

NIBC SUSTAINABILITY REPORT

June 2023

Message from the NIBC Executive Committee

On behalf of NIBC and its employees, we endorse and are pleased to present NIBC's 2022 Sustainability Report, providing detailed insights to interested stakeholders on NIBC's ESG governance, risk management policies and processes and targets and performance.

ESG is a cornerstone of NIBC's corporate culture, an important part of our ambition and a lens through which we continue to shape our future. We are committed to carefully balance the perspectives of our stakeholders and continue to evolve our approach as our knowledge grows.

Each one of us must take responsibility for our impacts and own the outcome of our actions. We have a responsibility to get it right for our clients, investors, employees, workers in the value chain and affected communities.

In providing this and other ESG-related disclosures, NIBC is pleased to reaffirm its commitment to the UN Global Compact and its ten principles. NIBC is committed to meet its fundamental responsibilities related to human rights, labour, environment and anti-corruption. NIBC has been a signatory of UN Global Compact (UNGC) since 2010.

NIBC is proud of the steps we've taken so far and the impact that our business activities enable our clients, investors and business partners to achieve. We also realise that the sustainable transition has just begun and therefore invite all stakeholders to join us in this journey.

Think Yes !

Sincerely,

Paulus de Wilt, Chief Executive Officer

26 June 2023

ENVIRONMENT, SOCIAL & GOVERNANCE

At NIBC, we believe it is our responsibility to be a sustainable business for the benefit of future generations. We are convinced that as a business that takes its social and environmental responsibilities seriously, we are better able to manage our risks. Sustainability and innovation are themes which will lead to promising opportunities in our markets. Additionally, as a financial services provider, we are well aware of our responsibility in helping to ensure a resilient financial system and maintain trust in this industry.

Our day-to-day business decisions and interactions with clients are guided by established principles and policies set out in our Code of Conduct, Business Principles, Corporate Values, Compliance Framework and Sustainability Framework. These documents are available on our website. For many years, we have steadily developed our sustainability agenda in close consultation with our stakeholders.

Basis of preparation

Unless specified otherwise, this section includes environment, social and governance (ESG) figures and information for NIBC Holding N.V. including its international offices and wholly-owned subsidiaries established by NIBC for our business purposes. The content of this disclosure and the elements that have been reported are based on our materiality assessments and relevant legal and regulatory requirements.

In the preparation of this report, NIBC applies the EU definition of short-term (<1 year), medium-term (1 to 5 years) and long-term (> 5 years) time horizons unless otherwise stated. NIBC currently uses proxies and third party sources for value chain reporting.

Increasingly complex ESG-related regulatory requirements are influencing NIBC's direct operating environment – our corporate and retail clients, business strategy, product offerings, risk management processes, operations and reporting. Other stakeholders within our operating environment, including investors, shareholders and suppliers are also impacted by these ESG-related developments.

ESG Governance

NIBC's sustainability governance revolves around a system of checks and balances that ensures stakeholder perspectives are taken into account in our decision-making processes. We manage the sustainability impact of our financings through our Sustainability Framework. This describes governance, implementation and the roles and responsibilities within our organisation with regard to all sustainability risks. For additional information regarding NIBC's Risk Management approach, please also refer to the Risk Management section of our Annual Report and NIBC's Pillar III Report.

NIBC's Managing Board is ultimately responsible for all sustainability matters. Executive Committee (ExCo) members discuss and advise on ESG strategy, ambition, targets, planning and budget. The ExCo is also responsible for policies that impact NIBC's culture and ethics, such as the Code of Conduct. Any significant updates to the compliance and sustainability frameworks and their underlying policies are reviewed and approved by NIBC's Risk Management Committee (RMC).

ESG-related Disclosures and NIBC approval body	
NIBC Annual Report(s), ESG chapter	NIBC Executive Committee (ExCo)
NIBC Sustainability Report & climate action plan	NIBC ExCo
NIBC Modern Slavery Statement	NIBC ExCo

This approach is overseen by NIBC's Supervisory Board as part of their role in NIBC's two-tier board structure. The composition of our ExCo, Managing Board and Supervisory Board, classification of members, their responsibilities and their profiles can be found in the Corporate Governance chapter and the Report of the Supervisory Board chapter of our Annual Report and on NIBC's website.

The Supervisory Board's oversight role includes ensuring relevant ESG matters are incorporated in NIBC's purpose, governance, strategy, decision making, risk management and accountability reporting. They oversee that targets and metrics are identified and monitored. And they provide oversight to ensure that ESG matters including compliance and responsible business conduct are well-aligned throughout the organization.

In past years including 2022, the audit committee within NIBC's Supervisory Board managed the oversight responsibility for ESG. Given regulatory, supervisory and market developments, this responsibility will be shifted to NIBC's full Supervisory Board as per Q2 2023.

Updates in regard to ESG are provided on at least a semi-annual basis to members of our Supervisory Board. Our ExCo receives formal periodic updates. Next to the formal reporting process, additional meetings and information-sharing takes place related to ESG related initiatives and developments. Together these allow clear oversight of NIBC's progress. Sessions have also been organised with external parties to provide ongoing education on regulatory developments and supervisory expectations and to help advise on future strategy and target setting.

The NIBC sustainability agenda is led by a dedicated full-time senior Sustainability Officer who is responsible for catalysing sustainability and corporate social responsibility within the organisation. The officer reports to NIBC's Chief Financial Officer, ensuring a direct reporting line to NIBC's ExCo and Managing Board. Sustainability matters are monitored and reported periodically to the ExCo and NIBC's Supervisory Board regarding reporting-related topics.



Each business unit within NIBC is responsible for managing ESG risks and opportunities as part of their regular activities within NIBC's three line of defense operating model. For

example in the first line of defense, business units apply NIBC’s compliance and sustainability policies in their client interactions, Facilities & Services manage NIBC’s energy efficiency programme, Human Resources is responsible for ESG in our human resource activities, and our Procurement and IT vendor management teams manage our relationships with suppliers and vendors. Compliance, Credit Risk, Information Security and Operational Risk departments form a strong second line of defense. Internal Audit is NIBC’s third line of defense. Processes, roles and responsibilities are defined in order to manage possible ESG risks and take a precautionary approach.

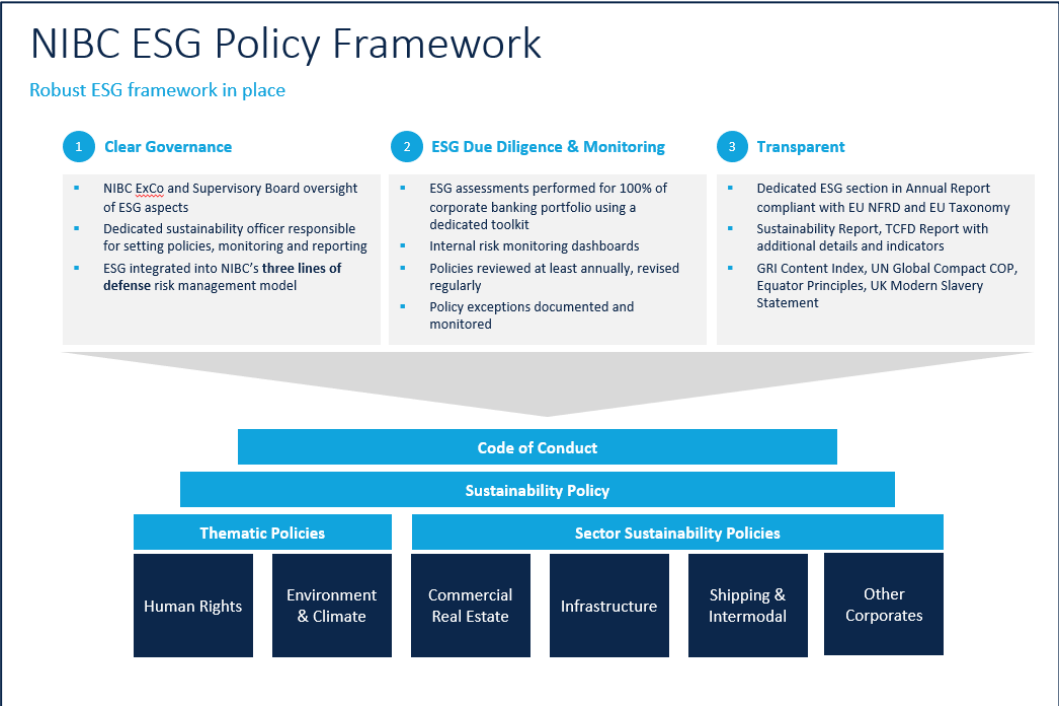
Although NIBC’s subsidiaries operate relatively independently, they follow the governance, compliance, and sustainability approach of NIBC. They have adapted this to the scale and complexity of their businesses, product offering, geographic footprint and their operations and supply chain.

Proportionality, reasonableness and common sense as described in international ESG standards are applied given that yesqar is a fintech startup and Beequip is an enterprising equipment leasing scale-up. Furthermore each subsidiary has full access to peers within NIBC to advise on ESG, compliance or any specific issues as their business grows and develops. This is also facilitated through regular discussions as issues or concerns arise.

NIBC is currently in the process of evaluating the impact of ESG on its performance management framework and incentive schemes.

Our approach towards ESG due diligence and monitoring is appropriate for the assets that we finance, our clients and business partners, their operating context, and their value chains. NIBC applies techniques such as negative screening, norms-based screening, and positive screening within our overall integrated ESG approach. Due diligence is conducted in a manner proportionate to the size, nature and context of operations of clients and business partners.

Risk management and internal control system



NIBC operates a robust *Compliance Framework* and a mature *Operational Risk Framework* in addition to our *Sustainability Framework*. The Operational Risk team monitors and reports on our “in-control” status. NIBC’s Sustainability Framework

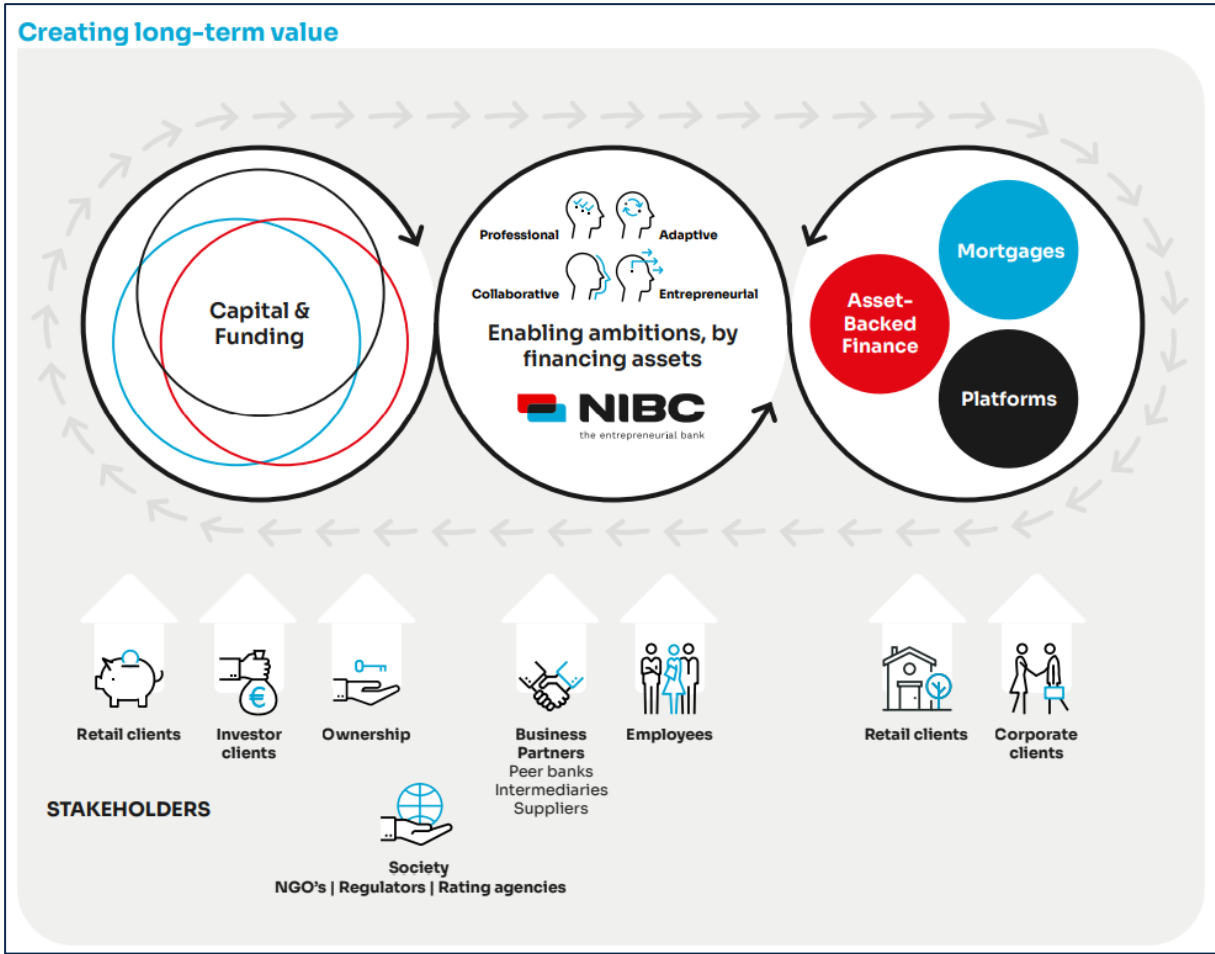
commits NIBC to perform ESG due diligence and assessments of relevant and material social risks related to the activities we finance. This Framework operates alongside and within our overall Risk Management Framework which guides our approach across the enterprise. Business conduct aspects are guided by NIBC’s Code of Conduct, our Supplier Code of Conduct, and our Compliance Framework and its underlying whistleblowing and complaints, anti-corruption, anti-fraud and bribery policies and procedures.

We utilise an integrated ESG assessment toolkit to assess the commitment, capacity and track-record of companies in regard to human rights and labour standards, climate biodiversity and environmental aspects, and corporate governance. As is indicated in NIBC’s sustainability indicators, an ESG assessment is performed for 100% of new corporate transactions. This assessment is in addition to the ESG due diligence which is performed and aims to ensure adherence with NIBC’s sustainability, human rights and climate and environmental policies and sector policies.

Such assessments and due diligence are used in a number of ways. For example, ESG aspects are among the inputs used to ensure well-informed, balanced decision making when considering approvals of corporate transactions by NIBC’s Transaction Committee (TC) or Investment Committee (IC). ESG is also an integrated component of NIBC’s know your client (KYC), know your vendor and supplier (KYS) process, new product approval and review process (NPARP), and significant change and approval process (SCARP). We strive to continuously improve our ESG due diligence, evidencing and monitoring efforts.

[ESG strategy and business model](#)

NIBC’s value creation story has its own uniqueness. Established in 1945 to help rebuild the Netherlands after the World War II, NIBC is strongly rooted in its obligations to create societal value and financial resilience.

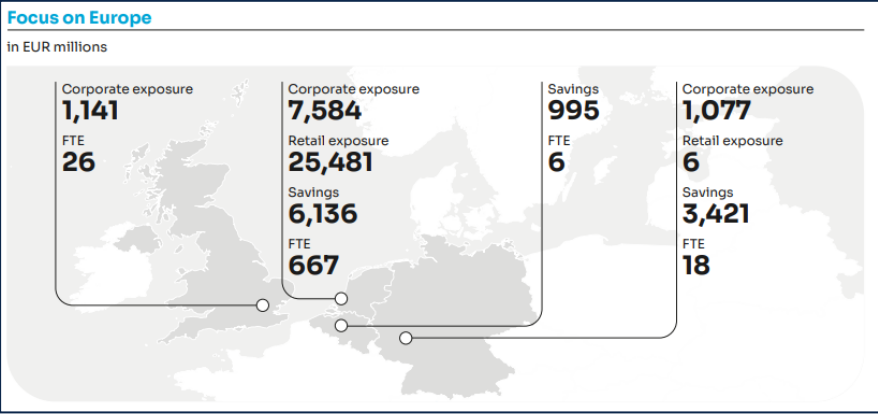


NIBC is a company built on optimism and getting things done. NIBC has evolved to become an enterprising bank offering asset-based financing services to entrepreneurial corporate and retail clients in northwestern Europe. By continuing to transform our business and adapt to changing societal needs, we aim to continue our tradition of creating long term value for stakeholders.



NIBC's approximately 700 employees serve over 450,000 retail clients, 450 corporate clients and approximately 4,000 small- and medium-sized leasing clients, who rely on us to deliver secure and reliable banking services. Our brands include NIBC, NIBC Direct, Lot Hypotheken, OIMIO, Beequip and yesqar.

As a mid-sized financial institution operating from the Netherlands, the United Kingdom, Germany and Belgium, we are differentiated from peers in the markets we serve, in the product mix that we offer, in the granularity of our portfolios, and in our ability to adapt to changing market circumstances. For example, NIBC is differentiated from other commercial and retail banks by the fact that we do not offer current accounts, transaction banking, credit cards or retail consumer lending products other than mortgages.



Our business model is being simplified and financially de-risked. The majority of NIBC's financial activities today are related to secured lending, are highly granular and are for specific purposes. For example to acquire a home, operate a vessel, develop student housing, build a modern logistics warehouse, to bring high-speed internet and communications to a rural community, or lease modern equipment. This asset basis and increased granularity reduces risks thereby giving assurance to funders and investors that they are making a meaningful investment in the community and can expect a reasonable return.

NIBC applies an integrated ESG strategy. We aim to apply and continuously improve our processes to identify , manage and mitigate ESG risks and identify, evaluate and pursue sustainable opportunities which create financial and non-financial value for our

stakeholders. In doing so, we support our retail and corporate customers to become more sustainable, and to help the communities that we serve to become more resilient. This is embodied in our purpose, enabling ambitions by financing assets.

Our strategy is guided by a common sense premise - sustainability and climate neutrality are everyone's responsibility and must become our business as usual. They should be among the considerations which are embedded and consistently applied in all business activities of our organisation. They should be balanced across environmental, social and governance factors. ESG should also be balanced with other considerations, recognising that it is one component among many. This won't be perfect -there are always trade-offs which we need to carefully weigh as part of any business decision.

NIBC has limited remaining exposures to EU-identified controversial sectors such as (controversial) weapons (0 mln), production of tobacco (0 mln), chemicals production (0 mln) and fossil fuel exploration and production (51 mln). NIBC's Shipping portfolio includes assets involved in transport of fossil fuels and products. NIBC's Infrastructure portfolio includes (renewable) energy storage assets. Exposures and revenues for each of our core activities are reported by sector in the Key Figures section of NIBC's Annual Report.

NIBC has pursued a goal of reducing fossil exposures as part of our focus and accelerate strategy as well as a goal within our Climate Action Plan. During 2022, NIBC exited financing of fossil Offshore Energy exploration & production, achieving this goal. Leveraged finance was discontinued while certain other non-core activities were downsized. These steps are described in the Financial Review section within this Annual Report.

Our strategy has guided us to take these mitigation actions over the past five years and relatively early compared to many peers. This has helped to substantially reduce the carbon intensity of our balance sheet and to end financing toward asset classes which can not transition to net zero. Looking ahead our strategy will now focus on helping clients in the asset classes where we are active to take steps to transition, reduce their carbon emissions and adapt to energy efficient and net zero technologies. We also aim to attract new customers in our focus asset classes who are similarly committed to transition and need financial support for their own plans on this journey.

Our upstream value chain consists primarily of our savings customers, debt investors, our shareholder, and professional services business partners in areas such as IT, legal, audit and communications. Downstream NIBC's value chain involves asset-based financings such as mortgages, commercial real estate, ships, and infrastructure (digital and renewables). More information in regard to NIBC's value chain is reported in the Vision and Strategy section of NIBC's Annual Report.

[Interests and views of stakeholders](#)

NIBC recognises its responsibilities towards external and internal stakeholders, regularly engages with them and considers their interests in its day-to-day decisions and activities. Engaging with stakeholders in a proactive way and on a continuous basis is central to our way of working.

We define stakeholders as any group or individual affected directly or indirectly by our activities. We have identified our main stakeholders to include clients, institutional investors, shareholders, regulators & authorities, employees and civil society organisations. We actively seek these connections to the world around us to ensure we reflect on our business, understand our impact and to continue to innovate. If impacts arise, NIBC's ExCo and Supervisory Board are well-informed within regular structural updates on ESG, in regular on-going dialogue and/or as part of sessions led by external consultants.

Recent Stakeholder engagements

Stakeholder Group	Type of dialogue/channel	Main ESG aspects discussed
Retail & Corporate Customers	Surveys Deal origination Client meetings Call center	Sustainability-linked solutions Rising interest rates Client satisfaction Climate transition plans EPC energy labels Emissions reductions KYC & AML
Investors	Annual General Meeting Capital Markets Days Investor Updates	Financial performance Business strategy Climate impact Financed emissions Sustainability performance Economic outlook
Suppliers & Vendors	RFPs Supplier reviews Meetings	Information security ESG due diligence Human rights allegations Policies and standards Transparency Modern slavery statements ESG in supply chains
Authorities	Meetings Consultations Sectoral for a Reports	ECB climate expectations Information security EU Taxonomy Climate risk Climate resilience Materiality KYC & AML
Civil society organisations	Individual Meetings Multistakeholder dialogues Annual General Meeting Informal discussions	Climate risk Human rights Diversity & Inclusion Climate action plans Food security Due diligence Weapons
Employees	Team & individual meetings Works Council meetings Events	Diversity Climate change Just transition Energy efficiency ESG Scoring and measurements Ethics & Integrity Data Security
Peer Banks	NVB meetings, working groups and expert pools Multistakeholder dialogues	Climate risk Climate action plans Just transition Gender risks Biodiversity Migrant workers Information security ESG best practices & lessons learned

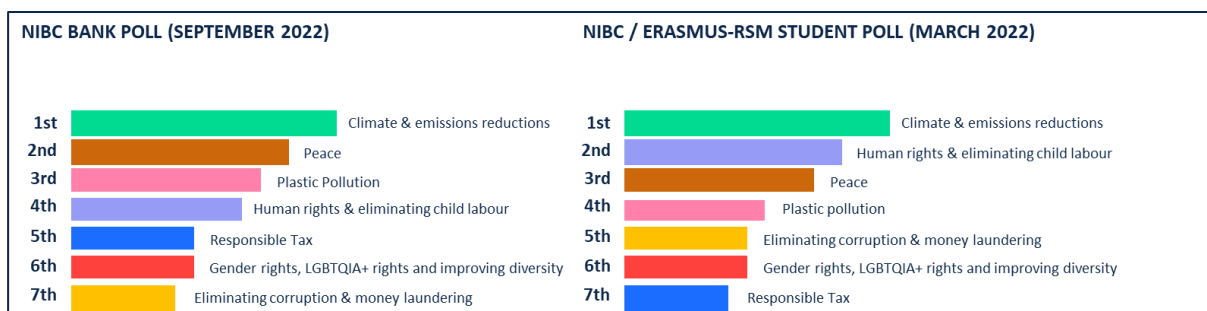
During 2022 discussions were held with stakeholders across a wide range of ESG topics including climate risk & resilience, ESG regulatory disclosure standards, deforestation, ESG due diligence in value chains, modern slavery, gender pay equality, financial inclusion, circularity, and information security among others. These took place across a number of channels including face-to-face meetings, client & supplier reviews, hybrid meetings, and other events.

Dialogue with authorities included the many regulatory developments and oversight expectations. For example, as it has for several years, NIBC provided a detailed climate risk analysis as part of its reporting toward the Dutch Central Bank (DNB). NIBC was represented at numerous climate risk dialogues with regulators and other supervising authorities. Feedback from authorities has helped to inform public disclosures such as

NIBC’s TCFD Report, while feedback from NIBC has contributed to best practices shared by authorities.

Dialogue with civil society organizations was frequent throughout 2022. These took the form of face-to-face discussions, panel discussions, telephone conversations and emails. Climate change, human rights and due diligence were at the forefront of discussions with civil society organisations. The impacts of rising inflation and energy prices on people, their debt burden and strengthening systemic support were discussed with several stakeholder groups. We hope to get back to face-to-face meetings later in 2022 and beyond as informal dialogue often adds needed clarity in the case of complex human rights and environmental topics.

There was similar dialogue with other stakeholder groups, including NIBC employees and youth. Surveys conducted during these sessions showed that employee personal ESG priorities and those of youth are converging.



While at first, it may break perceptions that conservative bankers and idealistic students could never possibly share the same views on ESG, it shouldn’t be. In 1987 the UN’s Brundtland Commission¹ defined sustainability as “... meeting the needs of the present without compromising the ability of future generations to meet their own needs”. It is therefore inevitable that these views converge as the real world impacts become more tangible and visible.

Materiality

NIBC views ESG materiality through a double materiality lens – financial materiality as well as impact materiality. Responsible business conduct and employee satisfaction are material factors for NIBC which are intrinsic to good financial performance, avoiding adverse impacts and ensure good outcomes for our stakeholders across short, medium and long term time horizons. Adverse conduct and employee incidents are infrequent, perhaps due to high staff awareness and a compliant corporate culture.

The outcome of our assessment is that four themes are the most material ESG topics for NIBC. These are:

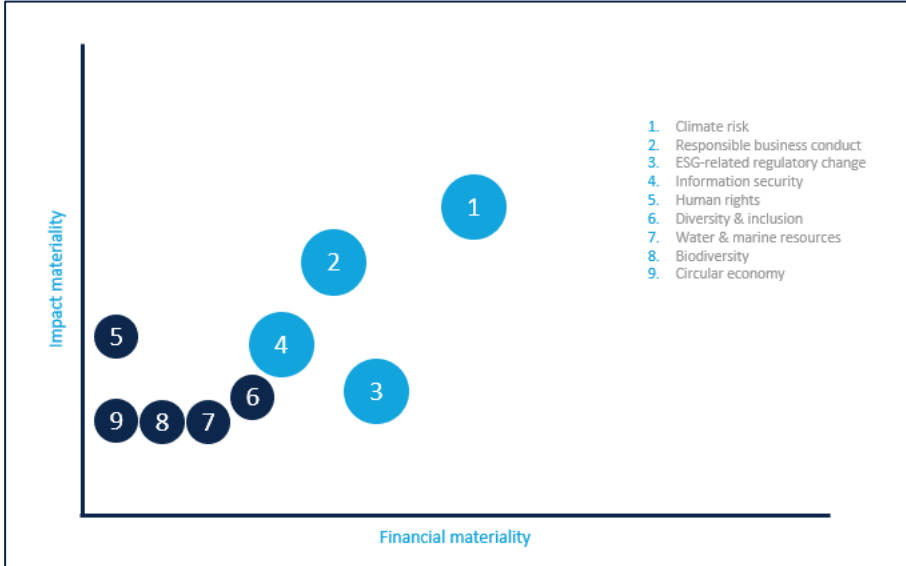
- Climate change
- Responsible business conduct, including integrity, culture and behaviour
- Regulatory change and compliance
- Information and data security

The materiality matrix (below) provides a visual summary by impact materiality and financial materiality for these four themes.

We use formal and informal stakeholder interactions as an opportunity to ask for more specific feedback in regard to diverse issues across the ESG spectrum. This helps us to identify and act on any unintended blind spots, borrow lessons learned and best practices in these areas from others and also to share our own experiences and progress.

¹ United Nations, <https://www.un.org/en/academic-impact/sustainability>

Materiality matrix

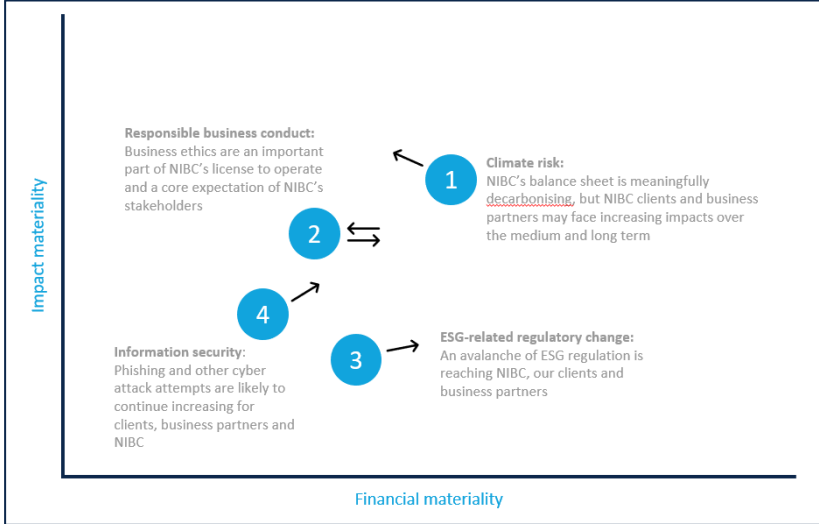


The boundaries for our materiality assessment are our business context and the stakeholders within that context.

Our matrix does not reflect all of the aspects which are typical for commercial banks or investment banks. This is in part due to our operating context. For example, NIBC does not offer current accounts, credit cards, debit cards, consumer loans or other transaction-oriented products or services. Similarly for corporate clients, we do not offer transaction banking, are only involved in a limited number of asset classes, and focus on asset-based financing.

Actions taken by NIBC alongside dialogue with stakeholders during 2022 are reflected in our view on how financial materiality or impact materiality may develop in the short to medium term.

NIBC outlook in regard to 2022 material themes



Although these were the four most prominent ESG themes, other sustainability aspects are not unimportant. NIBC has chosen to proactively provide further information from an impact materiality and financial materiality perspective in regard to themes such as marine and water resources, biodiversity, circular economy, our workforce (including diversity and inclusion), workers in our value chain, affected communities, consumers and community engagement.

NIBC publishes several topical indexes which intersect with the themes mentioned in this materiality analysis. An index for the EU Non Financial Reporting Directive (NFRD) is

published within our Annual Reports and may be replaced in future years by an EU Corporate Sustainability Reporting Directive (CSRD) index. A SASB index is also directly embedded in our Annual Report.

ESG Risk Heatmap



The timeframes applied in our ESG risk heatmap have been adjusted from prior years. For greater comparability, we have applied EU definitions of short-term (<1 year), medium-term (1 to 5 years) and long-term (> 5 years) time horizons in our analysis.

Globally carbon emissions increased in 2022 compared to 2021, despite an overall decrease in emissions across the EU. This means that additional impacts are coming and will continue to increase. Our updated heatmap reflects these developments - physical and transitional climate risks are becoming increasingly visible and the time horizons of impacts are coming closer if our portfolio remains static and clients take no transition or adaptation measures.

In the short- to medium-term, ESG risks include transition risks related to macroeconomic, regulatory and political developments. Macroeconomic developments such as monetary policies, cost of living, high energy prices, and the war in Ukraine are impactful on NIBC and its stakeholders. Changing monetary policies have resulted in higher interest rates, resulting in a stagnation in mortgage markets served by NIBC. Energy prices have resulted in higher costs for NIBC in the energy we use in our operations. For our customers, increased costs may have reduced their net cash flow. To date customers are proving resilient and this has not translated into increased mortgage arrears. Although it has been a year of extreme weather, this has had little to no direct impact on our portfolio. Floods or other acute events during 2022 had no financial impact on the assets financed by NIBC.

There are also many ESG regulatory developments and growing supervisory expectations in the markets we serve. Although NIBC is a small and focused financial institution, the expectations are often not applied in proportion to our size, our business context or our influence.

Although NIBC views ESG as non-political, political cycles are having an increasing impact on ESG developments resulting in the prioritisation of short term influence ahead of longer term risks and impacts. Developments vary by location. For example, nitrogen restrictions in the Netherlands may impact growth of NIBC’s retail and commercial real estate asset classes. While this reduces one type of emission, it also inadvertently slows building renovations and energy efficiency improvements of Dutch building stock. It demonstrates how within the context of ESG, developments may have unexpected consequences. Political risk is uncertain and may have financial materiality and impact

materiality for NIBC, its clients and investors and its stakeholders across short, medium and long term time horizons.

Credit risk and operational risk (including reputational risk) are currently viewed as the most material financial risk categories for NIBC where ESG risk may play a role. Market risk and liquidity risk are not currently assessed to be materially affected.

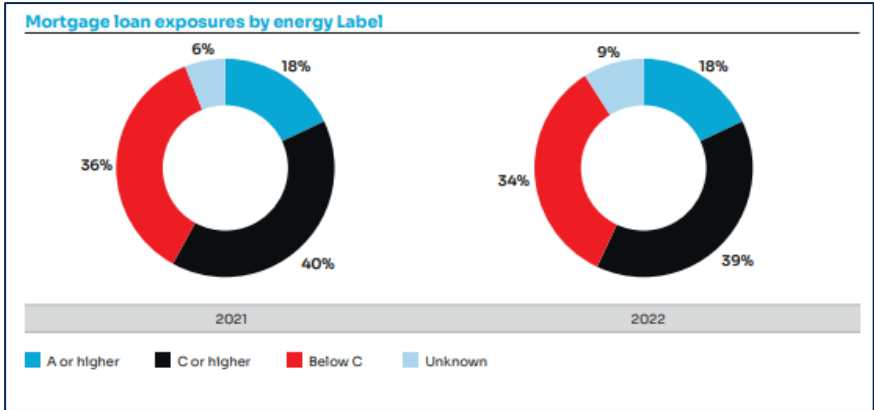
In the short term, NIBC does not expect ESG risk to drive any material negative financial or non-financial impacts. This is mainly due to the mitigating actions that have been taken by NIBC over the past few years to adjust our business strategy, increase the granularity of our exposures and decarbonize our balance sheet.

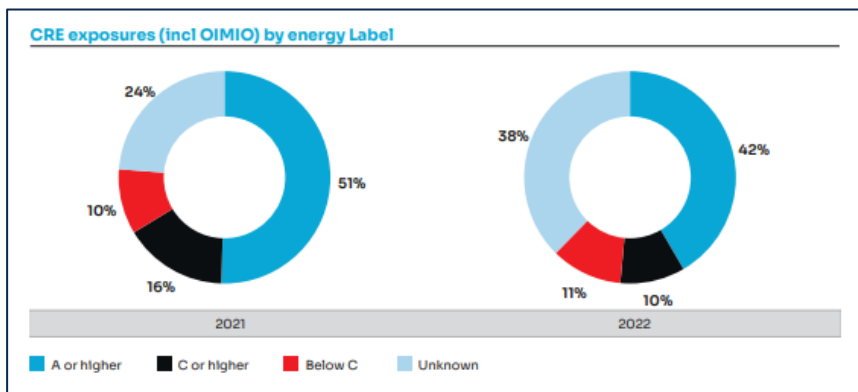
To the degree that a specific impact may occur, it would likely be event-driven, meaning an isolated extreme weather event. However the impact of such a scenario has likely been mitigated due to the granularity of our portfolio.

In the long-term, we expect that climate transition risks and both chronic and acute physical risks may pose challenges in the markets we serve and therefore become a driver of certain financial risks including credit risk. For the clients we serve, policy and technology developments will likely become increasingly important. Collateral values may be impacted by their energy efficiency and source of energy. Extreme weather and related events such as floods or drought may have an direct impact on the assets we finance, but are more likely to materialise as an indirect impact in areas such as client value chains, biodiversity and ecosystem services.

To support our assessments, NIBC performs various types of qualitative and quantitative analysis. We view quantitative analysis to be at a relatively early stage. This is due to the fact that predictive metrics are developing across the financial sector and likely will be far more advanced in the coming years. It is also due to the fact that we haven't experienced any material ESG-driven financial impacts or losses so far, therefore we really don't have historical records of ESG-related financial losses for NIBC.

Real estate portfolio concentration analysis by EPC label





Analysis of portfolio exposures and concentrations have been regularly publicly disclosed by NIBC. We are further informed by measurements of portfolio and granular asset carbon intensity, science-based emission pathway assessments, measurements of possible flood risk, land subsidence, biodiversity, pollution and other aspects, some of which are also shared in our public disclosures. Brief assessments of potential risk and impact for each CSRD disclosure category (climate, pollution, marine and water resources, biodiversity, circular economy, own workforce, workers in our value chain, affected communities, consumers, responsible business conduct) are presented in our Annual Report and in even greater detail in this Sustainability Report.

Importantly each of our core focus asset classes can and will manage the transition to net zero. This is one of the many factors guiding the implementation of our focus and accelerate strategy. It also brings confidence that if ESG risks materialise, they can be absorbed due to our highly granular and secured lending business model. The mitigation actions that we have already taken have reduced risk of stranded assets and reduced adverse impacts related to NIBC's financings.

Disclosure requirements

NIBC has engaged with our stakeholders to verify the focus of our sustainability strategy and materiality in reporting. This materiality assessment process and the outcomes are described here and form the basis for ESG disclosures in our Annual Report.

Engagement with stakeholders during 2022 was regular. To bring their inputs together, internal stakeholder representatives responsible for engagements with individual stakeholders were surveyed to collect topics discussed and their relevance. We also used other external inputs that we received such as research surveys, NGO reports, and social media mentions. We used our own judgement to carefully weigh these sources and determine the material themes for 2022.

We have determined materiality based on topics raised in regular dialogues with stakeholders and are guided by the SASB Materiality Framework maps applicable for commercial banks and mortgage providers. The most important ESG aspects for stakeholders were climate resilience, business conduct (including ethics, integrity, culture and behaviour), regulatory change and compliance and information and data security. Given their importance to stakeholders, NIBC has focused on these topics within our disclosure. Other aspects are also disclosed but in a more limited manner.

For NIBC, the principal regulatory requirements are contained in the Dutch Banking Code, the EU Taxonomy (Article 10 of Article 8 Delegated Act (EU) 2020/852), the Sustainable Finance Disclosure Regulation (SFDR) and the Dutch Decree on disclosure of non-financial information (Besluit bekendmaking niet-financiële informatie), which came into effect on 24 March 2017 as part of the transposition into Dutch law of the EU Non Financial Reporting Directive (NFRD) (2014/95/EU, OJEU 201 330). Please see the Corporate Governance section for more details.

NIBC aims to remain compliant with applicable laws and other regulatory requirements. We also want to operate in the spirit of the law and act in the best interests of our clients. This report has also been prepared in reference to the *GRI Standards*. We are also guided by additional relevant frameworks and standards such as the *Sustainability Development Goals (SDGs)*, the principles of the *Taskforce for Climate-related Financial Disclosures (TCFD)*, and the *UN Guiding Principles on Business and Human Rights (UNGPR)* reporting framework.

Although the *Corporate Sustainability Reporting Directive (CSRD)* will become applicable in future years, NIBC has taken steps in its 2022 disclosures to already adopt the ESRS framework and comply. We also expect to show progress towards in our future disclosures. This does have impacts on the structure of this disclosure, the metrics we disclose and the definitions that are applied. Therefore any changes from past years are explained near the performance indicators provided.

Opportunities

NIBC is benefitting from numerous opportunities which we have developed related to sustainable finance. NIBC applies standard definitions for sustainable finance provided by the *EU Taxonomy*, *ICMA Green Bond Standards*, *LMA Green Loan Standards*, among others. We anticipate that overall volume will grow, but the benefit will be more linked to their impact than financial benefit given that spread differentials between green and non-green assets are limited to a few basis points at most.

At 31 December 2022, EUR 2.2 billion of NIBC's on-balance sheet Residential Mortgage portfolio were reported as having an EPC label of A or higher. This aligns with the energy performance criteria of the EU Taxonomy. EUR 605 mln of NIBC's commercial real estate portfolio was reported as having an EPC label of A or higher. Further, in our asset-backed finance activities, sustainability-linked loans and/or sustainability-related financial covenants are becoming more common.

NIBC Bank's 5-year 750 million senior green preferred bond issuance is formulated based on clear criteria set out in our Green Bond Framework. The Framework is guided by the *ICMA Green Bond Standards* and allocation procedures are reviewed by a Green Bond Working Group chaired by NIBC's Sustainability Officer to ensure appropriate internal checks are performed and eligibility criteria are met. The Allocation Report² for the green issuance is externally audited (limited assurance) and an Impact Report³ is commissioned from W/E Adviseurs, an independent 3rd party, providing a high level of verification and assurance for investors in regard to emissions. The Framework and reports related to the issued senior green preferred bond are publicly available on our corporate website. The green issuance is among the constituents of the *MSCI EUR Corporates IG Climate Change ESG Select Index*.

This attention for sustainability is helping NIBC to address changing customer needs. Retail customers want to protect themselves against energy price spikes, cost of living surges and other disruptive events. Our corporate customers want to grow their businesses, retain their talented workforces and develop future-proof business models. Developing products with these ESG aspects in mind enables us to support our customers in addressing their needs.

² NIBC Bank Green Bond Allocation Report 2022, <https://nibc.com/media/r4opg0jj/nibc-bank-green-bond-allocation-report-2022.pdf>

³ Impact Report, Avoided CO2 emissions Green Bond Portfolio NIBC, April 2023, <https://nibc.com/media/fapnow14/we-report-32161-co2-impact-green-bonds-nibc-2023-2023-04-24.pdf>

NIBC maintains a Sustainability Framework which includes an overall sustainability policy, a human rights policy and an environment and climate policy. These are further supported by sustainability sector policies relating to aspects which are material to our stakeholders. These policies outline NIBC’s expectations for clients and suppliers and aim to foster sustainable and responsible business practices in NIBC’s value chain.

NIBC Policy	NIBC Approval body
NIBC Code of Conduct	NIBC Executive Committee (ExCo)
NIBC Bankers Oath	ExCo
Anti-Bribery and Corruption Policy	NIBC Risk Management Committee (RMC)
Client Due Diligence Policy	RMC
Complaints Handling Policy	RMC
Conflicts of Interest Policy	RMC
Fraud Prevention Policy	RMC
Gifts and Entertainment Policy	RMC
Inducements Policy	RMC
Incidents Policy	RMC
Market Abuse Policy	RMC
Prevention of Tax evasion	RMC
Sanctions Policy	RMC
Whistleblowing Policy	RMC
Risk Management Framework	RMC
Retail Risk Management Framework	RMC
New Product Approval and Review Policy	RMC
Significant Change Approval and Review Policy	RMC
Acceptable Use Policy	
Business Continuity Management Policy	RMC
Competition Law Policy	RMC
Corporate Information Security Policy	RMC
Data Protection Policy	RMC
IT Security Risk Management Policy	RMC
Operational Risk Management Policy	RMC
Outsourcing Policy	RMC
Physical Security Policy	RMC
Diversity Policy	
Health Policy	ExCo
Employee Remuneration Policy	ExCo
Employee Screening Policy	ExCo
Managing Board Remuneration Policy	ExCo
Supervisory Board Remuneration Policy	NIBC Supervisory Board
	ExCo
Sustainability Framework	
Sustainability Policy	RMC
	RMC
Human Rights Policy	
Environment & Climate Policy	RMC
	RMC
Commercial Real Estate Policy	
Infrastructure Policy	RMC
Renewables Policy	RMC
Shipping & Intermodal Policy	RMC
Financial Institutions Policy	RMC

NIBC Policy	NIBC Approval body
Weapons and Defence Policy	RMC
Supplier Code of Conduct	RMC
<i>ESG Policies likely to be retired in 2023:⁴</i>	RMC
Food, Agri, Retail & Health Policy	
Industrials Manufacturing Policy	RMC
Offshore Energy Policy	RMC
Retail Services	RMC
	RMC

Our ESG policies are guided by international frameworks and conventions such as the *OECD Guidelines for Multinational Enterprises*, the *UNGPs*, the *Paris Agreement*, the *UN Principles for Responsible Investment (UN PRI)*, *UN Global Compact (UNGC)* and the *UN SDGs*. Our ESG policies are publicly available on our corporate website. The purpose is to mitigate and reduce risks, prevent harms, to promote respect for human rights, and to foster environmentally sustainable business practices across value chains in which NIBC is active.

Enabling ambitions *by financing assets*

NIBC's business environment is changing and it is important that NIBC continues to adapt to these changes. During 2022, NIBC's ExCo and Supervisory Board revisited our purpose and corporate values. A revised corporate value system, PACE, was launched to reflect this changing context and NIBC's Focus and Accelerate strategy.

PACE is comprised of four corporate values: Professional, Adaptive, Collaborative and Entrepreneurial. These are a basis for our corporate culture, enable us to fulfil our purpose, and guide our engagement with stakeholders. They also provide clear direction, double materiality, in the implementation of our integrated strategy. Assets have value which enables future benefits, including those beyond material wealth.

NIBC maintains a Code of Conduct which was modernised in recent years to reflect developments in the changing world around us. NIBC also maintains a Compliance Framework underpinned by a robust set of policies which aims to ensure responsible conduct. Our compliance policy suite includes policies on Fraud Prevention, Anti-Bribery & Corruption, Whistleblowing, Complaints Handling, Conflicts of Interest, Sanctions, Gifts and Entertainment, and Prevention of Tax Evasion among others. The purpose is to ensure a culture of honesty and ethics within NIBC, a strong internal control environment, and high awareness. Internal audits (3rd line of defense) are performed to test policy compliance and monitoring. Results and findings are independently reported to NIBC's Executive Committee and to the Audit Committee of NIBC's Supervisory Board.

These policies apply to all staff, including employees, non-employees and any person performing a service for or on behalf of NIBC. All of NIBC's business units are responsible for managing sustainability risks and opportunities as part of their regular activities. NIBC's subsidiaries, although operating relatively independently, follow the governance, compliance and sustainability approach of NIBC Bank. They have adapted this to their

⁴ Related to non-core exposures which are in the process of being sold or exited.

scale and complexity, applying proportionality, reasonableness and common sense as described in international standards.

Our corporate policies are reviewed and updated at least every two years. Most sustainability policies are reviewed annually and updated as necessary. During 2023 we are planning to rationalise any remaining ESG policies which are related to discontinued activities and may no longer be relevant.

Changes to NIBC's ESG policies are approved by NIBC's RMC and/or NIBC's ExCo. Policy exceptions are recorded and reported on a periodic basis to NIBC's RMC and/or NIBC's ExCo. Effectiveness of policies is also monitored and reported. For example, one of our ESG policy requirements is that for every new corporate banking transaction, a client ESG assessment has been performed and is on file. A check is performed on a periodic basis by the ESG Team to confirm this is the case. The result is reported among NIBC's ESG performance indicators in our public reporting.

During 2023 we anticipate that we will consolidate or retire certain sustainability sector policies which are no longer relevant to our business context. As we sharpen our focus on our core activities, certain non-core activities are being sold or exited. Therefore related policies can also be further retired. When considering such changes, we also consult with stakeholders to gather their feedback and ensure they are aware of the reasons for our policy changes.

Product responsibility

When NIBC decides to enter a new activity or sector, a New Product Approval and Review Process (NPARP) is conducted to establish the parameters under which we will engage. Significant changes to existing products undergo a Significant Change Approval and Review Process (SCARP) approval process.

Both processes involve a sustainability assessment to identify positive ESG product design opportunities as well as to analyze and mitigate any potential adverse risks to people, the climate and the environment. These processes also help to proactively minimize or eliminate potential greenwashing risks related to NIBC's product offerings.

Unlike many peers, NIBC does not offer current accounts, credit cards, consumer lending, transaction banking or other high-volume transactional products. We do not engage in retail lending or other practices which might lead to overindebtedness, that might impose unfair and abusive loan terms on borrowers or be perceived as mis-selling of products. Furthermore our savings products offer a safe means for retail customers to increase their financial resilience.

Our Sustainability Director is a regular participant in the Retail Risk Team which monitors portfolio developments across our retail products. From time to time, additional testing related to ESG topics is performed in order to ensure products are meeting NIBC's responsibilities and expectations.

Responsible Marketing

Our approach in regard to responsible marketing is embedded in our Sustainability Policy. NIBC is committed to offer its products and services in a truthful, responsible and fair manner.

We comply with relevant national and international laws, regulations and marketing standards. This includes applicable ESG product disclosure standards, avoiding greenwashing, improving comparability and most importantly meeting the expectations and needs of our clients.

Importantly NIBC strives to communicate with customers in a transparent and straightforward manner using language which is inclusive, accessible and easy to understand.

Our offerings are further guided by NIBC policies which provide appropriate safeguards and adhere to established best practices in the activities and markets where we are active. This ensures that NIBC does not engage in false or misleading marketing practices, discriminatory lending, misleading disclosures or other unethical marketing practices.

[Policy Exclusions](#)

Although NIBC focuses on a limited range of asset classes, products and services, stakeholders occasionally inquire about exclusions of certain corporate sectors and activities even if clearly outside of our focus. For these, NIBC has embedded certain activity exclusions, activities which NIBC will not finance or invest in, in our sustainability policies. The exclusion may be because NIBC has sustainability concerns about such activities or because the ESG risk is not aligned with our risk appetite.

For clarity to our stakeholders, during 2022:

- No new financings were made for fossil fuel projects or companies;
- No new financings were made for companies or projects in marine protected areas or other areas of high biodiversity importance or high conservation value;
- No new financings were made for companies or projects in areas where water-scarcity was pre-existing and operations would compete with the needs of communities;
- No new financings were provided for projects or companies active in conflict zones, occupied territories, or locations where we determined that the impacts on people or the environment might be unmanageable.

For transparency to our stakeholders, during 2022 NIBC did not provide financial services or investments which supported:

Topic	In 2022, NIBC did <u>not</u> finance or support
Fossil Fuels *	<ul style="list-style-type: none"> • arctic / antarctic or unconventional oil & gas projects, • oil & tar sands, • shale oil & gas (fracking), • fossil fuels extracted from liquefied coal, • other extreme hydrocarbon extractions;
Power Generation	<ul style="list-style-type: none"> • coal-or lignite-fired power generation, • nuclear power generation, • large-scale water projects (such as dams or large-scale hydroelectric),
Mining	<ul style="list-style-type: none"> • coal or lignite mining, • mountaintop removal mining, • uranium mining, • mining or trade in conflict minerals, • ocean mining
Land biodiversity and deforestation	<ul style="list-style-type: none"> • agricultural or other projects with a large impact on forests (deforestation), peatlands or high conservation areas;
Marine biodiversity and overfishing	<ul style="list-style-type: none"> • drift net or dynamite fishing • shark finning • other harmful fishing techniques
Nuclear	<ul style="list-style-type: none"> • nuclear power generation • nuclear weapons

	<ul style="list-style-type: none"> nuclear waste decommissioning, transport or disposal
Weapons	<ul style="list-style-type: none"> manufacturing, supply or development of weapons and/or weapons systems cluster munitions, nuclear weapons, robotic weapons, or other highly controversial weapons
Animal Welfare	<ul style="list-style-type: none"> animal testing for cosmetic purposes genetic modification of animals use of animals for entertainment trade or manufacture of fur products use of endangered species or wild animals

* NIBC effectively exited the financing of fossil fuel exploration and production with the July 2022 sale of our Offshore Energy portfolio. Prior to the sale, NIBC's ESG policies were also updated to exclude any new financings of fossil exploration and production.

Actions and resources

NIBC's Climate Action Plan is embedded in this Sustainability Report. It describes our main actions to address climate related impacts and risks related to the climate transition and physical climate changes. Our climate adaptation strategy is to mitigate potential climate, biodiversity and other environmental risks through client and transaction due diligence, stakeholder engagement, awareness initiatives and by supporting companies and consumers in their transitions toward a sustainable future.

Recent actions include our exit from fossil Offshore Energy, strengthening of our risk appetite framework and efforts toward structural collection of granular, asset-level ESG metrics and risk data. NIBC has integrated ESG as a driver of financial risk in our risk appetite Framework, has assessed the financial and non-financial materiality of ESG and climate risks, and has implemented stress testing to meet supervisory expectations. The exit from financing of oil & gas exploration and production is viewed by most NGOs and other stakeholders as the most substantive step a bank can take. This is evidenced by the results of the 2023 Eerlijke Bankwijzer in which NIBC was recognized among the top Dutch banks in terms of its climate change policies and actions⁵. We are grateful for this recognition, but we also realise that additional steps are needed to further decarbonize the assets we have financed and support clients in their ambition to transition and adapt to a changing climate.

Regulatory developments, political developments and supervisory expectations related to climate and other ESG topics are closely monitored. NIBC actively participates in expert groups at the NVB and EBF which develop and share best practices, lessons learned and to provide sector feedback to authorities. We openly share our feedback and experiences on ESG topics with interested stakeholders.

NIBC is one of 138 financial institutions in 38 countries worldwide which have officially adopted the *Equator Principles (EPs)*. The EPs are a risk management framework for determining, assessing and managing environmental and human rights risks in project finance transactions. During 2023, NIBC will end its membership with UN PRI since we have sold our ESG CLO business to Aegon Asset Management.

Significant efforts are made to identify risks and perform due diligence and monitoring. Additional preventive measures such as education and awareness are an important element within NIBC's regular risk management program. For example, NIBC's information security team and data protection office catalyse any necessary actions needed to ensure protections are in place against the latest threats which secure the data and information retained by NIBC

⁵ 25 May 2023 Eerlijke Bankwijzer, Beleidsbeoordeling Nederlandse banken 19e update, p2, 5

Metrics in relation to material sustainability matters

To provide readers with insight into our sustainability performance, NIBC aspires to provide metrics for material ESG aspects. These are presented alongside each topical narrative within this section.

ESG performance indicators

	2022	2021	2020
NIBC Direct customer survey score - Mortgages	8.5	8.1	8.0
NIBC Direct customer survey score - Savings	8.1	7.6	7.9
NPS score corporate lending clients	+86%	+59%	+30%
% of new corporate loans screened against sustainability policy	100%	100%	100%
Number of new corporate clients with increased sustainability risk assessment	15	21	14
Fines or sanctions for non-compliance with laws and regulations	0	0	0
Total number of FTEs end of financial period	717	737	726
Male/female ratio	65%/35%	67%/33%	67%/33%
Male/female ratio top management	74%/26%	77%/23%	82%/18%
Training expenses per employee (EUR)	3,611	2,508	1,767
Absenteeism (trend total)	3.2%	1.6%	1.6%
Employee turnover (employees started)	20.6%	17.9%	18.7%
Employee turnover (employees left)	20.3%	16.9%	16.9%

KPIs pursuant to Article 10 of Article 8 Delegated Act (EU) 2020/852 (EU Taxonomy)

KPIs pursuant to Article 10 of Article 8 Delegated Act (EU) 2020/852 (EU Taxonomy)

Mandatory Disclosure In EUR millions Article 10		Total	Taxonomy		% coverage
			Taxonomy Eligible	Non-eligible	
2a	Total Assets	22,807	11,995	10,811	100%
	of which trading portfolio and on-demand NFRD interbank loans	783		783	3%
	of "Other" Debt and other assets	1,341	247	1,095	6%
	of which exposure to NFRD companies - loans	49		49	0%
	of which exposure to NFRD companies - mezzanine equity	166		166	1%
2b	of which exposure to retail clients	11,749	11,749	0	52%
	Total exposure to central governments, central banks and supranational issuers	2,087		2,087	9%
2c	Total exposure to derivatives	162		162	1%
	Total on-demand non-NFRD interbank loans	56		56	0%
	Total exposure to non-NFRD companies	6,414		6,414	28%

We have designated mortgage lending activities (NACE activity L68) to be Taxonomy eligible on the basis of their energy performance certificate (EPC) label and have included these as part of the mandatory reporting disclosure. For asset-backed finance activities, we have determined NFRD companies based on the company's previous year's reporting and current NFRD criteria.

Within the mandatory reporting component, we have determined 52% of our balance sheet to be taxonomy-eligible and 48% to be non-eligible. NIBC has designated an activity as eligible under the EU Taxonomy if it is included in the list of activities covered by the Taxonomy based on our own judgement and the NACE records in our systems. For clarity this is irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts. The activities are designated as non-eligible if they are not described in the delegated act. The majority of NIBC's corporate activities are either asset-based or the activity being financed is clear.

The allocation report regarding NIBC's EUR 750 million 5-years green senior preferred bond issuance has been reviewed by our external auditor and an independent (external) impact report has also been commissioned.

Several UN SDGs are prioritised within our approach. These SDGs include Clean Energy (SDG7), Economic Growth (SDG8), Industry & Innovation (SDG9), Sustainable Communities (SDG11), and Responsible Consumption and Production (SDG12). By focusing on these SDGs, we believe we will also continue to contribute towards several other goals including Climate Action (SDG13), Gender Equality (SDG5) and Good Health (SDG3). NIBC has embedded the SDGs in our Green Bond Framework by aligning the eligible categories to the targets which underpin the 17 SDGs. This allows us to provide investors a quantitative impact assessment of the contribution towards the goals.

NIBC ESG Ratings

Provider	Rating
ISS	C+/Prime
Sustainalytics	18.3, low risk
RepRisk	AA
MSCI	A
S&P	E-2, S-2, G-2

One of NIBC's ESG ambitions is to be ranked among the better performing banks globally in those ESG ratings where we are covered. Such a target allows NIBC to track the effectiveness of our policies and actions. Our sustainability policies and framework have been in place since 2010 and started with measurements of client satisfaction, responsible business conduct, and our operational impacts related to emissions, consumption, waste and our workforce.

We are proud to have received strong sustainability ratings and appreciate the recognition we have from many of the main global sustainability rating providers. Our ambition is to maintain our position in the top quartile among our peers. We are currently achieving this target. We listen carefully to any feedback NIBC receives during rating reviews to improve our transparency and refine our sustainability strategy, policies and processes.

In more recent years we developed metrics related to the impacts of our financings, such as financed emissions, energy efficiency of our retail and Commercial Real Estate portfolios. These are disclosed in the table below and further described in the appropriate section of this disclosure.

Climate change





NIBC is a signatory of the *Climate Accord for the Dutch financial sector*. Our ambition is to support the transition to a sustainable economy with a goal of limiting global warming to 1.5 degrees in line with the Paris Agreement. Despite continued increasing global emissions and the resulting global warming effects, we believe it is important to maintain this 1.5 degree limit as our ambition.

During 2022, NIBC first published our Climate Action Plan within our public TCFD Report which describes steps we have taken and envision going forward to achieve our climate objectives. NIBC's decarbonisation targets have been to achieve a 55% reduction in CO2e emissions by 2030 and achieve net-zero before 2050. We will set new intermediate targets given our progress in exiting certain asset classes and based on our current focus business segments.

The main elements of our plan are 1) to measure using best available information and techniques; 2) to influence clients and business partners to transition and adapt; 3) to end support for activities that can not or will not transition; and 4) to set a good example and continue to progress in our own operations.

NIBC Climate Action Plan

Four pillars which frame NIBC's climate actions

 MEASURE	 TRANSITION & ADAPT	 DECIDE	 OWN OPERATIONS
<p style="margin: 0;">Measure using best available information and techniques</p> <ul style="list-style-type: none"> • Set and continue to refine targets. NIBC's primary targets related to climate-related risks are to achieve net-zero before 2050, and a 55% reduction in emissions in 2030 • Follow a science-based approach and continue to develop and refine measurements appropriate for NIBC's asset classes and business environment. • Consistently improve data quality. Collect granular data directly from clients to the extent reasonable and practical. • Meet or exceed EU and NL disclosure expectations and improve comparability with other financials. • Continue to work with peer banks and other stakeholders to improve methods and transparency • Be transparent and honest, ensure stakeholders are well-informed of our progress and the challenges we face 	<p style="margin: 0;">Encourage clients and business partners to transition and adapt</p> <ul style="list-style-type: none"> • Engage with clients and business partners and focus on practical steps to decarbonize their operations and supply chain, reducing emissions, pollution and other adverse environmental impacts. • Make ESG and climate aspects a part of NIBC discussions with every corporate client. • Utilise client and supplier management statements, questionnaires, internal expertise and external sources to identify potential climate-related risks and impacts. • Where material ESG risks or impacts are identified perform further assessments to determine the potential timeframe. • Promote ESG transparency among corporate clients and business partners. 	<p style="margin: 0;">Think Yes. Support clients and assets that have the ambition to transition</p> <ul style="list-style-type: none"> • Ensure ESG information is among the aspects considered as part of decision making within NIBC in order to ensure balanced, well-informed management and financial decisions. • Increase exposures to activities which are not fully green today but which are willing to transition, need financing and investment to become greener, and have the ambition to reach net zero before 2050. • Proactively restrict and reduce exposures related to very high climate-risk activities can not or are unwilling to transition to net zero. • Regularly revisit and refine policies and processes to further strengthen our ESG and climate risk management approach 	<p style="margin: 0;">Set a good example and continue to make progress in own operations</p> <ul style="list-style-type: none"> • Aim to achieve net zero in own operations well ahead of Paris 2050, preferably by 2030. • Influence business partners as part of business partner contracts where possible and embed expectations in annual supplier and vendor reviews. • Ensure staff are well-informed of NIBC's ambition, strategy and climate action plan. • Offer a robust ESG training program utilizing internal and external programs in order to continue to build awareness, knowledge and skills. • Embed in introduction program for new employees, NIBC management trainee program and Dare to Develop.

Many aspects are already embedded as part of our business as usual. We have an experienced ESG team in place, have set targets to reduce our emissions footprint, and have developed products which address impacts and help to build financial resilience. Reporting has been in place for many years. Our efforts to measure, decarbonise, transition and adapt also go back many years.

Our plan is guided by international frameworks such as the *Paris Agreement*, the *Taskforce on Climate Related Financial Disclosures (TCFD)* and the *UNFCCC Climate Action Pathways* which are relevant to asset classes where NIBC is active. Scientific research is showing that these current 1.5 degree pathways probably underestimate the speed at which fossil-related emissions must be cut. Our actions will therefore continue to be tangible, practical and also guided by common sense.

NIBC is involved in sectoral initiatives as part of our plan. As a signatory to the *Climate Accord for the Dutch financial sector* we work with our peers to set and share best practices, overcome barriers and obstacles, support our clients and business partners, work with authorities, and learn wherever we can.

ESG is integrated in the day-to-day processes and decision making within each NIBC business unit. This means that effectively our entire organisation is working towards our climate action plan and targets as part of their day to day business.

Progress and resource requirements are discussed periodically with NIBC's ExCo, Supervisory Board and/or related senior management committees. The risks are managed within NIBC's three line of defense risk management structure.

[Climate policies](#)

NIBC's main policies related to climate change mitigation are our Sustainability Policy and our Environment and Climate Policy. In these we commit ourselves to performing environmental due diligence, we act on the findings of our due diligence, and we exclude financing toward assets that we deem to be outside of our risk appetite.

NIBC has ended its financing of fossil fuel exploration and production. This followed policy updates implemented in 2021 during COP26 to our Sustainability Policy and our Environment and Climate Policy to exclude new financings of fossil fuel exploration and production. NIBC had already been reducing fossil exposures for several years to reduce risks related to cyclical exposures and climate impacts.

As part of our transition mitigation strategy, we encourage our corporate clients to develop climate action plans and to set Paris-aligned emissions targets. We support shipping clients in their acquisition of dual-fuel vessels and/or use of reduced emission fuels. We encourage strategies which reduce fuel consumption and emissions such as slow steaming, regular hull cleaning and other actions. In commercial real estate, we support developers to acquire and renovate buildings. These efforts are helping to rapidly transform the energy efficiency of buildings. We offer possibilities to retail customers who are aiming to improve the energy efficiency of their home as part of their mortgage. Retrofittings and innovations are likely to play a key role across each of the assets classes where we are active.

To the extent practical and possible we encourage clients and suppliers to include clauses on compliance with environmental criteria in their contracts with subcontractors and suppliers. These should be evidenced by the companies concerned where practicable via certifications, site visits, and/or audits to help ensure responsible practice throughout their supply chains.

[Additional actions and resources](#)

Our actions to achieve climate neutrality are increasingly publicly visible. NIBC focuses on asset-based finance in several core asset classes. These include Mortgage loans, Commercial Real Estate, Infrastructure, Shipping and our Platform activities. Each of these asset classes have their own pathway and timeline towards zero emissions.

In 2022, NIBC sold its remaining fossil offshore energy exposures, becoming the first Dutch bank to effectively exit oil and gas exploration and production financing among those involved in these activities. This step is part NIBC's focused business strategy. ESG is one of the many factors that are considered in our strategic decision-making. Such decisions are not purely ESG decisions and are not taken lightly.

Our exit from this asset class is expected to reduce the medium- to long-term financial risk to NIBC of stranded oil and gas assets and impact risk of locked-in GHG emissions . At the same time we cannot claim these are emissions that have truly been reduced or avoided for the planet. The related fossil exploration and production activities are likely continuing and emissions are likely still being produced – only without our involvement or ability to influence.

Looking ahead, we believe that our core activities and consequently also our clients are able to adapt and transition to net zero before 2050. There is more work to do to reduce emissions and the use of fossil fuels in our core asset classes. This is expected to require continuous effort and progress over the coming years from NIBC as well as from our clients.

NIBC's Green PACE Project

NIBC has launched a company-wide project which aims to address the many data and reporting requirements in the ESG space. This will allow us to continue to expand our reporting capabilities and to address the calls from supervisory authorities for deeper ESG risk analysis and more granular data. And as implied in the project name, Green PACE, ESG is a catalyst in which ESG, our corporate values and our business are fully integrated. In the first stage of the project we have prioritised two of our most material asset classes - Mortgage loans and our Shipping portfolio.

As one of the results we will bring new metrics to NIBC's future public disclosures. For example based on this internal evaluation:

Mortgage loans

- 57% of our on-balance sheet mortgage loan exposures are energy label C or higher;
- 6% of our on-balance sheet mortgage loan exposures may not have a registered fossil gas connection.

Shipping

- 90% of NIBC's Shipping loans include covenants addressing environmental aspects and/or environmental KPIs;
- 32% of NIBC's Shipping clients have a climate action plan.

Figures mentioned above are unaudited and will be further confirmed during 2023.

Despite data improvement initiatives, the alignment of our financial activities with the *EU Taxonomy* will remain a challenge. Most of NIBC's corporate exposures are related to corporates which are technically SMEs and micro-enterprises not subject to NFRD or the upcoming CSRD. The Taxonomy *technical screening criteria* (TSC) and *do no significant harm criteria* (DNSH) are complex and may be difficult and disproportionately costly for SMEs to achieve. This increases the risk that these companies will be excluded from green finance. Therefore we are working with our clients on a practical implementation focused on the most material criteria of the Taxonomy.

Climate Targets

NIBC is enabling and promoting climate action. For example, we finance renovations that raise the energy performance of commercial and retail properties. We work with ship owners to reduce fuel consumption per km per tonne of cargo carried and to prepare for the capital investments that will be needed in new fuel and propulsion technologies. And we promote energy-efficient digital infrastructure and efforts within this asset class to increase the sourcing of renewables. In some cases, KPIs have been embedded in "sustainability linked" loans for corporate clients, requiring certain levels of performance tied to interest rate incentives

To date, NIBC has maintained three main targets related to climate mitigation and adaptation.

- Net zero emissions before 2050 related to our financings and operations (Paris aligned, 1.5° scenario);
- 55% reduction in emissions by 2030;
- End financing of fossil fuel exploration and production (achieved in 2022).

Given our progress in 2021-2022, we expect to revisit these and establish new intermediate targets in the next 12-18 months which are based in part on detailed data gathered as part of our Green PACE project.

We also have the ambition to reach a *Partnership for Carbon Accounting Financials* (PCAF) data quality score of 1 or near to 1 across each of our corporate asset classes within the next two years. Achieving this target will be a result of reducing our reliance on proxies, instead sourcing and confirming ESG data directly with clients.

Energy consumption and mix

Energy consumption and mix

Gross Scope 1, 2, 3 emissions

Estimated emissions ¹	2022	2021
Scope 1: direct emissions- energy	322	176
Scope 2: indirect emissions- purchased electricity	-	-
Scope 3: other indirect emissions		
GHG Category 1: Purchased goods & services	1	1
GHG Category 5: Waste	2,145	1,883
GHG Category 6: Business travel	124	282
GHG Category 7: Employee commuting	20	21
GHG Category 15: Financings & Investments	3,584,525	4,534,363
Total Scope 3	3,587,138	4,536,725
Total estimated emissions	3,587,460	4,536,901
Emissions baseline 2019	9,493,597	

EMISSIONS INTENSITY

intensity per mln balance sheet assets	157	200
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¹ IntCO2e

NIBC's emissions estimates are based on standard calculation and attribution methods. Our operational emissions (scope 1, 2 and non-financed scope 3 emissions) utilise Climate Neutral Group's CO2 calculator in order to ensure we are using independently sourced factors comparable with other Dutch organisations for each type of emission. Scope 3 estimated financed emissions are based on *Partnership for Carbon Accounting Financials* (PCAF) methods for calculating these figures. Financed emissions include Scope 1, 2 and 3 emissions derived from PCAF.

We have established a 2019 emissions baseline recalculated based on 2019 PCAF factors. Based on the availability of emissions data and quality of available data, we believe it is also a reasonable baseline for our disclosure targets. Peak financed emissions most likely occurred in years prior to 2019, when NIBC had larger exposures in higher emitting sectors. The baseline and our financed emissions figures currently exclude exposures related to Beequip, yesqar, other financial institutions and liquidity management activities.

For mortgage loan exposures, we have used standardised factors per energy label, building type and volume in cases where the energy label was known. The quality level assigned by PCAF to these factors is level 3, on a scale of 1 to 5 (5 being highest).In

cases where the energy label is not definitive, we conservatively assumed EPC label G level for performance and 4 for quality. For commercial real estate exposures used standardised factors per energy label, building type and size. The quality level is 4. In cases where the energy label was unknown or not yet assigned, we have applied a precautionary approach and applied the highest factors. For other asset classes we have used factors available for listed corporates of the same sector therefore the quality level is 4 to 5 depending on the activity.

We have not made additional adjustments for perceived emission double counts or otherwise altered the resulting emission figures. We prefer to focus on completeness and quality before discussing changes. It also seems inappropriate to make adjustments for the time being given while global emissions are continuing to rise.

Emissions estimates and screening of corporate loans are among the quantitative indicators which NIBC reports related to climate resilience. Over time we expect that our emissions estimates related to corporate asset classes will increasingly be sourced directly from our clients, reducing our current reliance on proxy factors. We are collaborating with peer institutions to also improve the quality of emission estimates for retail exposures.

NIBC uses 100% renewable electricity in our own operations

NIBC has not utilised carbon credits or offsets in the accounting of emissions. Our priority has been to first reduce actual emissions whether operational or financed. For operational emissions which we have not been able to eliminate, we purchase offsets from NGOs to compensate for our Scope 1 and 2 emissions and business-related travel. These offsets enable NIBC to be operationally carbon neutral. For 2021, these totalled 648.32 tonnes and were purchased from Utrecht-based Climate Neutral Group. These VCS REDD+ offsets supported reforestation and biodiversity restoration and protection projects. NIBC employees donated approximately 1500 tonnes of additional offsets, an indication of the increased importance of a sustainable transition to our workforce.

In our own operations, our Facilities & Services department oversaw recent renovations of NIBC's office buildings in The Hague resulting in improved energy performance labels during 2022. Several of our addresses within the Hague complex improved to EPC A++ label. All other addresses within the Hague complex are now at least at an EPC A level.

Energy efficiency per NIBC operating location

Location	EPC Label(s)	Electricity source	Size (sqm)	Status
The Hague	A to A++	Wind	24513	Owned
Frankfurt	Leed Platinum	Renewable Mix	2362	Leased
London	D	Renewable Mix	493	Leased
Brussels	n/a	Renewable Mix	270	Leased
Beequip	C	Wind	950	Leased
YesQar	C	Renewable Mix	80	Leased

EPC labels are determined by country, therefore are not fully consistent across NIBC's operating environment. We expect that the upcoming European Building Performance Directive and its national implementation will help to further rectify this challenge.

NIBC does not currently apply internal carbon pricing or assign a specific monetary value to the carbon emissions associated with our financings or operations. We do measure carbon emissions and carbon intensity. We also utilise emissions, risk and impact mitigation measures and/or future plans where appropriate in our decisioning processes. This allows us to ask questions during our due diligence, take tangible steps with clients to decarbonise, prepare for future regulatory and market developments and improve our sustainability performance.

Climate-related risks

At their most extreme, the potential effects from global warming and climate change are stark. If the world becomes uninhabitable, banks and other corporates including NIBC will no longer exist. This fact alone should motivate all stakeholders to make the systemic and behavioural changes that are needed.

Assessment of climate-related risk of our portfolios

NIBC’s business context is simplifying and de-risking, including from a climate and ESG perspective. We exclude many of the activities which are viewed to have high climate impacts, including fossil power, fossil fuel exploration and production (upstream), and activities linked to deforestation. This reduces certain long-term financial risks to NIBC for which the climate transition is a driver such as the risk of stranded assets related to fossil fuels ⁶. And by taking such steps, it also means that in future assessments, we can focus on scenarios in regard to our core asset classes.

NIBC views climate risks and other ESG risks to be potential drivers of financial risk

For the short to medium term (up to 5 years) and based on the current NIBC portfolio composition, impacts would most likely related to physical climate risk events such as inland flooding, land subsidence or an extreme weather-related event. As such these would be limited to a geographical location and further limited in impact due to the granularity of NIBC's portfolio.

Climate and environmental risks as drivers of financial risk for NIBC

Risk Category	Short term	Medium Term	Long Term	Related ECB Expectation(s)	Current Assessment
Credit Risk	M	↔	↔	The institution is expected to consider climate and environmental risks at all relevant stages of the lending process and to monitor the risks in the portfolio.	<p>Credit risk related to climate and environmental risks is viewed as potentially material for NIBC in the short term medium term and long term.</p> <p>It is unlikely that we will experience no material direct impact on credit risk.</p> <p>The increasing granularity of our portfolio suggests that to the degree these materialise as physical climate impacts, they will most likely be event-driven and related to a specific location.</p> <p>All of NIBC’s core asset classes will face climate transition risks and there is increasing</p>

⁶ DNB, “Naar een duurzamere balans voor banken”, December 2022 <https://www.dnb.nl/publicaties/publicaties-onderzoek/analyse/naar-een-duurzamere-balans-voor-banken/>

				<p>evidence that many have started their transition and adaptation journey.</p> <p>Climate risk may become a driver of negative real estate values over time. To date we have not seen such effects. Market figures are suggesting that in certain areas, the effect may be a reduction in property value increases rather than decreases from existing values</p> <p>NIBC's strategic choice to sell the remaining Offshore Energy and Leveraged Finance portfolio in 2022 has likely reduced the long-term risk of stranded assets and medium-term transition risks as banks and investors begin to decarbonize their balance sheets.</p> <p>During 2022 we have experienced no material direct credit impacts which can be directly attributed to C&E or other ESG risks as drivers. But we remain cautious in our outlook.</p>	
Market Risk	NM	↔	↗	<p>The institution is expected to continuously monitor the effect of climate and environmental factors on current market risk positions and future investments and to develop stress tests that integrate climate and environmental risks.</p>	<p>Market risk is not material in the short term. Although this may begin to rise in the medium term or in the long term it is most likely to remain immaterial.</p> <p>The main impacts in the longer term most likely will be indirect and therefore also difficult to attribute to climate or ESG as a driver. We anticipate energy prices will continue to be disruptive, experiencing increasing sharp peaks and valleys due to both geopolitical developments and the transition toward renewables.</p>
Liquidity Risk	NM	↔	↔	<p>Institutions are expected to assess whether material climate and environmental risks could lead to a net cash outflow or depletion of the liquidity buffer. And if so, that the relevant institution integrates such factors in the liquidity risk management and calibration of the liquidity buffer.</p>	<p>Liquidity risk related to ESG is likely not material in the short to medium term.</p> <p>Longer term climate transition risks could be a driver of either increased liquidity risk or decreased liquidity risk as investor appetite and NIBC's balance sheet also adapt over time. Therefore we remain cautious in regard to the long term direction.</p> <p>NIBC's funding base is diversifying and responsible investors have been attracted toward NIBC's green debt. NIBC savings customers are loyal (stickiness), but price sensitive ahead of any other factors.</p>
Operational Risk	M	↗	↔	<p>The institution is expected to understand the short-, medium- and long-term impact of climate and environmental risks on the business environment and thereby make</p>	<p>Reputational and litigation risks have reduced in the short to medium term the short term. These are lessening due to the sale of NIBC's Offshore Energy portfolio.</p> <p>ESG regulations are being introduced rapidly and the pace is likely to continue in the short to medium term. To date, NIBC has managed to meet the changing requirements.</p>

informed strategic and business decisions.	ESG-related business continuity risks remain modest. NIBC continues to consider disruptive events such as floods and outages in its BCM planning.
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Recent evidence suggests that in the short to medium term, physical climate risks for NIBC may be event-driven. For example from extreme weather-related events such as floods or droughts. Real estate is vulnerable to such events but these are likely confined to a certain area or geographic region. To the degree that these may have an impact, the granularity and asset-based nature of NIBC’s portfolio help to mitigate the risk. For example the recent flooding event in Limburg was severe. But the direct impact was limited, isolated to a relatively small number of postal codes within the region. NIBC’s portfolios were not affected. Within the Netherlands, approaches to manage water events are well-established. National, regional and local defenses are substantial and act as a mitigant against losses in most scenarios. Land subsidence as a result of prolonged drought may be the greater risk, since water systems and defenses are designed first and foremost to remove water.

We expect the main climate and ESG impacts within our business context will be related to climate transition and adaptation. NIBC has already shifted its portfolio to less carbon intensive activities, reducing its PCAF-calculated financed emissions by 62% since 2019. According to a DNB study published in December 2022, this type of deviation can be seen as an indication that the transition risks are reducing.⁷ It is a sharp decline and the result of actions by NIBC that began prior to the climate agreement for the financial sector.

Decarbonisation of NIBC’s financed assets likely has reduced short to medium term likelihood of negative climate-related reputational risks and the longer term refinancing risks and/or stranded assets related to fossil fuels. We expect that financial institutions which have a net-zero target (NZBA, GFANZ or other) and are active in fossil fuel exploration and production will increasingly face protests from climate activists. It is possible that directors of one or more Dutch financial institutions might even be targeted in terms of legal actions.

Examples of potential ESG risks and their transmission channels

Risk Factor	Potential effect	Possible timeframe	Impact on risk profile	Impact on NIBC business strategy
Physical climate risk	Costs to retail mortgage customers due to damage or loss from an acute climate or ESG-related event such as a flood, temporarily or permanently reducing their ability to pay.	>3 years	Credit risk	Impact likely mitigated by national flood defenses and victim protection programs. Granularity of NIBC portfolio likely limits the materiality of the financial impact to NIBC.
	Chronic drought reduces availability of water, therefore increasing cost of cooling of data centres	3-5 years	Credit risk	May reduce NIBC’s ability to originate new digital infrastructure transactions.
Transitional climate risk	Loss of value for retail mortgage customers which have not improved the energy efficiency of their home	>5 years	Credit risk	May need to consider origination and pricing criteria for mortgages

⁷ DNB, “Naar een duurzamere balans voor banken”, December 2022, p7
<https://www.dnb.nl/publicaties/publicaties-onderzoek/analyse/naar-een-duurzamere-balans-voor-banken/>

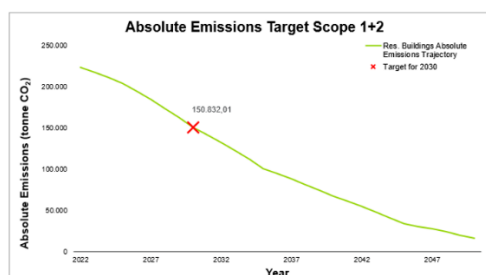
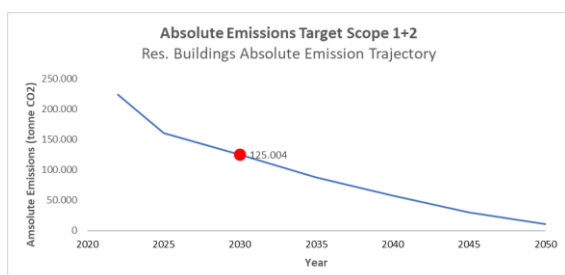
	Retail mortgage customers facing a loss of net income due to increased energy costs	>5 years	Credit risk	NIBC advocating for changes to restrictions on sustainable portion of mortgages to allow utilization in the middle of the mortgage period
Policy	Nitrogen restrictions reducing number of building and construction permits for renovation or construction of commercial real estate and digital infrastructure	<3 years	Political risk	Likely a short term risk as competing interests of farmers and society force a political resolution.
	Depreciation of loan collateral and/or difficulty in refinancing of crude oil tankers (fossil fuels)	3-5 years	Credit risk, Reputation risk	May need to consider origination and pricing criteria for fossil-related vessels or an ESG policy restriction

The transmissions channels related to climate transition risks are complex and interrelated. For example the housing shortage in the Netherlands is worsening while at the same time nitrogen emissions restrictions are preventing the renovation of existing buildings and new building developments.

Additional income divergence as the transition progresses driven in part by energy price fluctuations⁸, inflation variation and unemployment rates. Such effects can only be mitigated through large scale public policy changes and well-coordinated responses such as subsidies for vulnerable groups which otherwise may not be able to pay for the transition themselves.

This implies that political risk related to climate change will likely rise, making the impacts or related shocks less predictable. Although this may create indirect risks also in NIBC’s core corporate sectors, there has been little evidence of ESG risk as a driver of energy prices. Whereas policy responses to inflation have indeed impacted mortgage markets and commercial real estate developments.

Retail mortgages, SBTi decarbonization scenario analysis



Science-based target models (SBTi) are useful to model these potential transition pathways and NIBC has used these to model our retail mortgage and commercial real estate portfolios.

NIBC has conservatively calculated our science-based target pathway for retail mortgages. These show the sectoral convergence intensity trajectory according to the IEA B2DS scenario. In cases where data is absent or unconfirmed, we have applied the equivalent of a G label rather than following more optimistic PCAF (year-based) methods in our risk-based approach. As a result the models for mortgage emissions are only marginally different than a straight-line reduction pathway. We expect that over time a more progressive curve will develop as data quality improves.

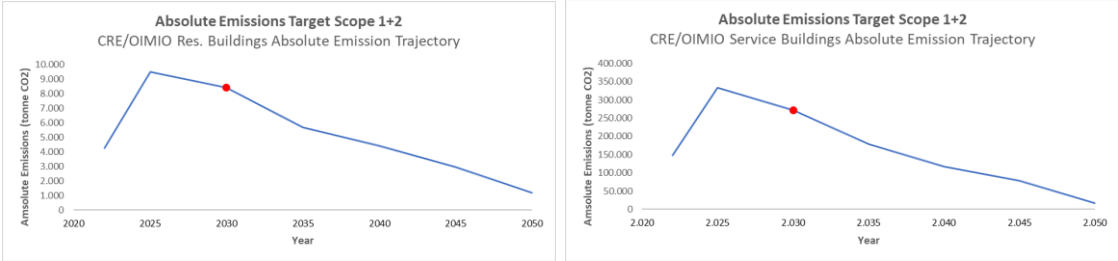
⁸ European Central Bank, “Climate and the Economy” March 2023
<https://www.ecb.europa.eu/pub/pdf/scpwps/ecb.wp2793~7969efec4f.en.pdf>

The transition will likely become more visible as the pace increases in the medium term. We anticipate that energy prices will continue to incentivise modest energy efficiency improvements by mortgage holders that are not picked up in national EPC label databases. This likely will only be seen if/when Dutch banks gain access to actual energy use and source data. Therefore there will be a point in the coming years where a larger leap in efficiency is reported.

While energy data for mortgages has improved by comparison to the past, mortgage providers including NIBC have been raising concerns together with peer banks about data quality since the current quality of data does not meet normal financial data quality expectations. This is another reason we remain cautious in our disclosures and projections.

Commercial real estate, SBTI decarbonization scenario analysis

SBTI pathways for commercial real estate and OIMIO show an increase in emissions in the short term due to portfolio growth. These show the sectoral convergence intensity trajectory according to the IEA B2DS scenario.



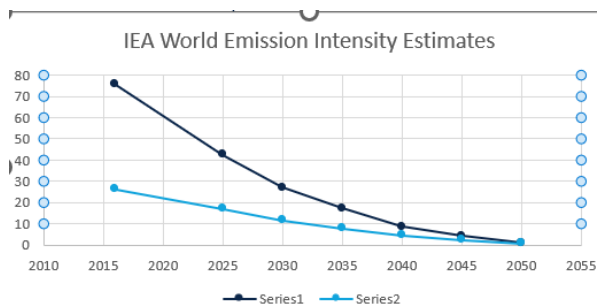
These scenarios are based on the IEA’s global projections in terms of energy efficiency improvements. While these include NIBC’s portfolio growth ambition SBTI models do not so far capture NIBC’s role in CRE renovation projects to finance improvements energy efficiency while transforming the use, optimizing available building stock.

ESG risk aspects specific to a building object are captured in NIBC’s transaction decisioning. For example, climate adaptation is among the areas considered in risk assessments of CRE transactions which lie in close proximity to sea or inland waterways.

NIBC’s retail mortgage and commercial real estate activities may be impacted in the medium to long term by changing market values. Different possible scenarios have different potential effects. One scenario is a reduced upside for owners in which market values of energy inefficient properties decline faster or rise less quickly. A second scenario is that property prices actually fall based on energy inefficiency. The second scenario is increasingly already a reality in terms of reduced rental rates in buy-to-let markets, but more related to rising inflation and energy prices and not driven specifically by ESG or climate concerns.

In commercial real estate, NIBC typically benefits from changes in demand, flexibility in design to accommodate changing building needs during the lifetime of a building, for example the conversion from old and vacant office space into highly demanded modern residential housing and/or other functions. This is visible to a certain degree in NIBC’s annual energy label overview for CRE. Over the past few years, mid-range energy labels have become less and less common due to progress in renovations and retrofits and as a result of the requirement to improve office energy labels to at least C or higher. In reality most have taken additional steps and already reached B, A or higher.

SBTI emission scenarios for shipping and infrastructure



SBTI pathways are not yet available for offshore shipping assets. Qualitatively we expect that the transition of propulsion and fuels will begin in 2030-35 within the niches where NIBC is active. The IMO has been less ambitious in their own target setting so far, aiming for net zero by 2070. This may create risks from 2035 as public expectations in regard to emissions reductions will more likely be aligned with the Paris 2050 target.

NIBC's shipping clients are showing signs of their climate action plans in that they are already delaying certain investments in vessel replacements or major retrofits in anticipation of the upcoming transition. Based on internal analysis, 32% of NIBC's shipping clients already have a climate action plan or climate transition plan. Furthermore approximately 90% of shipping loans include covenants addressing environmental aspects or environmental KPIs. NIBC is starting to introduce sustainability-linked loans in shipping, bringing this increasingly popular structure into shipping.

The shipping sector needs to transition in the coming years to different propulsion systems and fuels, however the technologies and fuels are not commercially available in the size and volumes needed. Port infrastructure may also need to be modified in anticipation of rising seas. Bunkering infrastructure still needs to begin its transformation to low carbon and clean alternatives. Pathways will likely develop ensuring the right fuel is available in both the departure and destination port. Dual fuel vessels are increasingly a transition solution. Most vessels financed by NIBC have the ability to manage this shift through retrofits or other measures. Vessels financed by NIBC which transport fossil products mostly can also transport clean alternatives. Age of vessels is closely monitored by NIBC as fleets will increasingly age, investments in new vessels or retrofits delayed until clean technology are available.

NIBC is in the process of collecting data needed to perform SBTi analysis for digital infrastructure assets such as data centers and fibre networks. These types of assets seem to undergo a constant technology transition, with a steady improvement in power usage efficiency (PUE) and water usage efficiency (WUE) over time. Event-driven physical risks pose a challenge across all time horizons.

Digital infrastructure continues to transition, improving power unit efficiency and water unit efficiency. In parallel, societal demand for data and data storage is continuing to boom. Electricity grids have reached their capacity and going forward, the sector may have to compete with other interests, such as consumers and their need to charge electric cars.

No specific credit, market, liquidity or operational impacts were identified which had a financial impact during 2022 that was driven by an identifiable climate, environment or other ESG-related risk. While this validates our 2021 short-term heatmap and analysis, we remain cautious and alert as we look forward.

NIBC strives to meet supervisory expectations on climate and environmental risk in proportion to our business model and operating environment. ESG, climate and environmental risks are a component of NIBC's ICAAP submission and Pillar III disclosures and form part of our regular dialogue with supervisory authorities.

Pollution

A theme within NIBC is that it begins with us and how we act in our own operations. We learn quite a lot about the challenges involved in improving operational efficiency and reducing climate risk and environmental risks as we undertake initiatives in our own operations. The lessons that we learn help to inform our approach in regard to our financings and investments.

NIBC's main policy related to pollution is our Environment and climate policy. This policy guides how we approach environmental issues such as pollution in our own operations as well as in our financings. Sector specific requirements are described in our sector sustainability policies.

Core elements of our policy are to reduce direct and indirect greenhouse gas emissions, utilise best available technologies, and avoid pollution to air, water and land. This includes reducing micro-plastics, avoiding ozone-depleting substances such as those listed in the Montreal Protocol, and eliminating direct emissions to water of priority substances identified by the EU.

Given the urgency of long-term global warming and climate impacts, NIBC's ESG priority in the short to medium term is action on emissions. Our actions and progress related to emissions are mentioned in the climate transition section. In our due diligence, NIBC also is addressing other pollution aspects. For example, due diligence for commercial real estate involves soil testing among the environmental aspects when considering new buildings or certain redevelopments. Sectoral pollution controls and certifications which meet IMO and other international standards are required for ships.

NIBC follows the LEAP approach proposed by the *Taskforce for Nature-related Financial Disclosures* (TNFD) in regard to pollution and biodiversity. We identify the locations of operations of the assets we finance as part of our due diligence and risk assessment processes. We are aiming to strengthen our assessments to better identify any further pollution-related dependencies, controls, mitigants and any remaining impacts which can not be mitigated or avoided.

NIBC's main targets in regard to pollution are the same as those for climate mitigation: a 55% reduction in emissions in 2030 and net zero before 2050. During 2022, we achieved our target of ending financings of fossil exploration and production. We may develop additional targets as the granularity of our data improves. Our long term ambition is to reach zero pollution.

Greenhouse gas emissions related to our financings are the main source of pollutants for NIBC. Air emissions relate to heating and cooling of buildings in relation to mortgage loans and commercial real estate loans. Air and water emissions can also be relevant for ships and infrastructure. NIBC and its clients operate in a business environment where regulations incentivise and guide the mitigation and management processes in each activity area. For example, NIBC Shipping clients apply IMO guidelines, certifications, and reporting structures for pollution related to ships they own, operate or manage.

Energy Consumption

Electricity	2022	2021	2020	Units
Fossil Fuel Electricity	0	0	0	kWh
Renewable Electricity	2,629,704	2,717,346	2,813,065	kWh
Total	2,629,704	2,717,346	2,813,065	
Intensity: Office size (GRI 305-4)	91.3	94.3	97.7	kWh per m ²
Intensity: per FTE (GRI 305-4)	3670	3687	3875.	kWh per FTE

Heating and cooling	2022	2021	2020	Units
Gas	170,825	93,169	66,613	m3
Calculated CO2 for heating/cooling	322	175	197	tCO2e
Intensity: Office size (GRI 305-4)	5.93	3.23	2.31	m3 per sqm
Intensity: FTE (GRI 305-4)	238.41	126.41	91.75	m3 per FTE

In our own operations, heating and cooling of our office facilities result in emissions to the air. Pollutants to water and soil are negligible since we operate in one owned and several leased office spaces which were pre-existing and are located in urban environments. In our main location in The Hague, NIBC uses a heat pump system to minimise of use of gas for heating and cooling. This has enabled NIBC to reduce its annual gas consumption by more than 50% since 2017. Internal awareness campaigns are being used to inform and raise awareness among employees.

Each of our locations has implemented measures to minimise waste, promote recycling of paper, plastics, glass and metals. These are visible in the form of separate waste bins and in other cases arranged with waste management service providers to be further separated and sorted after collection.

Travel

Employee travel	2022	2021	2020	Units
Car	145.68	131.59	93.72	tCO2e
Air	123.65	110	47.2	tCO2e
Public Transport (train / tram /bus)	1.45	20.54	34.3	tCO2e
Bicycle / Walk	0	0	0	tCO2e
Total	880.72	262.13	175.22	tCO2e
Travel intensity (GRI 305-4)	1.23	0.35	0.24	tCO2e per FTE

Emissions related to energy consumption and travel rose in 2022 by comparison to 2021 and 2020 as it became more common to work in the office for employees and clients. The longer term trend continues to be a decline compared to pre-pandemic levels.

NIBC is not involved in the production, use, distribution, commercialisation and import/export of substances of concern and substances of very high concern on their own, in mixtures or in articles as defined within by the EU CSRD and draft ESRS. If it continues to rise unabated pollution will have a long-term impact on all people and on all companies including NIBC. Global warming and climate change are just two of the possible impacts of rising pollution to air, water and soil. Risks include acute and chronic physical risks as well as transition risks related to technology, legal, reputation and regulation.

If unabated these could become material risks for NIBC in the long term. NIBC mitigates such risks through client engagement, asset and transaction due diligence and monitoring, the application of NIBC ESG policies and other risk management best practices.

Marine and water resources

All life is dependent on water – the economy, human life and the ecosystems and ecosystem services that we use depend upon water. Over two-thirds of Earth is covered with water, which is why it is known as the blue planet. NIBC's impact on marine and

water-resources through our operations and our financings and investments are relatively low. This will remain the case only if we remain careful in our approach, diligent in our policies and due diligence, and continue to improve water management capabilities related to our financings and operations.

Water is needed in the day-to-day lives of our mortgage and commercial real estate customers. Water is often used in infrastructure to cool data centres for example. Ships rely on water management and adaptable infrastructure within harbours in order to safely load and unload their cargoes. Water resources are carefully managed in the main operating locations of NIBC.

NIBC and its clients operate in a business environment where regulations incentivise and guide the water management and pollution prevention processes in each activity area. For example, the IMO has substantial guidelines, certifications, and reporting structures in place for the shipping industry in regard to its impact on marine resources.

NIBC’s main policies related to water and marine resources are our Sustainability Policy, our Environment and Climate policy and our sector sustainability policies, of which our Shipping policy and Infrastructure policy are probably the most relevant. NIBC’s Sustainability Policy commits NIBC to avoid financing of projects and activities in Ramsar sites or in or near marine protected zones, nature reserves and other high conservation areas.

In our financings, we continue to take steps to improve our due diligence and measurements related to water in order to improve our policy approach. Ships in NIBC’s portfolio undergo regular inspections, use approved marine coatings, and have regular hull cleanings. These measures help to ensure appropriate water and marine management. We are also implementing measurements of land-based collateral objects relative to sea level and ground water levels.

Water consumption

Water usage	2022	2021	2020	
Water usage	3145	1740	1158	m3
Water source	Municipal mains	Municipal mains	Municipal mains	
Intensity: office size (GRI 305-4)	0.109	0.060	0.040	m3 usage per m2
Intensity FTE (GRI 305-4)	4.39	2.36	1.59	m3 per FTE

In our operations, we continue to work on reducing our water footprint and to take steps around our owned facilities. Our building in The Hague has several waterless urinals installed which have the capacity to reduce water usage by up to 20,000 liters each per year. Paving around the building allows rainwater to flow into the soil beneath, reducing the risk of land subsidence in the area.

NIBC’s main targets with regard to water and marine resources are qualitative. We aim to carefully use water resources in our day-to-day operations. In our financing and investments, we aim to ensure water resources are carefully managed and to avoid adverse water and marine impacts. For example water usage efficiency (WUE) and water source are among the aspects which are examined when NIBC considers financing a data center.

During 2022, water usage increased to 3,774 m3 (2021: 1,740 m3) by comparison to 2021. We believe the increase is related to higher usage of NIBC facilities as employees and tenants increased their working days in the office. Figures include (external) commercial and civil society tenants of NIBC’s facility in The Hague. The lower water

usage in 2021 and 2020 is likely related to the lower usage of the offices due to the pandemic.

Actual water usage is currently only reported for our main office in The Hague. Estimates are used to determine consumption for leased NIBC locations. In all locations, NIBC's offices are supplied from connections to municipal mains, the main local water supply. NIBC does not withdraw from groundwater or surface water in its own operations. No known discharges of pollutants to water were made in NIBC's operations during 2022.

Water scarcity is a physical climate risk and a potential concern. The risk of a material impact is mitigated by advanced water management practices in NIBC's home country and strong practices in the other locations of financings.

Other financial effects from water and marine resources related impacts are likely immaterial across all time horizons provided that we continue to follow good practices in our operations and in our policies and their implementation.

Biodiversity

NIBC is committed to respecting biodiversity and the environment in each of its activities and to support our clients and suppliers in realising their environmental obligations. Our biodiversity plan to ensure that our business model and strategy remain compatible with the respect of planetary boundaries.

We recognise that impact on biodiversity and ecosystems is complex and can be driven by many factors. If not well-managed, NIBC financings could result in adverse effects on biodiversity and ecosystem services. Therefore, biodiversity and ecosystems are among the aspects which are considered as part of NIBC's due diligence and monitoring processes. These processes are described elsewhere within this Report.

To address these challenges, biodiversity is among the elements addressed within NIBC's sustainability policies and policy framework. Our Sustainability Policy and Environment and Climate policy provide an overarching and thematic policy approach and additional sector-specific sustainability policies are applied to the corporate activities financed by NIBC. Our environmental standards consider the *Paris Agreement*, the *United Nations Framework Convention on Climate Change (UN FCCC)*, the *Convention on Biological Diversity* and *International Union for Conservation of Nature (IUCN)* standards.

A core principle is that we aim to avoid activities in or near high conservation zones on land or at sea. High conservation value forests and marine protection zones help to protect against biodiversity losses and diminishing ecosystem services.

Global warming and climate change have a long-term impact on biodiversity and ecosystems. NIBC's ESG priority in the short- to medium-term is action on emissions. Our actions and progress related to emissions are mentioned in the climate transition section of this report. We also work with clients, business partners and other stakeholders to prevent adverse biodiversity impacts and prevent deforestation. Such value chain due diligence is challenging, but we continue to make progress through best practice sharing and other knowledge initiatives.

Within the asset classes NIBC finances, we are taking additional actions together with our clients. For example, in Shipping, NIBC promotes compliance with IMO standards such as the use of ballast water treatment systems (BWTS) as well as regular hull cleaning in order to prevent pollution and the spread of invasive species across ecosystems. BWTS are appropriate for vessels which travel between different marine ecosystems. Based on early results from our Green Pace project, 68% of vessels financed by NIBC operate BWTS. The remainder will need to install these at their next drydock or special survey.

Land use change and its impact are an aspect that we increasingly assess in our due diligence. We monitor pressures on nature such as changes in green spaces, particulate pollution and emissions in the area nearby assets that we finance in order to further refine our approach. During 2022, certain corporate transactions were declined in part due to concerns regarding land use change and expected impacts on biodiversity.

NIBC's quantitative targets in regard to biodiversity and ecosystems are the same as those for climate mitigation: a 55% reduction in emissions in 2030 and net zero before 2050. We may develop additional targets as the granularity of our data improves. Our ambition is to protect biodiversity and preferably become biodiversity positive in future years. NIBC will continue to explore metrics to show our impact in regard to the theme of biodiversity and ecosystems for potential use in future disclosures.

Loss of biodiversity and ecosystem services present risk and are an area of potential concern particularly in their impacts on supply chains of clients. For example, building materials needed for constructing and renovating buildings are dependent on the availability of wood products and the water and biodiversity which are needed to grow these materials. The risk of a material impact is mitigated by our policy approach, certification systems and policies of corporates, and regulatory oversight and protections of biodiversity and ecosystem resources.

Circular Economy

NIBC recognises that the world's resources are finite and waste must be reduced. A global transition is underway from a linear economy and single use of products to a circular economy where materials are reused or recycled, not discarded. This transition is also supported by the Universal Declaration of Material Rights which advocates for a so-called material passport and the right of materials to be preserved and/or returned to their original state and reused, not wasted.

In our due diligence we aim to identify material resources across the value chain in order to understand the current status of resource use and identifying opportunities for improvement. In our own operations we collect data to determine the current usage rate of material resources, our overall efficiency, and identify potential opportunities for improvement.

To address these challenges, circularity is among the elements addressed within NIBC's sustainability policies and policy framework. Our Sustainability Policy and Environment and climate policy provide an overarching and thematic policy approach and additional sector-specific sustainability policies are applied to the corporate activities financed by NIBC. For example, NIBC supports recycling, innovative and responsible waste management, and ending the production and use of single use plastics.

NIBC is taking a number of actions to boost circularity and encourage more efficient use of resources. For example, we co-founded the *Responsible Ship Recycling Standards* (RSRS) and continue to grow the group of financial institutions which are involved. These standards promote responsible recycling of ships at their end of life and aim to ensure that hazardous materials are clearly identified. In commercial real estate, we encourage the recycling and reuse of building materials. And we encourage reuse of heat generated from data centres as a heat source in nearby communities.

In terms of office paper used in our operations, NIBC is largely paperless. We provide digital statements to customers. Recycling bins are provided throughout our offices which enable employees to separate waste. Our waste management vendor ensures that any excess waste materials are separated and recycled. Laptops and other electronic equipment are regularly donated to schools and other good causes after they have been securely cleaned in order that their life can be extended before ultimately recycling.

Office Paper consumption

Office Paper	2022	2021	2020	Units
Standard office paper	0	0	0	kg
Responsibly sourced office paper	883	552	1,238	kg
% from responsible sources	100%	100%	100%	
Paper Intensity (GRI 305-4)	1.2	0.7	1.7	kg per FTE

Waste and recycling

Waste	2022	2021	2020	Units
Paper & cardboard	13,508	23,068	22,214	kg
Plastics	4263	1,128	912	kg
Glass	490	140	350	kg
Total Recycled Waste	18,261	24,336	23,476	kg
Total non-recycled	20,430	14,313	19,320	kg
Total	38,691	38,649	42,796	kg
kg per FTE	54.00	52.44	58.95	kg per FTE

To date our targets related to resource use and circular economy have primarily focused on inflows and outflows of resources related to our own operations. For example, we have nearly succeeded to eliminate use of office paper in our operating environment, having cut our use of office paper by 98% since 2010. All statements are provided digitally to our clients, The limited amount of office paper we do use is recycled and/or FSC certified. During 2023 we are aiming to eliminate the use of single-use paper cups in our offices.

The financial effects from these actions are relatively immaterial year-on-year, but over time they do contribute to the overall cost efficiency of NIBC. These become visible over time in the form of reduced procurement costs.

HUMAN RIGHTS

NIBC believes that respect for human rights is a basic corporate responsibility; towards our own employees, but also towards those people who are affected directly or indirectly by our actions.

NIBC endorses human rights as formulated in the *Universal Declaration of Human Rights*, *UN Guiding Principles on Business and Human Rights* UNGPs and the *European Convention for the Protection of Human Rights and Fundamental Freedoms* ECHR. Our human rights policy commitments also include the *ILO core conventions*, *UNICEF Convention on the Rights of the Child*, *UN Convention on the Elimination of All Forms of Discrimination against Women CEDAW*, and the *UN Declaration on the Rights of Indigenous Peoples*.

Human rights due diligence is integrated into NIBC's sustainability due diligence and monitoring processes for financings and investments to identify and manage potential human rights risks. NIBC uses an integrated toolkit to guide our staff in the assessment of these risks in our corporate financings.

Respect for human rights is a core corporate responsibility

In our due diligence and monitoring, we focus our attention on the most severe risks to people and prioritise our efforts accordingly. In alignment with the UNGPs, we take into account the size, sector and operational context of a company as well as the severity of the potential impacts on people.

We expect companies to have in place policies and processes appropriate to their size and circumstances. Salience in regard to human rights means that we focus on the risks to people who may be adversely impacted and their rights.

UN Global Compact

NIBC has been a signatory of *UN Global Compact* UNGC since 2010. and supports the ten principles of the UNGC with respect to human rights, labour, environment and anti-corruption as well as the broader UN goals. We state this commitment in our Annual Report each year and report on it in our UN Global Compact Commitment on Progress (UNGC COP) report. Our UNGC COP also serves as NIBC's main *Sustainable Development Goal* SDG report.

By incorporating the Global Compact principles into our strategy, policies and procedures, and establishing a culture of integrity, NIBC aspires to not only uphold our basic responsibilities to people and planet, but also set the stage for the long-term success of our stakeholders and our communities.

The UN Global Compact's Ten Principles are derived from: the *Universal Declaration of Human Rights*, the International Labour Organization's *Declaration on Fundamental Principles and Rights at Work*, the *Rio Declaration on Environment and Development*, and the *United Nations Convention Against Corruption*.

Our people

As a bank built for entrepreneurs, we are committed to cultivate our 'Think YES' mentality by being flexible and agile and by matching our clients' can-do attitude. Our people are our key assets and enable us to deliver our business strategy. They bring knowledge, skills and diversity to our teams.

We also have a responsibility towards our employees, their health, well-being and ability to develop themselves. This year keeping our workforce healthy and safe has been a priority in part due to the pandemic. We have also continued to pursue efforts towards diversity, employee development and engagement. Although flexible working was already encouraged before the pandemic, one outcome of the pandemic is that hybrid and flexible working is the new normal. Technology investments made in previous years have enabled this way of working as our business as usual approach without critical interruptions.

The entrepreneurial mindset of our people has helped to make a success of flexible working and continue to feel part of an active and vibrant community. NIBC has continued to support these initiatives through a mix of online and in person initiatives

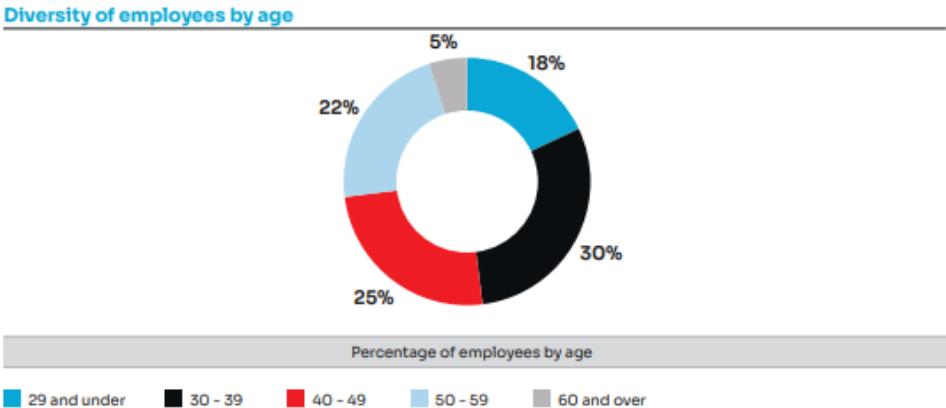
including classes, vitality challenges, and other events. Our onboarding process for new colleagues allows for a safe arrival while also providing a personal welcoming moment.

NIBC’s main policies related to our workforce are our Managing Board, Supervisory Board and employee remuneration policies, our staff manual, our diversity policy, our health policy, our development policy, our employee screening policy, and our code of conduct.

Each month, the CEO and CRO lead the Bankers' Oath pledge with all new employees. We continued the Compliance and Integrity awareness programme, through mandatory e-learning on Compliance as well as Data privacy, for all new staff. Flexible working circumstances do not change the fact that we are mindful of our responsibility towards society. Sustainability and responsible business conduct are a regular part of introduction sessions for new staff.

When concerns arise, it is important to ensure appropriate internal channels are available for our workforce. Complaints may be raised through our managers, human resources, NIBC’s whistleblowing process, or anonymously through NIBC’s complaints mechanism. Designated trust representatives are available when other channels don’t work or staff members are unsure how to proceed. Our policies offer protection for complainants against fear of reprisals or retaliation.

We are committed towards fostering and improving diversity within our organisation. Diversity at NIBC comprises different gender, nationalities, ages, cultures, as well as social or personal differences. We have a zero tolerance policy towards all forms of gender-based discrimination in employment and occupation and an active approach to make up for the disadvantage of women in regard to pay and promotions.



Diversity in our workforce is seen as an opportunity. Therefore NIBC has developed a coherent set of measures and targets – also incorporating a broader diversity scope – which will help us to deliver results. As a mid-sized organisation, the most senior positions in our organisation are limited. This means change in a handful of positions can positively or negatively influence gender diversity or gender pay ratios at the top. Our diversity policy sets an objective that 30% of NIBC's Supervisory Board, the Managing Board and the ExCo is comprised of women or men. We have achieved a 50/50 gender balance in our Managing Board since April 2023, achieving our long-term objective of gender balance at the top.

In order to facilitate an appropriately diverse pool of candidates for management body positions NIBC has set an overall target of 30% women at all function levels and within each business unit. Separate internal targets are set and monitored or inflow, career, outflow, to support reaching the overall target.

Diversity in general, and the male-female balance specifically, are explicitly considered in our talent programmes and performance management. To address gender imbalances, we have introduced engagements, like mentorships and dedicated workshops and programmes, aimed at retaining and further developing talented female employees. Furthermore, we work closely within networks such as Talent to the Top and Women in Financial Services (WIFS).

NIBC's Works Council is a body which represents employees in discussions with our Managing Board and Supervisory Board. The Council officially represents the employees on the Dutch payroll, but also acts for the benefit of all employees. They are the eyes and ears of employees and a critical sparring partner for company management. During 2022, inflation and cost of living, the employee engagement survey and the strategic focus were among the topics which were discussed. NIBC's Council is represented in the Dutch organisation for Works Councils for banks.

NIBC provides a modern set of employee benefits, which are flexible and well aligned with the realities of our business. An important aspect is the discretionary approach to compensation and benefits, which takes into account a range of considerations, including performance indicators, sustainability and country-wide benchmarks. This enables us to attract and reward our talented staff and retain them.

Among the benefits, NIBC offers a collective-defined contribution (CDC) pension scheme ensuring that employees build up a good pension, while also making pension costs predictable. Since 2014, NIBC has opted not to be part of the collective labour agreement for banking institutions in the Netherlands. Therefore, the Works Council – as the representative of all NIBC's employees on the payroll in the Netherlands – became senior management's direct interlocutor for negotiations in this important area.

Together, this package allows us to achieve low absenteeism, high engagement levels confirmed by our employment survey and continued improvement in our diversity indicators. Absenteeism increased but remained very low at 3.2% in 2022 (2021:1.6%) with a frequency of 0.74⁹. No severe on-site injuries or deaths were reported.

We are dedicated to ensure that each of our people can grow and develop to make a difference. We rely on agile, frequent feedback sessions and training. At NIBC, each employee gets a personal development budget of EUR 2,500 for two years. Employees can choose from a wide variety of internally and externally organised offerings, allowing each employee tremendous flexibility to pursue their own career development goals. Overall the average spending on training during 2022 was EUR 3,611 per employee.

NIBC's Talent Programme and Dare to Develop programme are our dedicated training programmes for early and mid-career, employees. The Talent Programme is a one year talent development programme which we offer to recent university graduates to kick-start their career at NIBC. During 2022, the employees enrolled in the Talent Programme focused on a series of sustainability challenges designed to strengthen team-building, presentation skills, and developing products to address societal needs.

The Dare to Develop programme is a one year invitation-only programme aimed at our talented young professionals at mid-career level. The programme is developed in close

⁹ Absenteeism is the rolling average of the latest absenteeism percentage, annualized for NIBC Bank's employees in The Netherlands. The absenteeism percentage is the number of workdays lost to absenteeism divided by the total number of available workdays, expressed as a percentage. In case of partial absenteeism, the absenteeism percentage only reflects the actual absenteeism (non-working hours). Maternity leave is not included in the figure.

cooperation with the participants and enhances personal effectiveness in influencing, consulting, negotiation and innovation.

Additional trainings were conducted at NIBC throughout 2022. These included phishing awareness, code of conduct, anti-bribery and corruption, prevention of fraud, incident reporting, and whistleblowing. Voluntary trainings and e-learnings available to staff within NIBC during 2022 included language courses, credit risk modeling, human rights, Equator Principles, climate and environmental risk, MIFID II, complaints handling, and biodiversity training. *Good Habitz* online e-learning trainings were offered to our workforce to provide quick, accessible training content on a diverse range of topics including personal health and vitality, sustainability, digital skills, language training, and soft skills.

We focus on ensuring a workplace environment in which employees can be who they are, where different views are respected and where every employee feels safe. We want everyone to be themselves and feel safe and comfortable, regardless of their race, ethnicity, gender, religion, age, disability, sexual orientation, gender identity or gender expression. We view this as one of the keys to our success. During 2022, no incidents of discrimination in our own workforce were reported.

NIBC's Diversity Committee plays an important role in identifying, mitigating and reducing social risks in our operations. Our Diversity Committee provides advice on diversity and inclusion to NIBC's ExCo and runs initiatives to promote awareness. For example, the committee monitors cultural diversity, gender diversity, gender pay gaps and ensuring a safe and inclusive workplace.

Number of FTEs as of 31 December

	2022	2021	2020
Total FTEs	717	737	726
Employees by Gender (GRI 405-1)			
Female	35%	33%	33%
Male	65%	67%	67%
Gender in Top Management (GRI 405-1)			
Female	26%	23%	18%
Male	74%	77%	82%
Employees by Age * (GRI 405-1)			
≤29 years	18%	18%	19%
30≤39	30%	30%	30%
40≤49	25%	26%	28%
50≤59	22%	21%	19%
≥60	5%	5%	4%
Diversity of workforce by nationality *			
Dutch	76%	76%	88%
Non-Dutch	24%	24%	12%
# of nationalities	37	33	36
Discrimination (GRI 406-1)			
Number of incidents	0	0	0

*data for NIBC Bank

During 2022 NIBC continued to focus extra attention on raising awareness that we are ensuring a safe workplace, attracting a diverse talent pool, and creating equal opportunities for women and the LGBTI+ community. NIBC and its employees were once again active in celebrating Pride. Different initiatives and activities were organised during the month of July in order to coincide with Pride celebrations in each of our

operating locations. Employees shared their own stories. We also participated in the UNGC NL diversity week initiative to promote diversity and inclusion. A special flag was raised outside of NIBC to create public awareness and promote diversity in the workplace.

Internal programmes during 2022 promoted the importance of ensuring the potential perception from the point of view of the recipient and to protect each other, speaking up if there are situations when someone may not feel comfortable to do so themselves.

NIBC considers work-life balance an important factor in attracting and retaining employees. Having a balanced life means having enough time for leisure activities, pursuing hobbies, and spending quality time with family and friends. It also prevents burnout and stress, which can have negative impacts on employee physical and mental health.

Health & Safety indicators

	2022	2021	2020
Total FTEs	717	737	726
Health & Safety (GRI 406-1) *			
Number of severe onsite injuries or deaths	0	0	0
Sickness Rate	3.2%	1.6%	1.6%
Frequency	.74%	.48%	.34%

* NIBC Bank only

NIBC also reports on gender pay gaps and when needed takes appropriate actions towards our goal of a near zero adjusted pay gap. NIBC has decided to report on several ratios:

- Equal Pay for Equal work, the adjusted pay gap taking in to account the position and experience.
- Equal Pay, an unadjusted pay gap to show the average difference between the salaries of women and men, not considering the position, seniority, experience or part-time percentage.

Based on the figures (see below) it is concluded that NIBC is near its goal of equal pay for equal work. The overall adjusted gender pay gap (Equal Pay for Equal Work) is 1.3% for NIBC (Financial services: 0%- 5%), which means that on average women are paid 1.3% less than men. At several levels the gap is effectively zero or is a gap in favor of women (men are paid less than women). The residual gap is mostly due to the level of seniority of an employee (less time in job profile).

The unadjusted gender pay gap (Equal Pay) for women at NIBC in the Netherlands is 26,6% which means that on average women are paid 26,6% less than men at NIBC (Financial Services: 20%-40%). This unadjusted gender pay gap does not take into consideration the effect of full-time or part-time employment. Consequently, it is impacted by the observation that more women than men have opted for part-time roles at various levels within the company. 62.1% of part-time contracts at NIBC are held by female employees. More women have also joined in temporary roles, as 50% of temporary workers at NIBC are female by comparison to 35.2% overall on an FTE basis. Further, there are large variances in gender balance, seniority and experience at each level.

For additional information, please refer to the Remuneration chapter of our Annual Report.

Workers in our value chain

Material impacts on value chain workers are well-considered in NIBC's approach. The use of toxic materials can also lead to potential health risks for workers, as well as environmental damage. The use of sustainable materials can help to reduce the impact to workers and the environment. Additionally, the use of materials that are specifically designed for labour intensive tasks can help to improve efficiency and increase the value that workers bring to the value chain.

NIBC pursues several approaches to address impacts on workers in our value chains. These aim to address the impacts which take place within asset classes where NIBC is active. For example, NIBC was one of three banks which founded the *Responsible Ship Recycling Standards* RSRS, an initiative in the shipping sector which helps to address value chain impacts and circularity in the sector. RSRS aims to ensure decent working conditions and environmental protections are in place throughout the lifecycle of a vessel.

NIBC's main policies related to value chain workers are our Human Rights policy, our Code of Conduct, and our Supplier Code of Conduct. NIBC believes that respect for human rights is a basic responsibility, towards our own employees, as well as towards those people who are affected directly or indirectly by our actions. The rights to freedom of association and freedom of expression are encoded in our policies. Core social commitments include the *Universal Declaration of Human Rights*, *OECD Guidelines for Multinational Enterprises*, *ILO standards and core conventions* and the UNGPs. These provide the standards we follow and expectations that we set out for clients and business partners.

Globally there are not enough protections in corporate value chains against modern slavery, child labour, and the many forms of discrimination. Certain groups such as women and girls are more likely to be vulnerable. This increases the importance of a just transition which ensures equitable, safe, supportive, and inclusive working conditions throughout value chains.

Issues can and do occur in our value chain. Our main channels for engagement are through stakeholder representatives such as trade unions and NGOs in order to ensure in our business practices we are effectively promoting respect for human rights, fair living wages, and safe working conditions. For example, NIBC promotes the importance of decent work and human rights at sea in the shipping industry.

Taking action on material impacts on value chain workers is challenging for any business. Our distance to the impact often dictates the amount of influence that we have to mitigate the risks. We see such situations as opportunities for meaningful change. During 2022, we identified two allegations potentially related to deeper tiers of our value chain which we are pursuing with a client and our business partners in accordance with our responsibilities under the *UNGP*s and *OECD Guidelines*. Although these are very indirect cases, we are trying to understand if indeed these are linked to our extended value chain and if so to influence remediation and a better outcome for those adversely affected.

NIBC uses the frameworks and methods prescribed in these international human rights standards to understand our responsibility and take appropriate measures. The effectiveness of our actions is very difficult to measure. But this provides a secondary opportunity to gather feedback from stakeholder representatives and the feedback loop allows us to continue to refine our approach.

Most of NIBC's targets related to impacts on value chain workers are currently qualitative. Stakeholders have expressed that initiatives such as RSRS are having a meaningful and positive impact. We are taking steps to achieve quantitative measurements as part of our Green Pace project. We are encouraging clients and

business partners to develop corporate policies and improve transparency and aim to be able to share our measurements in the future.

NIBC maintains a corporate complaints and grievance mechanism which aims to provide an appropriate channel for workers and their legitimate representatives to raise concerns. The mechanism is aligned with expectations under the *UNGPs* and *OECD Guidelines* and is publicly accessible via NIBC's website. NIBC is also committed to participate in legitimate external mechanisms.

Affected communities

Communities can be affected by a variety of impacts. In NIBC's direct business environment, communities are affected by developments such as a rising cost of living, higher energy prices, lack of student housing, unaffordable home prices, an ageing population and a tight labour market. The war in Ukraine has created new circumstances in which our communities have welcomed and provided refuge for displaced populations. These are among the short-term and long-term factors that NIBC considers in our strategy and business model.

Such impacts can create social risks if not well-managed. They also represent opportunities for a just transition. For example, NIBC has supported the development of new student housing, the redevelopment of under-utilised properties in city centres, and the revitalisation of harbour areas. NIBC's financings of fibre network infrastructure is bringing high-speed communications and connectivity to underserved rural communities in the Netherlands, Ireland, Germany and the Nordics. Such investments help to ensure that future needs will be met, communities are revitalised, buildings become more energy efficient, and that societal needs are met.

NIBC's main policies related to communities are our Sustainability policy, our Environment and Climate policy, our Human Rights policy, our Code of Conduct and our Supplier Code of Conduct. These provide the standards we follow and expectations that we set out for clients and business partners. We are guided in our approach by the goals of the *Paris Agreement*, the *OECD Guidelines*, *ILO core conventions* and *UNGPs* among others. Sector specific requirements are further described in our sector sustainability policies.

NIBC and our employees are active members in the communities that we serve. Although the pandemic affected in-personal activities, NIBC employees continued to find creative ways to continue to engage with our communities during 2022. Other channels for engagement with affected communities are through local charities, stakeholder representatives, including trade unions and NGOs.

In 2015, we launched the NIBC NGO Boulevard, a unique initiative that makes modern office space and professional facilities available to good causes. Civil society organisations in the NIBC NGO Boulevard include Maatschappelijke Alliantie, Stichting Vitalis, SDG Charter and Schulhulpmaatje Den Haag. One focus area for all of these organisations and NIBC has been to contribute to Dutch efforts towards the SDGs through activities and initiatives.

Our interactions, joint initiatives and workshops, and other activities have contributed to increased awareness at NIBC staff of human rights and environmental risks and impacts. This approach creates numerous opportunities for community representatives to raise concerns and to find opportunities to remediate impacts.

Taking action on material impacts relies on good relations and open dialogue between NIBC, our clients and business partners and stakeholder representatives. We aim to build and maintain good working relationships in order to be able to work together to address and influence good outcomes for affected communities.

Consumers

NIBC's main product offerings for consumers are mortgages and savings accounts. Unlike many peers we do not offer current accounts, consumer lending, credit cards, or other high transactional volume products. This differentiates NIBC in its relationship with our retail clients, the risks related to our product offerings, the types of impacts that might occur and the policies, procedures and other mechanisms that NIBC has in place to mitigate potential adverse impacts.

Consumers have been squeezed by numerous impacts such as affordability of housing, a structurally tight housing market, high inflation, high energy prices and rising interest rates. Rate increases and higher prices effectively reduce net income for most. Rate rises from the ECB have translated into higher borrowing costs in NIBC's mortgage offerings to new customers, but also higher returns for customers which use NIBC's savings products. Climate change poses growing risks to mortgage clients that their home may not increase in value as much as in the past or the risk of an acute physical climate risk event. It also poses risks which may impact different segments in society in terms of a just transition.

Several policies are related to NIBC's products and services for consumers. General conditions are provided in the local language of the consumer's location. Privacy statements describe NIBC's approach taking into account applicable laws and regulations.

Signing a mortgage loan contract is often the most important financial commitment made by a retail customer. Mortgage lending is highly regulated and supervised within the markets where NIBC is active. Criteria applied at origination aim to ensure affordability, that a mortgage will not exceed a customer's means and that a mortgage loan is proportionate to the collateral value. NIBC's sustainability policy commits us to responsible retail mortgage lending practices and to offer its products and services in a truthful, responsible and fair manner. We are committed to responsible marketing practices, ensuring consumer financial protections and to avoid predatory retail lending or other practices that might impose unfair and abusive loan terms on borrowers or be perceived as mis-selling of products.

These commitments are carried through in our practices. For example, an ESG review is one of the many inputs applied during the approval process for new NIBC consumer products or significant changes to existing consumer products. This supplements reviews by our compliance, legal and other risk departments and helps to ensure fairness and transparency in our retail offerings.

NIBC continues to ensure access to finance for consumers within the limitations of our retail footprint. For example, NIBC mortgage programs offer products for starters, self-employed and the elderly, which are considered underserved segments within the Netherlands.

NIBC engages with consumers and end users about impacts through formal and informal channels and processes. These channels include direct communications, customer surveys, online feedback and complaints mechanisms, and via third parties. Whether positive or negative, we take all feedback seriously and act on these findings. Complaints are monitored within each business unit, by NIBC's compliance and risk teams and reported to NIBC's ExCo.

Annual corporate NPS and retail customer satisfaction surveys are performed and results disclosed as part of the ESG performance indicators provided within this report. Our corporate client NPS score also increased to +86% (2021:+59%). The average retail customer satisfaction score across mortgages improved to 8.5 (2021: 8.1) and savings improved to 8.1 (2021: 7.6) reflecting increased satisfaction by both our savings and mortgage customers in the Netherlands, Belgium and Germany compared to prior years.

NIBC offers several channels through which consumers and end-users can raise complaints. These include a call center, a retail complaints mechanism accessible from our retail web portals, and a general complaints mechanism available from our corporate website.

In providing these grievance mechanisms, NIBC is guided by international standards such as the *OECD Guidelines for Multinationals* and the UNGPs and other best practices for responsible business conduct. Our core criteria include legitimacy, accessibility, predictability, equitability and transparency aligned to these standards. NIBC is committed to cooperate in legitimate external grievances and remedy processes, to the extent reasonable and practical.

Individuals who are not satisfied with these complaints mechanisms and processes have the possibility of using alternative external dispute resolution mechanisms. Which authority is the right one depends on the country in which services have been received.

NIBC is highly concerned about any material impacts on consumers and end users and therefore takes steps to mitigate risks and influence positive actions. Consumers and end users are well-protected by the fact NIBC offers its retail products in a mature and highly regulated operating environment. Our internal policies establish requirements to assess borrowers creditworthiness before granting them a mortgage loan.

NIBC provides savings offerings to help consumers build their financial resilience. We offer mortgage products which can also help to boost financial resilience, such as energy efficient mortgages. And we continue to develop new offerings for underserved groups such as Lot Hypotheek's new mortgage offering for seniors.

Compliance and responsible business conduct

The Managing Board of NIBC is ultimately responsible for ensuring adequate compliance within NIBC. These aspects are overseen by NIBC's Supervisory Board. Managing compliance risk and complying with applicable laws, regulations and standards in both personal and business conduct is the responsibility of every employee or contractor working for NIBC. Regular compliance and business ethics training and updates are provided to our staff in order to maintain awareness and address any emerging areas of concern.

NIBC promotes a *speak up* culture

Important national and international/European regulations applicable to NIBC include the *Dutch Financial Supervision Act (Wft)*, anti-money laundering laws such as *Wwft* and *AMLD4*, as well as a.o. *MiFID II*, *FATCA/CRS*, *GDPR* and *MAD/MAR*.

NIBC's anti-corruption, anti-fraud and anti-bribery policies are well established and consistent with the *United Nations Convention Against Corruption*. Environmental and social protections, including those ensuring animal welfare, are embedded in NIBC's Sustainability policies and ESG sector policies.

NIBC's Global Fraud Prevention policy defines fraud as any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and / or the perpetrator achieving a gain. Our policy also differentiates internal fraud from external fraud.

Our Code of Conduct is a core policy which every new staff member signs when joining NIBC. Our Whistleblower policy provides safeguards for reporting any irregularities or

suspicious behaviours. These are designed to ensure non-retaliation against complainants. Trusted representatives are available to guide internal complainants and anonymous channels are also offered. NIBC's external complaints mechanism is available to all stakeholders and their legitimate representatives. When complaints are raised, NIBC is committed to investigate incidents promptly, independently and objectively. This process is overseen by NIBC's Complaints Committee.

Compliance and business conduct training is a mandatory component for all staff in NIBC's training regime. This is required for all new staff when they join NIBC. NIBC's Managing Board members oversee introduction sessions which emphasise responsible business conduct and corporate culture. Existing staff are required to perform renewed conduct training at least every two years.

Management of relationships with suppliers

NIBC has several teams that manage our relationships with suppliers. Vendor management teams have been set up in the various business domains to manage relationships with the main vendors whereas the central Procurement team is involved in the contracting phase of key suppliers.

NIBC's strategic business partners and suppliers are largely professional services organisations providing legal, audit, communications, technology and other specialised services. These partners help NIBC to serve the needs of our stakeholders.

Technology services are provided by Cegeka. Our mortgage business back office is outsourced to Stater and Quion. Independent mortgage brokers such as De Hypotheker are used in the origination process of mortgage lending. Professional services are provided by parties such as EY which provides auditing services and KPMG which provides consultancy services. Cerrix provides a SAAS solution for operational risk management. Further business partners include Sopra, Fiducia and Collectric among others. Our partners vary in size, but each provides their services from operating locations based in the same countries as NIBC.

Due diligence is performed on our main suppliers as part of NIBC's Know Your Supplier (KYS) programme to ensure that our supplier and vendors meet NIBC's policy expectations, financial supervisory expectations and regulatory requirements. One potential human rights allegation was detected relative to IT sub-suppliers during 2022. The allegation continues to be investigated in accordance with our ESG policy commitments and leading international human rights standards.

NIBC requires its vendors and suppliers to act in accordance with regulations, international conventions, standards and guidelines on human rights and the environment in their own operations and supply chains including subcontractors. Our Supplier Code of Conduct embedded in our standard outsourcing agreement embeds commitments to responsible business conduct, international human rights standards including the OECD Guidelines, and UNGPs in their operations and supply chains. It also embeds a commitment to act on emissions and meet the net zero target of *the Paris Agreement*.

Prevention and detection of corruption or bribery

The most material processes to prevent and detect corruption or bribery are NIBC's *Know Your Client (KYC)* process, due diligence undertaken as part of transaction origination and review processes, our Whistleblowing procedures and complaints mechanisms.

NIBC's Anti-Bribery and Corruption policy defines corruption as the abuse of entrusted power for private gain. It negatively affects everyone who depends on the integrity of people in a position of authority.

These processes aim to prevent, detect and address allegations or incidents of bribery and corruption and are managed by NIBC's compliance team. A complaints committee oversees actual allegations and incidents when they arise and reports the outcomes to NIBC's ExCo and Supervisory Board. These are among the aspects addressed as part of NIBC's "in-control" assessment and the in-control statement in this report.

Confirmed incidents of corruption or bribery

No incidents of bribery or corruption were reported or detected in 2022 of the 874 complaints which were registered across NIBC's consumer and corporate complaints mechanisms. Most of these were quickly resolved and related to normal concerns. For 2021 similarly no bribery or corruption incidents were reported to NIBC whereas one incident was detected as part of our due diligence and monitoring processes.

Sanctions compliance

Sanctions and embargoes are political trade restrictions with the aim of maintaining or restoring international peace and security. NIBC is obliged to adhere to applicable sanction laws and regulations in all countries where NIBC operates. These commitments are embedded in NIBC's Sanctions policy. NIBC also complies with all sanction regimes in effect in those jurisdictions that are applicable in relation to specific transactions of clients.

Gifts and entertainment

Business decisions taken by NIBC staff, clients or other associated parties must not be influenced improperly. No conflict or appearance of conflict must exist or arise between the interests of NIBC and our clients or others with whom we do business. These commitments are embedded in NIBC's Gifts and Entertainment policy.

We must not allow ourselves to be influenced by anything other than business considerations, nor should we influence clients or potential clients in this respect. Staff must register the giving or accepting of all gifts and entertainment worth more than EUR 100 and must never accept or offer money from/to clients or other business partners.

Political influence

During 2022, NIBC made no direct political contributions (2021: 0) and did not have any direct lobbying expenses (2021: 0). We are members of the Dutch Banking Association (NVB) and the Dutch Association of Covered Bond Issuers (DACB). We participate in sustainability and ESG risk working groups at the NVB and the European Banking Federation (EBF). NIBC currently chairs the ESG Risk taskforce group at the NVB. Through these industry fora, we continue to provide feedback on the many regulatory developments. Our focus is to contribute to efforts to strengthen transparency and to ensure practicality for our business partners and NIBC.

In our financings, NIBC screens and monitor potential transactions for politically exposed persons (PEP), as there may be an increased risk of bribery, corruption or other forms of fraud. This requirement is described in our Client Due Diligence policy. When a PEP is identified measures of Enhanced Due Diligence are required. Adequate and appropriate for the identified risk, measures need to be taken to establish the source of wealth and the source of funds that are used in the business relationship in order to ensure that these are not the proceeds from corruption or other criminal activity.

Payment practices

Since 2018, NIBC has participated in Betaalme.nu, a Dutch SME initiative which has grown to more than 60 signatories. The initiative was established to shorten the payment term to SME entrepreneurs in order to reduce their vulnerability and therefore give them more financial room to invest.

As part of our commitment, we use payment terms of less than 30 days after the invoice date and encourage our suppliers to apply the same with regard to their suppliers and supply chain as related to SMEs and microenterprises.

Tax

NIBC proactively communicates with tax authorities, evidenced by its ongoing agreement on horizontal supervision with the Dutch tax authorities. NIBC has an administrative organisation, procedures and internal controls, to meet our tax compliance requirements. We consider tax risk in our decision-making with regard to clients, transactions and investments. Our aim is to avoid possible risks of tax base erosion and profit-shifting activities.

NIBC's Tax Position Statement on our corporate website summarises our approach. Our Statement is reviewed periodically in order to keep it up to date and in line with all relevant developments in rules and regulations, changes within the organisation and societal demands. We do not engage in transactions without economic substance or which are exclusively aimed at safekeeping or realising tax benefits for ourselves or our clients.

Information Security & data protection

When confidential or personal information belongs to a client and is entrusted to NIBC, we handle it with the utmost care. Cybercrime and loss of data more generally is a risk for NIBC as well as for all of our financial sector peers. With the increase of working from home this has further emphasised the relevance of sound systems and procedures. To ensure NIBC's cybersecurity measures are meeting all necessary requirements to provide a safe working environment we continue to focus on information security including the carrying out of tests and continuously assess our information security and data protection measures.

We investigate every identified data breach made known to us and report these in a timely manner to data subjects and to our data protection regulators when required. We have policies in place that require staff to ensure that we do not leave confidential or personal data unattended such as a clear desk policy, information security policies, and additional security controls. We facilitate the use of secure communication channels wherever possible and require staff to adhere to security considerations for sensitive or confidential information. Our approach is detailed in our *Corporate Information Security Policy* and our *Data Protection Policy*. We have a *Record Keeping Policy* in place to ensure we adhere to legal requirements with respect to the retention of data.

Information security, data protection, and cybersecurity are essential to NIBC's business continuity management. We manage information according to the need-to-know principle and establish controls through segregation of duties. Our approach is also detailed in our *Corporate Information Security Policy* and our *Data Protection Policy*.

We have a Record Keeping and Retention Policy in place to ensure we adhere to legal requirements with respect to the retention of data. NIBC invests in cybersecurity safeguards and has policies and controls in place to protect our clients and their data. We continuously test and monitor systems for vulnerabilities and to prevent attacks. When

data breaches are detected, those people who are impacted are notified in a timely manner.

Data privacy & security

Third parties such as vendors were reviewed and monitored for adherence to standards such as ISO 27001. NIBC has a dedicated Corporate Information Security Officer supported by an internal Information Security Control Framework to ensure appropriate measures and controls are in place. Vulnerability assessments and security audits were performed of NIBC's systems and any practices affecting user data.

In 2022, 27 information security incidents occurred of which none resulted in a material impact for NIBC and/or its clients. All new employees completed mandatory information security and data privacy trainings during 2022. In addition, an ongoing internal data privacy awareness campaign ensures high awareness within NIBC on the matter of data privacy. Furthermore local trainings were conducted in Germany, Belgium and the UK during 2022. Phishing simulation exercises were also held involving all employees in order to inform employees of their responsibilities and to raise awareness. An innovative information security board game trialed and enjoyed within the risk management departments, leading to increased awareness of the threats and inspiration for potential future trainings.

Data privacy is overseen and monitored by NIBC's Data Privacy office. The DPO provides regular updates to NIBC's ExCo. Data Privacy is among the aspects overseen by NIBC's Supervisory Board. During 2022, NIBC incurred one reportable data privacy breach involving personal information. Whilst no legal consequences were identified, we take all data breaches – not just those which are reportable externally – very seriously. We analysed each one for lessons to be learned and took appropriate corrective actions. Often these were in the nature of reinforcing employee awareness of the need for constant attention to protecting client confidentiality and privacy. Additional adhoc training was carried out where necessary to supplement our regular awareness programme, which is mandatory for all employees.

Community engagement

NIBC wants to be a good corporate citizen by contributing to the well-being of the communities which we serve. We encourage our employees to volunteer their time and expertise to community projects and support their initiatives by matching the money they raise for good causes.

NIBC and our employees are active members in the communities that we serve. During 2022, engagement by NIBC employees with our communities largely returned to the pre-pandemic normal.

NIBC NGO Boulevard

In 2015, we launched the NIBC NGO Boulevard, a unique initiative that makes modern office space and professional facilities available to good causes. Civil society organisations in the NIBC NGO Boulevard include Maatschappelijke Alliantie, Stichting Vitalis, SDG Charter and Schulhulpmaatje Den Haag. One focus area for all of these organisations and NIBC has been to contribute to Dutch efforts towards the SDGs through activities and initiatives.

Our interactions, joint initiatives and workshops, and other activities have contributed to increased awareness at NIBC staff of human rights and environmental risks and impacts.

Preventing hunger

In 2022 NIBC and its employees expanded their efforts to support the local foodbanks. Additional food drives and fundraising efforts were organised. NIBC employees joined other corporates to pick several tonnes of apples in September. NIBC employees and ExCo members continued their involvement in efforts to ensure no families across the Netherlands go hungry during the year-end holiday period. Together they packed food parcels for the holidays to support families which rely on the Dutch Foodbanks. Together with employees of other leading corporates such as Unilever, Mars, Shell, Dr Oetker and Upfield, holiday food parcels were prepared and distributed across the Netherlands.

Support for Ukraine

NIBC's ExCo and its employees undertook various initiatives to raise funds and donate materials for Ukrainian refugees. These efforts took many forms including direct monetary donations, donation of laptops to help refugee children continue their education, and funds for books to help refugees learn English and Dutch. Some employees provided direct support, providing shelter and food.

Supporting vulnerable children

For the 10th year in a row, NIBC employees supported Stichting Vitalis in an annual holiday tradition at the bank. Vitalis is a professional non-profit organisation that supports vulnerable children so they can avoid intensive professional youth counselling programmes. NIBC's ExCo and employees individually purchased personalised holiday gifts for about 100 children while taking appropriate precautions in a specially designed event.

Financial inclusion

Week van het Geld (Global Money Week) activities continued in 2022, This financial education, financial inclusion and youth entrepreneurship initiative aims to teach young people about money. About 700 primary school children participate in the "Bank voor de Klas" programme with NIBC staff and ExCo members.

APPENDIX

GRI Content Index

NIBC Holding NV has reported the information cited in this GRI Content Index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards. GRI 1 used: GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	NIBC 2022 ANNUAL REPORT LOCATION
GRI 2: General Disclosures	2-1 Organizational details	NIBC Holding NV Cover page Contact information
	2-2 Entities included in the organization's sustainability reporting	ESG/ Basis of preparation Note 50 Principal subsidiaries and associates
	2-3 Reporting period, frequency and contact point	Cover page Contact information
	2-4 Restatements of information	Any restatements of information are described within the report
	2-5 External assurance	ESG information is not assured
	2-6 Activities, value chain and other business relationships	Vision and strategy / value creation model ESG / ESG strategy and business model
	2-7 Employees	ESG / Our people
	2-8 Workers who are not employees	ESG / Our people
	2-9 Governance structure and composition	ESG / ESG Governance
	2-10 Nomination and selection of the highest governance body	Report of the Supervisory Board
	2-11 Chair of the highest governance body	Report of the Supervisory Board
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG / ESG Governance Report of the Supervisory Board
	2-13 Delegation of responsibility for managing impacts	ESG/ ESG Governance
	2-14 Role of the highest governance body in sustainability reporting	ESG / ESG Governance
	2-15 Conflicts of interest	ESG / ESG and conduct policies
	2-16 Communication of critical concerns	ESG / ESG Governance
	2-17 Collective knowledge of the highest governance body	ESG / ESG Governance
	2-18 Evaluation of the performance of the highest governance body	Report of the Supervisory Board
	2-19 Remuneration policies	Report of the Supervisory Board
	2-20 Process to determine remuneration	ESG / ESG Governance Remuneration Report
	2-21 Annual total compensation ratio	Remuneration Report
	2-22 Statement on sustainable development strategy	ESG / ESG strategy and business model

GRI STANDARD	DISCLOSURE	NIBC 2022 ANNUAL REPORT LOCATION
	2-23 Policy commitments	ESG / ESG and conduct policies ESG / Climate change / Climate policies ESG / Pollution ESG / Marine and water resources ESG / Biodiversity ESG / Circular Economy ESG / Compliance and responsible business conduct
	2-24 Embedding policy commitments	Risk management ESG / Risk management and internal control system
	2-25 Processes to remediate negative impacts	ESG / Consumers
	2-26 Mechanisms for seeking advice and raising concerns	ESG / Consumers
	2-27 Compliance with laws and regulations	ESG / Compliance and responsible business conduct
	2-28 Membership associations	ESG / Political influence
	2-29 Approach to stakeholder engagement	ESG / Affected communities ESG / Community engagement
	2-30 Collective bargaining agreements	ESG / Our people
GRI 3: Material Topics	3-1 Process to determine material topics	ESG / Materiality
	3-2 List of material topics	ESG / Materiality
	3-3 Management of material topics	ESG / Materiality
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Key figures Financial review/performance summary
	201-2 Financial implications and other risks and opportunities due to climate change	ESG / Climate-related risks
	201-3 Defined benefit plan obligations and other retirement plans	ESG / Our people
	201-4 Financial assistance received from government	none reported
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Omitted. Not material. NIBC entry level wage by gender is well above the local minimum wage or fair living wage level.
	202-2 Proportion of senior management hired from the local community	Omitted. Not material
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	Key figures ESG / ESG strategy and business model
	203-2 Significant indirect economic impacts	ESG / Opportunities
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	ESG / Management of relationships with suppliers ESG / Payment practices
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	ESG / Prevention and detection of bribery and corruption

GRI STANDARD	DISCLOSURE	NIBC 2022 ANNUAL REPORT LOCATION
	205-2 Communication and training about anti-corruption policies and procedures	ESG / Our people ESG / Compliance and responsible business conduct
	205-3 Confirmed incidents of corruption and actions taken	ESG / Confirmed incidents of bribery and corruption
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	none reported.
GRI 207: Tax	207-1 Approach to tax	ESG / Tax Note 12 / Income Tax Note 28 / Deferred Tax
	207-2 Tax governance, control, and risk management	ESG / Tax
	207-3 Stakeholder engagement and management of concerns related to tax	ESG / Tax
	207-4 Country-by-country reporting	Note 1 - Segment reporting
GRI 301: Materials	301-1 Materials used by weight or volume	ESG / Circular economy
	301-2 Recycled input materials used	ESG / Circular economy
	301-3 Reclaimed products and their packaging materials	ESG / Circular economy
GRI 302: Energy	302-1 Energy consumption within the organization	ESG / Energy consumption and mix
	302-2 Energy consumption outside of the organization	ESG / Energy consumption and mix
	302-3 Energy intensity	ESG / Energy consumption and mix
	302-4 Reduction of energy consumption	ESG / Energy consumption and mix
	302-5 Reductions in energy requirements of products and services	ESG / Energy consumption and mix
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	ESG / Marine and water resources
	303-2 Management of water discharge-related impacts	ESG / Marine and water resources
	303-3 Water withdrawal	ESG / Marine and water resources
	303-4 Water discharge	ESG / Marine and water resources
	303-5 Water consumption	ESG / Performance indicators ESG / Marine and water resources
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	no operational sites in or near high conservation value areas reported. ESG / Biodiversity
	304-2 Significant impacts of activities, products and services on biodiversity	ESG / Biodiversity
	304-3 Habitats protected or restored	ESG / Biodiversity
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	No operational impacts on IUCN Red List or national conservation list species reported. ESG / Biodiversity
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	ESG / Energy consumption and mix

GRI STANDARD	DISCLOSURE	NIBC 2022 ANNUAL REPORT LOCATION
	305-2 Energy indirect (Scope 2) GHG emissions	ESG / Energy consumption and mix
	305-3 Other indirect (Scope 3) GHG emissions	ESG / Energy consumption and mix
	305-4 GHG emissions intensity	ESG / Energy consumption and mix
	305-5 Reduction of GHG emissions	ESG / Energy consumption and mix
	305-6 Emissions of ozone-depleting substances (ODS)	Omitted. Not financial or impact material, but addressed within NIBC's Environment and climate policy.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Omitted. Not financial or impact material, but addressed within NIBC's Environment and climate policy.
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	ESG / Circular economy ESG / Energy consumption and mix
	306-2 Management of significant waste-related impacts	ESG / Circular economy
	306-3 Waste generated	ESG / Circular economy
	306-4 Waste diverted from disposal	ESG / Circular economy
	306-5 Waste directed to disposal	ESG / Circular economy
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	ESG / Governance ESG / ESG and conduct policies ESG / Climate policies ESG / Biodiversity ESG / Management of relationships with suppliers
	308-2 Negative environmental impacts in the supply chain and actions taken	ESG / Management of relationships with suppliers ESG / Workers in our value chain
GRI 401: Employment	401-1 New employee hires and employee turnover	ESG / Performance indicators ESG / Our people
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG / Our people
	401-3 Parental leave	ESG / Our people
GRI 402: Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	ESG / Our people
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	ESG / Our people
	403-2 Hazard identification, risk assessment, and incident investigation	ESG / Our people
	403-3 Occupational health services	ESG / Our people
	403-4 Worker participation, consultation, and communication on occupational health and safety	ESG / Our people
	403-5 Worker training on occupational health and safety	ESG / Our people
	403-6 Promotion of worker health	ESG / Our people

GRI STANDARD	DISCLOSURE	NIBC 2022 ANNUAL REPORT LOCATION
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG / Our people
	403-8 Workers covered by an occupational health and safety management system	ESG / Our people
	403-9 Work-related injuries	ESG / Our people
	403-10 Work-related ill health	ESG / Our people
GRI 404: Training and Education	404-1 Average hours of training per year per employee	ESG/ Performance indicators ESG / Our people
	404-2 Programs for upgrading employee skills and transition assistance programs	ESG / Our people
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG / Our people
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	ESG / Our people
	405-2 Ratio of basic salary and remuneration of women to men	ESG / Our people
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	no incidents reported. ESG / Our people
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	ESG / Workers in the value chain
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	ESG / Workers in the value chain
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESG / Workers in the value chain
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	ESG / Our people
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	no incidents reported.
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	ESG / Affected communities
	413-2 Operations with significant actual and potential negative impacts on local communities	ESG / Affected communities
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	ESG / Workers in our value chain ESG / Affected communities
	414-2 Negative social impacts in the supply chain and actions taken	ESG / Workers in our value chain ESG / Affected communities ESG / Management of relationships with suppliers
GRI 415: Public Policy	415-1 Political contributions	no political contributions made during 2022. ESG / Political influence
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	ESG / Consumers

GRI STANDARD	DISCLOSURE	NIBC 2022 ANNUAL REPORT LOCATION
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	no incidents reported. ESG / Consumers
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	ESG / Consumers
	417-2 Incidents of non-compliance concerning product and service information and labeling	no incidents reported. ESG / Consumers
	417-3 Incidents of non-compliance concerning marketing communications	no incidents reported. ESG / Consumers
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG / Data privacy & security

NIBC publishes this Sustainability Accounting Standards Board (SASB) Index to provide structured ESG information determined by SASB to be material for commercial banks. In doing so, we aim to provide transparency for our stakeholders across the sustainability dimensions of economic, ecological and social performance.

Disclosure Topic	Accounting Metric	Code	NIBC 2022 ANNUAL REPORT LOCATION
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	FN-CB550a.1	NIBC is not categorised as a globally systemic important bank.
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	FN-CB550a.2	Risk Management ESG <ul style="list-style-type: none"> - ESG Governance: <ul style="list-style-type: none"> ▪ Risk management and internal control systems ▪ Actions and resources (stress testing) ▪ ESG strategy and business model
Incorporation of ESG Factors in Credit Analysis	Commercial and industrial credit exposure, by industry	FN-CB410a.1	Risk Management ESG <ul style="list-style-type: none"> - ESG Governance - ESG strategy and business model
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	FN-CB410a.2	Risk Management ESG <ul style="list-style-type: none"> - ESG Governance - Risk management and internal control systems - ESG & conduct policies - ESG Strategy and business model
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	FN-CB230a.1	Risk Management ESG <ul style="list-style-type: none"> - Information security & data protection
	Description of approach to identifying and addressing data security risks	FN-CF230a.2	Risk Management ESG <ul style="list-style-type: none"> - Information security & data protection
Financial Inclusion and Capacity Building	-(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB240a.1	Not relevant. These activities are outside of the asset classes served by NIBC
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	FN-CB240a.2	Not relevant. These activities are outside of the asset classes served by NIBC
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB240a.3	Not relevant. Unlike most commercial banks, NIBC does not offer current account (checking accounts) or transaction banking services.
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB240a.4	ESG <ul style="list-style-type: none"> - Financial inclusion
Business Ethics	Total amount of monetary losses as a result of legal proceedings	FN-CB-	ESG <ul style="list-style-type: none"> - Compliance and responsible business conduct
	Description of whistleblower policies and procedures	FN-CB510a.2	ESG <ul style="list-style-type: none"> - Financial inclusion - Our people - Compliance and responsible business conduct

TCFD Index

Taskforce for Climate-related Financial Disclosures

For interested readers, we have prepared a TCFD Index which summarises NIBC’s approach across the TCFD recommended disclosures. This Index also provides references to find additional information in regard to each recommended element.

Recommended TCFD Disclosure ¹⁰	Location in NIBC Disclosures
Governance	
a) Describe the board's oversight of climate-related risks and opportunities.	NIBC Holding Annual Report, p81-82 (governance and oversight) NIBC Sustainability Report, p2-4, 22-23
b) Describe management's role in assessing and managing climate-related risks and opportunities.	NIBC Holding Annual Report, p82-83 (risks), p86-87 (opportunities) NIBC Sustainability Report, p4-5, 22-23
Strategy	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	NIBC Holding Annual Report, p95-97 NIBC Sustainability Report, p11-14
b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	NIBC Holding Annual Report, p 83-84 (Strategy and business model), p87-88 (Actions and resources), p91-92 (Climate Action Plan) NIBC Sustainability Report, p5-9
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	NIBC Holding Annual Report, p83-84 (strategy), p 85-86 (materiality), p 95-97 (climate-related risks) NIBC Sustainability Report, p21-25, 27-32
Risk Management	
a) Describe the organization's processes for identifying and assessing climate-related risks.	NIBC Holding Annual Report, p 82-83 (risk management and internal control system) NIBC Sustainability Report, p21-23
b) Describe the organization's processes for managing climate-related risks.	NIBC Holding Annual Report, p 82-83 (risk management and internal control system) NIBC Sustainability Report, p21-23, 27-32
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	NIBC Holding Annual Report, p 82-83 (risk management and internal control system) NIBC Sustainability Report, p21-23, 27-32
Metrics & Targets	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	NIBC Annual Report, p88-89 (ESG Performance indicators, EU Taxonomy table), p94 (scope 1, 2, 3 emissions, emissions intensity resource consumption, and data quality) NIBC Sustainability Report, p20, 25, 29-31, 33-34
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	NIBC Annual Report, p94 (scope 1, 2, 3 emissions, emissions intensity and data quality) NIBC Sustainability Report, p25, 33-34
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	The main overarching targets for NIBC are net zero emissions by 2050 and a 55% reduction in 2030. NIBC Annual Report, p93-95 NIBC Sustainability Report, p20, 25, 29-31, 33-34

¹⁰ Taskforce for Climate related Financial Disclosures (TCFD) recommendations, <https://www.fsb-tcfid.org/recommendations/>

To assist readers, NIBC has prepared a mapping aligned with the 2022 UNGC Communication on Progress questionnaire to meet the increasing interest by stakeholders in the UN Sustainable Development Goals and the UN Global Compact. Our full UN Global Compact COP report is published on the NIBC website and on the UN GC website.

This voluntary disclosure index provides links across our policies and disclosures and mappings to the relevant UN Global Compact Principles and to the relevant Sustainable Development Goal targets:

Topic	Report	UNGC Principle ¹¹	Alignment with UN SDG Targets ¹²
Governance			
Policy Framework	NIBC Purpose & Values Code of Conduct Corporate Governance Policies Compliance Policies Sustainability Policies	Principle 1 Principle 7 Principle 10	5.2, 5.5, 8.1, 8.3, 8.5, 8.7, 8.8, 16.1, 16.2, 16.3, 16.4, 16.5, 16.6, 16.7
Prevention Processes	Annual Report, p81-112 NIBC Sustainability Report, p 4-5	Principle 1 Principle 7 Principle 10	5.2, 5.5, 8.1, 8.3, 8.5, 8.7, 8.8, 16.1, 16.2, 16.3, 16.4, 16.5, 16.6, 16.7
Concerns and Grievances	Annual Report, p87, 102, 104, 107-108 NIBC Sustainability Report, p46, 48 Whistleblowing Policy Public Concerns & Grievances	Principle 1 Principle 3 Principle 7 Principle 10	5.2, 5.5, 8.1, 8.3, 8.5, 8.7, 8.8, 16.1, 16.2, 16.3, 16.4, 16.5, 16.6, 16.7
Executive Pay	Annual Report, p129-134	Principle 1 Principle 7 Principle 10	
Board Composition	Website: Executive Committee Website: Supervisory Board Annual Report, p119-127	Principle 1 Principle 6	5.5, 8.5, 8.7, 8.8, 16.7
Data Assurance	Annual Report, p58, 89, 135, 269-273 NIBC Sustainability Report, p15, 54	Principle 10	16.1, 16.6
Human Rights & Labour			
Materiality & Saliency	Annual Report, p101-109 NIBC Sustainability Report, p9-10, 38-39	Principle 1 Principle 2	1.1, 1.2, 1.3, 1.4, 1.5, 1.a, 1.b, 2.1, 2.3, 2.5, 2.a., 2.c., 4.1, 4.4, 4.5, 4.7, 5.1, 5.2, 5.4, 5.6, 6.1, 6.2, 8.7, 8.8, 9.1, 10.2, 10.3, 10.7, 11.1, 16.1, 16.2, 16.3
Policies & Commitments	Website: Sustainability Governance Annual Report, p87, 102, 105, 106, 107 NIBC Sustainability Report, p15-19, 38-39,40,44-45 Sustainability Framework Sustainability Policy Human Rights Policy	Principle 1 Principle 2 Principle 3	1.1, 1.2, 1.3, 1.4, 1.5, 1.a, 1.b, 2.1, 2.3, 2.5, 2.a., 2.c. 3.2, 3.3, 3.4, 3.7, 3.8, 4.1, 4.3, 4.4, 4.5, 4.7, 5.1, 5.2, 5.4, 5.6, 6.1, 6.2, 8.7, 8.8, 9.1, 10.2, 10.3, 10.7, 11.1, 16.1, 16.2, 16.3

¹¹ Mappings guided by the UN Global Compact Commitment on Progress Questionnaire Guidebook, working version, December 2021

¹² Mappings guided by the UN Global Compact Commitment on Progress Questionnaire Guidebook, working version, December 2021

Human Rights Due Diligence	Website: Sustainability Governance Annual Report, p83, 84 NIBC Sustainability Report, p 38-39 Sustainability Framework	Principle 1 Principle 2	1.1, 1.2, 1.3, 1.4, 1.5, 1.a, 1.b, 2.1, 2.3, 2.5, 2.a., 2.c., 4.1, 4.4, 4.5, 4.7, 5.1, 5.2, 5.4, 5.6, 6.1, 6.2, 8.7, 8.8, 9.1, 10.2, 10.3, 10.7, 11.1, 16.1, 16.2, 16.3
Outcomes & Reporting	Website: Annual Reports Website: Sustainability Annual Report, p101-108 NIBC Sustainability Report, p44-47, 49	Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6	1.1, 1.2, 1.3, 1.4, 1.5, 1.a, 1.b, 2.1, 2.3, 2.5, 2.a., 2.c. 3.2, 3.3, 3.4, 3.7, 3.8, 4.1, 4.3, 4.4, 4.5, 4.7, 5.1, 5.2, 5.4, 5.6, 6.1, 6.2, 8.5, 8.7, 8.8, 9.1, 10.2, 10.3, 10.7, 11.1, 16.1, 16.2, 16.3
Environment			
Policies & Commitment	Website: Sustainability Annual Report, p92 (climate),p97 (pollution), p98 (marine biodiversity), p99-100 (biodiversity), p101 (circular economy) NIBC Sustainability Report, p15-19, 23, 33, 35, 36, 37 Sustainability Framework Sustainability Policy Environment & Climate Policy	Principle 7 Principle 8 Principle 9	1.5, 2.1, 2.3, 2.4, 3.2, 3.4, 3.8, 3.9, 6.1, 6.3, 6.4, 6.5, 6.6, 7.1, 7.2, 7.3, 8.4, 9.4, 11.3, 11.5, 12.1, 12.2, 12.3, 12.4, 12.5, 12.6, 13.1, 13.2, 13.3, 13.a, 13.b, 14.1, 14.2, 14.3, 15.1, 15.2, 15.3, 15.4, 15.5, 15.a, 15.b
Environment, Climate and Biodiversity Due Diligence	Website: Sustainability Governance Annual Report, p92 (climate),p97 (pollution), p98 (marine biodiversity), p99-100 (biodiversity), p101 (circular economy) NIBC Sustainability Report, p15-19, 23, 33, 35, 36, 37 Sustainability Framework	Principle 7 Principle 8	1.5, 2.1, 2.3, 2.4, 3.2, 3.4, 3.8, 3.9, 6.1, 6.3, 6.4, 6.5, 6.6, 7.1, 7.2, 7.3, 8.4, 9.4, 11.3, 11.5, 12.1, 12.2, 12.3, 12.4, 12.5, 12.6, 13.1, 13.2, 13.3, 13.a, 13.b, 14.1, 14.2, 14.3, 15.1, 15.2, 15.3, 15.4, 15.5, 15.a, 15.b
Energy & Resources	Website: Sustainability Annual Report, 94-95 NIBC Sustainability Report, p 24-27, 33-34	Principle 7 Principle 8 Principle 9	1.5, 2.1, 2.4, 6.1, 6.3, 6.4, 6.5, 6.6, 9.4, 11.3, 12.4, 13.1, 13.2, 13.3, 13.a, 13.b, 14.3
Outcomes & Reporting	Website: Sustainability Annual Report, 88-91, 93-94 NIBC Sustainability Report, p20, 33-35, 37-38, 41-44, 46, 49	Principle 7 Principle 8	1.5, 2.1, 2.4, 6.1, 6.3, 6.4, 6.5, 6.6, 9.4, 11.3, 12.4, 13.1, 13.2, 13.3, 13.a, 13.b, 14.3
Anti-Corruption			
Policies & Commitment	Website: Compliance Purpose & Values Code of Conduct Corporate Governance Policies Compliance Policies Anti-Bribery and Corruption Policy Summary Annual Report, 108-110 NIBC Sustainability Report, p47-50,	Principle 10	16.4, 16.5, 16.6
Response & Reporting	Website: Annual Reports Annual Report, p108-110 NIBC Sustainability Report, p20, 47-50	Principle 10	16.4, 16.5, 16.6

EU NACE summary of exposures and emissions

NACE	Description	Total Exposure	Estimated Emissions ¹³ (in tCO ₂ e)			Total
			Scope 1	Scope 2	Scope 3	
A.01.10	Growing of non-perennial crops	18,635,766	8,693	778	8,355	17,826
B.09.10	Support activities for petroleum and natural gas extraction - Drilling	51,063,618	334,003	2,015	14,642	350,659
C.10.10	Processing and preserving of meat and production of meat products	45,394,738	5,068	713	38,075	43,857
C.10.50	Manufacture of dairy products	36,278,804	4,213	2,133	51,287	57,634
C.10.80	Manufacture of other food products	4,910,223	514	219	4,788	5,521
C.11.00	Manufacture of beverages	30,962,578	3,333	762	9,848	13,942
C.16.20	Manufacture of products of wood, cork, straw and plaiting materials	1,688,637	70	51	452	573
C.20.30	Manufacture of paints, varnishes and similar coatings, printing ink and mastics	5,118,103	2,283	262	3,480	6,025
C.20.50	Manufacture of other chemical products	27,000,000	12,043	1,383	18,359	31,785
C.22.20	Manufacture of plastics products	15,560,500	466	630	7,034	8,131
C.24.30	Manufacture of other products of first processing of steel	16,500,000	23,443	435	16,310	40,189
C.25.10	Manufacture of structural metal products	58,560,691	1,748	2,126	39,310	43,183
C.25.50	Forging, pressing, stamping and roll-forming of metal; powder metallurgy	16,351,618	488	594	10,976	12,058
C.25.90	Manufacture of other fabricated metal products	1,065,695	32	39	715	786
C.26.70	Manufacture of optical instruments and photographic equipment	151,430	19	1	41	61
C.28.90	Manufacture of other special-purpose machinery	44,040,154	1,393	664	15,799	17,857
C.29.30	Manufacture of parts and accessories for motor vehicles	4,551,310	132	56	1,920	2,108
C.32.99	Manufacturing n.e.c.	2,000,000	350	58	1,033	1,441
C.33.20	Installation of industrial machinery and equipment	2,000,000	63	30	717	811
D.35.10	Electricity, gas, steam and air conditioning supply	63,578,409	36,330	4,001	5,979	46,310
D.35.12	Transmission of electricity	13,970,000	2,400	2,556	1,502	6,458
E.37.00	Sewerage	5,669,140	1,687	2	795	2,484
E.38.10	Waste collection	13,666,666	7,994	581	4,354	12,930
E.38.20	Waste treatment and disposal	29,787,968	17,424	1,267	9,491	28,182
E.39.00	Remediation activities and other waste management services	3	0	0	0	0
F.42.10	Construction of roads and railways	2,606,908	297	17	1,362	1,677
F.42.90	Construction of other civil engineering projects	33,830,468	3,858	221	17,679	21,758
F.43.30	Building completion and finishing	3,493,493	398	23	1,826	2,247
G.45.10	Sale of motor vehicles	47,859,090	6,939	393	15,106	22,438
G.45.40	Sale of motor vehicle parts and accessories	60,300,000	8,743	495	19,032	28,270
G.46.30	Sale, maintenance and repair of motorcycles and related parts and accessories	38,333,333	654	0	2,499	3,153
G.46.90	Wholesale of food, beverages and tobacco	9,482,759	162	0	618	780

¹³ Estimates calculated in accordance with PCAF methodologies.

G.47.10	Retail sale in non-specialised stores	11,202,485	212	0	125	337
G.47.20	Retail sale of food, beverages and tobacco in specialised stores	33,032,625	624	0	368	992
G.47.30	Retail sale of automotive fuel in specialised stores	14,475,120	466	81	9,079	9,626
G.47.50	Retail sale of other household equipment in specialised stores	20,000,000	378	0	223	601
H.49.20	Freight rail transport	1	0	0	0	0
H.50.00	Water transport	38,715,000	33,692	19	27,385	61,096
H.50.20	Sea and coastal freight water transport	944,231,929	821,713	468	667,905	1,490,087
H.52.10	Warehousing and storage	58,822,018	1,074	504	12,121	13,698
H.52.20	Support activities for transportation	9,778,410	178	84	2,015	2,277
H.52.22	Service activities incidental to water transportation	4,000,000	73	34	824	931
I.55.20	Holiday and other short-stay accommodation	2,954,881	49	87	474	610
J.58.29	Other software publishing	3,887,761	666	173	1,440	2,279
J.61.10	Wired telecommunications activities	1,585,401,558	10,644	2,798	56,751	70,193
J.61.20	Wireless telecommunications activities	12,781,100	86	23	458	566
J.63.10	Data processing, hosting and related activities; web portals	794,159,372	135,996	35,387	294,172	465,555
K.64.10	Monetary intermediation	30,000,000	7	3	42	52
K.64.20	Activities of holding companies	115,760,700	10,237	1,700	15,616	27,553
K.66.21	Risk and damage evaluation	4,000,000	10	3	47	60
K.66.30	Fund management activities	30,000,000	74	24	353	451
L.68.00	Real estate activities	5,000,000	10	2	78	91
L.68.10	Buying and selling of own real estate	187,692,440	379	78	2,945	3,403
M.70.10	Activities of head offices	4,000,000	464	77	707	1,249
M.74.10	Specialised design activities	225,000	26	4	40	70
M.74.90	Other professional, scientific and technical activities n.e.c.	9,625,000	1,118	185	1,702	3,005
N.77.30	Rental and leasing of other machinery, equipment and tangible goods	154,586,365	16,301	1,921	33,843	52,065
N.78.20	Temporary employment agency activities	4,600,195	534	89	813	1,436
O.84.10	Public administration and defence; compulsory social security	14,625,299	238	318	3,046	3,601
O.84.20	Provision of services to the community as a whole	118,361,009	1,924	2,570	24,649	29,143
P.85.60	Educational support activities	211,437,253	24,551	4,071	37,383	66,005
Q.86.90	Other human health activities	185,274,284	3,339	4,756	39,772	47,867
Q.87.90	Other residential care activities	44,356,158	799	1,139	9,522	11,460
R.93.10	Sports activities	2,847,094	24	81	411	516
S.96.00	Other personal service activities	3,404,428	55	167	890	1,112
T.98.20	Undifferentiated service-producing activities of private households for own use	35,000,000	986	1,448	8,290	10,724
	To be classified	63,975,000				
		5,462,624,585	1,633,145	89,280	1,924,941	3,209,843
	Commercial Real Estate & Oimio					134,687
	Retail Mortgages (incl buy to let)					239,995
Total						3,584,525