risks, including human rights. If there are social risks, the bank will assess these risks and consider the results of the stakeholder dialogue that the client must conduct with those potentially affected by the project. This assessment is based on IFC Performance Standard 7 and includes a Free, Prior and Informed Consent (FPIC) analysis.

Potential injured parties are informed individually of the action taken and its results. NWB Bank will always cooperate in remedying the consequences of misconduct in its business activities or that of supply chain partners. Redress will be determined in consultation with potentially injured parties.

NWB Bank's lending activities focus solely on the Dutch public sector. The bank primarily serves local and regional authorities, and institutions guaranteed by local and regional government bodies, such as housing associations and healthcare institutions. The bank's clients all fulfil a public task and logically have a very low human rights risk profile. Therefore, they do not form part of the 'high-risk sectors'.

The socially responsible playing field of Dutch public sector clients is safeguarded because there is a democratic decision-making process in the Netherlands, because the central government and its ministries conduct supervision, and because there are specific supervisory authorities that conduct supervision of the public sector such as the housing associations (supervisory authority: the Netherlands Authority for Housing Associations – AW) and the healthcare institutions (supervisory authorities: the Dutch Health and Youth Care Inspectorate – IGJ and the Dutch Healthcare Authority – NZa). In the unlikely event that NWB Bank should nevertheless start to provide services to a client group associated with a high human rights risk, the bank will conduct a Product Approval and Review Process. During this process, the bank will form an opinion on any human rights risks and draw up an additional policy if necessary.

As a signatory to the Dutch Banking Sector Agreement on International Responsible Business Conduct regarding Human Rights (IRBC), NWB Bank has committed to report on its human rights policy each year. NWB Bank reports within the scope of the UN Guiding Principles Reporting Framework, which is the authoritative worldwide standard for companies to report on how they respect human rights. The framework comprises several questions, which NWB Bank answers in Appendix 4 of this document. The relevant GRI indicators are outlined below.

406-1 Incidents of discrimination and corrective action taken

Treating each other with respect constitutes the basis of a healthy working climate. There is no place for discrimination. NWB Bank has 'Regulations on inappropriate behaviour in the workplace', which offers employees who have personally been a victim of inappropriate behaviour in whatever form the opportunity to submit a complaint. No reports of discrimination within the organisation were made in 2019.

411-1 Incidents of violations involving rights of indigenous peoples

NWB Bank conducts lending activities solely in the Netherlands and therefore does not come into contact, either directly or indirectly, with indigenous peoples.

412-1 Activities subject to human rights reviews or impact assessments

As a project financier, NWB Bank is active in Dutch Public-Private Partnership (PPP) projects. The bank applies the Equator Principles in performing customer due diligence (CDD) on the special purpose vehicle, which includes a

human rights impact assessment. NWB Bank requires new and existing clients to supply sufficient information about a project so NWB can assess any social risks, including human rights. If there are social risks, the bank will assess these risks and consider the results of the stakeholder dialogue that the client must conduct with those potentially affected by the project. This assessment is based on IFC Performance Standard 7 and includes a Free, Prior and Informed Consent (FPIC) analysis.

There were no cases of misconduct in 2019.

412-3 Percentage and total number of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

Human rights are enshrined in the Constitution for the Kingdom of the Netherlands and always apply to everyone in the Netherlands. NWB Bank conducts lending activities solely within the Netherlands and therefore a specific passage on human rights need not be included in NWB Bank agreements and contracts. PPP financing forms an exception. In the assessment of Dutch PPP infrastructure projects financed by NWB Bank, clients or their advisers are required to apply the Equator Principles to social risks, including human rights risks, and to environmental risks. Dutch PPP accommodation projects only assess environmental risks.

413-1 Activities that involve local communities, impact assessments and development programmes

NWB Bank explicitly takes the direct or indirect impact of its lending activities on local communities into account. Similarly, this also applies to the bank's own funding. By issuing Water Bonds and Social Bonds, the bank reaches investors with a particular interest in communal and social impacts. These specific bonds are in high demand and their benefits accrue to the bank's clients and hence to local communities. Therefore, NWB Bank's impact is positive rather than negative in terms of this human rights aspect.

413-2 Activities with considerable actual and potential negative consequences for local communities

As a bank of and for the public sector, NWB Bank helps its clients create added value for society. The bank only finances institutions with a public service mission and therefore it is unlikely that its activities will have an actual or potential negative impact on local communities.

APPENDIX 1 CALCULATION OF CARBON FOOTPRINT

To report the emission of greenhouse gases connected with an organisation's activities, 'activity data', such as the distance travelled, litres of fuel used or tonnes of waste and the carbon emitted, are gathered from users. The Defra factors provide the values that should be used for conversion into carbon emissions. Defra provides step-by-step instructions on how to use the factors and enables users to calculate the volume and nature of greenhouse gases they use for their reports.

Overview of NWB Bank's Carbon Footprint					
Paper, office	Unit	Amount	Factor	Unit	CO ₂ emissions
Total amount of paper	kg	1320	3.08	kg CO ₂ /tonne kg	1
Data collection method details (measurement, calculation, estimate) and assumptions used	Based on supplier's invoices				
Natural gas, office	Unit	Amount	Factor	Unit	CO ₂ emissions
Total amount of natural gas	Nm ³		1.78	kg CO ₂ /nm ³	27
Data collection method details (measurement, calculation, estimate) and assumptions used	Based on Greenchoice gas bill				
Electricity	Unit	Amount	Factor	Unit	CO ₂ emissions
Amount of 'green' electricity (solar, hydro, wind, geothermal heat, biomass)	kWh	264.888	0	kg CO ₂ /kWh	0
Amount of 'grey' electricity (other, including nuclear energy)	kWh	0	0.463	kg CO ₂ /kWh	0
Total					0
Data collection method details (measurement, calculation, estimate)	Based on Greenchoice bill				
Company cars	Unit	Amount	Factor	Unit	CO ₂ emissions
Total amount of petrol	Litre	20,460	2.78	kg CO ₂ /l	57.29
Total amount of diesel	Litre	2,140	3.135	kg CO ₂ /l	6.85
Total amount of LPG	Litre	0	1.86	kg CO ₂ /l	0
Total based on litres					64
Total for cars					64
Data collection method details (measurement, calculation, estimate)	Petrol and diesel costs are based on travel card. Average diesel price and petrol price (www.statline.cbs.nl)				

Air travel	Unit	Amount	Factor	Unit	CO ₂ emissions
Short (zone 1)	Number	54		kg CO ₂ e/km	
Medium (zone 2)	Number	6		kg CO ₂ e/km	
Long (zone 3)	Number	1		kg CO ₂ e/km	
Total					92
Data collection method details (measurement, calculation, estimate)	Flight data based on list of settled AirPlus transactions. These flight data are then offset via the Climate Neutral Group (per zone).				
Total CO₂ footprint					186

The monetary value of the carbon footprint can be calculated using the CO₂ price, which at Helvetica Neue 10 per tonne at the end of 2019 amounts to €1,860, based on the Trees for All calculation of CO₂ emission offset.

APPENDIX 2: ANALYSIS OF THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

The Ten Principles of the United Nations Global Compact	Category	Risks	Impact	Opportunity	Goals (NWB/Country Level)	Action
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	Human rights	non-compliant to covenant	Low	be more transparent about relevant human rights aspects	Future: NWB Bank will comply with the ICSR agreement	NWB Bank adheres to the ICSR agreement for Dutch Banks
Principle 2 make sure that they are not complicit in human rights abuses.	Human rights	non-compliant to covenant	Low	be more transparent about relevant human rights aspects	Future: NWB Bank will comply with the ICSR agreement	NWB Bank adheres to the ICSR agreement for Dutch Banks
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Labour	-	Low	be more transparent about country performance	Current: NWB Bank adheres to the CLA for the banking industry.	-
Principle 4 the elimination of all forms of forced and compulsory labour.	Labour	-	Low	be more transparent about country performance	Country level	Refer to the WJP Rule of Law Index, The Netherlands ranking (http://worldjusticeproject.org) > Global Rank 5 (unchanged) in the latest report
Principle 5 the effective abolition of child labour.	Labour	-	Low	be more transparent about country performance	Country level	Refer to the WJP Rule of Law Index, The Netherlands ranking (http://worldjusticeproject.org): > Global Rank 5 (unchanged) in the latest report
Principle 6 the elimination of discrimination in respect of employment and occupation.	Labour	lack of transparency	Medium	transparent about company and/or country standards	Current: As required by law and the collective labour agreements in place, NWB Bank approaches its employees respectfully and with due care, and does not in any way discriminate	-
Principle 7 Businesses should support a precautionary approach to environmental challenges.	Environment	-	Medium	focus on energy transition and environmental/social impact	Project finance and bond issuance related to energy transition and environmental/social impact	NWB Bank is financial partner of Climate Investor One, NWB Bank shares knowledge with Kenya Water Finance Facility and NWB Bank has issued Affordable Housing Bonds to support Social Housing in the Netherlands
Principle 8 undertake initiatives to promote greater environmental responsibility.	Environment	-	Medium	Goals, training and implementation of EMS	-	Assess the possibility of implementing an EMS and perform an energy audit
Principle 9 encourage the development and diffusion of environmentally friendly technologies.	Environment	no differentiation in lending terms	High	earmarking lending to projects with environment friendly technologies	New: 'impact lending': cooperation agreement with EIB and others	Consider special terms (discount rate) for projects with environmentally friendly technologies (impact lending)
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-corruption	no training or dated policy	Low	training and policy update	Current: biannual anti-corruption/integrity training	- Biannual training - Client due diligence policy has been updated

APPENDIX 3 NVB CLIMATE STATEMENT

NVB's climate statement banks	NVB's explanation per statement	Update
1. Dutch banks are transparent about the impact of our operations on climate change and we are working on the continuous improvement of energy efficiency.	Dutch banks aim to continuously reduce the greenhouse gas emissions of their business (offices and mobility). They report on this in their annual reports. A large share of Dutch banks has achieved 'climate neutrality' on operational level, and some other Dutch banks hope to achieve this in the near future. Climate neutrality means that some of the emissions that cannot be avoided are 'compensated' elsewhere, for example by planting additional trees to absorb the surplus greenhouse gases. Some banks have consciously decided to not (yet) compensate their emissions because they want to focus on reducing these even further.	NWB Bank provides an explanation of the CO ₂ Footprint. NWB Bank compensates for this total CO ₂ emission. https://nwbbank.com/en/about-nwb-bank/social-responsibility
2. Dutch banks take sustainability, climate impact and environmental damage into consideration in our financing and investment decisions.	Each bank has a sustainability policy which determines how they determine and minimise the environmental and climate risks associated with their services. All Dutch banks have disclosed their sustainability policy and are accountable for it.	NWB Bank has published its sustainability policy on its website. https://nwbbank.com/en/about-nwb-bank/social-responsibility
3. Dutch banks work towards transparency regarding the positive and negative impact of our loans and investments on climate change.	Banks are providing ever more insight in their activities, for example to which sectors they lend money. In addition, it is important that a reliable estimation method be developed to facilitate a sound assessment of the climate impact of financing and investing decisions. Estimation is currently needed because there is a lack of information on the climate impact of many of the companies and institutions to which banks provide financing. It would be even better if reliable data on the climate impact of businesses and institutions would be made available (see proposition 10)	The issue of Green Bonds makes it clear to NWB Bank how loans to water boards contribute to positive effects on climate change. For example, in addition to leading the way in climate adaptation and mitigation, the water boards are also leaders in limiting their own energy consumption and generating their own sustainable energy. With the self-generated sustainable energy, the water boards in 2016 already provided 32.6% of their own energy needs. Their goal is that this share will be 40% in 2020 and want to be 100% energy neutral by 2025. In addition, the water boards' ambition is to strongly reduce the CO ₂ climate footprint. Together with the Unie van Waterschappen, NWB Bank has ordered Arcadis to update the impact measurement in the climate monitor. https://nwbbank.com/en/about-nwb-bank/publications/green-bond-newsletters
4. Dutch banks encourage our customers to reduce CO ₂ emissions wherever possible and provide products and services to assist them in this endeavour.	Energy saving pays off and is just as much in the interest of the customer as the environment. For this reason, in their role as financial advisors, Dutch banks encourage both their corporate and private clients to reduce their energy use at home and at work. Banks are further trying to find innovative ways to promote energy-efficiency, both separately and collectively, within the NVB.	The issue of Green Bonds makes it clear to NWB Bank how loans to water boards contribute to positive effects on climate change. For example, in addition to leading the way in climate adaptation and mitigation, the water boards are also leaders in limiting their own energy consumption and generating their own sustainable energy. With the self-generated sustainable energy, the water boards in 2016 already provided 32.6% of their own energy needs. Their goal is that this share will be 40% in 2020 and want to be 100% energy neutral by 2025. In addition, the water boards' ambition is to strongly reduce the CO ₂ climate footprint. https://nwbbank.com/en/about-nwb-bank/publications/green-bond-newsletters
5. Dutch banks strive to accelerate the sustainability of the Dutch housing stock, offices and other property.	Mortgages on houses and business premises represent a significant part of Dutch banks' balance sheets. CO ₂ emissions in many of these buildings could still be significantly reduced. This is also necessary for realising the targets of the Energy Agreement for Sustainable Growth, to which the NVB is a party. In recent years, the possibilities to borrow money for investment in energy saving measures have increased. And banks have taken various initiatives to inform customers and to encourage them to make their real estate more sustainable. Currently, the NVB and the Dutch government are exploring how the sector can make an even bigger contribution to increasing the sustainability of real estate.	1 IN 3 SOCIAL RENTAL HOUSES IN THE NETHERLANDS IS FINANCED BY NWB BANK' Corporations invest in, among other things, energy saving and a sustainable housing stock, thus contributing to a better environment and lower housing costs for their tenants. Tenants with sustainable homes are "better off"; they live more comfortably and the energy costs can be considerably lower, so that there is less pressure on affordability. For new construction, the "zero on the meter" concept is increasingly being used and materials from demolished houses are being reused. To make the existing housing stock more sustainable, it is true that investments are not always economically viable. In accordance with the Housing Agenda, the corporations aim for an average energy label B at sector level in 2021. https://nwbbank.com/en/about-nwb-bank/publications/social-bond-newsletters
6. Dutch banks enter into dialogue and collaboration with society on climate adaptation and mitigation and its financing.	Climate change will be felt, in the Netherlands, but even more in other countries. There is a need for adaptability and creative solutions. Dutch banks are involved in the dialogue on how these solutions can be financed, for example by providing technical expertise within the context of the Energy Agreement. The NVB intends, in consultation with the Dutch government, to look into what additional role fits banks best.	https://nwbbank.com/en/news
7. Dutch banks play an active role in the development of national and international policies and criteria for climate and energy-related investments, such as Green Bonds.	Harmonised policies and sound criteria are essential to enable innovative tools such as Green Bonds to do their work. Dutch banks want to prevent money leaking into financial tools that have no added value for the climate. In the Netherlands, the 'green investment/ saving' scheme, implemented by the so called Green Banks, has for years been an effective tool to channel private funds into projects that create energy savings or sustainable energy. With this scheme, the Dutch government guarantees the positive impact of the projects. The banks will advocate this kind of green financial tools with tough quality criteria internationally, both within the context of the NVB and beyond	NWB Bank provides annual explanations of its Affordable Housing Bonds (Social Bonds) and Water Bonds (Green Bonds) through 'news letters'. How they contribute to achieving the Sustainable Development Goals can be found in the "Affordable Housing Bond Newsletter" and the "Green Bond Newsletter" of NWB Bank, respectively. In addition, NWB Bank organizes "reverse road shows" where international SRI investors are invited to go through climate adaptation and mitigation projects in the Netherlands as well as sustainable social housing projects. https://nwbbank.com/en/about-nwb-bank/publications/social-bond-newsletters https://nwbbank.com/en/news
8. Dutch banks encourage the Dutch government to implement binding, effective European climate objectives, including in its capacity as future holder of the EU Presidency.	The contribution that banks can make to the climate issue is essential, but limited. It is essential that the Dutch government and in the international context the governments, set targets that provide sufficient guarantee that the average temperature on earth rises by no more than two degrees Celsius compared to the period before the industrial revolution. The targets should also serve to safeguard the level playing field in the market.	NWB Bank follows the Dutch government
9. Dutch banks encourage the Dutch government to view climate change as a top priority during its EU Presidency and work towards creating an effective CO ₂ price.	An effective CO ₂ price is an essential precondition for the transition to a sustainable economy. A realistic price is needed so that investing in, for instance, sustainable energy and energy savings becomes more profitable than is currently the case. Without these investments, the long term climate goals (80-95% reduction in emissions in 2050/ temperature rise of no more than two degrees Celsius compared to the period before the industrial revolution) are not feasible.	NWB Bank follows the Dutch government
10. Dutch banks encourage the Dutch government to provide incentives for companies and institutions and enable them to publish their CO ₂ emissions so that banks can better include the climate impact in their financing and investment decisions.	Not all companies and institutions to which banks lend money are required to disclose their CO ₂ emissions. As a result, banks have to use estimates to calculate the indirect climate impact of their activities. Banks are working on improving these estimates, but reliable, easily accessible information about the actual climate impact would be even better. Then it would be easier for banks to measure their indirect climate impact (see proposition 3).	Together with the Association of Water Boards, NWB Bank has commissioned the Arcadis research agency to map and measure the climate impact of the water boards.

APPENDIX 4 UN GUIDING PRINCIPLES REPORTING FRAMEWORK

NWB Bank has implemented its human rights policy in accordance with the UN Guiding Principles on Business and Human Rights and reports on human rights according to the UN Guiding Principles Reporting Framework drawn up for this purpose. This framework is the authoritative worldwide standard for companies to report on how they respect human rights, and is based on the UN 'Protect, Respect and Remedy' framework. The UN Guiding Principles Reporting Framework consists of three parts and contains a total of 31 questions companies must answer to determine the level of compliance with the Guiding Principles. NWB Bank's answers to those questions are shown in the table below.

Part A, Part B and Part C of the Framework	UN Guiding Principles Reporting Framework	The NWB Bank approach
PART A: Governance of respect for human rights		
A1: policy commitment	What does the company say publicly about its commitment to respect human rights?	
	A1.1 How has the public commitment been developed?	The public commitment is developed by the CSR committee of NWB Bank on the basis of relevant covenants (including UN GP Reporting Framework).
	A1.2 Whose human rights does the public commitment address?	It addresses the potential human rights issues related to NWB Bank and its clients.
	A1.3 How is the public commitment disseminated?	The policy for human rights is published on the website of NWB Bank.
A2: embedding respect for human rights	How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?	
	A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?	The Public Finance department has day-to-day contact with clients and applies the CDD policy of NWB Bank. The CSR committee takes responsibility through policy and procedures (Equator Principles and CSR policy).
	A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?	Potential Human Rights issues that are related to project finance are being discussed at management and managing board level.
	A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?	Employees are at the start of their employment made aware of the existing policy and procedures in place.
	A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?	NWB Bank stresses the importance and relevance of human rights through stakeholder engagement and via its website.
	A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?	The CSR policy and reporting have been improved and more awareness is created with regard to human rights.
PART B: Defining the focus of reporting		
	B1 Statement of salient issues: State the salient human rights issues associated with the company's activities and business relationships during the reporting period.	Potential Human Rights assessments were related to project finance, but so far no risk issues have been determined in relation with the bank's activities and business relationships.
	B2 Determination of salient issues: Describe how the salient human rights issues were determined, including any input from stakeholders.	Potential Human Rights assessments were related to project finance, but so far the bank has not encountered any risk issues in relation with the bank's activities and business relationships nor has any input been received from stakeholders.
	B3 Choice of focal geographies: If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.	Not applicable, because the NWB bank only has clients which are located in the Netherlands.
	B4 Additional severe impacts: Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.	There is no adverse impact expected for the Dutch public sector client base of NWB Bank.

PART C: Management of salient human rights issues		
C1 Does the company have any specific policies that address its salient human rights issues and, if so, what are they?	C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them?	The bank shares and discusses its human rights policy and procedures and their relevance with relevant employees.
C2 What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?	C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?	Stakeholder engagement and CDD is mainly on a case-by-case approach with regard to human rights.
	C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?	Not applicable, because there have been no salient human right issues in 2019.
	C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?	Not applicable, because there have been no salient human right issues in 2019.
C3 How does the company identify any changes in the nature of each salient human rights issue over time?	C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?	Not applicable, because there have been no salient human right issues in 2019.
	C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?	Not applicable, because there have been no salient human right issues in 2019.
C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?	C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?	Stakeholder engagement and CDD is mainly on a case-by-case approach with regard to human rights.
	C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?	Potential tensions will be addressed in the relevant committee and/or in the Managing Board.
	C4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?	Not applicable, because there have been no salient human right issues in 2019.
C5 How does the company know if its efforts to address each salient human rights issue are effective in practice?	C5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?	Not applicable, because there have been no salient human right issues in 2019.
C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?	C6.1 Through what means can the company receive complaints or concerns related to each salient issue?	Information about the bank's complaint procedure is published on our website at which also an email address can be found to submit any complaint to.
	C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?	Clients and stakeholders are encouraged to open up about any potential concerns in client meetings and/or stakeholder engagement meetings.
	C6.3 How does the company process complaints and assess the effectiveness of outcomes?	Complaints are discussed at Managing Board level with involvement of the bank's Compliance Officer.
	C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?	No complaints were received in 2019.
	C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?	Not applicable, because there have been no salient human right issues in 2019.

APPENDIX 5 CSR GLOSSARY

Affordable Housing Bond: NWB Bank has issued 'Social Bonds', the proceeds of which are used to finance social housing. In this context, NWB Bank uses the ICMA's Social Bond Guidance.

Biodiversity: biodiversity or biological diversity is a degree of variation of life forms within a given ecosystem, biome or an entire planet. Biodiversity is a common measure of the health of ecosystems.

Circular economy: an economic system that maximises the reusability of products and raw materials, and minimises the loss of their value. This is fundamentally different to the current linear system, in which raw materials are used to manufacture products that are destroyed at the end of their useful lives.

Sustainability exclusion criteria: within the CSR policy, the CSR exclusion criteria apply to NWB Bank's lending. As a bank of and for the Dutch government, NWB Bank only provides credit to the public market in the Netherlands. The bank's lending rules are clearly defined in the objects clause.

Equator Principles: risk management framework for project financing, adopted by financial institutions, which is used to determine, assess and manage social and environmental risks in projects.

Global Reporting Initiative (GRI): an independent international entity that helps organisations to communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption, etc.

Green Bonds: NWB Bank has issued 'Water Bonds', the proceeds of which are used to finance the water authorities' 'green' activities. NWB Bank uses the Green Bond Principles (see the definition above), which constitute the authoritative standard in the market for the issuing of such bonds.

ICSR agreement: a set of agreements made by banks in the Netherlands on addressing and preventing human rights violations in connection with the corporate financing and project financing of banks and their business partners.

Complaints procedure: NWB Bank provides stakeholders with an opportunity to submit a complaint through a complaints procedure. This procedure is mentioned on the website.

Climate adaptation and mitigation: climate change can have major consequences. Ways of tackling those consequences include adapting to them and mitigating climate change.

Climate-neutral: all the activities of a business should not have a net negative impact on the climate and therefore should not contribute to climate change.

Management approach: a reporting item within the GRI framework and is intended to provide readers of the section on 'The Sustainable Water Bank' with information on NWB Bank's strategy and management, and with a context in respect of the reported performance targets, minimum framework conditions and trends in CSR performance.

NWB Fund: The NWB Fund offers water authorities financial resources so they can help solve global water-related issues based on their core tasks and core values.

Platform Carbon Accounting Financials (PCAF): The Platform Carbon Accounting Financials (PCAF) has developed a measuring method which can be used to illustrate the CO₂ impact of investments and lending operations.

Material Issues Plot (MIP): an overview of the material issues, which are assessed in terms of their importance to the organisation (NWB Bank) on the one hand and its stakeholders on the other.

Product approval and review process/PARP: a process implemented by the bank when deciding whether to provide or distribute a certain product at its own risk and expense or for the benefit of its clients. All new products undergo this process.

GRI Guidelines: GRI reporting guidelines which organisations use when reporting on their material issues and the accompanying environmental, social and economic effects.

Stakeholder dialogue: in the context of CSR, the bank considers all individuals and organisations with which it works or which attach importance to the social role it fulfils as a promotional bank to be stakeholders. In any event, these stakeholders include shareholders, clients, investors, employees, the government and supervisory authorities.

Sustainable Development Goals (SDGs): set of goals launched in 2015, formulated by the United Nations and intended as a new conceptual framework guiding sustainable development. NWB Bank and the other Dutch banks seek to play an active part in increasing the sustainability of the economy, and the SDGs will be a key frame of reference in doing so.

Transparency: transparency is the degree of openness, visibility and accessibility of NWB Bank towards its stakeholders concerning all relevant aspects of its organisation and associated business activities.

UN Global Compact: a United Nations initiative relevant to undertakings that want to operate and report in a socially responsible manner. It comprises ten principles in the areas of human rights, labour, environment and anti-corruption.

APPENDIX 6 ENERGY AUDIT

PREFACE

Since its founding in 1954, NWB Bank's strategy has focused on efficiently bundling the financing needs of customers in the public playing field. The strategy focuses on profit, which is sufficient to guarantee the continuity of the bank and which makes the development of the bank possible in the future.

The bank's shares are wholly owned by Dutch governments. The statutory embedding of the Dutch governments as shareholders and the delimitation of lending to the public sector guarantee the solid profile of NWB Bank. Sustainability and social relevance are important spearheads in this strategy.

NWB Bank is located in The Hague at Rooseveltplantsoen 3. The NWB Bank employs approximately 65 employees. NWB Bank has 1 branch. It is a challenge for a small office organization such as NWB Bank to also have an impact on the environment. NWB Bank as an organization serves as an example to its stakeholders and considers responsible and conscious dealing with the environment to be important.

There is an obligation under the SER Energy Agreement and the European Energy Efficiency Directive (EED) to prepare an Energy Audit for companies every 4 years. The scheme is mandatory for companies that meet the following criteria: more than 250 employees or an annual turnover of more than € 50 million.

NWB Bank meets the annual turnover criterion.

This report from the Energy Audit was commissioned by NWB Bank by consultancy firm Diepenhorst de Vos en Partners (DVP) based on the guidelines of the Netherlands Enterprise Agency.

1. GENERAL

1.1 Scope of the study

NWB Bank was assessed in this study with regard to the office building, the processes and the actions that occur energy carriers.

The office is located at Rooseveltplantsoen 3 in The Hague. The office of NWB Bank is owned by the bank and has a joint parking garage with the neighbors, New Skies Satellites. The parking garage is where relevant, included in this study.

For the processes, the transport flows of the employees were examined.

Regarding energy consumption, we looked at all energy carriers and the total energy consumption.

1.2 Stakeholders

The research was conducted by the adviser of NWB Bank, DVP, under the leadership of Mr P.V. Kauffmann.

Within NWB Bank, Ms. M. Bauman, HR & Facility Management, is responsible for the Energy Audit.

1.3 Project approach

For the Energy Audit in this report, the building with installations has been listed at NWB Bank. Here is (also) made use of an investigation in the context of the expected legislation that in 2023 offices mandatory energy label must have. NWB Bank is required to perform an Energy Audit based on the annual turnover.

However, NWB Bank is not a large organization. The bank has around 65 employees. The office building is accordingly sized.

In addition, the transport flows have been mapped. This information is provided with the NWB Bank collected every year in the context of the CSR report as part of the annual report of NWB Bank. Transport flows are limited due to the size and nature of the organization.

The report has been drawn up in a more inventive way in this context.

2. DESCRIPTION OF THE ENERGY SITUATION

2.1 Technical description

The office building consists of 5 floors (ground floor to 4th floor) and a roof structure (elevator machine room and boiler house).

Under the ground floor there is a basement for the parking garage. There are also a few archive rooms on this level to provide. The parking garage is shared with the neighbors, New Skies Satellites. The parking garage has one joint entrance and exit. New Skies Satellites has its own entrance to its office. The NWB Bank is 40% owner of the parking garage.

The office of NWB Bank was completed and opened in 1984.

A major renovation took place in 2010-2011. A part of the installations has also been replaced / renewed.

The gross floor area of the NWB Bank office building is for the 5 floors + the roof structure 2,000 m² in total.

The basement part (parking garage + core) of NWB Bank is approximately 800 m².

The building is constructed from a concrete structure. The stability of the building is taken care of by the concrete walls in the core.



2.1.1 Building envelope

The facades consist of insulated masonry cavity walls and insulated aluminum windows and frames. The concrete roofs of the office building including the terraces are insulated. Depending on the application (accessible terraces, the sloping roof and the roof of the boiler house, etc.) the roof is finished with tiles, bituminous roofing material or copper. The outer walls and roofs form one closed thermal shell. To the ground floor to the parking garage is not isolated at the bottom of the office building. The choice for this is due to the fact that return air from the building is partially used around the parking garage to keep at the right temperature (efficient use of energy). The parking garage is indeed "outside space", but through this effective technical solution means there is very little energy loss through the ground floor. The temperature of the garage does not fall below 18° C even in the cold winter months. This makes the difference between offices to a parking garage only a few degrees and therefore the energy loss is limited. For the calculation of the energy label, however, the garage is included as "outside space". As a result, the energy loss is on paper big. In the context of the energy label, consideration should be given to whether the floor should be insulated.

However, this does not yield any energy gains.

In addition to insulating the ground floor, any sustainability measures are: replacing the glazing of the windows and frames of the facades in HR ++ glass. It must be determined whether replacing glass is appropriate within the existing detailing of the insulated aluminum profiles. Moreover, the glass is on the ground floor made as impact-resistant glass. It must be assessed whether replacement makes economic sense.

The cavities of the masonry facades (after) insulation is not possible within the existing detailing. Of course it would for large-scale renovation (demolition of the complete brickwork facades and aluminum frames and the application of another detail) the insulation can be brought to a higher level. However, this is not an economic one feasible measure.

2.1.2 Space ventilation

The offices are equipped with a ventilation system, whereby the amount of fresh air is and is at least 2-fold furthermore based on the internal heat load and the occupancy.

Extraction: 90% of the air supply, so that a slight overpressure is created.

Meeting rooms are based on a minimum of 35 m³ / h per person. With larger occupations, the ventilation needs are controlled locally.

Operating times: standard between 7:30 AM and 6:00 PM. The possibility of overtime arrangement is provided by at the central counter to activate the overtime arrangement. Given the size of the office and the practical use no individual arrangement per room is required by employees.

Heat recovery: is provided in the air handling unit (twincoil).

With the return air from the offices, the air circulation in the parking basement is fed, which in that way is fed up at least 15° C.

2.1.3 Space heating and cooling

Boiler: 2 gas-fired central heating boilers manufactured by Remeha type 210 eco with a nominal capacity of 115 kW, that meet Gaskeur HR107.

Controls: the boilers are controlled by the Priva DDC system with a weather-dependent control. In principle, space heating is done via the radiators along the facades. The heating elements are linked to the temperature sensors in the room.

The boilers, dating from 2002, will have to be replaced within a few years (economic life). When the choice is then made for replacement, all technical and financial possibilities (ie energy-efficient) will be made and high-efficiency) are viewed from the way of heating. A cooling machine is used for cooling the building (installed on the roof). The cold generated from the cooling machine serves for (possibly where necessary) pre-cooling the ventilation air in the supply cabinets and for feeding of the cooled water networks of the cooling ceilings with which the various spaces can be post-cooled locally.

2.1.4 Room and outdoor lighting

In 2010, the internal renovations replaced the ceilings including lighting in combination with the cooling ceilings. ETAP line luminaires with 28W T5 lamps were used for the lighting. When the renovation took place in 2010 no suitable LED lamps available yet. When replacing the fixtures (remplace) will be looked at in due course whether any available LED lamps fit into the home of the fixtures.

The lighting of the offices is switched and is connected via the control installation to the presence detectors. Almost continuous staffing is available during office hours. There is no separate circuit for each room. Outdoor lighting is present around the building that is controlled by a twilight switch.

There is advertising lighting in one place.

2.1.5 Tap water

Water connections are provided on all sanitary appliances and the pantries.

The sinks in all toilet groups are equipped with hot water connections.

Hot water is generated by a central boiler and is supplied by an insulated circulation pipe.

2.1.6 Kitchen

There is a (limited) kitchen on the 4th floor. The kitchen installation is limited and can best be described be like a big pantry.

2.1.7 Cooling installation

The cooling installation is described in section 2.1.3.

There are no cold stores.

2.1.8 Transport installations

There is 1 elevator in the office building (basement up to and including the 4th floor). As a result, there is also no comprehensive lift control and regulation.

2.1.9 Server space

The server room is very important for the work of NWB Bank.

An uninterrupted data network is required by the regulators (such as the ECB).

That is why backups and a UPS (nobreak and emergency power) are provided for power outages and power outages on the data network. The server room is equipped with local cooling.

2.1.10 ICT

The following printers / copiers and desktops / screen / laptops (as of May 2018) are used.

Type	Number
Monitor	92
Desktop	62
Laptop	15
Printer	1
Multifunctional	17

These facilities are tailored to the needs. When replacing / supplementing, the selection criterion also takes into account the energy consumption.

2.1.11 Energy registration and monitoring system (EBS)

Given the size of the office building, no energy registration and energy monitoring system is provided.

3 ENERGY

3.1 Energy purchasing

Electricity and gas are purchased sustainably from Greenchoice.

The gas consumption is compensated by the gas supplier, including a CO₂ compensation. Electricity is green and therefore gives no CO₂ emissions.

3.2 Energy use

The gas is supplied by the gas supplier including a CO₂ compensation.

Electricity is green and therefore gives no CO₂ emissions.

3.3 Influence factors for energy use

The influence factors on the energy consumption of the office building are limited.

During the internal renovation in 2010, as many saving measures as possible were taken, based on the available options.

In the event of replacement, the measures will always be tested against energy consumption / sustainability etc.

4 SAVING MEASURES

Savings measures at a small organization such as NWB Bank are relatively small.

Nevertheless, environmental benefits can be achieved with each individual measure. In all cases, the measures will have to be assessed against economic feasibility, technical lifespan, energy saving, etc.

Building and installations:

- Replacement of glazing in the aluminum frames.
- The installation of PV panels on the roof. Given the size of the roof surface, this is only possible to a limited extent. Whether the installation of PV panels on the sloping copper roof is permitted must be investigated since the area has been designated as a "protected cityscape".
- Installing a heat pump.
- Installing LED lighting throughout the entire building.
- Applying a CO₂ control to the heat recovery.
- The replacement of gas-fired central heating boilers, whereby it will have to be assessed how the heating will be supplied with fuel.

Organization:

- Slight growth of the organization is foreseen. This is based on the assumption that growth will continue is taken care of within the existing office. Of course it must be looked at that the building and the installations still meet the programmatic principles. - All transport movements (commuting, scheme, car, train and air travel) are always weighted in the context of sustainability and from 2019, the fleet will be gradually replaced by electric cars.

5 PLAN OF APPROACH

The savings measures will be regularly on the agenda from NWB Bank management.

The energy saving, feasibility, etc. criteria are always used.

Individual measures will be taken accordingly.