Responsible Banking Progress Statement

for PRB Signatories

Norddeutsche Landesbank Hannover Girozentrale (2025)

Implementation document
Principles for Responsible Banking
• Est. 2019 •

Summary

Norddeutsche Landesbank Hannover Girozentrale 2025

Principle 1: **Alignment**	Principle 2: **Impact & Target Setting**	Principle 3: **Clients & Investors**
Content NORD/LB integrates sustainability into its strategic framework and acknowledges the impacts of its financing activities on the economy, society and the environment. Its ESG strategy supports NORD/LB's ambition to progressively align relevant financing portfolios with the objectives of the Paris Climate Agreement, subject to sector-specific methodologies and data availability. NORD/LB combines this climate ambition with its public mandate and its commitment to supporting clients in the transition towards more sustainable business models. The double materiality assessment provides a key foundation for the ESG strategy by identifying and prioritising material impacts, risks and opportunities from both an inside-out and an outside-in perspective. This strategic alignment is translated into business practice through the Sustainable Loan Framework, the Green Funding Framework and the Bank's Transformation Guidelines. The guidelines establish minimum environmental and social standards, exclusion criteria and sector-specific principles for new business activities. They are based on internationally recognised standards, including the UN Global Compact, the OECD Guidelines for Multinational Enterprises and international human rights and labour standards. The guidelines are regularly reviewed and adjusted where necessary, supporting the integration of ESG considerations into relevant new-business financing decisions within their defined scope.	**Content** NORD/LB uses its double materiality assessment to identify material impacts, risks and opportunities and to inform its sustainability priorities. Climate change, biodiversity, social responsibility and governance are addressed within this assessment. For climate-related impacts, the Bank measures financed emissions using the Partnership for Carbon Accounting Financials methodology and applies sector-specific approaches to assess the physical emission intensity of relevant portfolios. Data quality is continuously improved through the collection of reported client data and the use of external data sources. Where primary data is unavailable, estimates are used; related data-quality limitations are disclosed in the Sustainability Report. The Bank has defined sector-specific emission reduction targets for 2030 and 2040 covering energy, residential and commercial real estate, agriculture, automotive, steel and chemicals. Depending on the sector, these targets are informed by the International Energy Agency's Net Zero Emissions by 2050 scenario or the Science Based Targets initiative's FLAG guidance. Progress is reviewed annually and supported through the development of ESG indicators, sector dashboards and portfolio steering instruments. NORD/LB also seeks to expand sustainable business activities and regularly reviews sector-specific measures and its Transformation Guidelines to support portfolio decarbonisation and the transformation of its clients.	**Content** NORD/LB supports clients in their transition through sustainable financing solutions and the integration of ESG considerations into financing and advisory processes. Its Sustainable Loan Framework provides an internal methodology for assessing whether eligible lending transactions meet defined Sustainable Loan criteria and applies across the Bank's sectors and lending products, including green loans, transition finance and sustainability-linked loans. Relevant sustainability information, such as emission data, technical criteria and ESG ratings, is assessed on the basis of available client documentation and other documented data sources, in accordance with the applicable framework. The Bank's Transformation Guidelines complement this approach by setting minimum standards, exclusion criteria and sector-specific requirements for new business activities. Sustainability is also integrated into investment advice and individual asset management. Within the relevant investment-advisory processes, clients' recorded sustainability preferences are considered in product recommendations. For investors, the Green Funding Framework links sustainable financing with refinancing through instruments including green bonds, green covered bonds, green deposits and green commercial paper. Proceeds are allocated to eligible green assets such as renewable energy and energy-efficient buildings. Allocation and impact reporting is made publicly available at least annually, together with the results of external reviews.
Links & references *NORD/LB Group Annual Report 2025 – Sustainability Report/ CSRD* *NORD/LB ESG Strategy* *NORD/LB Transformation guidelines*	***Links & references*** *NORD/LB Group Annual Report 2025 – Sustainability Report/ CSRD* *NORD/LB ESG Strategy* *NORD/LB Transformation guidelines*	***Links & references*** *NORD/LB Group Annual Report 2025 – Sustainability Report/ CSRD* *NORD/LB ESG Strategy* *NORD/LB Transformation guidelines*

Principle 4: **Stakeholders**	Principle 5: **Governance & Culture**	Principle 6: **Transparency & Accountability**
Content NORD/LB maintains an ongoing dialogue with relevant stakeholder groups as part of its sustainability management. The Bank monitors market developments, media coverage and ESG trends and maintains an active dialogue with ESG rating agencies and investors. The feedback obtained is used to assess the Bank's sustainability activities and to provide input for their continuous development. Relevant findings and current developments are reported to the Managing Board. Stakeholder perspectives are also considered in the double materiality assessment, which draws on internal and external information and involves relevant specialist functions and stakeholders in identifying material impacts, risks and opportunities. NORD/LB participates in sustainability-related working groups of the German Savings Banks Association, the German Global Compact Network and the Association of German Public Banks. It is also represented in the Association of German Public Banks' Sustainable Finance Commission and participates in the VfU Round Table. These exchanges support the Bank in monitoring market expectations, regulatory developments and emerging sustainability practices.	**Content** Sustainability is embedded in NORD/LB's governance through clearly allocated responsibilities and structured decision-making processes. The Managing Board approves the Group-wide ESG strategy and is responsible for its implementation at Group level, while the managing bodies of the individual institutions are responsible for implementation within their respective entities. The Supervisory Board discusses the ESG strategy and oversees the management of the Bank. Since the 2025 reporting year, the Managing Board and Supervisory Board have been informed about material impacts, risks and opportunities through the annual process for validating and updating the ESG strategy. The ESG governance is supported by policies, management reporting, defined responsibilities and internal controls. The Bank's Transformation Guidelines establish binding minimum standards, exclusion criteria and sector principles for new business activities, covering topics such as human rights, biodiversity and anti-greenwashing. Anti-greenwashing is treated as a Bank-wide responsibility, with ESG-related statements subject to requirements concerning completeness, accuracy and traceability. Employee awareness is supported through internal communication and training, while established reporting channels allow potential irregularities or suspected greenwashing to be raised.	**Content** NORD/LB reports on its material sustainability impacts, risks, opportunities, policies, actions, metrics and targets in its annual Sustainability Report in accordance with the European Sustainability Reporting Standards. The report provides information on the double materiality assessment, financed emissions, sector-specific decarbonisation targets, sustainable financing frameworks and the governance of sustainability matters. Methodological assumptions, data-quality limitations and the use of estimates are disclosed where relevant. Progress towards the financed-emissions targets is reviewed annually and the underlying targets and methodologies are validated as part of this process. Further transparency is provided through publicly available documents, including the ESG strategy, the Transformation Guidelines and disclosures relating to sustainable investment advice and green funding. Under the Green Funding Framework, NORD/LB publishes allocation and impact reporting for investors at least annually, together with the results of external reviews. The Bank's anti-greenwashing governance reinforces accountability by requiring ESG-related statements to be complete, accurate and traceable. Regular reviews of the ESG strategy, sustainable finance frameworks and Transformation Guidelines support continuous improvement and adaptation to regulatory, market and stakeholder expectations.
Links & references *NORD/LB Group Annual Report 2025 – Sustainability Report/ CSRD* *NORD/LB ESG Strategy* *NORD/LB Transformation guidelines*	***Links & references*** *NORD/LB Group Annual Report 2025 – Sustainability Report/ CSRD* *NORD/LB ESG Strategy* *NORD/LB Transformation guidelines*	***Links & references*** *NORD/LB Group Annual Report 2025 – Sustainability Report/ CSRD* *NORD/LB ESG Strategy* *NORD/LB Transformation guidelines*