

SECOND PARTY OPINION (SPO)





Sustainability Quality of the Issuer and Sustainable Finance Framework as of July 3, 2024

BNG BANK N.V.
SUSTAINABILITY AND SOCIAL BONDS



PRINCIPLES ALIGNMENT

ALIGNMENT WITH ICMA GREEN AND SOCIAL BOND PRINCIPLES AND SUSTAINABILITY BOND GUIDELINES

- 1. Use of Proceeds 
- 2. Process for Project Evaluation and Selection 
- 3. Management of Proceeds 
- 4. Reporting 

ALIGNED*

* As per ISS-Corporate’s methodology, specific sub-criteria within the Green Buildings, Environmentally Sustainable Management of Living Natural Resources and Land Use, Sustainable Water and Wastewater Management, Pollution Prevention and Control, Access to Essential Services, Socioeconomic Advancement and Empowerment, and Employment Generation categories are assessed as providing no clear environmental and/or social benefits. However, as there are currently several national and international initiatives and the definition of green and social might vary depending on sector and geography, it is recognized that those categories might be considered as eligible green and social categories by investors.

CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS AND ESG RISK MANAGEMENT



SDG CONTRIBUTION & ESG RISK MANAGEMENT

Obstruction	No Net Impact	Contribution
		   
		   
		  

POSITIVE

The environmental and social risks associated with the use of proceeds categories are managed.



CONSISTENCY WITH ISSUER'S SUSTAINABILITY STRATEGY

SUSTAINABILITY PROFILE & STRATEGY

BNG Bank’s sustainability strategy focuses on four key pillars: (i) decarbonization, (ii) sustainable housing, (iii) healthcare, and (iv) education. The proceeds of BNG Bank’s sustainability and social bonds are earmarked and allocated to the loans provided to Dutch municipalities and social housing associations, respectively 36% and 49% of the Bank’s long-term loan portfolio. Ownership is restricted to Dutch public authorities, with registered shares only. BNG Bank bonds qualify as Level 1 assets in the European Union and the bonds are eligible under the Public Sector Purchase Program (PSPP) of the ECB.

CONSISTENT

Our SPOs provide Green, Social, and Sustainability bond issuers with a credible and independent assessment of the sustainability quality of their bonds.

Our evaluation is valid as long as there is no material change to the Framework. At the date of publication of the SPO, no severe controversy have been identified.