



Obvion N.V.

POST-ISSUANCE VERIFICATION LETTER

Low Carbon Buildings Criteria of the Climate Bonds Standard

Type of engagement: Assurance Engagement

Period engagement was carried out: June 2024

Approved verifier: Sustainalytics

Contact address for engagement: De Entree 35-37 – 1101 BH, P.O. Box 22703 – 1100 DE, Amsterdam, The Netherlands

Post-Issuance Engagement Leader: Javier Frisancho Salinas,

javier.frisanchosalinas@morningstar.com

Post-Issuance Engagement Support: Viann Chiu, viann.chiu@morningstar.com

Scope and Objectives

In April 2022, Obvion N.V. (“Obvion”) issued green bonds (the “Green Bonds”) as part of its Green STORM 2022 securitisation transaction aimed at refinancing a mortgage asset pool of energy-efficient residential buildings in the Netherlands. In 2024, Obvion engaged Sustainalytics to review the projects financed between 31 March 2022 and 1 May 2024 with proceeds from Obvion’s Green Bonds (the “Nominated Projects”), and provide an assessment as to whether the Nominated Projects meet the Post-Issuance Requirements of the Climate Bonds Standard Version 4.0 and the applicable Low Carbon Buildings criteria.¹

The Nominated Projects include:

- The acquisition and ownership of 1,942² residential buildings in the Netherlands that were:
 - built before 31/12/2020 and have obtained a definitive energy performance certificate (EPC) of at least A; or
 - built as of 01/01/2021 that have obtained a definitive energy performance certificate of at least A++++ to ensure buildings have a net primary energy demand at least 10% lower than the requirement for nearly zero-energy buildings.

Schedule 1 provides details of the Nominated Projects and disbursement of proceeds.

Post-Issuance Evaluation Criteria

Post-issuance Requirements of the Climate Bonds Standard Version 4.0:

- Use of Proceeds
- Evaluation and Selection of Projects, including conformance with the relevant Sector Criteria³
 - Low Carbon Buildings
 - Residential Buildings
- Management of Proceeds
- Reporting

¹ Climate Bonds Initiative, Climate Bonds Standard Version 4.0, at: https://www.climatebonds.net/files/files/CBI_Standard_V4.pdf

² As of 1 May 2024. The exact number of assets in the portfolio varies based on the replenishment of eligible mortgages because some loans are prepaid.

³ Climate Bonds Initiative, Low Carbon Buildings Criteria, at: <https://www.climatebonds.net/standard/sector-criteria>

Issuing Entity's Responsibility

Obvion is responsible for providing accurate information and documentation relating to the details of projects, including description, total development cost of each project and disbursed amounts.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Obvion's Green Bonds to provide an independent opinion on their conformance with the Post-Issuance Requirements of the Climate Bonds Standard and the applicable Low Carbon Buildings criteria.

Sustainalytics has relied on the information and the facts presented by Obvion with respect to the Nominated Projects. Sustainalytics is not responsible nor shall be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by Obvion.

Sustainalytics makes all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over this assessment.

Verifier's Responsibility

Sustainalytics conducted the verification in accordance with the Climate Bonds Standard Version 4.0 and with International Standard on Assurance Engagements 3000 (ISAE 3000).

The work undertaken as part of this engagement included conversations with relevant Obvion employees and review of relevant documentation to assess conformance of the Green Bonds with the Post-Issuance Requirements of the Climate Bonds Standard Version 4.0.

Exceptions

No exceptions were identified. All assets meet the Post-Issuance Requirements of the Climate Bonds Standard Version 4.0, including the Low Carbon Buildings criteria.

Conclusion

Based on the limited assurance procedures conducted and evidence obtained, nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, Obvion's Green Bonds are not in conformance with the Post-Issuance Requirements of the Climate Bonds Standard.

Schedule 1: Overview of Nominated Projects

All 1,942 mortgages in the portfolio are for residential buildings in the Netherlands that meet the following eligibility criteria:

- Residential buildings in the Netherlands that were:
 - built before 31/12/2020 and have obtained a definitive EPC of at least A; or
 - built as of 01/01/2021 and have obtained a definitive EPC of at least A++++ to ensure buildings have a net primary energy demand at least 10% lower than the requirement for NZEB buildings.

EPC portfolio distribution reflecting the respective loan's inclusion date⁵:

EPC ⁴	Outstanding Amount	Share of outstanding amount	Number of Loans	Share of Number of Loans
Definitive A++++	420,991.47	0.08%	1	0.05%
Definitive A+++	2,396,858.06	0.46%	6	0.31%
Definitive A++	1,332,958.16	0.26%	8	0.41%
Definitive A+	3,393,921.64	0.66%	11	0.57%
Definitive A	507,989,718.78	98.54%	1,916	98.66%
Total	515,534,448.11	100.00%	1,942	100.00%

⁴ Sustainalytics notes that these certificates are based on the definitive certificates on the date of the respective loan's inclusion in the portfolio. Sustainalytics further notes that, in some cases, energy certificates may have changed after the inclusion date.

⁵ As of 1 May 2024.

Schedule 2: Conformance to the Post-Issuance Requirements of the Climate Bonds Standard^{6, 7}

Requirement	Factual Findings	Error or Exceptions Identified
A.3.1. Use of Proceeds	<p>3.1.1 A list of Nominated Projects is provided in Schedule 1.</p> <p>3.1.2 The Nominated Projects meet the documented objectives of the debt instrument and are in conformance with the Sector Criteria requirements of the Climate Bonds Standard.</p> <p>3.1.3 The net proceeds have been allocated to Nominated Projects and assets on the issuance date of the bond.</p> <p>3.1.4 See 3.1.9 below.</p> <p>3.1.5 Obvion confirms that the Nominated Projects have not been nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments (such as social bonds or SDG bonds).</p> <p>3.1.6 Obvion confirms that it has tracked the share of the net proceeds used for financing and refinancing.</p> <p>3.1.7 Obvion's documents that the net proceeds are tracked following a formal internal process.</p> <p>3.1.8 Obvion has confirmed that the net proceeds raised are no greater than the total investment exposure or debt obligation to the Nominated projects or the relevant proportion of the total Market Value of the Nominated projects which are owned or financed by the issuer.</p> <p>3.1.9 N/A.</p>	None
A.3.2. Process for Evaluation and Selection of Projects and Assets	<p>3.2.1 Obvion's Green STORM 2022 Green Bond Framework documents a decision-making process which it uses to determine the continuing eligibility of the Nominated Projects. This includes, without limitation:</p> <ul style="list-style-type: none"> i. A statement on the climate-related objectives of the debt instrument; ii. How the climate-related objectives of the debt instrument are positioned within the context of the Obvion's overarching goals, strategy, policy 	None

⁶ Climate Bonds Initiative, Climate Bonds Standard Version 4.0, at: https://www.climatebonds.net/files/files/CBI_Standard_V4.pdf

⁷ For ease of reference, the numbering in this section follows the numbering of the Climate Bonds Standard Version 4.0.

	<p>and/or processes relating to environmental sustainability;</p> <p>iii. Obvion’s rationale for issuing the bond;</p> <p>iv. A process to determine whether the Nominated Projects meet the eligibility requirements specified in the Climate Bonds Standard;</p> <p>v. Other information provided by Obvion as described in Clause A.2.2.</p>	
A.3.3. Management of Proceeds	<p>3.3.1 Obvion confirmed that net proceeds of the bond were credited to a sub-account, moved to a sub-portfolio or otherwise identified by Obvion in an appropriate manner and documented.</p> <p>3.3.2 Obvion confirmed that it maintained an earmarking process to manage and account for allocation of net proceeds to the Nominated Projects.</p> <p>3.3.3 Obvion has confirmed that proceeds were fully allocated immediately upon issuance and therefore were not temporarily held in the Bank’s liquidity portfolio or used to repay outstanding indebtedness.</p>	None
A.3.4. Reporting – Post-issuance	<p>3.4.1 Obvion is committed to preparing an Update Report at least annually while the financing remains outstanding.</p> <p>3.4.2 Obvion is committed to providing an Update Report on a timely basis in case of material developments.</p> <p>3.4.3 The Update Report will be made available through existing debt market reporting channels and to the Climate Bonds Standard Board.</p> <p>3.4.4 Obvion is committed to include allocation reporting and eligibility reporting in its Update Report.</p> <p>3.4.5 Obvion will provide Update Reports annually to bondholders, lenders or other stakeholders, or make the reports available to the public, for as long as the debt instrument remains outstanding.</p>	None

Disclaimer

Copyright ©2024 Sustainalytics, a Morningstar company. All rights reserved.

The information, methodologies, data and opinions contained or reflected herein are proprietary of Sustainalytics and/or content providers, and may be made available to third parties only in the form and format disclosed by Sustainalytics. They are not directed to, or intended for distribution to or use by India-based clients or users and their distribution to Indian resident individuals or entities is not permitted.

They are provided for informational purposes only and (1) shall not be considered as being a statement, representation, warranty or argument either in favor or against the truthfulness, reliability or completeness of any facts or statements that the issuer has made available to Sustainalytics for the purpose of this deliverable, in light of the circumstances under which such facts or statements have been presented; (2) do not constitute an endorsement of any product, project, investment strategy or consideration of any particular environmental, social or governance related issues as part of any investment strategy; (3) do not constitute investment advice, financial advice, or a prospectus, nor represent an "expert opinion" or "negative assurance letter" as these terms are commonly understood or defined by any applicable legislation; (4) are not part of any offering and do not constitute an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (5) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; (6) are not a substitute for professional advice; (7) past performance is no guarantee of future results; (8) have not been submitted to, nor received approval from, any relevant regulatory body; (9) have not and cannot be incorporated into any offering disclosure, unless otherwise agreed in writing.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-datedness or fitness for a particular purpose. Sustainalytics has not independently verified any such information or data. The deliverables are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics does not undertake any obligation to update or revise any of the statements in the deliverable to reflect events, circumstances, changes in expectations which may occur after the date of the opinion or any statements included in the opinion. Neither Sustainalytics/Morningstar nor their content providers accept any liability from the use of the information, data or opinions contained herein or for actions of third parties in respect to this information, in any manner whatsoever, except where explicitly required by law. Sustainalytics does not assume any responsibility shall the bond default. Any reference to content providers' names is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our content providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

Sustainalytics may receive compensation for its ratings, opinions and other deliverables, from, among others, issuers, insurers, guarantors and/or underwriters of debt securities, or investors, via different business units. Sustainalytics believes it has put in place appropriate measures designed to safeguard the objectivity and independence of its opinions. For more information, visit [Governance Documents](#) or contact compliance@sustainalytics.com.

This deliverable, in particular the images, text and graphics contained therein, and the layout and company logo of Sustainalytics are protected under copyright and trademark law. Any use thereof shall require express prior written consent. Use shall be deemed to refer in particular to the copying or duplication of the opinion wholly or in part, the distribution of the opinion, either free of charge or against payment, or the exploitation of this opinion in any other conceivable manner.

The issuer is fully responsible for certifying and ensuring compliance with its commitments, for their implementation and monitoring.

About Morningstar Sustainalytics

Morningstar Sustainalytics is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds, which incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. For more information, visit www.sustainalytics.com.

