

NIBC

TCFD REPORT

2020 CLIMATE-RELATED FINANCIAL DISCLOSURE

July 2021

Taskforce on Climate-related Financial Disclosures (TCFD)

NIBC has assessed the risks related to climate change related to our lending and investment portfolios. Climate and the environment are also among the financial and non-financial environmental risks and opportunities which are taken into account as part of NIBC's core business strategy.

To support the transition to a net-zero economy, strengthen the climate resilience of the financial sector and future proof our business model, NIBC is taking a precautionary approach and is committed to implement the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). This report follows the recommendations of the TCFD in regard to climate-related disclosures. Climate and environmental risks and opportunities are also summarised in relevant sections of our 2020 Annual Report.

Information reported in this report are for NIBC Holding including its material subsidiaries unless otherwise stated.

NIBC's primary climate-related target is Paris-aligned, client-aligned and follows the science. We aim to achieve zero greenhouse gas emissions in our lending and investment portfolio and in our operations before 2050. A second goal is to achieve substantial reductions to the extent that this is possible by 2030. Our 2030 target is aligned to the Dutch ambition of a 49% reduction and the revised European target of a 55% reduction. We aim to do our part to keep global warming below 1.5 degrees and together with our clients we are taking the practical steps necessary in support of this goal.

Our ambitions will progress at pace with developments. We recognize that not all sectors and activities currently have the needed technologies to achieve these goals, but many of these activities will continue to be needed beyond 2050. Therefore progress will likely not be linear, but instead will in part be guided by technological change. We will continue to evolve our approach and work with clients to help them achieve their transition to zero.

About NIBC

NIBC is a retail and commercial bank headquartered in the Hague serving retail and mid-sized corporate customers in selected sectors across Northwest Europe. We are present in four countries – the Netherlands, Germany, the UK and Belgium.

Our business model is differentiated from peers by the fact that we are not a general bank – we do not operate a brick and mortar branch network, nor do we offer retail current accounts, corporate current accounts, credit cards, transaction banking or other volume orientated “flow” financial products.

Instead we focus on products and services that provide support to our clients at decisive moments, for example retail mortgages for when our retail customers make the life-changing decision to purchase a home. For corporate clients, key acquisitions, leveraged buyouts, and structured solutions which transform growth for a company are decisive moments.

Climate and Environmental Risk Governance

Our sustainability governance revolves around a system of checks and balances which ensures material sustainability (environment, human rights and governance) risks are taken into account in our decision-making processes.

NIBC operates a two-tier board structure. Our Managing Board and Executive Committee (ExCo) are ultimately responsible for all sustainability matters. The ExCo is also responsible for policies that impact NIBC's culture and ethics, such as the Code of Conduct. Although ESG aspects are a standing quarterly topic on our ExCo agenda, in practice discussions with ExCo and individually with its members are more frequent. Sustainability matters are also presented and discussed on a quarterly basis with NIBC's Supervisory Board.

Updates to the sustainability framework and sustainability policies are reviewed and approved by NIBC's Risk Management Committee (RMC) and/or within its sub-committees. A substantive update on sustainability developments is provided to RMC at least semi-annually. This includes topics such as climate-related issues, human rights, and performance indicators.

Role	Responsibility
Supervisory Board	Sustainability matters are discussed on a quarterly basis with NIBC's Supervisory Board. NIBC Supervisory Board's Risk Policy & Compliance Committee (RPCC) monitors and periodically discusses sustainability matters. The Audit Committee receives any findings from Internal Audit and our external auditors in regard to the Non Financial Key Figures reported in NIBC's Annual Reports.
Managing Board & ExCo	NIBC's Managing Board is ultimate responsible for all sustainability matters. ExCo members discuss and advise on sustainability strategy, targets, planning and budget. The ExCo is responsible for policies that impact NIBC's culture and ethics, such as the Code of Conduct and approves certain public reports, such as NIBC's Modern Slavery Statement.
Risk Management Committee (RMC)	New sustainability policies and material changes to NIBC's Sustainability Framework and underlying policies are reviewed and approved by NIBC's Risk Management Committee. The RMC also sets NIBC's risk appetite, sets portfolio limits, governs model validation, approves new products (NPARP) and approves significant changes to existing products (SCARP).
Transaction, Investment, & Engagement Committees	Sustainability risks related to corporate clients and transactions are presented in transaction proposals at the relevant risk committee (TC/ IC/ EC, depending on product or service offered by NIBC). These committees weigh the financial and sustainability risks associated with a client or a transaction and how these risks are mitigated or managed in order to reach well-informed decisions. The Sustainability Officer reviews assessments and is invited to join committee meetings in the event increased sustainability risks have been identified and further discussions are warranted.
Asset & Liability Committee (ALCO)	NIBC's ALCO and its Green Bond Working Group (GB WG) are responsible for any Green Bond Issuances. The GBWG is responsible for identifying eligible assets according to the criteria of NIBC's Green Bond Framework and monitoring their eligibility.
Internal Audit	Processes and controls are audited by NIBC's internal auditors. External third party audits may also be performed on non-financial key figures reported in NIBC's Annual Report.

Senior Sustainability Officer	<p>Responsibility for overseeing NIBC's sustainability agenda. The officer is responsible for the set-up and implementation of the sustainability strategy, including targets, planning and budget.</p> <p>The Officer provides advices on transaction proposals, new products, and significant changes to existing products. The Officer chairs the GBWG which monitors the eligibility of green assets according to the criteria set in NIBC's Green Bond Framework.</p> <p>The Officer is up-to-date on all sustainability developments and is responsible for engaging with our external stakeholders on sustainability matters. The officer meets regularly with each business unit to evaluate activities, discuss progress, and plan future developments.</p>
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Responsibility for NIBC's sustainability agenda is delegated to the Sustainability Officer but is primarily managed by and embedded in each business unit. Processes, roles and responsibilities are defined to manage sustainability and take a precautionary approach.

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 is responsible for the set-up and implementation of the sustainability strategy, including targets, planning and budget. He is up to date on all sustainability developments and is responsible for engaging with our external stakeholders. The officer meets regularly with each business unit to discuss progress and evaluate activities. Sustainability matters are monitored and reported periodically to the ExCo and NIBC's Supervisory Board.

NIBC's Three Lines of Defense Model

Our sustainability governance revolves around a system of checks and balances to ensure stakeholders can be part of decision-making processes. NIBC operates a 'three lines of defence' risk management model . In this model, the first line comprises the business units; the second line is risk management and the other control functions and the third line is Internal Audit.

The three lines of defence model is used as the primary means to demonstrate and structure roles, responsibilities and accountabilities for decision-making, risk and control, and to achieve effective governance, risk management and assurance. All three lines are dedicated to maintaining a strong internal control framework which protects NIBC's stakeholders.

Business Units	Risk Management	Internal Audit
Ownership	Control	Assurance
The Business Units themselves are primary responsible for the results, the execution, the compliance and the effectiveness of sustainability risk management	Sustainability Officer is responsible for setting policies, advising, monitoring and reporting on the execution, management, control and reporting of risks	Internal Audit is responsible for independent assurance on the setup and functioning of the internal control framework

Charters and Principles

NIBC reviews its corporate governance and sustainability policies annually. When revisions are needed, these are reviewed, approved and republished.

A number of externally-developed economic, environmental and social charters, principles, or other initiatives are endorsed and applied within NIBC's sustainability and corporate governance policies.

These include:

- Dutch Banking Codes
- UN Global Compact (signatory)
- OECD Guidelines for Multinational Enterprises (by policy)
- UN Guiding Principles on Business and Human Rights (by policy)
- Universal Declaration of Human Rights (by policy)
- ILO Core Conventions (by policy)
- UN Principles for Responsible Investment - UNPRI (by policy)
- UNEP FI (by policy)
- PCAF- Partnership for Carbon Accounting Financials (member)
- Equator Principles (member institution)
- IFC Performance Standards (by policy)
- UN Convention on the Elimination of All Forms of Discrimination against Women (by policy)
- UN Declaration on the Rights of Indigenous Peoples (by policy)
- UNICEF Convention on the Rights of the Child (by policy)
- Wolfsberg Principles (by policy)
- FATF recommendations (by policy)

Additional principles and charters applied by NIBC are mentioned in our sector and issue-specific policies.

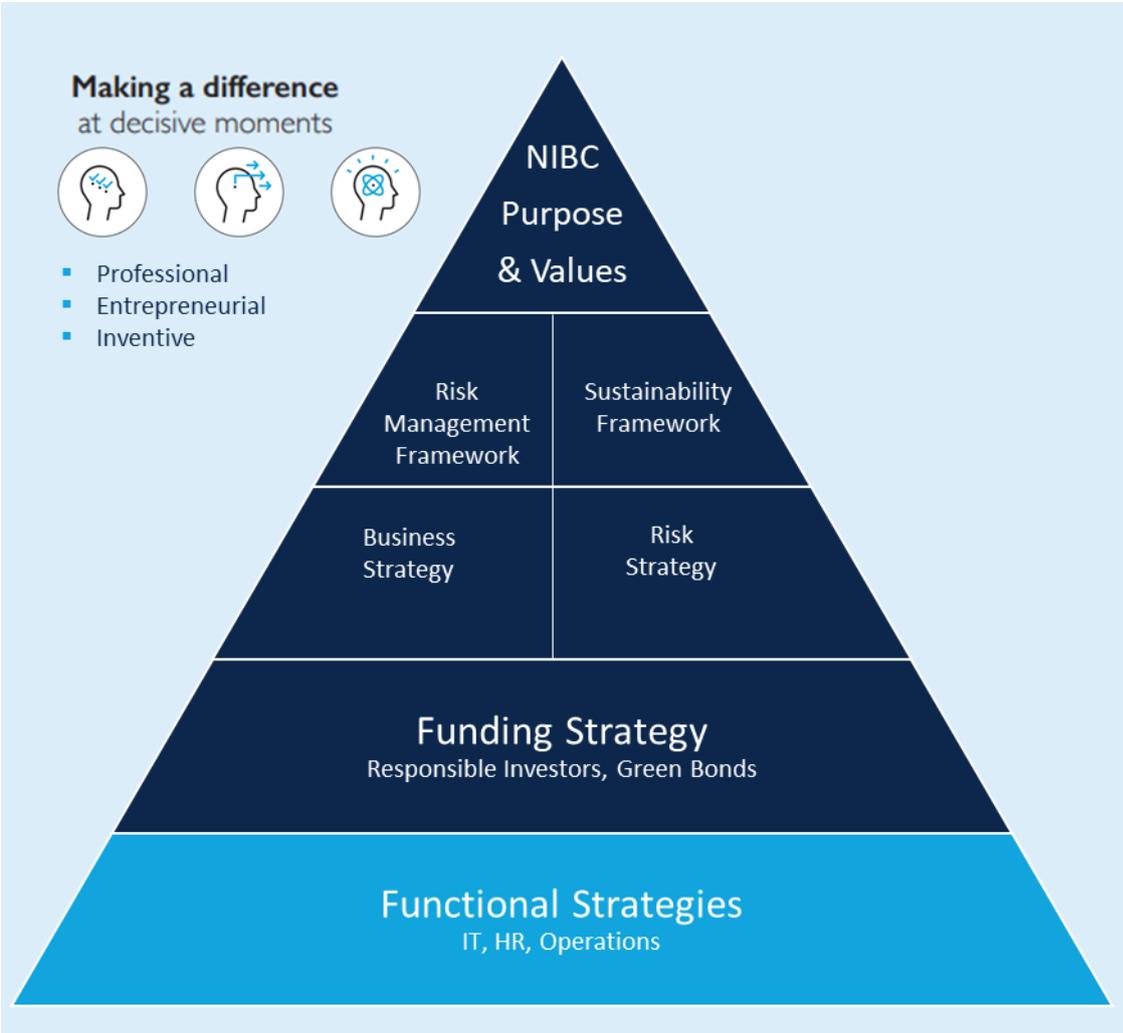
Climate & Environmental Strategy

Sustainability is an integral part of our overall corporate strategy to create financial and non-financial value for our stakeholders. NIBC's business activities, our value chain and our operational footprint as described earlier in this report and in our Annual Report provide the context for NIBC's sustainability strategy.

Overall our sustainability strategy is to identify sustainable opportunities which create financial and non-financial value for our stakeholders, to support our corporate and retail customers to become more

sustainable, and to help the communities that we serve to become more resilient. This is embodied in our purpose, supporting clients at decisive moments. For example, this means supporting retail customers as they purchase a home and to decarbonize and improve the energy efficiency of their homes. For corporate clients, this means supporting mid-sized unlisted corporates in the Netherlands and north west Europe at decisive moments and to take steps in their own operations and value chain aligned to the Paris Climate Agreement, UN Guiding Principles on Business and Human Rights and other leading international standards.

Our sustainability strategy is underpinned by our corporate values and purpose and framed by the UN Global Compact and UN Sustainable Development Goals. These frameworks are pillars which guide us toward responsible business conduct, transparency and ESG best practices. Where possible we aim to quantify both the positive and negative impacts of activities. In numerous initiatives and fora we raise our voice to follow the science, to embrace the facts and take a precautionary approach.



Within this, our climate and environmental strategy is to understand and mitigate financial risks related to climate change, biodiversity and other environmental aspects. While managing these climate and environmental risks, we are also taking steps to pursue sustainable business opportunities and to build climate and environmental resilience in the communities we serve. By doing so, we aim to create long-term value for our clients and stakeholders.

Our climate adaptation strategy is to curb potential climate, biodiversity and other environmental risks through client and transaction due diligence, stakeholder engagement, by supporting companies and

consumers in their transition toward a sustainable future. For example, NIBC's Commercial Real Estate team is supporting entrepreneurial companies which develop near 'energy neutral' buildings (Bijna Energie Neutral Gebouw, 'BENG'), pushing further innovation in energy efficiency. We also support sustainable transformations of existing building stock. This approach also contributes to national and European objectives to increase resource efficiency of real estate in line with commitments under the Paris Climate Agreement.

Several Sustainable Development Goals (SDGs) have been selected which frame our business strategy. This is based both on internal reflections as well as on discussions with clients and other stakeholders. These SDGs include Responsible Consumption and Production (SDG12), Economic Growth (SDG8), Industry & Innovation (SDG9), Sustainable Communities (SDG11), and Clean Energy (SDG7). Each of these SDGs have clear environmental targets. By focusing on these SDGs, we believe we will also contribute towards several other goals including Climate Action (SDG13) among others.

Importantly, we have used the SDGs and UN Global Compact principles to guide business opportunities within our corporate and retail businesses. During 2020, NIBC launched a new sustainable mortgage label, Lot Hypotheken. Lot is designed with sustainability at its core, bringing affordability and incentivizing energy efficiency improvements which are evidenced by energy audits and certified installers. By incentivizing these improvements, NIBC hopes to contribute to reductions in greenhouse gases related to heat and electricity use in apartments and homes.

For each Lot mortgage two trees are planted – one in the Netherlands and one abroad. This is organized through [Trees for All](#), an organization which restores forests in order to strengthen biodiversity and reduce carbon emissions.

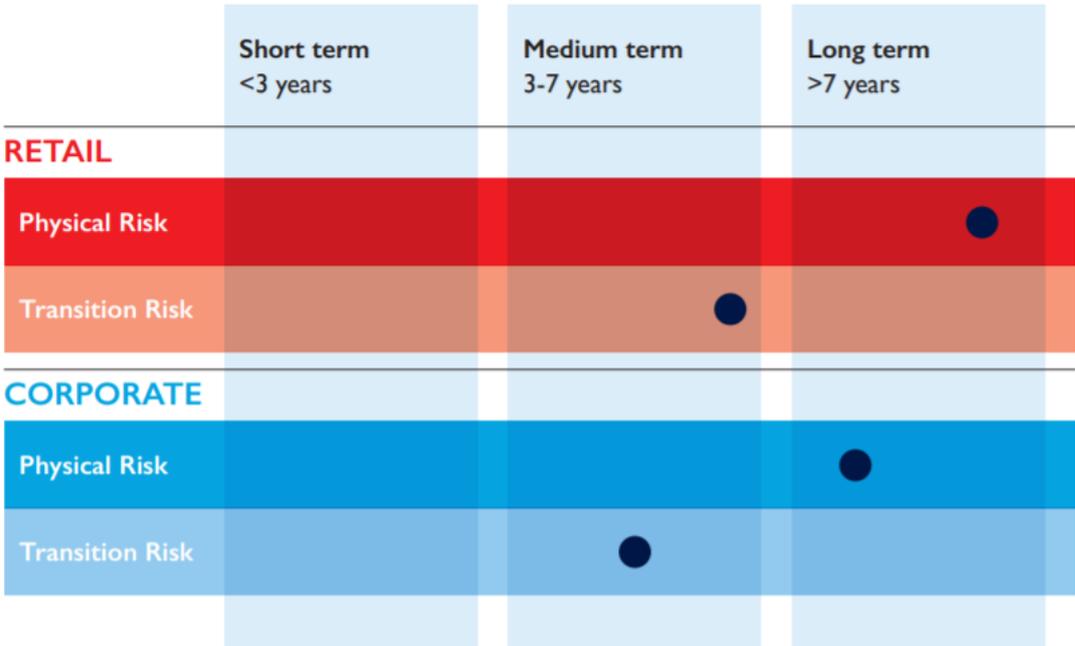
During 2020, NIBC pursued a new Green Bond Framework to support corporate and retail clients in their sustainability ambitions and create new opportunities. The Framework was launched in 2021. The Framework focuses on on-balance sheet assets across three categories: retail residential real estate, commercial residential & office real estate and renewable energy. Each category is aligned to the technical screening criteria (TSC) and do no significant harm criteria (DNSH) of the EU Green Taxonomy, the targets of the SDGs, and the ten principles of the UN Global Compact (UNGC). As our asset base develops over time, the framework allows us to expand to other green asset categories.

Climate & Environmental Risk Management

NIBC has a risk management approach in place with regard to ESG risks, including climate risk. This is supported by clear oversight, a robust sustainability risk management framework and increasing disclosures in support of our commitments, recognised standards, and regulatory requirements.

Our focus on the climate risks we face and that our clients face in the niches where we are active.

Climate-related risks related to NIBC's current exposures (portfolio as of 31 December 2019)



The image above provides a snapshot of our current assessment of the time-base likelihood of climate risks, based on our lending and investment portfolio as of year-end 2020.

As stated in our sustainability policies and Sustainability Report, NIBC avoids lending or investing in a number of activities. We exclude many of the activities which are viewed to cause climate risks to occur, including coal-fired power, extreme fossil fuels (tar sands, fracking and liquefied coal), and activities linked to deforestation.

To date none of NIBC’s corporate clients are known by NIBC to have published a TCFD report or equivalent which explicitly mention climate risk. This is not surprising since most are unlisted mid-sized corporates which have limited sustainability reporting. In cases where sustainability reporting was available, it was largely hygienic and didn’t provide much in terms of indepth risk insights. We expect these reporting practices will change in the coming years with the introduction of the recent changes to the NFRD and other EU and national reporting requirements.

Most public research to date has been done on large-cap listed multinationals and listed companies. No significant publicly-available studies have been done on unlisted and mid-sized companies, nor are independent ESG ratings and research widely available for this segment. This is guiding our approach and where we are putting our efforts in regard to quantifying climate risk, biodiversity risk and other sustainability-related risk themes for corporates.

In July 2020, NIBC published its first TCFD climate risk report. This provided a first public view of our estimated financed emissions and was intended to provide transparency to stakeholders ahead of EU NFRD disclosure requirements. We are continuing to build on this work.

NIBC has developed experimental tools in our Innovation Lab. We used these tools to analyse the public reports, websites and policies of corporate clients and listed small cap corporates in north west Europe. We also analysed midcaps and large caps active in our sectors of interest. We searched for mentions of physical and transition climate risks, biodiversity risks, and other environmental risks to enhance our understanding in each sector activity. We looked for public policy commitments and other evidence of actions taken by corporates to align with Paris targets. We also looked for mentions of climate, biodiversity and environmental risks related to corporate supply chains.

Physical Climate and Environmental Risks

Climate risk and certain other sustainability risks are increasingly becoming financial risks, while in the past these were seen primarily as non-financial and reputational risks. For NIBC, we currently assess physical climate risk to be a medium to long term financial risk as related to our corporate and retail clients.

There are no indications of material acute or chronic physical climate impacts to date in our Retail Portfolio. A long term physical risk is related to water levels relative to homes in the Netherlands. This may result in land subsidence, damage to wooden pilings used as foundations or may be in the form of floods. If flood risk materialises, the impacts will most likely be inland along rivers and near weakened dikes and as a result of extreme weather. The Netherlands has had a national action plan in place¹ to help address and mitigate these risks at the national level. We expect the plan to be renewed during 2021.

We have made some progress to develop tools to analyse certain portfolios for potential water impacts. A premise is that land subsidence may represent a growing physical risk in the medium term to real estate and certain types of infrastructure. Land subsidence typically occurs in low-lying delta areas with dense populations and high levels of groundwater withdrawal². The Netherlands has been identified as one of the geographies with increased risk. This may be caused by drought or may be human-induced, for instance by extraction of water for agriculture. NIBC gathered initial data in Q4 2020 and Q1 2021 and is currently being analysed. It is too early to say that we have quantified these risks, but we are taking steps to collect data and making progress toward risk quantification.

We have not yet seen significant physical risk impacts on corporate clients' operations and only isolated disruptions in corporate client supply chains. These have been the result of acute risks such as extreme weather events, such as flooding, drought or dangerous storms due to rising global temperatures. Looking ahead, it is likely these types of events will occur more frequently, reach additional regions and more visibly impact the supply chains of our clients. Flooding or drought could also become chronic risks over time. These changes increase the risk of other chronic environmental impacts such as loss of biodiversity and habitat. At the same time our corporate clients are increasingly aware of these risks and are developing climate adaptation strategies to make their supply chains and processes more climate resilient.

While most of the physical climate risks currently seem to be longer term for NIBC's corporate clients, our corporate portfolio is medium term in duration overall. Most of our corporate portfolio has a facility end date of 2027 or sooner. Many of these will be repaid or refinanced even sooner. This should allow us to adjust the portfolio and our risk appetite ahead of any significant financial implications. It is well understood that regardless we should continue to try to influence positive outcomes in the longer term to the extent that we can.

Water scarcity is considered a risk, though the financial impact may only be seen in the medium to long term. Across our portfolio we recognise the use of water in greenhouse agriculture and the use of water in manufacturing processes. In both of these situations, it is more likely to be passed on by producers in terms of the cost of goods for consumers.

¹ National Water Plan 2016-2021, <https://www.government.nl/documents/policy-notes/2015/12/14/national-water-plan-2016-2021>

² Mapping the global threat of land subsidence <https://science.sciencemag.org/cgi/doi/10.1126/science.abb8549>

Transitional Climate Risks

Transitional climate risks related to our portfolios are increasing in likelihood and may materialize in the medium to long-term.

Transitional climate risk related to regulation continues to increase. During 2020 the sheer velocity and volume of regulatory change related to climate aspects was very high. Recent regulatory developments lack consideration in regard to proportionality for non-listed companies and non-multinationals. This would be a resource, expertise and data challenge for mid-sized and smaller companies in normal times. This risk may be exacerbated due to the consequences of the pandemic.

For NIBC retail clients, the main transitional climate risks are related to energy use and efficiency. NIBC is able to gather and report energy label data for its retail portfolio, but transition risks remain a challenge to quantify. But there are data challenges beyond this in part due to GDPR. If they become available energy use, energy cost and other factors that could be used to assess LTI, VAR, PD and LGD. Housing demand data suggests that there will likely continue to be high demand for residential real estate across all energy labels for the foreseeable future.

Transitional climate risks are highly interconnected with other sustainability and financial risk categories. For example, retail clients employed in fossil fuel-related activities may face social impacts such as job loss. Reports suggest that for every worker employed in the fossil fuel sector in the Rotterdam harbor area, as many as six additional jobs are involved in support services, logistics and distribution across the Netherlands. If the transition is well-organised at the national level, these risks can be minimized. The main risk to NIBC is where the transition measures are implemented without consideration for societal impacts, therefore resulting in disruptions. For example if carbon pricing were introduced, it would impact those who can typically least afford energy efficiency upgrades, such as starters and the elderly.

In our Energy portfolio, we aim to mitigate climate risk including energy transition risk by responsibly reducing our exposure and by continuing to support offshore energy services companies which have a transition ambitions towards other services such as renewables and decommissioning. As reported in our 2020 year end figures, we have decreased our exposures in Energy by about 50% since year end 2018. This decreases the likelihood of stranded assets as a credit or valuation risks which may materialise in the longer term. Environmental risks and human risks are often intertwined. Our approach should help to reduce potential human rights risks (unemployment, safety) which may occur if the transition for mid-sized energy service companies is not well-supported.

Climate transition related litigation risk is not zero but it likely has been mitigated by the preemptive actions which NIBC has already taken in relation to our portfolio exposures mentioned above. NIBC's policy approach to avoid "extreme fossil fuels" such as tar sands, coal and lignite, or shale and our efforts to provide transparent reporting also are seen as mitigants. Litigation impacts to the financial sector have been highest in relation to involvement in financings of extreme fossil fuel exploration and production, greenwashing and duty of care. Any legal actions will most likely target the largest multinational producers, a segment where NIBC has not been active, the largest financiers, and those whose marketing is greater than their actions. According to *climatecasechart.com*, there have been 44 legal cases to date brought against corporates outside of the US. Of these the one case involving a Dutch financial institution was resolved through remediation.

The energy transition will ultimately impact oil demand as the transition takes hold. Around 1/3 of global oil demand is related to use as a refined fuel for cars and trucks. Transport overall accounts for about 60% of global oil demand according to the IEA³. Regulation is stimulating a transition to electrics and hybrids in all major markets and will clearly impact consumption in this segment over time. The IEA now predicts only gradual growth in the coming years. \$40 per barrel continues to be seen as a critical price limit for offshore exploration and production. A significant amount of current global production becomes unprofitable at \$40

³ <https://www.iea.org/articles/global-energy-review-co2-emissions-in-2020>

and financially unviable if prices fall much lower. Current industry forecasts predict pricing levels to remain above this level in the medium term. Industry bulls disagree that demand will eventually plunge due to the transition⁴. However the longer this remains the case, the less likely Paris Agreement targets will be achieved and the more likely that global warming will exceed 2 degrees.

LNG demand is expected to remain resilient, growing through 2035 according to a McKinsey study⁵. McKinsey predicts demand for gas to peak in 2037. We expect this to be an important both as a transition fuel in long-distance transport and to eliminate fossil fuel lock-ins, since it paves the way for clean hydrogen which can use some of the same distribution infrastructure.

Technology risks are the most prevalent transitional climate risk in the transportation sector and NIBC’s shipping portfolio. Improvements once a ship is built are costly, therefore the age of a vessel is a significant factor. NIBC currently applies a policy restriction based on a vessels age, set at 12 years of age or younger. The typical life of a vessel can be as much as 25-30 years, depending on the vessel type. This restriction is likely an aspect that we will revisit, since the zero-emission technologies needed for offshore shipping will likely only become commercially available in future years.

Climate & Environmental Metrics and Targets

Core commitments

NIBC recognises our corporate responsibility to respect the environment, protect biodiversity, and take action to mitigate climate change risks and impacts in support of the Paris Climate Agreement and SDG13 Climate Action.

NIBC’s primary climate-related target is Paris-aligned, client-aligned and follows the science. We aim to achieve zero greenhouse gas emissions in our lending and investment portfolio and in our operations before 2050. A second goal is to achieve substantial reductions to the extent that this is possible by 2030. Our 2030 target is aligned to the Dutch ambition of a 49% reduction and the revised European target of a 55% reduction. We aim to do our part to keep global warming below 1.5 degrees and together with our clients we are taking the practical steps necessary in support of this goal.

We are committed to disclosing meaningful climate and environmental metrics related to our operations and financings. Our policies and efforts are informed by IPCC climate scenarios and IEA energy scenarios and annual world energy outlooks.

2020 Non Financial Key Figures

NIBC publishes several Non-Financial Key Figures which are related to climate and environmental risk in our Annual Report each year which focus on the governance of these risks.

Non Financial Key Figures ⁶	2020	2019	2018
% of new corporate loans screened against sustainability policy	100%	100%	100%
Number of new corporate clients with increased sustainability risk assessment	14	10	25
Fines or sanctions for non-compliance with laws and regulations	0	0	1

⁴ <https://oilprice.com/Energy/Crude-Oil/Argus-Oil-Demand-Will-Not-Plunge-Because-Of-The-Energy-Transition.html>

⁵ <https://www.mckinsey.com/industries/oil-and-gas/our-insights/global-gas-outlook-to-2050#>

⁶ 2020 NIBC Holding Annual Report, p14

% of new Corporate loans screened against sustainability policy framework

All new corporate loans are assessed for social and environmental risks by NIBC. A deal may include one or more underlying facilities with different tenors as part of a deal or loan structure.

Sustainability impacts, greenhouse gas emissions, climate risk, human rights and good corporate governance are among the financial and non-financial aspects taken into consideration during NIBC's corporate client engagement and financing decision processes. Screenings are performed by corporate banking account managers as part of NIBC's ongoing and mandatory due diligence process using a third party toolkit system.

Number of New clients/transactions with increased sustainability risk assessment

We report the number of new (potential) clients/transactions for which increased sustainability risks were identified during our assessment. Climate and environmental risks are among the risks which trigger a increased risk assessment. In these situations, NIBC performs enhanced sustainability due diligence into potential material environmental, social, and governance aspects that are of potential concern.

Fines or sanctions for non-compliance with laws and regulations

We also disclose the number of significant fines and number of non-monetary sanctions for non-compliance with laws and regulations. The definition is limited to fines from a regulator. We define significant: values of fine > EUR 10.000 (in line with category 2 and 3 fines of AFM). NIBC includes non-punitive fines agreed as part of settlement of regular tax audits within its interpretation of the definition for this indicator.

2020 Emissions Performance Indicators

The GHG Protocol Corporate Standard⁷ classifies a company's GHG emissions into three 'scopes'.

- Scope 1 (GRI 305-1) covers direct emissions related to energy consumption for owned and leased offices;
- Scope 2 (GRI 305-2) covers indirect emissions related to purchased electricity for owned and leased offices;
- Scope 3 (GRI 305-3) covers upstream and downstream emissions including office paper consumption, employee travel (car, air, public transport, waste) for our operations, as well as emissions related to NIBC's financings and investments. We have also including estimated emissions related to our financings and investments in these figures.

2020 NIBC Emissions: Summary by Scope

	2020	2019	2018	Unit
Scope 1: direct emissions - energy	197	170	416	tCO ₂ e
Scope 2: indirect emissions- purchased electricity	0	0	0	tCO ₂ e
Scope 3: other indirect emissions	1,033,552	1,296,023	377	tCO ₂ e
<i>Paper, business travel, waste, other</i>	<i>2,361</i>	<i>1,023</i>	<i>377</i>	<i>tCO₂e</i>
<i>Financings & investments*</i>	<i>1,031,191</i>	<i>1,295,000</i>	<i>n/r</i>	<i>tCO₂e</i>
Total Estimated Emissions	1,033,749	1,296,193	793	tCO₂e

* 2018 totals exclude NIBC's financed emissions

⁷ Greenhouse Gas Protocol <https://ghgprotocol.org/>

The main differences between 2020 and 2019 are related to the use of the latest available emissions data from CBS (Dutch national accounts) and changes to the composition of NIBC’s balance sheet.

We also provide two emissions intensity figures (GRI 305-4), first related to our balance sheet and second as related to total FTEs. These should help to provide further insights into our performance over time.

Emissions Intensity

	2020	2019	2018	Unit
NIBC balance sheet	21,055	22,375	21,550	EUR mln
Total estimated tCO ₂ e per mln NIBC balance sheet	49.98	57.93	n/a	n/a
Total estimated tCO ₂ e per FTE	1,424	1,823	n/a	n/a

As is true with most companies, the emissions reported by NIBC are estimates and involve many sources. Our Scope 3 emissions and emissions related to paper consumption and public transportation are calculated by Climate Neutral Group. Air travel and car travel emissions figures are provided directly by our travel services and lease partners.

We have published our Scope 1 and Scope 2 emissions since 2010 In our Sustainability Report and in prior Environmental Report supplements and throughout this document mention base year figures to give meaningful context regarding our progress. Scope 1&2 emissions reported by NIBC also include energy and electricity used by commercial and civil society organisations which are tenants within our facility in the Hague.

Although the majority of waste produced at NIBC offices is recycled, we have increased the estimates for emissions related to waste in our 2020 Scope 3 emissions. This change has been made in accordance with the precautionary principle under the GHG protocol.

NIBC is also disclosing emissions estimates related to our financed portfolios under Scope 3. Estimates of financed emissions present challenges for financial institutions and all companies to report, since they rely on reporting by others. For these we use Partnership for Carbon Accounting Financials (PCAF) methodologies which are also used by other financial institutions, adapted where needed to our exposures. We published Scope 3 emissions estimates for our financings for the first time in 2019, which is the main difference compared to prior years.

Methodologies and practices in regard to the reporting of emissions are evolving, particularly as related to accounting of emissions in the portfolios of financial institutions. Therefore NIBC may and likely will recalculate figures in the future as new data is reported and collected, existing methodologies are improved or new methodologies are adopted. We will restate these only if creates more than a 10% change in total figures that we have previously reported in accordance with our goals of completeness, transparency and comparability.

As stated in previous years, we do not recalculate emissions for organic growth or decline. This means not recalculating previous year totals as businesses are acquired or divested, changes in product mix, or other similar changes. These are simply counted as an increase or a decrease in our overall profile over time.

In terms of data quality, we believe our calculations are overall be between 3 and 4 on the PCAF scale of data quality for estimated finance emissions. Transparency and comparability are among our goals among the institutions within PCAF. Methods and sources are mentioned throughout this report in order that interested stakeholders can also take their own view. We endeavor to continue to improve upon this in order to bring our emissions reporting and evidencing to an auditable level. In line with growing

expectations, we anticipate having our emissions estimates assured by an independent second party in the coming years.

Carbon Neutral in own operations

A sustainability target of NIBC is to be carbon neutral in our own operations. NIBC has achieved this objective each year since 2012. We work to reduce our own emissions and purchase certified gold standard offsets from Climate Neutral Group to fully offset all operational emissions reported in this statement. We “round up” emissions when purchasing offsets to ensure that we also offset any operational emissions which we are not yet capturing or accounting for.

The offsets which are purchased also include offsets for emissions related to heat and electricity for commercial and civil society tenants (NIBC NGO Boulevard) of NIBC’s facility in the Hague to help each organization in its goal towards net zero emissions well ahead of national and international goals. NIBC itself occupies only about 54% of the total office space at our headquarters location in the Hague, implying that we are purchasing substantially more (nearly double) than the actual offsets needed for our office facilities.

Past offsets have supported the building, renovating and maintenance of boreholes in Africa, providing clean drinking water to communities, reducing the need to boil water to kill bacteria and viruses. The project also reduces local deforestation and promotes gender equality and social development of women.

NIBC Financed Emissions

The overview above provides estimated emissions for 86% of NIBC’s balance sheet total ⁸ as reported in the 2020 Annual Report of NIBC Holding NV. From 2019, we have included estimated financed emissions in our Scope 3 emissions reporting.

These figures include NIBC’s retail mortgage portfolio and the majority of NIBC’s corporate client loans and investments.

Estimated Emissions related to NIBC financings and investments	2020	2019	2018	2010	unit
Retail real estate portfolio	193	239	n/a	n/a	tCO ₂ e
Commercial real estate emissions	n/a	n/a	n/a	n/a	tCO ₂ e
Corporate client emissions	612	830	891	1,289	tCO ₂ e
Total estimated emissions	1,033	1,295	891	1,289	tCO₂e
% of NIBC total exposures included in emissions estimate	86%	84%	40%	51%	

Following the precautionary principle, our Scope 3 totals include an extra factor for emissions that we can not yet estimate. For 2020 and 2019, this extra factor was an additional 228,000 tonnes tCO₂e of indirect emissions. This was about 17% of total emissions reported for 2019 and we decided to leave it unchanged at 228,000 for 2020. Avoided emissions have not been deducted from any of the estimates reported above.

Exposures to governments and central banks are not currently included in these estimates. Commercial real estate is not currently included in these estimates figures as we continue our work to build estimates for this portfolio. In the meanwhile we have provided a view into the energy labels of offices which are in our commercial portfolio. Emissions related to financial leases are currently excluded. Financed

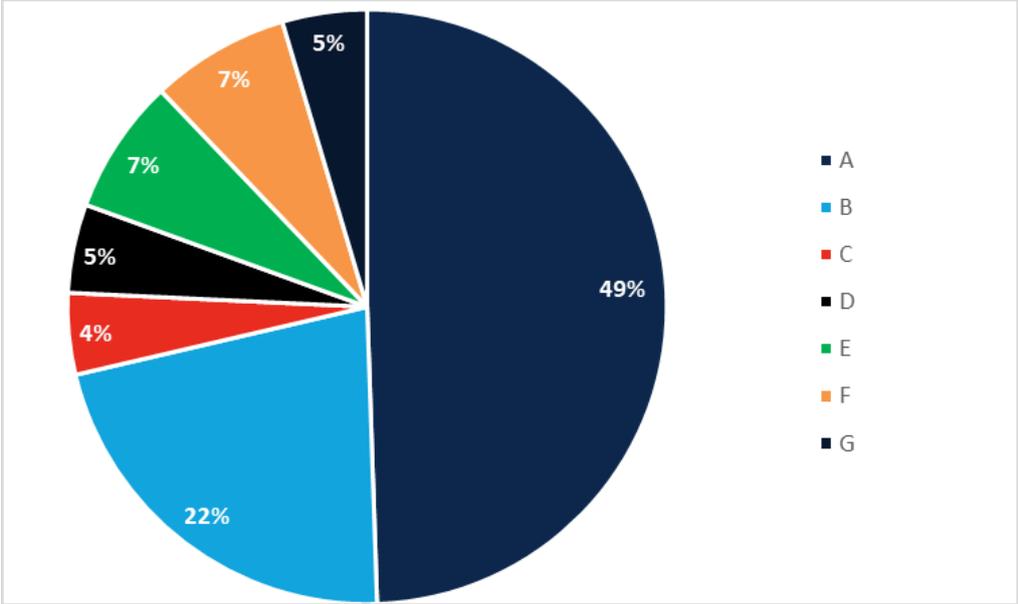
⁸ 2020 NIBC Holding NV Annual Report, p14

equipment leases are also not yet included. In total, these represent about 8% of NIBC's balance sheet exposures. Therefore the emissions estimates cover about 92% of our total exposures.

Historical data in regard to energy labels and energy performance of retail or commercial real estate in NIBC's portfolio is not available. Therefore we can not provide emissions estimates related to these portfolios at this time for prior years.

Energy Efficiency in NIBC's Real Estate portfolio

Commercial Real Estate, Commercial Offices, % exposure by energy label, year end 2020 *



* includes both NIBC and Oimio

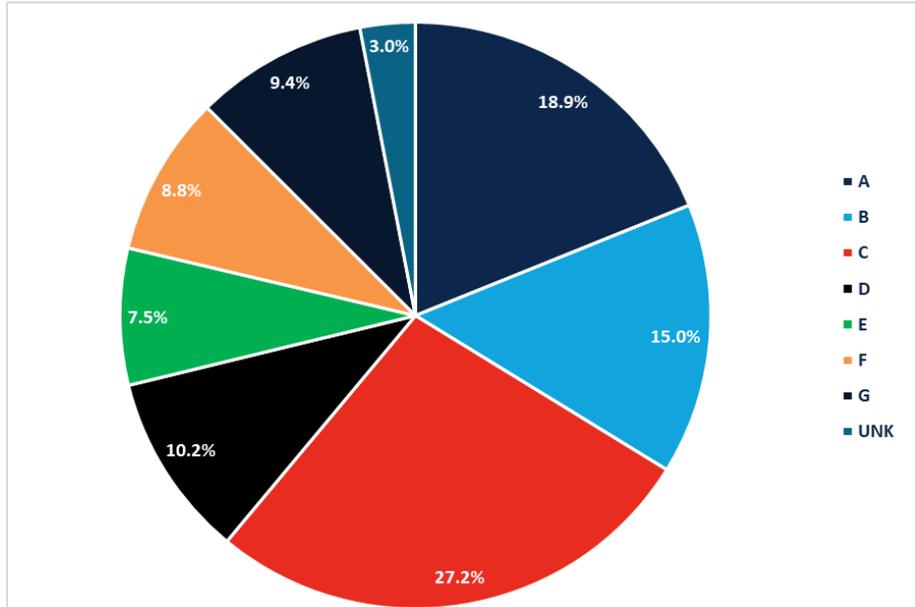
In Commercial Real Estate, energy labels of commercial offices are required to be C or higher in the Netherlands by 2023. NIBC has already achieved this for about 76% of the collateral which have an energy label in our CRE office portfolio.

Across our full CRE portfolio, about 42% of collateral objects have label A, B or C. 13% have label D, E, or F. Finally 14% are not yet known or are currently in development and 32% are ineligible.

One impact of the pandemic is that working from home is expected to be a lasting trend, therefore less single business office space may be needed. This may increase activity in terms of transformations, increasing the number of mixed use developments including shared office spaces. Many transformations also allocate budget for sustainability upgrades as part of the financial plans, so this may be part of a green recovery.

In Retail, the main transition risks are impacts of energy labels on WOZ values and any potential impacts that might effect retail customers incomes. For example job losses or significant social disruptions leading to an economic decline and reduced income.

Retail Real Estate % exposure by energy label, year end 2020



As of year end 2020, 61% of NIBC's retail mortgage portfolio (excluding Buy-to Let) had an energy label of A, B or C, 36% had a label D, E, F or G. Quality of the data was good, as a 97% match with Calcasa data was achieved, only 3% remain unknown including monuments. This includes both on balance sheet and off balance sheet exposures. 2020 data for buy-to-let portfolios involving multiple collateral properties under the same lending facility were being still verified therefore have been excluded from this view for the time being.

Retail real estate emissions were 198 tonnes CO₂e, a decrease of 17% from figures reported for 2019. The decrease reflects improved energy efficiency and increased sourcing of renewables for electricity in the Netherlands in the latest national figures.

NIBC has looked at WOZ values to evidence if valuations are being impacted by energy labels. For example if a lower energy label results in a reduced valuation. To date the results are inconclusive. While no such correlation has been identified so far, we are continuing to test different hypotheses across available datapoints and as more data becomes available.

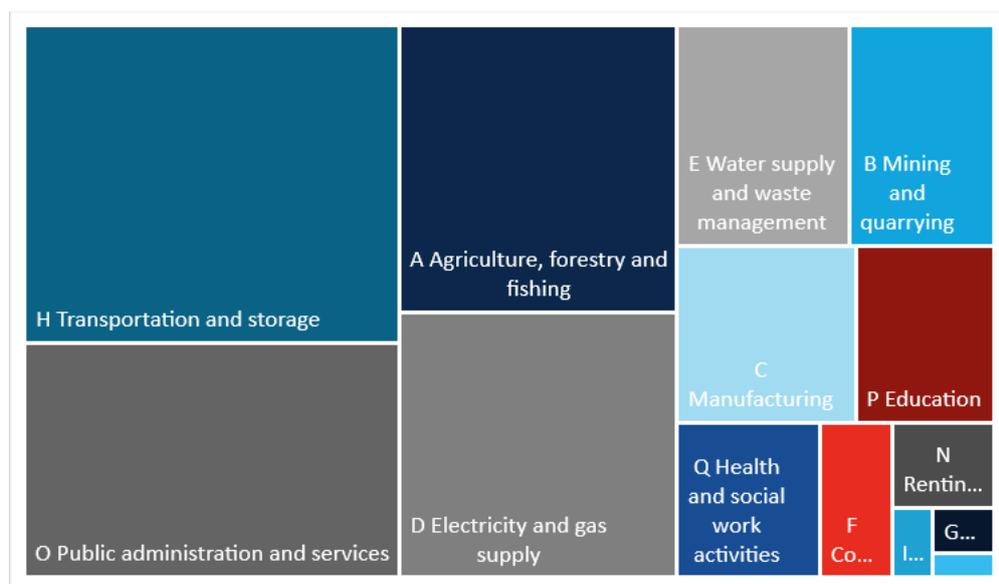
Corporate Portfolio

To generate these estimates, NIBC has used Dutch national sectoral emissions⁹ and financial balances¹⁰ figures to calculate an emissions factor which we use to estimate the emissions related to each financing. Most of NIBC's corporate clients are mid-sized, family-owned private companies operating in the Netherlands or nearby countries in Northwest Europe. Therefore we are applying PCAF methodologies and adapting these for our financings and investments.

⁹ CBS statline, as of 20 November 2020 <https://opendata.cbs.nl/statline/#/CBS/en/dataset/83300ENG/table?ts=1625835015576>

¹⁰ CBS statline as of 31 March 2021: <https://opendata.cbs.nl/#/CBS/nl/dataset/81837NED/table?ts=1625846266492>

2020 Estimated Total GHG emissions related to NIBC Corporate Loans and Investment Loans
excludes Commercial Real Estate, Financial Services and Govt



NACE Sector Category	Total Exposure	Total GHG emissions			
		In tCO2e	tCO2	tCH4	tN2O
A Agriculture, forestry and fishing	114,236,112	91,591	31,690	1,608	64
B Mining and quarrying	456,911,630	36,711	29,398	286	-
C Manufacturing	808,625,639	35,904	33,953	11	3
D Electricity and gas supply	165,181,586	84,129	83,736	8	1
E Water supply and waste mgmt	79,739,268	43,401	41,616	24	4
F Construction	453,419,682	12,798	12,281	0	0
G Wholesale and retail trade	429,867,352	3,113	3,018	0	0
H Transportation and storage	1,042,326,714	136,340	134,321	4	5
I Accommodation and food serving	104,105,058	3,218	2,945	1	-
J Information and communication	648,240,098	587	581	-	-
M Other specialised business services	30,191,212	119	118	0	-
N Renting and other business support	582,380,988	10,053	9,966	1	0
O Public administration and services	153,473,059	100,265	86,595	475	6
P Education	282,343,389	27,890	27,696	5	-
Q Health and social work activities	364,728,257	25,221	24,192	5	-
R Culture, sports and recreation	23,929,977	715	711	0	-
S, Other Service Activities	5,898,164	297	295	0	-
Total	5,745,598,186	612,351	523,112	2,429	84

The factors include all nationally reported greenhouse gases. We have chosen to show CO₂, CH₄ and N₂O individually to provide additional clarity for stakeholders. These are brought together in the total greenhouse gas (CO₂ equivalent) total which is shown. NIBC uses these factors with the exposure figures as reported in our 2019 Annual Report to calculate financed emissions.

The latest emissions factors which have been published are for 2019. Therefore we have used these 2019 factors to provide estimates for 2020. We may update these figures as newer or more accurate emissions data becomes available.

Compared to 2019 reported corporate portfolio figures (2019 NIBC TCFD Report), total CO₂e decreased by about 17% from 2019 to 2020 (2020: 612,351 tonnes CO₂e; 2019: 830,625 tonnes CO₂e). This was a greater reduction than we had anticipated and is due to changes in the composition of NIBC's portfolio as well as overall increased efficiencies in the factors reported for the Dutch economy that were used.

It is very likely that the national figures do not capture Scope 3 upstream and downstream emissions for most companies, so this likely means that the Scope 3 component of emissions is likely underreported. Similarly, national figures likely do not capture emissions related to international activities of companies. This is probably most relevant for NIBC's activities in Offshore Energy, Transportation, and Technology. NIBC's emissions related to power generation (NACE category D) are likely overstated using this methodology, since the portfolio is focused on renewables.

Although PCAF allows adjustments for "avoided emissions", NIBC has chosen not to apply avoided emissions adjustments for solar power, wind power, or other green activities. Similarly we do not apply avoided emissions in the calculations of emissions for our own operations and facilities. The science shows that these activities take many years to reach net zero lifecycle emissions due to the emissions generated by materials, construction, and maintenance. Since most NIBC corporate loans are medium-term in nature, not applying avoided emissions seems the most appropriate approach and in line with the precautionary principle.

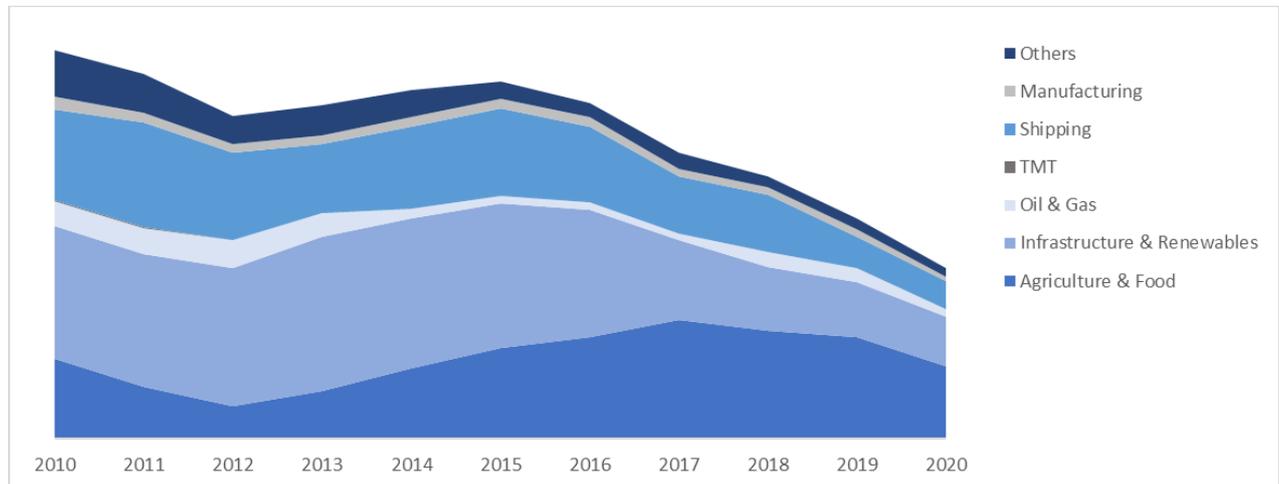
Looking ahead, as we receive more specific emissions data directly from companies. If national or European ESG database are developed and provide more accurate emissions data, we will adjust our methodologies and our reported figures accordingly.

Corporate Portfolio development, 2010-2020

We have also developed a high level mapping of emissions to national emissions data to understand the emissions composition of our non-real estate corporate portfolio, our progress on financed emissions, and the composition of our corporate portfolio over time.

Total Estimated Financed Emissions by corporate sector 2010-2020

excludes Commercial Real Estate, Financial Services and Govt



These views are based on data for on balance sheet exposures at default (EAD) by NIBC sector as reported in NIBC's Pillar 3 reports, excluding real estate, governments and financials. Although the calculated emissions using this sector mapping produces a different result than mapping based on total exposures, the overall trend is clear.

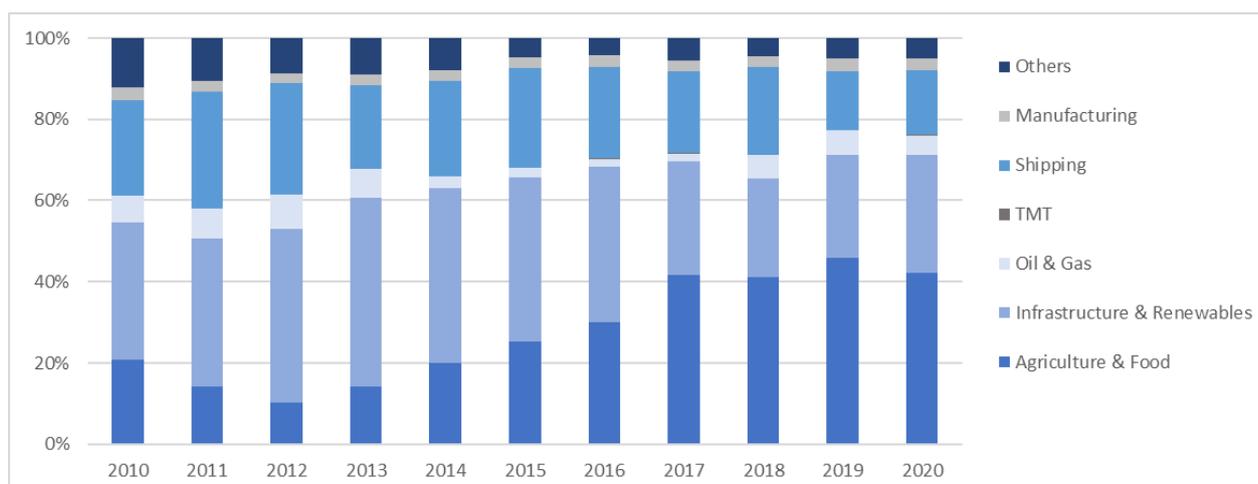
For this analysis we have used Dutch national estimates to create factors which have been applied across NIBC's corporate portfolio. These factors have been applied at a sectoral grouping level, not at a per asset level to create this historical profile.

Global emissions will need to reach net zero before 2050 to stay on track for 1.5C, according to the International Panel on Climate Change (IPCC). Based on this view, NIBC's financed emissions related to corporate banking (ex real estate, financials, govt) have decreased by about 56% since 2010.

One factor is that the sectoral mix within our portfolio has continuously changed, reflecting the flexibility embedded in NIBC's business strategy. A second factor is the steady improvement of emissions performance across the sectors that NIBC is active. At the same time, we remain cautious, since these figures are based on NL national sectoral averages and likely do not fully include Scope 3 emissions. A third factor is strategy and the strategic decisions effecting portfolio composition taken throughout this timeframe. We have much work to do, since subsequent reductions in emissions may be more difficult to achieve.

Estimated Financed Emissions composition by corporate sector 2010-2020

Based on NIBC Pillar 3 reported EAD, excludes Commercial Real Estate, Financial Services and Govt



These graphs are most useful as a directional view, not an absolute one. Although the trend of decreasing emissions is clear, one conclusion is that the national figures that we are using likely do not capture upstream or downstream Scope 3 emissions.

Globally, downstream Scope 3 emissions related to fossil fuel production are the largest source of greenhouse gas emissions. Although offshore fossil fuel energy exposures within NIBC's balance sheet have decreased significantly over the past few years, it is reasonable to expect that if Scope 3 were included, this would be a much higher percentage of the total emissions within the historical view into our portfolio. At the same time, if scope 3 was fully captured and given our decrease in exposure to the offshore energy sector, it is also logical that the decrease of total portfolio emissions over time may be larger than NIBC's currently reported estimates.

Scenario analysis

One challenge that we face is that science based target (SBT) methodologies which have been developed for investment portfolios are tailored for publicly listed companies and multinationals. This makes the direct utilization of SBT methods and comparison to SBT pathways difficult for unlisted companies, private debt, and certain types of lease financings including leasing receivables. Nearly all of NIBC's corporate clients are unlisted, private companies.

Like all financial institutions, our financed emissions are on a different scale than the emissions linked to our own operations. NIBC's current progress and pathway for financed emissions is aligned with the 1.5 degree scenario pathway of the IPCC and the goal of net zero before 2050. We expect our progress to flatten during the next few years, particularly if our portfolio grows. If NIBC continues to make reasonable progress, a 60-65% reduction in our financed corporate portfolio emissions from baseline year 2010 may be achieved as of 2030, an 80% reduction as of 2040, and net zero emissions may be achieved in 2047-48.

While this is positive and shows a clear emissions reduction pathway aligned to Paris, we remain very cautious about any long-term forward projections, since the realisation of any projections will depend on data quality, data availability, changes to public policy, technology advancements, and changes in consumption patterns in addition to the actions NIBC itself takes. A linear projection based on the 2010-2020 emission reduction figures would bring NIBC's pathway to zero emissions well forward but seems highly unrealistic. Our emission projections also do not factor in any growth in our balance sheet. The last 30% of emissions reductions will likely be the most difficult to achieve. We also recognise the need to mitigate and avoid unintended social impacts during the transition.

In their World Energy Outlook 2019 ¹¹, the IEA estimated that demand for fossil fuels will peak and flatten in the 2030's. In their latest analyses ¹², the direction has shifted somewhat, rising until 2026 and flattening thereafter. The change is largely dependent on governmental actions, including the EU's progressive approach to cutting greenhouse gas emissions. They also anticipate meaningful CO2 emission reductions only from 2030. We are well aware that globally, emissions are continuing to rise in the short to medium term. This only increases the urgency for NIBC and other financial institutions to act on this challenge.

It Begins with Us: Own Operations

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.

Improvements in NIBC's operational emissions are part of an Environmental Management System led by NIBC's talented Facilities Services team. The continuous improvement programme within our EMS has significantly cut the use of gas for heating and cooling. These efforts benefit both the environment (reduced emissions) and NIBC's shareholders (reduced ongoing costs).

NIBC locations, energy label and source

Location	Energy Label	Electricity Source	Size (sqm)	Status
The Hague	A	Wind	24,513	Owned
Frankfurt	Leed Platinum	Renewable Mix	2,362	Leased
London	D	Renewable Mix	493	Leased
Brussels	n/a	Renewable Mix	270	Leased
Beequip	C	Wind	400	Leased
Lendex	B	Wind	400	Leased
Total		100% renewables	28,808	

Most office facilities used by NIBC have energy efficiency labels or ratings assigned that we can monitor. NIBC's office in the Hague occupied by NIBC Bank is easily the most material space occupied by any subsidiary of NIBC Holding. During 2020 NIBC discontinued its use of a leased office in Amsterdam, decreasing our total office footprint by 1200 sqm compared to 2019.

From time to time, second party energy audits are performed on NIBC-owned facilities to optimize this installation and ensure it is running as efficiently as possible.

According to external sources, up to 40% of all carbon emissions are related to the "built" environment in the Netherlands. This includes energy to heat, cool or operate equipment from homes, offices, schools, industrial buildings and hospitals. This also means that some of the quickest gains can be made by companies in their own direct operations by sourcing responsibly and through continuous improvement programmes and/or environmental management systems.

¹¹ International Energy Agency World Energy Outlook 2019 <https://www.iea.org/reports/world-energy-outlook-2019>
¹² International Energy Agency World Energy Outlook 2020 <https://www.iea.org/reports/world-energy-outlook-2020>

NIBC has embraced this approach and focused on steadily and substantially improving the efficiency of our own facilities, well ahead of national and EU climate targets.

Electricity

	2020	2019	2018	Unit
Fossil Fuel Electricity	0	0	0	kWh
Renewable Electricity	2,813,065	3,523,194	3,380,124	kWh
% Renewable Electricity	100%	100%	100%	kWh
Intensity: kWh per sqm	97.67	118.8	115.6	
Intensity: kWh per FTE	3,875	4,955	4,893	

Our 2020 electricity consumption total is about 15% higher than our baseline 2012 figures for electricity of 2,448,824 kWh, but a 20% reduction from 2019. In 2012, 0% was sourced by NIBC from renewables.

Renewable electricity is used in all NIBC offices. Our locations in the Netherlands use 100% wind power. In other locations a mix of renewable electricity sources are used. In our emissions calculations, we assume zero greenhouse gas emissions for renewables and have made conservative assumptions on usage in leased locations. Leased locations are about 15% of our total office space.

NIBC has continuously invested in efficiency improvements of facilities across all locations to LED lighting, energy star-rated office equipment, and taken other actions to improve energy efficiency in our operations. New electric car charging points were installed in NIBC's guest parking and garage, facilitated by Colectric. Figures from the Hague include (external) commercial and civil society tenants of NIBC's facility.

At our facility in the Hague about 54% of the space is leased by other occupants including the civil society organisations operating in the NIBC NGO Boulevard, the Zone and commercial tenants. This means that about 46% of the energy usage at our location in the Hague is related to NIBC's operations even though 100% is allocated to NIBC in our reporting. This also means the other occupants are also benefitting from NIBC's responsible sourcing and investments in energy efficiency.

Heating and Cooling

To further reduce greenhouse gas emissions related to heating and cooling, a groundwater heating and cooling system is in operation and substantial renovations continue to be made at our headquarters in the Hague. The groundwater system makes use of the water beneath our building for heating in the winter and cooling in the summer. This has helped to substantially reduce our use of gas to heat and cool the building complex.

This also is to the benefit of the other tenants of the complex including the NGOs which operate from NIBC's NGO Boulevard. For clarity tenants are not included in the FTE, and intensity calculations, even though they are substantial users of the space within our complex in the Hague.

	2020	2019	2018	Unit
Gas	66,613	59,679	100,700	m3
Calculated CO2 for heating/cooling	197	163	275	tCO ₂ e
Intensity: m3 per sqm	2.3	2.0	3.4	
Intensity: m3 per FTE	91.75	83.9	144.9	

Our facility in the Hague is more than 85% of the total office space occupied by NIBC. For heating/cooling, we have used actual figures for the Hague and have conservatively calculated estimates for leased locations based on energy label and following the precautionary principle. CO2 has been calculated using a calculator provided by Carbon Neutral Group. Although the total usage of gas decreased, the carbon intensity increased according to CNG's figures. Regardless the decrease in gas for heating and cooling is a 57% reduction from our 2017 baseline figure of 156,567 m3.

From time to time, NIBC optimises the groundwater system at its offices in the Hague. Typically this also involves a second party independent energy audit to help us prioritise where and when to make further improvements. By rebalancing the system, we've managed to improve our energy efficiency performance. Other actions to improve efficiency in our facilities such as improved insulation and glass replacement have also been part of recent renovations. These supplement earlier steps such as our green roof and shading.

These actions allowed NIBC to reduce its dependency on gas for heating and cooling despite the increase in extreme temperatures. At the same time the severity of weather and extreme periods of summer heat and winter freezing play a key role in the amount of heating and cooling required in our operations.

Figures from the Hague include (external) commercial and civil society tenants of NIBC's facility. This means that these other organisations have also benefited from NIBC's geothermal system and efficiency gains.

Water

Actual water usage is currently only reported for our main office in the Hague. Estimates are used for other NIBC locations.

	2020	2019	2018	Unit
Water usage ³	1,158	6,925	3,018	m3
Water source	Municipal mains	Municipal mains	Municipal mains	
Intensity: m3 per sqm	0.04	0.23	0.10	
Intensity: m3 per FTE	1.6	9.7	4.3	

During 2020, water usage decreased 83%. We believe the decrease is related to lower usage of NIBC facilities due to the pandemic.

In all locations, NIBC's offices are supplied from connections to municipal mains, the main local water supply. Figures from the Hague include (external) commercial and civil society tenants of NIBC's facility. The decrease in usage is likely due to decreased occupancy due to the pandemic.

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.

Paper Consumption

NIBC continues to strive for a paperless office. Over the past few years we have significantly reduced the use of paper within our offices. In most years employees receive a regular update on the amount of paper used for printing and copying and were encouraged to further reduce the amount of paper. During 2020 this was continued through Q1, but not deemed as necessary for the remainder of the year since most employees were working from home.

	2020	2019	2018	Unit
Standard office paper	0	0	0	kg
Responsibly sourced office paper	1,238	5,103	7,319	kg
% from responsible sources	100%	100%	100%	
Intensity: kg per FTE	1.7	8.1	10.5	

In 2020 total paper usage decreased about 76% from 2019. This change is due both to employee awareness and the pandemic. Our 2020 totals also represent an 95% reduction since a baseline year of 2012. In 2012, NIBC's paper usage totaled 25,855 kg of standard office paper, 0kg of recycled office paper.

Since 2015, paper that is used within NIBC offices is responsibly sourced, either recycled or Forest Stewardship Council (FSC) certified in order to minimize harmful environmental impacts and the potential harmful impacts of deforestation in our supply chain. Reduction in the consumption of paper has also influenced a reduction in office paper waste for NIBC, therefore helping to control the financial cost of buying paper and the financial cost of recycling paper.

WWF has reported ¹³that there are measureable benefits to the local environment and local communities due to FSC. These include reduced air pollution, reduced soil erosion, and fewer respiratory diseases among workers and nearby residents.

Waste

Paper and cardboard waste are the largest waste stream within NIBC's operations. Efforts are made to separate paper, plastic and glass in order to recycle these materials. Internal awareness campaigns have been organized in order to increase employee awareness of the need to separate waste. This has created a healthy dialogue, where employees have contribute ideas and input to further reduce waste and improve waste collection.

	2020	2019	2018	Unit
Paper & cardboard	22,214	52,681	84,592	kg
Plastics	912	5,558	4,417	kg
Glass	350	963	868	kg
Other waste	19,320	48,977	60,709	kg
Total	42,796	108,178	150,586	kg
Waste intensity kg per FTE	58.95	152.1	216.7	

Total waste for 2020 represented a 60% reduction from 2019. This reduction was due to lower use of NIBC's facilities due to the pandemic.

NIBC is able to gather the actual waste data for its facility in the Hague, but not for most of its leased locations. Therefore we have made conservative estimates for leased locations.

Figures from the Hague include (external) commercial and civil society tenants of NIBC's facility. In the Hague, additional food-related waste streams exist due to the catering facilities which do not exist in our other locations.

¹³ WWF – What is FSC certification and is it working <https://www.worldwildlife.org/stories/what-is-fsc-certification-and-is-it-working>

Business Travel

	2020	2019	2018	Unit
Car	94	499	340	tCO ₂ e
Air	47	358	213	tCO ₂ e
Public Transport (train / tram /bus)	34	59	13	tCO ₂ e
Bicycle / Walk	0	0	0	tCO ₂ e
Total	175	972	784	tCO ₂ e
Travel intensity kg tCO ₂ e per FTE	0.2	1.3	0.7	

Emissions figures for car and air travel are provided by our travel partners. For both car travel and air travel, total travel increased compared to 2018. No deduction was made for private use of leased cars.

NIBC calculates estimates for public transport. Public transportation providers such as NS in the Netherlands and Deutsche Bahn in Germany increasingly source green electricity and focus on circular business operations.

An internal survey within NIBC has revealed that about 25% of NIBC employees travel to work by bicycle. We have assumed no emissions related to this form of business travel.

Cautionary statement

The figures presented in this report are unaudited. Most are estimates and apply methods and principles which are at an early stage and still being developed.

Certain statements in this report are not historical facts and are 'forward-looking' statements that relate to, among other things, NIBC's business, risks, plans, objectives, goals, strategies, future events, future performance, plans or intentions, as well as assumptions thereof. These statements are based on NIBC's current view with respect to future events and performance. By their very nature, forward-looking statements involve uncertainties and are subject to certain risks. NIBC's view may change. The risks and uncertainties as addressed in this report, the occurrence of which could cause NIBC's actual results and/or performance to differ from those predicted in such forward looking statements and from past results.

The forward-looking statements speak only as of the date hereof. NIBC does not undertake any obligation to update or revise forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. Neither do NIBC nor any of its directors, officers, employees do make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

Feedback Welcome

NIBC welcomes feedback on this TCFD report from our stakeholders. We intend to further improve and strengthen our climate and environmental disclosures in future years.

We believe that dialogue on the risks issues and dilemmas that we face is an opportunity for NIBC to not only improve its practices and strengthen its disclosures, but importantly to create value for our clients, investors and other stakeholders.

Please submit any feedback, ideas and suggestions to csr@nibc.com