

Green Bond Allocation Report 2023

Storebrand Livsforsikring AS

Storebrand Boligkreditt AS



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Introduction

This report summarises allocations of green bonds issues by two subsidiaries of the Storebrand Group: Storebrand Livsforsikring AS and Storebrand Boligkreditt AS.

Its intent is twofold:

1. to update readers on the projects selected for allocation through the use of proceeds
2. to inform readers of estimated sustainability impacts gained through the projects selected

Sustainability at Storebrand

In recent years, it has become ever more evident that the financial sector has a key role to play in achieving the UN Sustainable Development Goals and in financing the needed transition in society. Handling ESG risks and opportunities is a core task as a significant asset owner, insurer and asset manager.

In line with our ambition of being a leading provider of long-term savings and insurance solutions, Storebrand is committed to integrating sustainability into our core business activities. Storebrand believes that sustainable investments may reduce risk, enhance returns, and contribute to positive environmental and social outcomes.

We believe that companies that manages opportunities and risks regarding ESG issues well, are typically financially robust and may be better positioned to succeed in future

markets. We focus on delivering products and services that create good financial returns and are aligned with our internal guidelines for ethics, corporate governance, environmental and human rights.

Climate Strategy and Targets

In 2020, Storebrand launched a climate policy for investments which complements the Storebrand Group's Sustainable Investment Policy. The policy is divided into four main areas:

- Make investment decisions in line with scientific consensus by utilizing climate scenarios grounded in the Intergovernmental Panel on Climate Change (IPCC) climate models and relying on scenarios consistent with limiting global warming to 1.5C with no or limited overshoot.
- Reorient capital flows towards low-carbon, climate-resilient and transition companies by applying the definitions in the EU taxonomy to define activities and setting clear metrics to measure, monitor and disclose climate-related risks and capture the right investment opportunities.
- Avoid investments that contribute heavily to climate change. Based on a robust review of environmental impacts, exceptions from divestments may be made in cases where companies can demonstrate a clear and rapid transition pathway.
- Use ownership position to stimulate ambitious climate practices in portfolio companies by engaging with and

supporting companies with ambitious climate strategies. Furthermore, by engaging in initiatives such as PRI and Climate Action 100+

Emission targets for equity, corporate bonds, and real estate investments:

IPCC's 1.5°C scenarios and commitments communicated through Storebrand's climate strategy and the Net Zero Asset Owner Alliance (NZAOA), we aim to reduce the carbon footprint in the Storebrand Group's total equities, corporate bond, and direct real estate investments by at least 32 per cent by 2025 with the base year in 2018.

Reorient capital towards solution companies:

Storebrand's target is that 15% of our total investments will be invested in what we define as solutions by 2025. Solutions are either investments in companies that we believe contribute to sustainable development and achieving the UN Sustainable Development Goals, or investments in green bonds, environmentally certified real estate and green infrastructure.

Reducing emissions from our own operations:

For own operations, we aim to reduce greenhouse gas emissions by 7.6 per cent per annum with 2019 as a baseline year, in line with the 1.5-degree target and the findings of the UN Emissions Gap Report 2019. Storebrand compensates for own emissions through the purchase of carbon offsets and carbon removal solutions as well as guarantees of origin for electricity.

Storebrand is also an issuer of green bonds. Green bonds are debt instruments that raise capital for projects that have positive environmental benefits, such as renewable energy, energy efficiency, green buildings, clean transportation, and climate adaptation.

Evaluation and Selection of Projects

Storebrand has established a Green Bond Committee which is responsible for evaluating and selecting eligible projects in accordance with our Green Bond Framework ([Link](#)). This is to ensure that the allocations are made to Eligible Green Assets. The Green Bond committee is responsible for:

- Ensuring the proposed allocations are aligned with the relevant Storebrand policies
- Ensuring the proposed pool of Eligible Assets aligns with the categories specified in the Use of Proceeds from the Green Bond Framework and approving any proposed changes to the pool if the existing assets no longer meet the eligibility criteria
- Reviewing and approving allocation and where relevant, impact reports; and
- Updating the Green Bond Framework when deemed necessary

In 2023, the following functions were represented in the Green Bond committee:

- Chief Sustainability Officer
- Group CFO
- Head of Banking
- Head of Investment Office: CIO/delegate
- Head of Capital Management

- Sustainability analyst

The committee meets on an annual basis to review proposed allocations and ensure these are made in line with eligible green assets as defined in the Green Bond Framework.

Green Bond Framework

Our Green Bond Framework is aligned with ICMA's voluntary principles for green bonds

(Green Bond Principles). The framework consists of concrete evaluation criteria for the use of proceeds and can be found [here](#). Storebrand is in the process of evaluating alignment with the coming EU Green Bond Standard.

Summary of Green Bonds issued and Allocated Proceeds

Green bonds issued by Storebrand Livsforsikring AS

ISIN	Issue date	Maturity Date	Amount	Percentage allocated
XS2325328313	31. March 2021	30. September 2051	300,000,000 EUR	100%
NO0012531740	27. May 2022	27. May 2052	650,000,000 NOK	100%
NO0012752940	17. November 2022	17. February 2053	1,250,000,000 NOK	100%
NO0012752932	17. November 2022	17. February 2053	750,000,000 NOK	100%
Total			5,720,500,000 NOK ¹	100%

Green bonds issued by Storebrand Boligkreditt AS

ISIN	Issue date	Maturity Date	Amount	Percentage allocated
NO0012526211	May-22	May-27	7,500,000,000 NOK	100%

¹ Exchange rates 07.11.2022 (Date of allocation): EUR/NOK 10.235

Allocation and Impact Reporting

Previous allocations

ISIN XS2325328313

Type	Project	Project description	Allocated Bond Proceeds in 2022 ²
Property investments	Ruseløkkveien 26, Oslo, Norway VIA	Development of a new commercial property building in Oslo	102m EUR
	Lysaker Torg 5, 15 & 25, Lysaker, Norway	Rehabilitation of rooftops including installation of solar panels and green rooftop areas	1.4m EUR
	Innspurten 7, Oslo, Norway Helsfyr Hotell	Renovation and extension of a hotel property building in Oslo	15m EUR
	Stillverksveien 28, Lillestrøm, Norway Portalen Hotell	Acquisition of a hotel property building in Lillestrøm, Norway	10m EUR
	Gävle, Sweden Gävle Sättra 108:27	Development of a commercial property building in Sweden	14m EUR
	Hättkvarnsgatan 6, Järfälla, Sweden Jakobsberg 2:2853	Development of a residential property building in Sweden (both BREEAM in Use and Nordic Swan-certified)	39m EUR
	Grästuvegatan 2, Täby, Sweden Månstenen 4	Development of a residential property building in Sweden	29m EUR
Infrastructure investments	Knox County, Texas, USA Project Escalade	Construction of a 336MW onshore wind turbine project	25m EUR
	United Kingdom Agility Trains East	Fleet of 65 new generation trains – 43 Electric and 23 bi-mode (diesel and electric) operating on the East Coast Main Line of the UK	65m EUR

² Exchange rates 07.11.2022 (Date of allocation): EUR/NOK 10.235, EUR/SEK 10.85, EUR/USD 0.995, EUR/GBP 0.878

ISIN NO0012531740

Type	Project	Project description	Allocated Bond Proceeds in 2022 ³
Property investments	Dr. Hansteins gate 13, Drammen, Norway SporX	Acquisition of a commercial property building in Drammen, Norway	85m NOK
	Östra Parkpromenaden 9, Täby, Sweden Smaragden 2	Development of a commercial property building in Sweden (both BREEAM in Use and LEED certified)	210m NOK
	Johannesbergsvägen 1, Sollentuna, Sweden Malten 7	Development of a commercial property building in Sweden	130m NOK
Infrastructure investments	United Kingdom XLT	Investment in Cross London Trains, a fully electric fleet of 115 trains running on the Thameslink route in London, UK.	225m NOK

³ Exchange rates 07.11.2022 (Date of allocation): SEK/NOK 0.9437, EUR/NOK 10.235

New Allocations

ISIN NO0012752940 issued by Storebrand Livsforsikring AS

ISIN	Issue date	Maturity Date	Amount	Percentage allocated
NO0012752940	17. November 2022	17. February 2053	1,250,000,000 NOK	100%

Bond structure and credit rating

- Tier 2 under Solvency II Subordinated bond qualified as regulatory capital
- BBB+ Standards and Poor rating

Allocation reporting

Property investments

Location	Project description	Label	Floor Space	Allocated Green Bond Proceeds 2023	Criteria for eligibility
Filipstad Brygge 1A, Oslo, Norway	Renovation of large area for multiple purposes, focus on energy efficiency and environment.	BREEAM-In-Use Excellent and energy label A	17,747 m ²	945, 000, 000 NOK	Green Buildings – Renovation

Infrastructure investments

Project	Location	Category	Project Description	Allocated Green Bond Proceeds 2023	Criteria for eligibility
Lorax	California, United States	Renewable energy	Investment in a combined solar and battery storage complex	305,000,000 NOK ⁴	Green Infrastructure, renewable energy

⁴ Exchange rates 14.11.2023 (Allocation): EUR/NOK 11.945



Impact reporting

The environmental impact of the projects described in the allocation reporting above are presented below. For property investments, impact is reported in terms of energy savings and/or avoided greenhouse gas emissions. For Infrastructure projects, the impact is reported as avoided energy use and/or avoided greenhouse gas emissions.

Property investments

Location	Estimated reduction in energy consumption for the entire project (energy consumption / % reduction)	Estimated reduction in carbon emissions through the entire project (energy consumption / % reduction)	Estimated reduction in carbon emissions through the project based on Storebrand's green bond allocation ⁵
Filipstad Brygge 1A, Oslo, Norway ⁶	~1,667,000 kWh per year / 50% ⁷	~198,000 kg CO2e. per year / 50 %	~198,000 kg CO2e per year

Infrastructure investments

Project ⁸	Estimated impact of entire project (gross numbers)	Estimated reduction in carbon emissions through the entire project (gross numbers) ⁹	Estimated reduction in carbon emissions through the project based on Storebrand's green bond allocation ¹⁰
Lorax	~1.6 TWh annual gross production from entire asset	~600,000 tonnes of avoided CO2 emissions per year	~23,000 tonnes of avoided CO2 emissions per year

⁵ Calculated based on Storebrand's Livsforsikring's shares in the fund and allocation made

⁶ Reference building in project: 188.6 kWh/m²

⁷ Estimated as at least 50% reduction

⁸ Gross estimates based on stipulated first year production

⁹ Emissions avoided are calculated by using the average grid emissions in the countries where assets are located. The actual conversion (CO2e per kWh) depends on the energy mix in the market on which the renewable energy is sold

¹⁰ Calculated based on Storebrand's Livsforsikring's shares in the fund and allocation made

ISIN NO0012752932 issued by Storebrand Livsforsikring AS

ISIN	Issue date	Maturity Date	Amount	Percentage allocated
NO0012752932	17. November 2022	17. February 2053	750,000,000 NOK	100%

Bond structure and credit rating

- Tier 2 under Solvency II Subordinated bond qualified as regulatory capital
- BBB+ Standards and Poor rating

Allocation reporting

Infrastructure investments

Project	Location	Category	Project Description	Allocated Green Bond Proceeds 2023	Criteria for eligibility
He Dreiht	Germany	Renewable energy	Construction of an offshore wind park in the German North Sea.	750,000,000 NOK ¹¹	Green infrastructure, renewable energy

¹¹ Exchange rates 14.11.2023 (Allocation): EUR/NOK 11.945

Impact reporting

Infrastructure investments

Project ¹²	Estimated impact of entire project (gross numbers)	Estimated reduction in carbon emissions through the entire project (gross numbers) ¹³	Estimated reduction in carbon emissions through the project based on Storebrand's green bond allocation ¹⁴
He Dreiht	~5.3 TWh annual gross production (from 2025)	~2,700,000 tonnes savings in CO2 emissions per year (equivalents)	~65,000 tonnes savings in CO2 emissions per year (equivalents)

¹² Gross estimates based on stipulated first year production

¹³ Emissions avoided are calculated by using the average grid emissions in the countries where assets are located. The actual conversion (CO2e per kWh) depends on the energy mix in the market on which the renewable energy is sold

¹⁴ Calculated based on Storebrand's Livsforsikring's shares in the fund and allocation made



ISIN NO0012526211 issued by Storebrand Boligkreditt AS

ISIN	Issue date	Maturity Date	Amount	Percentage allocated
NO0012526211	May-22	May-27	7,500,000,000 NOK	100%

Allocation reporting

Total eligible assets (NOK) per 31st December, 2023:

9,741,262,610

Specification	Amount (NOK)
Green buildings ¹⁵	9,839,659,202
Non-eligible assets	98,396,592
Total eligible assets	9,741,262,610
Of which senior bonds eligible assets	0
Percentage of eligible green loan portfolio allocated	77%
Percentage of net proceeds of green funding allocated to eligible green loan portfolio	100%
Eligible green loan portfolio unallocated	2,241,262,610
New loans added to the portfolio during 2023	3,692,076,802

¹⁵ Aligned with our Green Bond framework. Link [here](#)

Impact reporting

The following table shows the estimated avoided emissions and reduced energy usage for the green loan portfolio of Storebrand Boligkreditt AS.

The green loan portfolio is calculated as the sum of buildings meeting the following standards: EPC A and B, and TEK10/17. The reduced energy usage and avoided emissions are based on an underlying model by Eiendomsverdi, where estimates of Storebrand's green portfolio is benchmarked against national average numbers from Eiendomsverdi's internal model. Numbers are showed as yearly estimates.

Residential type in Storebrand's green loan portfolio ¹⁶	Reduced energy usage (kWh)	Reduced energy usage, in %	Avoided emissions ¹⁷ (kg CO2)	Avoided emissions, in %
Detached house	-10,008,591	-27%	-378,161	-53%
Apartment / flat	-5,511,331	-31%	-59,930	-15%
Terraced housing	-1,879,830	-34%	-55,288	-48%
Semi-detached house	-3,340,904	-35%	-115,347	-62%
Total	-20,740,656	-30%	-608,726	-43%
<i>Total weighted by allocation of green OMF¹⁸</i>	<i>-15,968,661</i>		<i>-468,671</i>	

¹⁶ Disregarding the bank's share of financing in the calculations

¹⁷ Location-based method for scope 2-calculation

¹⁸ Weighted by 77%, which is the percentage of the eligible green loan portfolio allocated

Appendix

Project Descriptions

Project descriptions for allocation ISIN NO0012752940 (NOK 1,250,000,000)

Filipstad Brygge 1A

Filipstad Brygge 1A is a renovation project focused on transforming an office building from 2000 into a sustainable and energy-efficient environmental building according to current standards. The building has a total area of 17,747 square meters and is centrally located near Aker Brygge, completed in 2022. The project has not only modernized the structure but has also achieved a remarkable improvement in the energy label from C to A.

Filipstad Brygge 1A has obtained BREEAM-In-Use Excellent certification, confirming that the building meets high standards for sustainability and environmental friendliness. This project demonstrates a successful transformation of an existing building into a modern, energy-efficient, and environmentally friendly property near Aker Brygge.



Project Lorax

Project Lorax is an investment into a solar energy and battery storage complex under construction in California, USA. The project consists of two co-located solar energy plants, with total capacity of 463 MW, and battery energy storage system (“BESS”) with 186 MW four-hour BESS capacity. Upon completion, the investment is expected to provide clean energy to 225,000 households, corresponding to 600,000 tonnes of avoided CO2 emissions. The investment benefits from long-term PPA contracts securing off-take of the electricity produced, with strong counterparties.



Project descriptions for allocation ISIN NO0012752932 (NOK 750,000,000)

He Dreiht

He Dreiht is a 960 MW offshore wind farm in the German North Sea, currently under construction and expected to reach commercial operating date ("COD") by 2025, at which point it will be the largest operational offshore wind farm in Germany.

When completed, He Dreiht will consist of 64 V236-15.0MW turbines supplied by Vestas, turbines that in Q3 2023 broke the record for most produced MWh by a wind turbine. The investment benefits from long term contracts in place for the power produced as well as operation and maintenance services. The German utility company EnBW, with longstanding offshore wind experience, remains majority owner and highly committed to the project by being owner, long-term PPA counterparty, and responsible for construction and operation of the wind farm.



Green Bond Framework (2022)

Eligible Categories and Sub-Categories		Eligibility Criteria	Indicative metrics	Sustainable development goals alignment
Green Buildings	Acquisition of green buildings	<p>Investments in or financing of new commercial buildings certified to either of, or a combination of, the following standards and levels:</p> <ul style="list-style-type: none"> • BREEAM⁷⁾: Excellent or Outstanding • LEED⁸⁾: Gold or Platinum • Miljöbyggnad⁹⁾: Silver or above • Nordic Swan Ecolabel¹⁰⁾ (Svanen) and/or: where the net primary energy demand of the new building is at least 10% lower than the primary energy demand resulting from the relevant NZEB¹¹⁾ requirements. <p>Investments in or financing of non-certified commercial buildings which will be certified within 2 years after purchase⁷⁾, to either of the following standards:</p> <ul style="list-style-type: none"> • BREEAM In-Use⁷⁾: Very Good for buildings built before 2017 • BREEAM In-Use⁷⁾: Excellent or Outstanding for buildings from 2017 or later • LEED⁸⁾: Gold or Platinum • Miljöbyggnad⁹⁾: Silver or above • Nordic Swan Ecolabel¹⁰⁾ (Svanen) 	tCO ₂ e avoided and/or energy reduction in MWh	

⁷⁾ BREEAM is the predominant environmental certification scheme in Norway. The prevalence of certified buildings in the market however is still very low. Environmental qualities of buildings may be good, but the third-party verification in the form of a certificate is missing. Older buildings usually have lower qualities that might be raised through a range of measures during a certification process. The measures will not be categorized as renovation, and may not be energy efficiency measures. The process of mapping, implementing measures and get the green building quality verification through a certificate should be allowed two years from time of purchase; <https://www.breeam.com/>

⁸⁾ <https://www.usgbc.org/leed> ⁹⁾ Swedish Green Building Council: <https://www.sgbc.se/certifiering/miljobyggnad/> ¹⁰⁾ <http://www.nordic-ecolabel.org/>

¹¹⁾ This threshold reflects the specifications in the EU Taxonomy and is based on 'Nearly-Zero Energy Building' (NZEB) requirements, which are defined in national regulations implementing the Energy Performance of Buildings Directive, and are mandatory across EU Member States from 2021. Allocations may be made against this criterion when a definition becomes available of the performance level required under the Nearly Zero Energy Building concept in a Norwegian or Swedish context.

Eligible Categories and Sub-Categories		Eligibility Criteria	Indicative metrics	Sustainable development goals alignment
Green Buildings	Renovation	Investments in or financing of renovation projects that achieve a reduction in net Primary Energy Demand of at least 30% in comparison to the baseline performance of the building before the renovation ¹²⁾ , and/or the following certifications have been received or are expected to be received as a result of the investment: <ul style="list-style-type: none"> • BREEAM In-Use v.6: Very Good, Excellent or Outstanding • LEED: Gold or Platinum • Miljöbyggnad: Silver or above • Nordic Swan Ecolabel (Svanen) 	tCO ₂ e avoided and/or energy reduction in MWh	
	Energy efficiency and renewable energy in existing buildings	Financing of expenditures relating to energy efficiency improvement in buildings including, but not limited to: geothermal heat pump installation, insulation, retrofitting, solar panel installation ¹³⁾ , and LED lighting installation, in order to reduce the primary energy demand of the building. EU taxonomy requirements for activity 7.3 or 7.6 will apply.	tCO ₂ e avoided and/or energy reduction in MWh	
	Residential buildings	Financing of residential buildings meeting the following criteria: <p>Norwegian residential buildings that comply with the Norwegian building codes of 2010 (TEK10) or 2017 (TEK17)¹⁴⁾, and/or:</p> <p>Residential buildings holding an Energy rating (EPC) of A or B¹⁵⁾, and/or:</p> <p>New residential buildings where the net primary energy demand of the new construction is at least 20% lower than the primary energy demand resulting from the relevant NZEB requirements¹⁶⁾, and/or:</p> <p>Financing renovation which achieves a reduction in net Primary Energy Demand of at least 30% in comparison to the baseline performance of the building before the renovation¹⁷⁾.</p>	tCO ₂ e avoided and/or energy reduction in MWh	

¹²⁾ As specified in the EU Taxonomy.

¹³⁾ Including expenditures relating to solar panel installations established in connection with Power Purchase Agreements, where the duration of the relevant PPA is equal to or greater than 5 years.

¹⁴⁾ Technical Specifications for cited codes are as follows:

Building code	Specific energy demand - apartment buildings	Specific energy demand - other dwellings
TEK 10	110 kWh/m ²	126 kWh/m ²
TEK 17	92 kWh/m ²	107 kWh/m ²

¹⁵⁾ Reference – Climate Bonds Initiative <https://www.climatebonds.net/standard/buildings/residential/calculator>. Note that Energy Performance Certificates in Norway are not yet publicly available, and any allocations made in accordance with this eligibility criterion will be dependent on such data becoming available.

¹⁶⁾ Allocations may be made against this criterion when a definition becomes available of the performance level required under the Nearly Zero Energy Building concept in a Norwegian or Swedish context.

¹⁷⁾ As specified in the EU Taxonomy.

Eligible Categories and Sub-Categories		Eligibility Criteria	Indicative metrics	Sustainable development goals alignment
Green Infrastructure	Renewable Energy	Investments relating to the construction, development, acquisition, maintenance, and operation of renewable energy projects including the following renewable energy technologies: <ul style="list-style-type: none"> • Solar PV • Offshore and Onshore Wind • Hydropower¹⁸⁾ • Geothermal¹⁹⁾ 	tCO ₂ e avoided	
	Clean Transportation	Investments relating to the development, construction, acquisition, maintenance, and operation of electric rail infrastructure and electric rolling stock for both passenger and freight transportation: <ul style="list-style-type: none"> • For passenger transportation, the trains and passenger coaches have zero direct (tailpipe) CO₂ emission when operated on a track with necessary infrastructure, and use a conventional engine where such infrastructure is not available (bimode) • For passenger transportation, where carbon intensity of transportation is less than 50g CO₂e/passenger km • For freight transportation, the trains and wagons have zero direct (tailpipe) CO₂ emission when operated on a track with necessary infrastructure, and use a conventional engine where such infrastructure is not available (bimode) • For freight transportation when not running on electrical power, carbon intensity is less than 25g CO₂/tkm • For freight transportation, where such transportation does not involve fossil fuels <p>Investments relating to the development, construction, acquisition, maintenance, and operation of Battery Electric Vehicle charging infrastructure.</p>	tCO ₂ e avoided	

Exclusions

Allocations will be made in accordance with the eligibility criteria specified above. The Storebrand Group Sustainable Investment Policy²⁰⁾ is applicable to all Storebrand investment activities:

¹⁸⁾ Excludes hydropower assets over 25 MW capacity or involving an impoundment dam. In the case of new construction of hydropower, only installations which have been subject to independent Environmental Impact Assessments will be eligible for allocation.

¹⁹⁾ Where direct emissions are less than 100gCO₂e/kWh.

²⁰⁾ <https://www.storebrand.no/en/asset-management/sustainable-investments/exclusions/the-storebrand-standard>



To the Green Bond Committee of Storebrand Group

Independent statement regarding Storebrand Livsforsikring AS and Storebrand Boligkreditt AS's Green Bond Allocation Report

We have been engaged by Storebrand ASA to undertake a limited assurance engagement on behalf of Storebrand Livsforsikring AS and Storebrand Boligkreditt AS (the "Companies") on selected information about the allocations of proceeds in the Companies' Green Bond Allocation Report 2023 (Subject Matter Information). The scope of our work was limited to assurance over:

- the description of processes and systems for evaluation and selection of the green projects as described in the Green Bond Allocation Report 2023 page 2-4, and
- allocating proceeds from the Green Bond to such investments and expenditures, as described in the Green Bond Allocation Report 2023 sections "Allocation Reporting" in the section "New Allocations" on page 8-13 for the bonds issued 17 November 2022 (NOK1 250M) (Bond 1) and (NOK750M) (Bond 2), and the bond issued May 2022 (NOK7 500M) (Bond 3).

The Green Bond Allocation Report 2023 is prepared using the criteria described in the "Use of Proceeds" section the Green Bond Framework per May 2022. The "Use of Proceeds" sections are attached to the Green Bond Allocation Report 2023.

Our assurance does not extend to any other information in the Green Bond Allocation Report 2023 than the sections "Allocation Reporting" for Bond 1, Bond 2 and Bond 3. We have not reviewed and do not provide any assurance over any information reported in the "Impact Reporting" sections on page 8-14.

The Green Bond Committee's Responsibility

The Green Bond Committee is responsible for ensuring that the Companies has implemented appropriate guidelines for green bond management and internal control.

The Green Bond Committee is responsible for evaluating and selecting eligible green projects, for the use and management of bond proceeds, and for preparing a "Green Bond Allocation Report" that is free of material misstatements, whether due to fraud or error, in accordance with the Companies' "Green Bond Framework".

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Management 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



Our Responsibilities

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained.

We conducted our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 revised – «Assurance Engagements other than Audits or Reviews of Historical Financial Information», issued by the International Auditing and Assurance Standards Board. This standard requires us to plan and perform procedures to obtain limited assurance about whether the Subject Matter Information is free from material misstatement. A limited assurance engagement in accordance with ISAE 3000 involves assessing the suitability in the circumstances of management's use of the Criteria as the basis for the preparation of the Subject Matter Information, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and, among others, included an assessment of whether the criteria used are appropriate. Our procedures also included making inquiries primarily of persons responsible for the management of bond proceeds and the process for selection of eligible green projects and meetings with representatives from the Companies who are responsible for the allocation reporting; obtaining and reviewing relevant information that supports the preparation of the allocation reporting; assessment of completeness and accuracy of the allocation reporting; performing substantive testing on a selective basis through inspection of documents; and testing (or reviewing) various supporting documentation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Criteria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the limited assurance procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sections "Allocation reporting" disclosed in the Green Bond Allocation Report 2023 has not been prepared, in all material respects, in accordance with the relevant criteria.

Oslo, 07 March 2024

PricewaterhouseCoopers AS

Thomas Steffensen
State Authorized Public Accountant
This letter is signed electronically.

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