



Green Bond Framework NORD/LB

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1 NORD/LB Sustainability Strategy

1.1. Introduction

Climate change is considered as one of the most important challenges of our time. The world's greatest consequences of global change, such as population growth, energy security, biodiversity loss and inadequate access to drinking water and food, are closely linked to climate change. Thus, the transition to a lower-carbon economy is crucial.

With the signing of the Paris Agreement, the global community has agreed at the international level to limit the global temperature increase in this century to well below 2 degrees Celsius above pre-industrial levels. With the adoption of the 17 Sustainable Development Goals (SDGs) of the United Nations, the world has set itself a global framework with a common direction and measures to solve the global challenges.

The financial industry has an important role to play in the transition to a lower-carbon economy. Banks have a social, environmental and economic responsibility to be aware of and manage these issues as part of their business operations. As such banks' operations, products and services have an impact on the environment and society.

1.2. The NORD/LB Strategy

1.2.1. Strategy and mission statement

Norddeutsche Landesbank - Girozentrale – (hereinafter referred to as "NORD/LB") accepts these framework conditions and the expectations placed on it in its role as a commercial bank. NORD/LB wants to make its contribution so that the climate targets of the Federal Government can be achieved. Germany implemented the Paris Agreement on climate change via the Climate Change Act with the goal to achieve green-house gas neutrality by 2045 and reduce emissions by 65 percent of 1990 levels by 2030⁽¹⁾ ("Bundes-Klimaschutzgesetz"⁽²⁾). As a bank and institution under public law, NORD/LB bears a particular responsibility for economic development and social cohesion. Because of this, NORD/LB is determined to support its customers in preparing for success in an increasingly carbon-constrained world.

NORD/LB's business strategy contains applicable sustainability guidelines in which NORD/LB acknowledges its ecological and social responsibility and sets standards of conduct in the areas of business activity, business operations, employees and social commitment. The Bank's mission statement is set under the message "NORD/LB.Creating true value." and combines values such as

⁽¹⁾ Climate Change Act: climate neutrality by 2045. (bundesregierung.de)

⁽²⁾ KSG – nichtamtliches Inhaltsverzeichnis (gesetze-im-internet.de)

sustainability, partnership and the common good with the aim of shaping a common future together with our customers, our employees and society.

NORD/LB has been committed to the UN Global Compact and its principles for many years. NORD/LB has also anchored the ten principles on human rights, environmental protection and anti-corruption in its guidelines and policies. Besides, NORD/LB applies the Universal Declaration of Human Rights and the core labour standards of the International Labour Organisation (ILO) nationally and internationally as overarching principles for all business activities within its sphere of influence. As such, NORD/LB avoids cooperating with companies and institutions that are known to disregard fundamental human rights or harm the environment.

Additionally, in April 2020, NORD/LB signed the United Nations Principles for Responsible Banking with the aim of integrating sustainability into its business model and making the impact of its business on the environment and society measurable on the basis of the Sustainable Development Goals.

1.2.2. Guidelines

NORD/LB has published a Code of Conduct⁽³⁾ for the NORD/LB Group in order to combine the bank's demands for compliance with the law with ethically correct behaviour and thus to link entrepreneurial success with social responsibility. It forms the framework for integrity, value-conscious and fair conduct and is binding for all members of the Managing Board, managers and employees. It contains clear commitments to avoid conflicts of interest, to fight corruption and to prevent money laundering, the financing of terrorism, fraud or other criminal acts.

NORD/LB has a number of internal strategy documents, guidelines and work instructions which have been anchored accordingly in the written regulations. Supplementary ESG guidelines also apply here, which guide and regulate business activities with regard to economic, ecological and social aspects.

With its ESG guidelines, NORD/LB has transferred the principles of the UN Global Compact into the principles of its own corporate governance. This also regulates the exclusion of business activities that do not correspond to the ESG guidelines or to the understanding of ethics and/or sustainability.

In this context, the NORD/LB Group excludes the following transactions due to their negative impact on people and the environment as part of its business activities:

- // Companies involved in the manufacture, trade, transport, storage or repair of the following armaments:
 - Biological weapons;
 - Chemical weapons,
 - Anti-personnel mines,
 - Cluster bombs and cluster munitions,
 - Uranium munitions, and

⁽³⁾ NORD/LB Code of Conduct

- Weapons that are particularly likely to cause disproportionate injuries and harm to civilian populations,
- // Business relationships with companies that produce and trade in pornography as well as with companies related to this sector,
- // Financing the construction of nuclear and conventional coal-fired power plants, and
- // Financing the construction of dams and hydroelectric power plants in particularly vulnerable areas.

With the guideline on the responsible use of non-renewable resources, the NORD/LB Group includes the consideration of voluntarily applicable standards such as the International Council on Mining and Metals (ICMM), the Extractive Industries Transparency Initiative or the International Petroleum Industry Environmental Conservation Association (IPIECA).

1.2.3. Organisation and governance

Sustainability Management coordinates and bundles all ESG-related topics in the bank. It develops goals as well as measures and proposes those to the Management Board for implementation. Sustainability Management is part of the Corporate Development Division which itself directly reports to the CEO.

In addition to Sustainability Management there is a Sustainability Board. Members of this board are cross-departmental managers and employees with expert knowledge in their respective areas of expertise at the Bank (e.g. Structured Finance, Commercial Real Estate, Capital Markets, Treasury). The task of the Sustainability Board is the exchange of information between the individual departments and the link-up between them in order to foster the ongoing integration of sustainability issues within NORD/LB as well as the development and coordination of cross-departmental measures.

1.2.4. External reporting

NORD/LB publishes an annual sustainability report⁽⁴⁾ for the NORD/LB Group in accordance with the current requirements of the GRI standards containing information on the environment, social issues, employees, respect for human rights and the avoidance of corruption and bribery.

An overview of reports are available on the investor Relations section of the NORD/LB website⁽⁵⁾.

2 NORD/LB Green Bond Framework

NORD/LB has developed its Green Bond Framework (“the Framework”) with the aim to attract funding to (re)finance Eligible Green Assets that support the company’s strategy and commitments to sustainability. Furthermore, Eligible Green Assets contribute to the EU Environmental Objectives, climate change mitigation and adaptation in particular. By issuing Green Finance

⁽⁴⁾ NORD/LB Sustainability Report
⁽⁵⁾ NORD/LB (nordlb.com)

Instruments, NORD/LB aims to align its financing of sustainable projects with sustainable funding, thereby meeting the increasing demand of investors in ecologically sustainable investments.

NORD/LB published its first Green Bond Framework in June 2021. As part of a continuous effort to ensure that the Framework aligns with current best market standards and to add new eligible categories, NORD/LB has decided to update its Green Bond Framework again in 2022. For all outstanding green issues which were issued on the basis of previous Green Bond Frameworks (in June 2021 and before the merger, via Deutsche Hypothekenbank) and therefore exclusively based on Green Buildings as the eligible asset class, NORD/LB will try to maintain a sufficient volume of Green Buildings in the asset pool until maturity of these Green Bonds⁽⁶⁾. The updated Framework provides a set of criteria for Green Financing Instruments issued by NORD/LB and is aligned with the Green Bond Principles (“GBP”) 2021⁽⁷⁾ as administered by the International Capital Market Association (ICMA). The updated Framework furthermore takes into account the EU Taxonomy Climate Delegated Act⁽⁸⁾ (June, 2021) and the proposed EU Green Bond Standard⁽⁹⁾ (July, 2021). With this Framework, NORD/LB has the possibility to issue Green Senior and Subordinated Bonds (bearer or registered), Green Covered Bonds (i.e. Green Pfandbriefe), Green Schuldscheine, Green Deposits as well as Green Commercial Paper (together, the “**Green Financing Instruments**”). All Green Covered Bonds are “Green Pfandbriefe” and fulfil the minimum standard of the vdp.⁽¹⁰⁾

NORD/LB's Green Bond Framework refers to the 2021 version of the GBP by following the key recommendations for heightened transparency via this Green Bond Framework and including a chapter on External Review. It also means that the following core components are part of this Green Bond Framework:

- // Use of Proceeds
- // Process for Project Evaluation and Selection
- // Management of Proceeds
- // Reporting

2.1. Use of Proceeds

An amount equivalent to the proceeds of the Green Financing Instruments will be used to finance or refinance, in part or in full, new and/or existing green assets, loans and investments (“**Eligible Green Assets**”) in the categories Green Buildings and Renewable Energy. Eligible Green Assets are required to comply with the “**Eligibility Criteria**” outlined in the table below. The Eligible Green Assets are also mapped to the relevant United Nations Sustainable Development Goals (SDGs) and the economic activities included in the EU Taxonomy Climate Delegated Acts.

⁽⁶⁾ NORD/LB Green Banking

⁽⁷⁾ Green Bond Principles » ICMA (icmagroup.org)

⁽⁸⁾ Sustainable finance package | European Commission (europa.eu)

⁽⁹⁾ European Green Bond Standard | European Commission (europa.eu)

⁽¹⁰⁾ vdp Grüner Pfandbrief

GBP Category & UN SDGs	Eligibility Criteria	EU Taxonomy Climate Delegated Act
Green Buildings 	<p>New and existing residential and commercial buildings, including investments in buildings under development and building acquisitions that comply with any of the following criteria:</p> <p>1) Low carbon buildings</p> <ul style="list-style-type: none"> a) The building has at least an Energy Performance Certificate (“EPC”) class A, or is within the top 15%⁽¹¹⁾ of the national/regional building stock in terms of Primary Energy Demand⁽¹²⁾ b) Buildings for which the Primary Energy Demand in kWh/m² per year, as displayed on the EPC, is at least 10% lower than the threshold set for the national nearly zero-energy building (NZEB) requirements⁽¹³⁾ c) For German buildings specifically: Buildings with a maximum final energy demand or consumption (heat) in kWh/(m²*a) by main type of use⁽¹⁴⁾ <ul style="list-style-type: none"> // 60 kWh/(m²*a) for residential buildings // 30 kWh/(m²*a) for warehouse/logistics building // 70 kWh/(m²*a) for department stores, shopping centres // 95 kWh/(m²*a) for commercial buildings (e.g. discounter or department stores) // 105 kWh/(m²*a) for hotels // 110 kWh/(m²*a) for production and storage building heated // 135 kWh/(m²*a) for office buildings <p>2) Sustainable certified buildings</p> <ul style="list-style-type: none"> // BREEAM: Very Good or better // LEED: Gold or better // HQE: Very Good or better // DGNB: Gold or better 	<p>7.7 Acquisition and ownership of buildings</p>

⁽¹¹⁾ The composition of this top 15% is dynamic as real estate will become more energy efficient over time. In case NORD/LB will allocate green finance proceeds to this category, the allocation reporting will include details on the methodology for determining this top 15% based on adequate evidence for the jurisdictions involved provided by Drees & Sommer and will be published on the NORD/LB website

⁽¹²⁾ Buildings with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW are efficiently operated through energy performance monitoring and assessment

⁽¹³⁾ For buildings larger than 5000 m², upon completion, the building resulting from the construction undergoes testing for air-tightness and thermal integrity, and any deviation in the levels of performance set at the design stage or defects in the building envelope are disclosed to investors and clients. Alternatively, where robust and traceable quality control processes are in place during the construction process this will be used as alternative to thermal integrity testing. In addition, the life-cycle Global Warming Potential (GWP) of the building resulting from the construction has been calculated for each stage in the life cycle and is disclosed to investors and clients on demand

⁽¹⁴⁾ The requirements in kWh/m² are derived from the ENEC 2009/2014 building requirements representing the top 15% of energy efficient buildings in Germany.

Renewable Energy

Investments and expenditures related to renewable energy generation and related technologies that support the energy transition, including renewable energy generation from:

- a) Solar photovoltaic projects
- b) On and offshore wind projects
- c) Energy storage solutions such as batteries that optimise the use of renewable energy generated

- 4.1. Electricity generation using solar photovoltaic technology
- 4.3. Electricity generation from wind power
- 4.10. Storage of electricity

NORD/LB Group excludes transactions as Eligible Green Assets in case of negative impact on people and the environment as part of its business activities and as part of the exclusion sectors mentioned in chapter 1.2.2 of this Green Bond Framework.

Within the context of its sustainability strategy, NORD/LB will examine further asset classes for their suitability for this Green Bond Framework. This assessment is based on NORD/LB's business model and is intended to underline that the bank sees itself as a partner to its customers for more sustainability. As the green finance market continues to evolve, NORD/LB's Green Bond Framework may be subsequently revised or updated to remain consistent with new suitable asset classes as mentioned above, shifting expectations, best market practices and the regulatory landscape for future transactions. In case the Green Bond Framework is updated, NORD/LB commits to provide an updated external reviewers verification.

2.2. Process for Project Evaluation and Selection

Eligible Green Projects are required to comply with local laws and regulations, including any applicable regulatory environmental and social requirements. Our clients are therefore obliged to comply with given laws such as the existing building legislation (and if applicable operating permits), also in relation to the assets, which are financed under this framework. In addition, as for every other lending business of NORD/LB, the standard credit requirements, the sustainability strategy and the risk policy of NORD/LB also apply to the Eligible Green Assets intended for refinancing through Green Finance Instruments. The resulting requirements for acquisition, loan processing, valuation management (for real estate) and the Treasury are procedural and therefore binding for all employees.

Compliance with environmental and social regulations, as well as application of internal policies, will ensure high sustainability standards and aims at addressing the Do No Significant Harm (DNSH) criteria and Minimum Social Safeguards of the EU Taxonomy, on a best effort basis.

2.2.1. ESG aspects in the credit risk process

As part of the ESG risk assessment, NORD/LB's aim is to identify, reduce or, if necessary, exclude risks, including transition and physical risks triggered by

climate change, in order to identify and minimize business and reputational risks at an early stage. Risks are assessed as part of the credit process and are incorporated into the overall vote for the business. The starting point for the assessment and evaluation of the risk potential is the expertise and experience of the employees, specific ESG guidelines and the regulations underlying the guidelines.

With regard to its direct emissions, up to now the focus of NORD/LB has been on operating economics. To improve the sub-concept of internal environmental performance, the NORD/LB Group has an environmental management system that is based on the international standard ISO 14001 and has been extended by the certification of an energy management system (DIN 50001:2018).

A new addition is the focus on financed CO2 emissions with NORD/LB Group planning to develop a concept for emissions in the lending business.

If necessary, or if indications arise that ESG damage could occur in a business transaction, or if the transaction involves a business partner from an industry that is considered controversial, ambiguous business transactions or their possible impacts are forwarded to Sustainability Management for further assessment. The review of such unclear ESG issues is carried out by Sustainability Management together with Compliance.

An asset is deemed to qualify as Eligible Green Asset if it aligns with the Eligibility Criteria as defined in chapter 2.1 of this framework. In addition:

- // Assets are not eligible for the part of the loan that has been refinanced/ financed by third parties (e.g. KfW).
- // No multiple use of Eligible Green Assets is allowed for the issuance of Green Finance Instruments

2.2.2. Green Asset Committee

The Eligibility of green assets is checked in a multi-stage process. Various working groups exist within NORD/LB to permanently ensure quality standards. For the purpose of the Green Bond issuance, NORD/LB has set up the Green Asset Committee (GAC).

The GAC reports to the Sustainability Board of NORD/LB and consists of representatives from the following departments:

- // Sustainability Management/Corporate Communications (Chair)
- // Treasury
- // Evaluation Management
- // Markets
- // Structured Finance
- // Deutsche Hypo (Commercial Real Estate)
- // Credit Risk Management

The business lines will propose and report a list of potential projects, investments, assets and/or expenditures based on the Eligibility Criteria. On at least an annual basis, the treasury team will request an updated list of existing and potential Eligible Green Assets aligned with the Eligibility Criteria of this

framework as laid out in chapter 2.1 as well as the additional evaluation and selection criteria outline in this chapter. The GAC approves assets to be added to the Eligible Assets portfolio.

The GAC also defines the current Eligibility Criteria used for selecting Eligible Green Assets. In its regular meetings, which take place at least annually, it reviews the standards prescribed in the target markets and thus ensures that the selection process for projects (assets) is in line with current market practices and regulatory requirements.

2.3. Management of Proceeds

NORD/LB will manage the net proceeds of issued Green Finance Instruments on a portfolio basis. The allocation of the net proceeds of issued Green Finance Instruments to Eligible Green Assets will be reviewed and approved by the GAC on at least an annual basis, until full allocation of the net proceeds of issued Green Finance Instruments or afterwards in case of significant change.

NORD/LB intends to allocate proceeds in full within 24 months after issuance.

In case assets in the portfolio have proved to be unsuitable, not eligible or not existing anymore or do not comply with other criteria as defined in this framework, these will be removed from the Eligible Green Assets portfolio. NORD/LB intends, subject to availability, to replace the assets over time by new Eligible Green Assets in line with the Eligibility Criteria as defined in chapter 2.1. Use of Proceeds.

NORD/LB sets itself the target that the nominal volume of the portfolio of Eligible Green Assets should at least correspond to the nominal volume of Green Finance Instruments placed or to be placed. In the event that funds raised from Green Finance Instruments for the financing of Eligible Green Assets cannot be allocated in full in accordance with this framework, these unallocated funds are temporarily managed in line with regular NORD/LB liquidity management criteria with the clear aim of reallocating them to the Eligible Green Asset pool as soon as practically possible.

The allocation of the net proceeds of issued green finance instruments to Eligible Assets will be reviewed and approved by the NORD/LB GAC on at least an annual basis, until full allocation of the net proceeds of issued Green Finance Instruments.

2.4. Reporting

2.4.1. Allocation of proceeds reporting

On an annual basis, until full allocation or in case of significant changes, NORD/LB intends to report to investors/lenders on the allocation of the net proceeds of issued green finance instruments to its portfolio of Eligible Green Assets. The report provides the following information:

- // an overview of the Green Finance Instruments issued under the Framework and the total amount outstanding (in EUR) of issued Green Finance Instruments

- // maturity profile of qualified Eligible Green Assets compared to Green Finance Instruments in years
- // the allocation of the net proceeds of issued Green Finance Instrument to a portfolio of Eligible Green Assets, including information on:
 - development of the portfolio of qualified financing
 - the breakdown of the portfolio by Eligible Green Assets class
 - a breakdown by geographical area (country/province level)
 - a breakdown of new financing vs. refinancing (i.e., share of assets under construction/refurbishment vs. existing assets)
 - the amount of unallocated proceeds, if any
- // share of the Eligible Green Assets aligned with the EU Taxonomy

2.4.2. Impact reporting

On an annual basis, until full allocation, NORD/LB intends to make and keep readily available a report on the output and environmental impact of the portfolio of Eligible Green Assets to which the proceeds of issued Green Finance Instruments have been allocated. Examples of items which could be included (subject to the availability of relevant data) in the impact reporting are:

Green Buildings

- // an overview of Eligible Green Assets and their environmental category/classification (i.e. EPC, BREEAM, etc.), including the classification level where applicable (e.g. “Excellent”, “EPC label A”, NZEB -10%)
- // estimated avoided CO2 emissions of the Eligible Green Assets compared with governmental regulations and/or reference buildings
- // for commercial real estate:
 - Distance to public transport
 - Breakdown according to soil sealing

Renewable Energy

- // capacity of on-site renewable energy installed in MW
- // (estimated) production of on-site renewable energy in Annual MW
- // estimated avoidance/reduction of CO2 emissions

The underlying methodology to calculate each of these performance indicators is determined by national regulations and standards and/or sustainability labels used to certify a project, in order to allow for maximum comparability and benchmarking with other projects.

In case of national regulations and standards, the calculation methodology is reviewed by the authorities before granting planning permission. In case of sustainability labels, the calculation methodology is reviewed by an independent certification assessor/auditor.

NORD/LB commits to disclose the methodology, assumptions and results for the above-mentioned parameters in the annual impact report.

The allocation- and impact reporting will be made available at request to the investor/lender in case of bilateral financing or in case of a public bond issue

made publicly available to investors via the NORD/LB website (www.nordlb.com/greenbond).

2.5. External Review

NORD/LB intends to appoint one or more external verifiers that are asked to provide a pre-issuance verification and a post-issuance verification.

The pre-issuance verification verifies alignment of the Green Finance Instrument(s) with one or more of the appropriate standards in the green bonds market (such as the Green Bond Principles, the EU Green Bond Standard or any other similar standards, as applicable and as selected by the Issuer).

The post-issuance verification verifies the relevant Allocation Report when net proceeds from an issuance of Green Finance Instruments have been allocated in full towards Eligible Green Assets. Both pre-issuance verification and post-issuance verification are intended to become available on NORD/LB's website (www.nordlb.com/greenbond).

Appendix A: Sustainable Financing processes at NORD/LB

Sustainable real estate financing business

In the business segment of commercial real estate financing, NORD/LB accompanies the spatial design of many cities as a financing partner. Quality, professionalism and sustainability of the financing project play a major role in the selection of projects. Here the bank sets itself the goal of making the real estate industry ecologically sustainable. The financing of energy-efficient buildings is the essential core aspect.

By granting green loans in the commercial real estate finance business segment, the necessary sustainability aspects in NORD/LB's business activities are also promoted on the assets side and thus ensured. The focus is on the following objectives:

- // Improving portfolio quality
- // Completion of the sustainability concept
- // Completing the green value chain

Identification takes place on the basis of the database in the bank's IT systems, from which the degree of sustainability of a financing can be derived and thus opens up the possibility of promoting particularly sustainable financings, if necessary also by reducing the customer margin requirement. The data basis is the selection criteria from 2.2. (Process for Project Evaluation and Selection), supplemented by further criteria:

- // Energy consumption
- // Year of manufacture
- // Certification
- // Distance to local public transport
- // Soil sealing (brownfield vs. greenfield)
- // Building fabric

If the use of renewable energies reduces the primary energy demand or consumption and is below the final energy value, the primary energy demand or consumption (heat) is used for the evaluation.

It is possible to classify financed real estate as Green Buildings without the existence of an energy performance certificate or building sustainability certificate. This is conceivable in the following cases:

- // Project developments in which the client aims to achieve an energy consumption or building sustainability certificate status that is compatible with the current Green Bond minimum standards.
- // Financed properties for which the energy consumption of a property with a high structural analogy can be proven, which was also financed by NORD/LB and is part of the pool of Eligible Green Assets. In this case, an

opinion from an internal or external expert with the determination of an estimated energy consumption is required.

In principle, NORD/LB's real estate customers are asked to resubmit the energy certificate or building sustainability certificate before it is due. NORD/LB grants the Green Buildings identified by expired energy certificates or building sustainability certificates a period of one year or three years until they are removed from the pool of Eligible Green Assets. In this way, NORD/LB provides real estate customers with sufficient flexibility when reissuing energy performance certificates and building sustainability certificates.

Another requirement for the use of Green Buildings is that the financed properties are let to main tenants from non-controversial business areas. A main tenant is someone who generates at least 10% of the total rental income. If a main tenant from a controversial business field (see chapter Guidelines) becomes known, the property is removed from the portfolio of Green Buildings.⁽¹⁵⁾

Sustainable financing renewable energy projects

The internal guideline on ESG requirements for project financing sets standards for the financing of customer projects that pose significant ESG risks due to their structure and scope. The guideline is based on the requirements of the Financial Initiative of the United Nations Environment Programme (UNEP FI) and the principles of the UN Global Compact. Furthermore, NORD/LB draws on requirements and processes as suggested by the Equator Principles.

⁽¹⁵⁾ ESG guidelines apply to the NORD/LB Group, which guide and regulate business activities with regard to economic, ecological and social aspects. These ESG guidelines supplement existing guidelines and principles relating to strategy and governance.

Appendix B: EU taxonomy alignment

By financing Eligible Green Assets, the bank actively contributes to the reduction of greenhouse gases. NORD/LB is aware that its actions have an influence on various stakeholders. By supporting the reduction of CO₂ emissions in this way, the bank fulfils its responsibility towards customers, employees, owners and society. In this way, NORD/LB contributes in particular to the EU taxonomy goal of **mitigating** climate change. Furthermore, the aim is not to cause significant harm to any of the other five EU taxonomy objectives ("**Do no significant harm**").

NORD/LB is already partly guided by the Technical Screening Criteria of the EU taxonomy. For real estate, , the main type of use of the properties must be able to be assigned to the top 15% of the national building stock in order to be identified as a Green Building and included in the pool of Eligible Green Assets. The identification is based on the primary energy demand. This data, as well as the average primary energy demand or consumption and the country-specific CO₂ intensity for calculating the impact reporting, is provided by Drees & Sommer engineering experts. Drees & Sommer will update this data at regular intervals, whereby the selection criteria of the Green Bond Framework will adapt to the current market standard.

For renewable energy, both Solar PV and Wind power projects are automatically meeting the Technical Screening Criteria described in Annex 1 the EU taxonomy related to Climate Change Mitigation.

NORD/LB follows several guidelines and initiatives regarding environmental and climate protection, e.g. the Guideline for Corporate Environmental Protection that is based on ISO 14001 for environmental management, Hanover 2030 Climate Statement for climate protection and Equator Principles for risk management framework.

All (re)financed onshore/offshore wind farms and solar projects in the NORD/LB Eligible Green Assets are obliged under the loan documentation to follow local legislation and to be in compliance in all material respects with all applicable laws in the relevant country (e.g. Climate protection laws such as BImSchG in Germany, corresponding EU Directives, laws and regulation for construction and operation, WEEE Directive etc. where applicable).

Additionally, all building and operating permits are reviewed by external advisors who would highlight any anomalies in the corresponding due diligence reports and require them to be addressed and resolved.

Appendix C: Minimum social safeguards

In all countries where NORD/LB Group operates the international ILO core labour standards are embedded in the local legislations. For example, in Germany, these are all the relevant laws, ordinances and guidelines. In addition to the basic labour laws, collective agreements and regulations, the employee-employer relationship at NORD/LB is based primarily on the Lower Saxony Personnel Representation Act (NPersVG, NORD/LB). Employees at all domestic locations – both employees covered by collective bargaining agreements and employees not covered by collective bargaining agreements – are represented by local staff councils and a general staff council.

In case of breach or controversy the compliance staff at NORD L/B is a fair and reliable partner. Measures are to be taken in advance to avoid risks and associated sanctions. The Compliance department can provide independent advice and support in interpreting and applying these ethical principles, whereby absolute discretion goes without saying. Employees can also anonymously inform Compliance of any relevant information regarding Compliance breaches or the risk of violations of the law. NORD/LB actively encourages employees to report evidence of serious violations and breaches of the rules. Human Resources and Internal Audit departments are also available for this purpose. If employees do not want to talk to these units or prefer to remain anonymous, they may also contact our external Ombudsman. The Ombudsman function is carried out at NORD/LB by a lawyer. He/ she is subject to professional secrecy and the right to refuse to give evidence.

Disclaimer

This Green Bond Framework is intended to provide non-exhaustive, general information and is aimed solely at interested parties headquartered or resident in Germany.

This Green Bond Framework does not constitute investment advice, any other recommendation or offer for the purchase of securities or to make specific investments. This shall also apply where individual issuers or securities are mentioned. This cannot replace investment- and asset-related consultation tailored to the investor's individual circumstances. Please contact the relevant advisor at NORD/LB as required for an individual consultation.

All actual data, information and statements made herein are based on sources that NORD/LB has deemed reliable. The opinions and forecasts expressed on the basis of these sources represent non-binding value judgements on the part of NORD/LB, for whose correctness and completeness no guarantee can be given.

In addition, this Green Bond Framework contains various forward-looking statements and information (in connection with NORD/LB) which are based on the beliefs of NORD/LB's management and on assumptions and information currently available to NORD/LB's management. Based on the known and unknown risks inherent in an evolving ESG-market and in NORD/LB's business as well as uncertainties and other factors, the above statements, future results, performance and achievements derived from such forward-looking or historical statements may differ. Therefore, no unrestricted trust should be placed in such forward-looking or past-oriented statements.

This Green Bond Framework may contain or incorporate by reference public sources not separately reviewed, approved or endorsed by NORD/LB and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by NORD/LB as to the correctness, completeness and topicality of such information. This also applies to all other websites that are referenced via hyperlinks.