

Second-Party Opinion

Green STORM 2023 Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Green STORM 2023 Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible category – Green Buildings – is aligned with those recognized by the Green Bond Principles 2021. Sustainalytics considers that investments in the eligible category are expected to improve the energy performance of the Dutch building stock and advance the UN Sustainable Development Goals, specifically SDGs 7 and 11.



PROJECT EVALUATION AND SELECTION Obvion’s Green STORM project team, consisting of representatives from its Funding & Portfolio Management team, Rabobank’s Securitisation & Covered Bonds team and Rabobank’s Sustainable Capital Markets team, oversees the internal process for evaluating and selecting projects. Obvion’s environmental and social risk management processes are applicable to all allocation decisions made under the Framework. Sustainalytics considers these risk management systems to be adequate and the project selection process to be in line with market practice.



MANAGEMENT OF PROCEEDS At the time of issuance, net proceeds from the mortgage-backed notes will be allocated in full to finance or refinance eligible loans. Obvion will verify the eligibility of the selected loans on a monthly basis. Obvion will replace any loan that ceases to comply with the eligibility criteria with an eligible asset. This is in line with market practice.



REPORTING Obvion will publish a monthly report providing loan-level data to investors on the mortgages included in the transaction pool. In addition, Obvion will publish information on energy performance certificates of the mortgage assets on a quarterly basis. A third party has been appointed to calculate the impact in the form of CO₂ reductions achieved based on real energy consumption, which will be made available to investors at the time of issuance. Sustainalytics views Obvion’s allocation and impact reporting as aligned with market practice.

Evaluation Date February 22, 2023

Issuer Location Heerlen,
The Netherlands

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Introduction

Established in 2002, Obvion N.V. (“Obvion” or the “Company”) is a residential mortgage provider headquartered in Heerlen, the Netherlands. Since 2012, Obvion is a wholly owned subsidiary of Coöperatieve Rabobank U.A. (“Rabobank” or the “Group”), a Dutch multinational banking and financial services company involved in retail and wholesale banking, as well as in food and agribusiness.

Obvion has developed the Green STORM 2023 Green Bond Framework dated February 2023 (the “Framework”) under which it intends to issue green residential mortgage-backed notes and use the proceeds to finance or refinance, in whole or in part, its mortgage portfolio, which is expected to deliver positive environmental impact by improving the energy performance of the building stock in the Netherlands. The Framework follows the 2016, 2017, 2018, 2019, 2021 and 2022 Green STORM Green Bond Frameworks which applied to prior issuances under the same programme. The Framework defines eligibility criteria in the following green category:

1. Green Buildings

Obvion engaged Sustainalytics to review the Green STORM 2023 Green Bond Framework and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP).¹ The Framework has been or will be published in a separate document.²

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent³ opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the Obvion’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.12, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Obvion’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Obvion representatives have confirmed that (1) they understand it is the sole responsibility of Obvion to ensure that the information provided is complete, accurate or up to date; (2) they have provided Sustainalytics with all relevant information and (3) any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Obvion.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed or refinanced with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed or refinanced under the Framework is the responsibility of the Framework owner.

¹ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

² Obvion will publish the Framework on the website of the Securitisation Repository European Datawarehouse GmbH at: <https://editor.eurodw.eu/deals/view?edcode=RMBSNL000164104720237>

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Obvion has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Green STORM 2023 Green Bond Framework

Sustainalytics is of the opinion that the Green STORM 2023 Green Bond Framework is credible and impactful, and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of Obvion's Green Bond Framework:

- Use of Proceeds:
 - The eligible category – Green Buildings – is aligned with those recognized by the GBP. Sustainalytics notes that net proceeds from the notes issued under the Framework will be used to finance or refinance eligible residential mortgage loans in Obvion's portfolio.
 - The Company may finance or refinance residential buildings which meet one of the following criteria:
 - The acquisition and ownership of residential buildings built before 31/12/2020 that have obtained a definitive energy performance certificate (EPC) of at least "A". Sustainalytics considers the methodology used to determine the eligible assets based on construction year and EPC data to be robust and credible.
 - The acquisition and ownership of residential buildings 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 of at least 10% lower than the requirements for nearly zero-energy buildings (NZEB).⁴ Sustainalytics considers the NZEB requirements to align with market practice.
 - Sustainalytics notes that the above criteria align with the Buildings Criteria of the Climate Bonds Standard.⁵ Sustainalytics is of the opinion that financing or refinancing residential buildings which meet the above criteria will contribute to improved energy performance of the Dutch residential building stock.
 - Obvion has previously issued bonds under the Green STORM programme in 2016, 2017, 2018, 2019, 2021 and 2022 using an approach similar to the one defined for the issuance under the Framework. Under this new programme, Obvion has selected a new eligible pool of assets in line with updated EPC data from Calcasa.
- Project Evaluation and Selection:
 - Obvion will match mortgage loans with qualifying EPCs based on data from Calcasa, a third-party real estate data provider. Calcasa takes data from EP-Online, an official government database maintained by the Netherlands Enterprise Agency on the energy performance of buildings. The Company has established an internal team which has evaluated and selected loans in line with the Framework's eligibility criteria. The internal team is headed by Obvion's Treasury Manager and comprises representatives from Obvion's Funding and Portfolio Management team, Rabobank's Securitisation and Covered Bonds team and Rabobank's Sustainable Debt Capital Markets team. The Framework's selection methodology is based on energy performance certificates calculated by the Dutch housing energy performance methodology.
 - Obvion assesses and mitigates potential environmental and social risks associated with eligible loans under the Framework in accordance with the Company's underwriting⁶ and/or arrears &

⁴ Netherlands Enterprise Agency, "Energieprestatie indicatoren – BENG", at: <https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/wetten-en-regels/nieuwbouw/energieprestatie-beng/indicatoren>

⁵ Climate Bonds Initiative, "Low Carbon Buildings Approved proxies for top 15% - Netherlands", at: <https://www.climatebonds.net/files/files/Netherlands%20-%20Residential%20Proxy.pdf>

⁶ Obvion, "Handboek met product- en acceptatievoorwaarden", at: <https://www.obvion.nl/adviseur/Beleid/acceptatiegids>

- default management⁷ policies. Sustainalytics considers this risk assessment and mitigation process to be adequate. For additional details, see Section 2.
- Obvion's evaluation and selection processes are in line with market practice.
 - Management of Proceeds:
 - Obvion's Funding & Portfolio Management team implements the Framework and manages the eligible loan portfolio,
 - At the time of issuance, net proceeds from the mortgage-backed notes will be allocated in full to finance or refinance eligible loans.
 - Obvion will replace any loan which ceases to comply with the eligibility criteria and replace it with an eligible asset. In addition, Obvion will engage an independent external adviser to check whether: i) the information included in the loan tape of the underlying pool is included in the relevant prospectus; and ii) the mortgage loans included in the loan tape meet the eligibility criteria.
 - Based on the commitment to full allocation at issuance and ongoing tracking, Sustainalytics considers this process to be in line with market practice.
 - Reporting:
 - Obvion will provide loan-level data to investors on the underlying pool of eligible assets monthly. On a quarterly basis, Obvion will publish information on the EPCs of the properties securing the mortgage loans. Obvion will report yearly on the composition of the mortgages in the transaction pool in terms of compliance with the selection criteria.
 - In addition, Obvion has appointed a third party to calculate the estimated impact of the transaction, in terms of CO₂ reduction achieved based on the real energy consumption of assets, which will be made available to investors at issuance.
 - Based on the commitment to both allocation reporting and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Principles 2021

Sustainalytics has determined that the Green STORM 2023 Green Bond Framework aligns with the four core components of the GBP. For detailed information, please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Strategy of Obvion

Contribution of the Framework to Obvion's sustainability strategy

Sustainalytics is of the opinion that Obvion demonstrates a commitment to achieving positive environmental impacts by facilitating investments in green buildings. As part of Rabobank Group, Obvion follows the Group's objective to contribute to the climate and energy transition.⁸ In 2022, the Group published its Our Road to Paris plan including emissions reduction targets.⁹ Obvion has set up its product offering with sustainability features to increase borrowers' awareness of household energy efficiency. Obvion has also developed specific mortgage loan products and services that could help borrowers reduce the carbon emissions of their properties. For example, since 2020, Obvion offers new and existing borrowers a sustainability discount on the interest rate if the mortgage loan is used to finance an energy-efficient house.¹⁰ From 25 January 2023 onwards, Obvion will also apply the discount on the applicable interest rate to borrowers who can provide a valid definitive EPC energy performance certificate of "A" or higher for their properties.¹¹ In addition, through its JobCoach¹² programme, Obvion supports customers having difficulty making their payments with career support. An independent budget planner can be deployed via Obvion's Budget Planner Programme.¹³ The budget planner helps the borrower to rearrange his financial situation in order to enable the borrower to pay his obligations under the mortgage loan.

Sustainalytics recognizes Obvion's commitment to integrate sustainability initiatives, but encourages Obvion to develop a sustainability strategy including quantified and time-bound targets, and to report on its progress and on its contribution to Rabobank's emissions reduction targets.

⁷ Obvion, "Hulp bij betalingsproblemen", at: <https://www.obvion.nl/Mijn-situatie/Hulp-betalingsproblemen>

⁸ Rabobank, "Our Impact in 2021", at: <https://www.rabobank.com/en/images/20220210-rabobank-our-impact-in-2021.pdf>

⁹ Rabobank, "Our Road to Paris", at: <https://www.rabobank.com/en/images/our-road-to-paris-report.pdf>

¹⁰ Obvion, "Duurzaamheid", at: <https://www.obvion.nl/Over-Obvion/Duurzaamheid.htm>

¹¹ Obvion, "Duurzaamheidskorting voor energielabel A of hoger", at: <https://www.obvion.nl/Duurzaamheid/Financiering/Duurzaamheidskorting-bij-Obvion>

¹² Obvion, "Jobcoach", at: <https://www.obvion.nl/Mijn-situatie/Jobcoach.htm>

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the net proceeds from the notes issued under the Framework will be directed toward eligible projects that are anticipated to have positive environmental impact. Sustainalytics acknowledges that Obvion plays a limited role in the assets to be financed under the Framework, but also notes that Obvion is exposed to environmental and social risks associated with the mortgage loans it may finance or refinance. Some key environmental and social risks associated with the eligible projects could include land use and biodiversity issues associated with large-scale infrastructure development, occupational health and safety (OH&S) and risks associated with lending decisions and business ethics.

Sustainalytics is of the opinion that Obvion is able to manage or mitigate potential risks through the implementation of the following policies:

- To mitigate issues related to land use and biodiversity, Obvion considers environmental risks in its valuation criteria documents, as part of its underwriting policy.¹⁴ The company requires appraisers certified by the Dutch Registry of Real Estate Appraisers to use a model report for the valuation of living space¹⁵ to also verify matters regarding environmental risks. In addition, when granting a mortgage to a newly constructed property, Obvion requires an irrevocable environmental permit to be present in the file, which can only be issued by the local government if certain conditions, such as building a safe, energy efficient and environmentally friendly property, in accordance with the Dutch 2012 Building Decree.^{16,17}
- The European Union set in 1989 the OSH Framework Directive, which introduced general principles to be applied by member states regarding the safety and health of workers. The Directive highlights that employers must run risk assessments periodically.¹⁸ In the Netherlands, the legal framework governing OH&S risks includes the Working Conditions Act,¹⁹ the Working Conditions Decree,²⁰ the Working Conditions Regulation,²¹ the Major Accident Risks Decree,²² and the Major Accident Risks Scheme.²³
- In order to manage risks related to lending decisions, Obvion uses a project selection methodology based on the Dutch government's calculation of EPCs. The company has also set up methodologies for identifying houses built before 31 December 2020 with a definitive EPC of at least "A" and identifying houses with a net PED which is at least 10% lower than the requirement for NZEB. Additionally, Obvion implements an underwriting policy which includes income selection criteria, financial obligations, and default management procedures.²⁴
- The Group has implemented its own Code of Conduct to guide its internal and external activities in relation to business ethics, regulatory compliance and overall social responsibility. The code applies to all temporary and permanent staff members, directors and supervisory directors.
- In 2019, Rabobank signed the Principles for Responsible Banking under the United Nations Environment Programme Finance Initiative as a reflection of the Group's commitment to supporting projects that enable the transition to a low-carbon, climate-resilient economy.
- Obvion carries out its operations in the Netherlands, which is recognized as a Designated Country under the Equator Principles, ensuring the presence of robust environmental and social governance, legislation systems and institutional capacity to mitigate the environmental and social risk associated with projects financed or refinanced under the Framework.²⁵

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Obvion has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

¹⁴ Obvion, "Acceptatiebeleid", (2023), at: <https://www.obvion.nl/adviseur/Beleid/acceptatiegids>

¹⁵ NRV, "Model taxatie woonruimte", (2022), at: https://www.nrv.nl/cms/public/files/2022-07/1658396317_model-taxatierapport-woonruimte-versie-juli-2022.pdf?7aad7f8a70

¹⁶ Government of the Netherlands, "Bouwbesluit 2012", (2023), at: <https://rijksoverheid.bouwbesluit.com/Inhoud/docs/wet/bb2012>

¹⁷ Obvion has communicated this information to Sustainalytics on a confidential basis.

¹⁸ European Agency for Safety and Health at Work, "The OSH Framework Directive", (1989), at: <https://osha.europa.eu/en/legislation/directives/the-oshframework-directive/the-osh-framework-directive-introduction>

¹⁹ Government of the Netherlands, "Arbeidsomstandighedenwet", at: <https://wetten.overheid.nl/BWBR0010346/2022-05-20>

²⁰ Government of the Netherlands, "Arbeidsomstandighedenbesluit", at: <https://wetten.overheid.nl/BWBR0008498/2023-01-01>

²¹ Government of the Netherlands, "Arbeidsomstandighedenregeling", at: <https://wetten.overheid.nl/BWBR0008587/2023-01-01>

²² Government of the Netherlands, "Besluit risico's zware ongevallen", (2015), at: <https://wetten.overheid.nl/BWBR0036791/2015-07-08>

²³ Government of the Netherlands, "Regeling risico's zware ongevallen", at: <https://wetten.overheid.nl/BWBR0037692/2016-03-04>

²⁴ Obvion, "Acceptatiebeleid", (2023), at: <https://www.obvion.nl/adviseur/Beleid/acceptatiegids>

²⁵ Equator Principles, "Designated Countries", at: <https://equator-principles.com/about-the-equator-principles/designated-countries/>

Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the GBP and is relevant in the local context.

Importance of energy-efficient buildings in the EU and the Netherlands

In 2020, buildings were responsible for 36% of the total GHG emissions and 40% of the energy consumption in the EU, making them the largest energy consumer in the EU.^{26,27} Approximately 35% of the buildings in the EU are more than 50 years old and 75% of the building stock is energy inefficient as of today.²⁸ The EU has committed to an emissions reduction target of 55% by 2030 compared to 1990 levels.²⁹ To achieve this, the EU needs to reduce GHG emissions from buildings by 60%, final energy consumption by 14% and energy consumption from heating and cooling by 18% by 2030 compared to 2015 levels.^{30,31} Therefore, the renovation of buildings to improve energy performance is expected to play a major role in decarbonizing the sector. The European Commission's Renovation Wave strategy aims to double annual energy renovation rates by 2030 from the current weighted average energy renovation rate of 1%.³² In line with these commitments, the Energy Performance of Buildings Directive requires public buildings developed since 2019 and new buildings beginning in 2021 to meet NZEB requirements and EPCs to be issued when a building is sold or rented.³³

The Dutch Government has laid out a multi-sectoral approach to reducing greenhouse gas emissions, which is intended to be aligned with the EU's overall climate strategy.³⁴ The 2019 Dutch Climate Act guides the government's efforts to achieve a reduction of 49% GHG emissions by 2030 and 95% by 2050, compared to 1990 levels.³⁵ The construction and housing sector is the source of approximately 13% of emissions in the Netherlands.³⁶ A key initiative to address the sector's emissions is the requirement that all homes, commercial buildings and public buildings receive EPCs when they are being built, sold or rented.³⁷ The Government intends to gradually make EPC requirements to obtain building permits more stringent to ensure that new buildings are more efficient. Since 1 January 2021, all new buildings in the Netherlands have to comply with the more recent BENG system, which is the Dutch implementation of NZEB.³⁸ The BENG system is based on primary annual fossil energy consumption (in kWh/m²) rather than the previous approach, which was based on the energy index of a property.³⁹ The Dutch government expects to enhance the energy efficiency of 1.5 million homes by 2030 and reduce average emissions from the sector from 21.6 MtCO_{2e} in 2020 to 19 MtCO_{2e} by 2030.^{40,41}

Based on the above context, Sustainalytics is of the opinion that the asset selection criteria defined by Obvion are aligned with the Dutch government's initiatives to improve energy efficiency in the housing sector and contribute to the overall efforts towards GHG emissions reduction.

²⁶ European Commission, "Energy efficiency in buildings", (2020), at: https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-lut-17_en

²⁷ European Parliament, "Report on maximizing the energy efficiency potential of the EU building stock", (2020), at: https://www.europarl.europa.eu/doceo/document/A-9-2020-0134_EN.html

²⁸ European Commission, "New Rules for Greener and Smarter Buildings will increase quality of life for all Europeans", at: https://ec.europa.eu/info/news/new-rules-greener-and-smarter-buildings-will-increase-quality-life-all-europeans-2019-apr-15_en

²⁹ European Commission, "Stepping Up Europe's 2030 climate ambition", (2020), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0562>

³⁰ European Environment Agency, "Greenhouse gas emissions from energy use in buildings in Europe", at: <https://www.eea.europa.eu/data-and-maps/indicators/greenhouse-gas-emissions-from-energy/assessment>

³¹ European Commission, "A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives", at: https://eur-lex.europa.eu/resource.html?uri=cellar:0638aa1d-0f02-11eb-bc07-01aa75ed71a1.0003.02/DOC_1&format=PDF

³² European Commission, "Renovation Wave", at: https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave_en

³³ European Commission, "Energy performance of buildings directive", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010L0031&from=EN>

³⁴ Government of the Netherlands, "Dutch goals within the EU", at: <https://www.government.nl/topics/climate-change/eu-policy>

³⁵ PBL Netherlands Environmental Assessment Agency, "Climate and Energy Outlook 2021", (2021), at: https://www.pbl.nl/sites/default/files/downloads/pbl-2021-netherlands-climate-and-energy-outlook_2021-summary-4709.pdf

³⁶ Ibid.

³⁷ Government of the Netherlands, "Mandatory EPCs for buildings", at: <https://www.government.nl/topics/energy-performance-certificates-for-homes-and-buildings/mandatory-epcs-for-buildings>

³⁸ BENG (Bijna Energieneutrale Gebouwen) is the Dutch standard that implements nearly zero-energy building requirements in the Netherlands.

³⁹ Government of the Netherlands, "Energieprestatie – BENG", at: <https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/wetten-en-regels-gebouwen/nieuwbouw/energieprestatie-beng>

⁴⁰ Government of the Netherlands, "Measures to reduce greenhouse gas emissions", at: <https://www.government.nl/topics/climate-change/national-measures>

⁴¹ PBL Netherlands Environmental Assessment Agency, "Climate and Energy Outlook 2021", (2021), at: https://www.pbl.nl/sites/default/files/downloads/pbl-2021-netherlands-climate-and-energy-outlook_2021-summary-4709.pdf

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by the year 2030. The notes issued under the Green STORM 2023 Green Bond Framework are expected to advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
	11. Sustainable Cities and Communities	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

Conclusion

Obvion has developed the Green STORM 2023 Green Bond Framework under which it intends to issue a green residential mortgage-backed bond and use the proceeds to finance or refinance its green mortgage portfolio. Sustainalytics considers that the projects funded by the green bond proceeds are expected to deliver positive environmental impact by improving the energy performance of the building stock in the Netherlands.

The Green STORM 2023 transaction outlines a process for tracking, allocating and managing proceeds, and makes commitments for Obvion to report on their allocation and impact. Furthermore, Sustainalytics believes that the Green STORM 2023 Green Bond Framework is aligned with the overall sustainability strategy of the Company and that the green use of proceeds category will contribute to the advancement of the UN Sustainable Development Goals 7 and 11. Additionally, Sustainalytics is of the opinion that Obvion has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that Obvion is well positioned to issue green bonds and that the Green STORM 2023 Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

Appendix

Appendix 1: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Obvion N.V.
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Green STORM 2023 Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	February 22, 2023
Publication date of review publication: Original publication date [please fill this out for updates]:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (please specify): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (if applicable):

The eligible category – Green Buildings – is aligned with those recognized by the Green Bond Principles 2021. Sustainalytics considers that investments in the eligible category are expected to improve the energy performance of the Dutch building stock and advance the UN Sustainable Development Goals, specifically SDGs 7 and 11.

Use of proceeds categories as per GBP:

- | | |
|---|--|
| <input type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input type="checkbox"/> Other (please specify): |

If applicable please specify the environmental taxonomy, if other than GBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Obvion's Green STORM project team, consisting of representatives from its Funding & Portfolio Management team, Rabobank's Securitisation & Covered Bonds team and Rabobank's Sustainable Capital Markets team, oversees the internal process for evaluating and selecting projects. Obvion's environmental and social risk management processes are applicable to all allocation decisions made under the Framework. Sustainalytics considers these risk management systems to be adequate and the project selection process to be in line with market practice.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
|---|---|

- | | |
|--|---|
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- | | |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

At the time of issuance, net proceeds from the mortgage-backed notes will be allocated in full to finance or refinance eligible loans. Obvion will verify the eligibility of the selected loans on a monthly basis. Obvion will replace any loan that ceases to comply with the eligibility criteria with an eligible asset. This is in line with market practice. At the time of issuance, net proceeds from the mortgage-backed notes will be allocated in full to finance or refinance eligible loans. Obvion will verify the eligibility of the selected loans on a monthly basis. Obvion will replace any loan that ceases to comply with the eligibility criteria with an eligible asset. This is in line with market practice.

Tracking of proceeds:

- | |
|--|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (<i>please specify</i>): |

Additional disclosure:

- | | |
|--|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

4. REPORTING

Overall comment on section (*if applicable*):

Obvion will publish a monthly report providing loan-level data to investors on the mortgages included in the transaction pool. In addition, Obvion will publish information on energy performance certificates of the

mortgage assets on a quarterly basis. A third party has been appointed to calculate the impact in the form of CO₂ reductions achieved based on real energy consumption, which will be made available to investors at the time of issuance. Sustainalytics views Obvion's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- Project-by-project On a project portfolio basis
- Linkage to individual bond(s) Other (please specify):

Information reported:

- Allocated amounts Green Bond financed share of total investment
- Other (please specify):

Frequency:

- Annual Semi-annual
- Other (please specify):

Impact reporting:

- Project-by-project On a project portfolio basis
- Linkage to individual bond(s) Other (please specify):

Information reported (expected or ex-post):

- GHG Emissions / Savings Energy Savings
- Decrease in water use Other ESG indicators (please specify):

Frequency

- Annual Semi-annual
- Other (please specify): Monthly and Quarterly

Means of Disclosure

- Information published in financial report Information published in sustainability report
- Information published in ad hoc documents Other (please specify):
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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