



Nederlandse Waterschapsbank N.V. (NWB) Green Bond Second Opinion

August 16, 2019

The Nederlandse Waterschapsbank N.V. (NWB) is a publicly owned financial institution that provides funding to regional water authorities (or Water Boards) and local government organizations in the Netherlands. In the Netherlands, water resources are managed by 21 autonomous regional water authorities. For the purposes of this framework, proceeds from green bonds (water bonds) will exclusively fund NWB lending to the water authorities to finance sustainable water management projects.

NWB's green bond framework provides a clear and sound framework for investments in climate-smart projects that align with the Green Bond Principles. Eligible project categories include climate mitigation, climate adaptation, and biodiversity investments related to sustainable water management in the Netherlands. The water authorities expect to allocate 65% of funds to adaptation projects (35% of which is primary flood defenses) and 22% to transport and treatment of wastewater (listed as both mitigation and biodiversity). Proceeds from NWB Green Bonds can also be used for re-financing and pre-financing purposes. Eligible projects are in line with EU and Dutch environmental law and the water authorities' climate adaptation mandate.

NWB and the water authorities establish progressive policies and ambitious targets and initiatives that set a high bar for its peer group. NWB measures and discloses the carbon footprint of its water authorities loan portfolio, aims to reduce emissions by 95% by 2050, subscribes to the UN Global Compact principles, eight Sustainable Development Goals, reports annually according to the Global Reporting Initiative's Core standard, and is analyzing and applying the TCFD recommendations. The water authorities intend to be energy neutral by 2025 and have already reduced emissions by over 50% since 2005.

With respect to project categories, investors should be aware that the framework allows for indirect investment into fossil fueled infrastructure. This includes fossil-fueled pumping stations and water treatment plants, construction of roads, and fossil-fueled transportation related to wastewater treatment and water management. This is partially mitigated by investments in sustainable energy sources, ambitious emissions reduction targets, and effective energy efficiency programs.

Based on the assessment of the project categories under this framework and its associated governance and transparency considerations, NWB's green bond framework receives an overall **CICERO Dark Green shading**.

SHADES OF GREEN

Based on our review, we rate NWB's green bond framework **CICERO Dark Green**.

Included in the overall shading is an assessment of the governance structure of the green bond framework. CICERO Shades of Green finds the governance procedures in NWB's framework to be **Excellent**.



GREEN BOND PRINCIPLES

Based on this review, this Framework is found in alignment with the principles.





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1 Terms and methodology

This note provides CICERO Shades of Green's (CICERO Green) second opinion of the client's framework dated July 2019. This second opinion remains relevant to all green bonds and/or loans issued under this framework for the duration of three years from publication of this second opinion, as long as the framework remains unchanged. Any amendments or updates to the framework require a revised second opinion. CICERO Green encourages the client to make this second opinion publicly available. If any part of the second opinion is quoted, the full report must be made available.

The second opinion is based on a review of the framework and documentation of the client's policies and processes, as well as information gathered during meetings, teleconferences and email correspondence.

Expressing concerns with 'shades of green'

CICERO Green second opinions are graded dark green, medium green or light green, reflecting a broad, qualitative review of the climate and environmental risks and ambitions. The shading methodology aims to provide transparency to investors that seek to understand and act upon potential exposure to climate risks and impacts. Investments in all shades of green projects are necessary in order to successfully implement the ambition of the Paris agreement. The shades are intended to communicate the following:

CICERO Shades of Green



Dark green is allocated to projects and solutions that correspond to the long-term vision of a low carbon and climate resilient future. Fossil-fueled technologies that lock in long-term emissions do not qualify for financing. Ideally, exposure to transitional and physical climate risk is considered or mitigated.



Medium green is allocated to projects and solutions that represent steps towards the long-term vision, but are not quite there yet. Fossil-fueled technologies that lock in long-term emissions do not qualify for financing. Physical and transition climate risks might be considered.



Light green is allocated to projects and solutions that are climate friendly but do not represent or contribute to the long-term vision. These represent necessary and potentially significant short-term GHG emission reductions, but need to be managed to avoid extension of equipment lifetime that can lock-in fossil fuel elements. Projects may be exposed to the physical and transitional climate risk without appropriate strategies in place to protect them.



Brown is allocated to projects and solutions that are in opposition to the long-term vision of a low carbon and climate resilient future.

Examples



Wind energy projects with a strong governance structure that integrates environmental concerns



Bridging technologies such as plug-in hybrid buses



Efficiency investments for fossil fuel technologies where clean alternatives are not available



New infrastructure for coal

Sound governance and transparency processes facilitate delivery of the client's climate and environmental ambitions laid out in the framework. Hence, the governance aspects are carefully considered and reflected in the overall shading of the green bond framework. CICERO Green considers four factors in its review of the client's governance processes: 1) the policies and goals of relevance to the green bond framework; 2) the selection process used to identify and approve eligible projects under the framework, 3) the management of proceeds and 4) the reporting on the projects to investors. Based on these factors, we assign an overall governance grade: Fair, Good or Excellent.



2 Brief description of NWB's green bond framework and related policies

The Nederlandse Waterschapsbank N.V. (NWB) is a publicly owned financial institution that provides funding to regional water authorities (or Water Boards) and local government organizations in the Netherlands. In the Netherlands, water resources are managed by 21 autonomous regional water authorities. Within their regions, the water authorities ensure the availability of high-quality surface water in the correct volumes, oversee the purification of wastewater that has been discharged into the sewage system by households and companies, and manage flood protection initiatives.

The water authorities employ more than 11,000 people and manage infrastructure comprising 18,000 km of flood defenses, 225,000 km of waterways, 6,175 pumping stations and 327 wastewater treatment plants. Over the period of 2018–2021, the water authorities will invest some €1.4 billion each year to ensure that their flood defenses, waterways, pumping stations, water treatment plants and other water works are up to task, and are able to keep up with ever-changing conditions.

The NWB was formed by and for the national water authorities, and its shareholders are Dutch public sector entities including regional water authorities and provinces. NWB has around 900 clients; examples of the bank's clients include municipalities, housing associations, healthcare institutions and drinking water companies. NWB only lends to Dutch government entities and does not provide any services to individuals or companies. For the purposes of this framework, proceeds from green bonds (water bonds) will exclusively fund NWB lending to the water authorities to finance sustainable water management projects.

Environmental Strategies and Policies

NWB subscribes to the UN Global Compact principles and has adopted eight Sustainable Development Goals: gender equality, clean water and sanitation, affordable and clean energy, industry, innovation and infrastructure, sustainable cities and communities, climate action, life below water, life on land. Internally, it has committed to transitioning its fleet to a fully electric fleet and to achieving energy label A for its offices. The bank has also committed to analyzing and, where possible, applying the recommendations of the Task Force on Climate-related Financial Disclosures in 2019.

NWB issues an annual sustainability report using the Global Reporting Initiative's "Core" Standard, which is audited by third party assurance provider EY and publicly available on NWB's website. The water authorities also issue an annual report at NWB's behest, the Climate Monitor, to provide insight into the progress made towards energy neutrality in 2025. For a more detailed account of results, see the 2017 Monitor (<https://www.uvw.nl/wp-content/uploads/2018/12/Klimaatmonitor-waterschappen-2017.pdf?x27930>).

NWB has been active in the green bond market since 2014. These bonds are called Water Bonds and are used exclusively to finance the sustainable water management activities of the Dutch water authorities. In 2017, NWB also entered the social bond market which it uses to invest in social housing for low income and other vulnerable populations. In 2018, NWB's green bond issuance totaled 644 million Euros and 25% of total funding was raised through green and social bonds. According to NWB's Annual Report 2018, the bank aims to raise over 25% of its funding requirement through green and social bonds every year. NWB routinely updates its green bond framework to improve its policies. This is the third Second Opinion that CICERO has provided for NWB's framework, the



first being in 2014, the second in 2018. Since 2018, NWB has made changes to its framework that move to a portfolio approach for tracking green qualifying loans versus outstanding green bonds and includes more detail on impact reporting and metrics that NWB has been using and will continue to use.

In 2018, NWB joined the Platform for Carbon Accounting Financials (PCAF), a group of 14 Dutch financial institutions that are developing open source methodologies to measure the carbon footprint of their investments and loans. PCAF forms part of a broader commitment on the part of the Dutch financial sector to the National Climate Agreement, which aims to reduce CO₂ in the Netherlands by 95% by 2050 as compared with 1990. NWB is planning to assess the carbon footprint of its entire loan portfolio and use this information to inform sustainability policies and strategic decision making and has committed to meeting the National Climate Agreement's emissions reduction target.

In addition to the above, the bank has been active in direct financing of sustainable energy projects since last year and plans to expand those activities in the years to come. It also intends to invest in Green NHG RMBS (Residential Mortgage-Backed Securities) to contribute to lower mortgage costs for homeowners investing in sustainable housing. Finally, NWB supports the Water Innovation Prize, managed by the Association of Dutch Water authorities, which helps fund and promote sustainable solutions for water management and adaptation. The bank is examining the possibility of setting up a water innovation fund to further support its clients in the area of innovation.

Under EU and national laws, the Dutch water authorities are required to develop a water management plan and report on the progress of implementation. The water authorities and other regional and local authorities signed a Memorandum in 2017, in which they pledged to make their infrastructure climate-resilient by 2040 and to increase public knowledge about adaptation to climate change. Other national adaptation plans include the 2016 Freshwater Delta Plan and the 2017 Delta Plan on Spatial Adaptation in 2017, which aim to ensure that the country is water-robust and climate-proof by 2050. The water authorities are also signatories to the national Raw Materials Agreement of 2016, which aims to ensure that the Netherlands has a 100% circular economy by 2050. The water authorities aim to achieve this goal by recovering substances from wastewater and using them to generate biogas, paper and other composite materials. The water authorities are already the largest producer of biogas in the Netherlands.

Finally, the water authorities have signed the Manifesto on Socially Responsible Procurement (2016) as well as the Green Deal for Sustainable Civil and Hydraulic Engineering 2.0 (2017) with the Dutch business sector which will apply sustainability criteria in their tendering and procurement procedures to create closed cycles.

The water authorities intend to produce 40% of their own energy demand by 2020 and to be 100% energy-neutral by 2025. The water authorities have had a sustainable energy percentage of more than 100% since 2013. A percentage greater than 100% means that the water authorities supply sustainable energy to third parties. The 2017 Climate Monitor, the water authorities' annual report, shows that the water authorities achieved a 52% reduction in carbon emissions, largely from reductions in energy use and transition to sustainable energy sources, during the period between 2005 and 2017 alone. At 33.9%, they are also on track to produce 40% of their own energy requirements by 2020.

Use of proceeds

NWB will allocate proceeds generated under this green bond framework to "eligible loans." "Eligible Loans" means a selected pool of loans, provided in whole or in part, by NWB that promote the transition to a low-carbon and/or climate resilient growth as determined by the water authorities, according to their mandate as defined by the Dutch Water Act. Proceeds from green bonds will exclusively fund NWB lending to the water authorities.



Proceeds from NWB Green Bonds can be used to finance as well as re-finance Eligible Loans. NWB expects that approximately 70% of proceeds will go to finance new eligible loans.

In accordance with the Dutch Water Act, proceeds will be used to fund Eligible Loans that target the following:

- Mitigation of climate change (mitigation loans) for waterway management, e.g. energy recovery from wastewater and extraction of phosphor
- Adaptation of climate change (adaptation loans) for investments in climate-resilient growth, e.g. flood protection, pumping stations and other flood defenses
- Biodiversity loans for water-related biodiversity projects, e.g. sanitation and dredging of waterbeds, water treatment, transport and cleaning of wastewater, and disposal of sewage sludge.

The NWB's 2018 Water Bonds report lists expected allocation of proceeds by project category (page 7 "Planned Investments"). According to this report, 65% of funds are expected to go towards adaptation (35% of which is allocated to primary flood defenses) and 22% is expected to go towards transport and treatment of wastewater (listed as both mitigation and biodiversity).

Selection:

The selection process is a key governance factor to consider in CICERO Green's assessment. CICERO Green typically looks at how climate and environmental considerations are considered when evaluating whether projects can qualify for green finance funding. The broader the project categories, the more importance CICERO Green places on the governance process.

The Eligible Projects are selected by the Lending Department of NWB and represent loans provided to the water authority in accordance with the water authorities' mandate. The first screening that eligible loans pass through ensures that loans align with EU Environmental Law, Dutch Environmental Law, and NWB Environmental guidelines. Under Dutch law, the water authorities are required to acquire an environmental permit for all initiatives and perform an environmental impact assessment for large projects. The second checks for alignment with the water authorities' mandate. Finally, the NWB Treasury checks for alignment with the NWB's green bond framework before the loan is finally approved.

To allow the water authorities to use some of the loans for supporting functions (like administration and infrastructure), NWB will not qualify more than 90 percent of their lending to the water authorities as eligible assets. According to the issuer, this 10 percent cut ensures that green bond proceeds are not allocated to supporting functions such as administration.

Management of proceeds

NWB Treasury has established an internal management system to track and monitor individual eligible loans and the aggregated lending to eligible loans at all times. According to the issuer, all proceeds will be allocated upfront, in other words there will be no unallocated proceeds. Intended types of temporary investment instruments are therefore not relevant.

NWB will at all times maintain an outstanding balance of green bonds that is smaller than that of the total balance of Eligible Loans, minus any co-financing volumes.

An annual internal audit of the earmarked account will confirm lending done during the calendar year.



Reporting

Transparency, reporting, and verification of impacts are key to enable investors to follow the implementation of green finance programs. Procedures for reporting and disclosure of green finance investments are also vital to build confidence that green finance is contributing towards a sustainable and climate-friendly future, both among investors and in society.

To enable investors to follow the development of the portfolio and provide insight into the priority areas, the NWB will provide an annual investor letter on its website, including the following:

1. a list of new loans financed in the period,
2. a selection of project examples,
3. % project allocation of the investments done by the water authorities on a portfolio basis,
4. a summary of the NWB Green Bond development, and
5. where relevant and accessible, an assessment of environmental impact, examples of which include:
 - a. Water authorities' share of sustainable energy in total energy consumption.
 - b. Quantity of biogas produced in millions of m³.
 - c. Share of own production in total energy consumption.
 - d. Carbon footprint of water authorities in tonnes of CO₂.
 - e. % of quantity of substances eliminated from wastewater.



3 Assessment of NWB’s green bond framework and policies

The framework and procedures for NWB’s green bond investments are assessed and their strengths and weaknesses are discussed in this section. The strengths of an investment framework with respect to environmental impact are areas where it clearly supports low-carbon projects; weaknesses are typically areas that are unclear or too general. Pitfalls are also raised in this section to note areas where NWBs should be aware of potential macro-level impacts of investment projects.

Overall shading

Based on the project category shadings detailed below, and consideration of environmental ambitions and governance structure reflected in NWB’s green bond framework, we rate the framework **CICERO Dark Green**.

Eligible projects under the NWB’s green bond framework

At the basic level, the selection of eligible project categories is the primary mechanism to ensure that projects deliver environmental benefits. Through selection of project categories with clear environmental benefits, green bonds aim to provide investors with certainty that their investments deliver environmental returns as well as financial returns. The Green Bonds Principles (GBP) state that the “overall environmental profile” of a project should be assessed and that the selection process should be “well defined”.

Category	Eligible project types	Green Shading and some concerns
Mitigation	Energy recovery from wastewater and extraction of phosphor	Dark to Medium Green ✓ Sewage sludge can be considered a renewable energy source and its incineration generates substantially lower GHG emissions than energy generation from fossil fuels.
Adaptation	<ul style="list-style-type: none">• Flood protection• Pumping stations• Other flood defenses	Dark to Medium Green ✓ Construction of roads, pumping stations running on fossil fuel and fossil fueled transportation for adaptation activities



could qualify for funding, representing locked in emissions.

- ✓ The water authorities aim to be energy neutral by 2025 and NWB has committed to reduce emissions by 95% by 2050, which may address management of the locked in emissions.

Biodiversity

- Sanitation and dredging of waterbeds
- Water treatment
- Transport and cleaning of wastewater
- Disposal of sewage sludge



Dark to Medium Green

- ✓ Water treatment plants, dredging equipment, and transportation of wastewater may run on fossil fuel. Consider emissions from operations.
- ✓ Disposal and processing of sewage sludge is an energy intensive activity; consider emissions from this component.
- ✓ CH₄ and N₂O are currently not monitored. NWB has indicated that it intends to assess these in the near future.

Table 1. Eligible project categories

Background

Physical climate change such as extreme events, heat stress, and flooding are affecting all sectors and regions already. Due to historical emissions, we are locked in for approximately 1.5°C global warming.¹ Given today’s policy ambition, the world is most likely heading toward 3°C warming in 2100 which implies accelerated physical climate impacts, including more extreme storms, accelerated sea level rise, heat stress, droughts, and flooding.² For near-term physical risk, investors and companies must consider the probabilities of these physical climate impacts, as well as resiliency measures to plan for and protect against the worst impacts. Investments in energy efficiency, renewable energy measures, waste recovery for energy and water management, particularly in regions vulnerable to flooding and heat waves, are important climate resiliency measures. Investments in flood and water damage management measures³ are critical for properties in flood zones and coastal areas. However, hard infrastructure in coastal areas such as sea walls and dykes can introduce biodiversity risks (e.g. destruction of wetlands, altering tidal, sediment or nutrition flows, or disrupting fragile marine ecosystems). Construction of sea walls or operation of pumping stations and wastewater treatment plants – important elements of climate resilience – are often energy and emissions intensive, so it is important to pair these with careful consideration of sourced materials, energy efficient equipment and sustainable energy sources.

¹ <https://www.cicero.oslo.no/en/posts/news/scientists-demystify-climate-scenarios-for-investors>

² https://www.ipcc.ch/pdf/assessment-report/ar5/syr/SYR_AR5_FINAL_full_wcover.pdf

³ https://www.intactcentreclimateadaptation.ca/programs/home_flood_protect/resources/

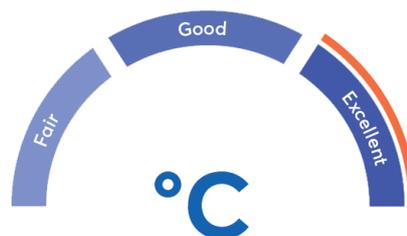


The waste sector contributes almost 5% of global GHG emissions mainly from landfill and wastewater methane and nitrous oxide as well as CO₂ from waste incineration.⁴ Investments in energy recovery from waste are an important part of the transition to a low carbon, circular economy.

Sewage sludge can be considered a renewable energy source and its incineration generates substantially lower greenhouse gases emissions than energy generation from fossil fuels. For the same amount of energy, sewage sludge emits 58% fewer emissions than natural gas and 80% less than hard coal and fuel oil.⁵

Governance Assessment

Four aspects are studied when assessing the NWB's governance procedures: 1) the policies and goals of relevance to the green bond framework; 2) the selection process used to identify eligible projects under the framework; 3) the management of proceeds; and 4) the reporting on the projects to investors. Based on these aspects, an overall grading is given on governance strength falling into one of three classes: Fair, Good or Excellent.



The overall assessment of NWB's governance structure and processes gives it a rating of Excellent

Strengths

NWB and the water authorities, as their key stakeholders and project developers, have ambitious, progressive mitigation and adaptation goals and initiatives that set a high standard for other banks. NWB, as part of its commitment to the National Climate Agreement and Platform for Carbon Accounting Financials (PCAF), intends to assess the emissions of its entire loan portfolio and reduce them by 95% by 2050 as compared to 1990. The bank aims to raise 25% of its total funding through green and social bonds every year.

NWB supports a national water innovation prize and is considering setting up a fund to support innovative water solutions that can be applied to current adaptation challenges. Past winning projects under the national water innovation prize have included a fully closed water system, SUPERLOCAL, piloted on 125 homes and recovery of valuable raw materials such as phosphorus, cellulose, bioplastics and alginate from wastewater. These technological innovations are key advancements that we will need to transform our linear economy into a circular one..

NWB is also considering branching into green residential mortgage backed securities to provide incentives for sustainable home ownership in the Netherlands. Internally, it is transitioning to an all-electric fleet and upgrading its offices to energy label A. All of these targets establish NWB as a thought leader for its peer group.

The water authorities also have ambitious mitigation and resilience goals that guide project development under this framework. They intend to produce 40% of their own energy demand by 2020 from sources such as bioenergy and energy recovery from wastewater treatment, water pumps, and other infrastructure; they are currently at 33.9%. They also intend to be 100% energy neutral by 2025. They have achieved a 52% reduction in carbon emissions between 2005 and 2017. Moreover, the water authorities aim to increase energy efficiency by 30% by 2020, compared to 2005, i.e. a 2% improvement per annum, by cutting energy use and increasing their own production of renewable energy. They are signatories to the Raw Materials Agreement (2016) which aims to ensure the Netherlands has a 100% circular economy by 2050, and signed the Manifesto on Socially Responsible Procurement

⁴ <https://www.ipcc.ch/pdf/assessment-report/ar4/wg3/ar4-wg3-chapter10.pdf>

⁵ <https://www.mdpi.com/1996-1073/12/10/1927/pdf>



in 2016, which commits them to work with the Dutch business sector to apply sustainability criteria in tendering and procurement procedures to help create closed cycles. The water authorities spend over €2 billion on goods and services in the market each year, so these policies will help drive change along its supply chains. The water authorities are currently looking into finding more climate-friendly alternatives for the polymers and metal salts used in water treatment.

These initiatives and the NWB's are exceptionally forward thinking and CICERO looks forward to seeing the NWB and the water authorities progress towards these goals and share lessons learned.

Climate resilience is at the heart of the water authorities' activities: the potential damage from flooding, water shortages, heat stress, sinking of land and salinization in the Netherlands is estimated at €71 billion by 2050. NWB has good governance policies and procedures in place that will effectively guide investment of green bond proceeds to climate mitigation and adaptation projects. The bank has indicated that it is actively analyzing the TCFD recommendations, which are in keeping with the water authorities' broader mandate to build a more climate resilient, low emissions, circular Dutch economy. This careful assessment of climate risks is further demonstrated by the detailed breakdown of expected allocation of green bond proceeds by project categories, as listed in the NWB 2018 Water Bond report. CICERO Green commends NWB and the water authorities' initiative on climate resilience planning.

With respect to project categories, the baseline performance for NWB and the water authorities is already high. The policies and targets outlined above in combination with this framework sets ambitions even further along the path to a green transition. In the mitigation category, the energy and materials recovery from wastewater is an important step towards a truly circular economy and has played a part of the water authorities' investment in reducing emissions. In 2017, the water authorities converted 13 wastewater treatment plants into "energy factories", with 12 more set to transition in the near future. These energy factories generate more energy than the plant itself needs to process and treat wastewater, which allows them to feed cleaner energy into the grid.

The projects outlined in the adaptation category are thoughtful and responsive to national policies and planning and public sector needs. Although necessary and forward-thinking on the adaptation side, they do permit indirect investment in fossil fueled activities, equipment or materials. CICERO Green encourages NWB and the water authorities to continue applying their progressive sustainable procurement codes to encourage innovation in traditionally emissions-intensive industries (e.g. cement, construction) and a system-wide shift to more climate friendly alternatives.

Weaknesses

The NWB's framework does not exclude fossil fueled equipment and activities, or emissions intensive materials. This may result in proceeds financing construction of roads or flood defenses (emissions intensive materials and equipment), operation or development of pumping stations or water treatment facilities powered by fossil fuel equipment, or transportation of wastewater and other materials. These activities can result in locking in emissions for the medium-term. Careful consideration should be taken to identify risks and minimize or mitigate locking in emissions with green bond financing. CICERO Green is encouraged by NWB and the water authorities' commitment to ambitious emissions reductions targets which may limit the risk of long-term locked in emissions.

Pitfalls

The NWB's updated framework outlines exceptional environmental policies, goals and demonstrated implementation, but there are a few small areas that leave room for improvement. In the selection process, there isn't clear evidence of environmental competence with veto power to remove environmentally controversial



projects from the portfolio. On reporting, the issuer will list examples of projects but not a comprehensive list of projects. As of this second opinion, only CO₂ emissions are measured and reported. The carbon accounting methodology and grid factor used are not currently publicly disclosed, and CH₄ and N₂O emissions are – as of this report - not monitored. The information about GHG accounting and grid factor may be of interest to investors tracking emissions reductions carefully. Although the volumes of CH₄ and N₂O emissions are smaller than CO₂ in general, they are relevant in wastewater management and in flood zones and wetlands; their global warming potential makes them a significant concern for global warming effects.



Appendix 1: Referenced Documents List

Document Number	Document Name	Description
1	NWB Green Bond Framework (July 2019)	
2	NWB Annual Report 2018	GRI Core compliance annual report
3	NWB Water Bond Report 2018	Annual review of Water Bond program with descriptions of key initiatives
4	KLIMAATMONITOR WATERSCHAPPEN Verslagjaar 2016	Annual review of the water authorities' climate policies by Arcadis
5	Water and water management	Brief outline of the Water Authorities mandate
6	Water Governance	Description of the Dutch regional water authority model
7	Water Act of the Netherlands	Description of legal basis for water management in the Netherlands
8	Green Deal Duurzaam GWW 2.0	Memorandum on sustainable infrastructure works



9	Maatschappelijk Verantwoord Inkopen	Overview of the water authorities' policies on sustainable purchases
10	Naar een duurzaam Nederland. Investeringsagenda voor Kabinetsformatie 2017	Memorandum by the water authorities and other local authorities on their mitigation and adaptation policies
11	Klimaatakkoord Unie-Rijk 2010 – 2020	Agreement between the Dutch state and the water authorities on their climate targets



Appendix 2: About CICERO Shades of Green

CICERO Green is a subsidiary of the climate research institute CICERO. CICERO is Norway's foremost institute for interdisciplinary climate research. We deliver new insight that helps solve the climate challenge and strengthen international cooperation. CICERO has garnered attention for its work on the effects of manmade emissions on the climate and has played an active role in the UN's IPCC since 1995. CICERO staff provide quality control and methodological development for CICERO Green.

CICERO Green provides second opinions on institutions' frameworks and guidance for assessing and selecting eligible projects for green bond investments. CICERO Green is internationally recognized as a leading provider of independent reviews of green bonds, since the market's inception in 2008. CICERO Green is independent of the entity issuing the bond, its directors, senior management and advisers, and is remunerated in a way that prevents any conflicts of interests arising as a result of the fee structure. CICERO Green operates independently from the financial sector and other stakeholders to preserve the unbiased nature and high quality of second opinions.

We work with both international and domestic issuers, drawing on the global expertise of the Expert Network on Second Opinions (ENSO). Led by CICERO Green, ENSO contributes expertise to the second opinions, and is comprised of a network of trusted, independent research institutions and reputable experts on climate change and other environmental issues, including the Basque Center for Climate Change (BC3), the Stockholm Environment Institute, the Institute of Energy, Environment and Economy at Tsinghua University and the International Institute for Sustainable Development (IISD).

