

Sustainability Report

About this report

This sustainability statement is made in full compliance with the European Sustainability Reporting Standards (ESRS) on a consolidated basis for the NORD/LB Group. It meets both the requirements for non-financial reporting obligations in accordance with Sections 289b et seq. HGB and the combined non-financial statement in accordance with 315b to 315c HGB.

The NORD/LB Group is using the ESRS for the first time as a framework in accordance with §§ 315c para. 3 i.V.m. 289d HGB. This is based on the importance of the ESRS as the European Commission's adopted reporting standards for sustainability reporting in Europe.

With this Sustainability Statement in the appropriately designated section, the NORD/LB Group also complies with the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June on the establishment of a framework to facilitate sustainable investments and for the change in Regulation (EU) 2019/2088.

As explained in the preliminary remarks to the management report, all statements designated as NORD/LB generally refer to the NORD/LB Group. If only parts of the Group or NORD/LB (Bank) are meant, this is indicated in an appropriate manner. Below the term NORD/LB Group always refers to the Group consisting of NORD/LB (Bank) and NORD/LB Luxembourg (NORD/LB CBB). If the analysis relates to a subset of the Group, subsidiaries are not considered for reasons of immateriality.

ESRS 2 General Information

Basis of preparation

BP-1

5(a):

This Sustainability Report is prepared on a consolidated basis for the NORD/LB Group and simultaneously meets all requirements for the sustainability statement for the NORD/LB Group in accordance with the European Sustainability Reporting Standards (ESRS) as well as the requirements for the non-financial reporting obligations in accordance with Sections 289b et seq. HGB and 315b to 315c HGB (summarised non-financial statement). The sustainability statement for the NORD/LB Group is prepared in full compliance with the ESRS.

5(b):

NORD/LB's basis of consolidation for the sustainability statement corresponds to the basis of consolidation for the annual financial statements. For the 2024 reporting year, no subsidiaries will prepare their own CSRD report.

5(c):

The Sustainability Report covers NORD/LB's upstream and downstream value chain. A detailed explanation of the operational and business value chain at the Bank is provided in chapter ESRS 2 (European Sustainability Reporting Standards) SBM-1 (Strategy and business model) (Article 42). NORD/LB focuses on the banking business and its own workforce.

5(d):

NORD/LB has not made use of the option of omitting certain information relating to intellectual property, know-how or the results of innovations.

5(e):

NORD/LB has not made use of the option pursuant to Article 19a(3) and Article 29a(3) of Directive 2013/34/EU to omit certain information, upcoming developments or matters in stages of negotiation.

BP-2

9 (a), (b):

As part of sustainability reporting, NORD/LB generally uses the time horizons defined in ESRS 1 Section 6.4, e.g. for carrying out the materiality analysis.

To carry out the analysis, NORD/LB uses a definition of short, medium or long-term time horizons that differs from the definition in ESRS 1 Section 6.4. This is the ESG business environment scan, which is described in detail in ESRS E1.SBM-3 19 a); 19 b), 19 c) and ESRS E1.IRO-1 20 b) .

The ESG business environment scan was already implemented on earlier dates, independently of the CSRD reporting. As this analysis is based on different regulatory requirements to those in the CSRD, different time horizons were used than those defined in ESRS 1 section 6.4.

For the ESG business environment scan, the following time horizons were used in accordance with the European Central Bank's (ECB) Guidelines on Climate and Environmental Risks dated November 2020:

Table 1: Time horizons for business field analysis

Time horizon	in years
Short-term	Up to three years
Medium term	Three to five years
Long-term	More than 5 years

10 (a), (b), (c), (d):

ESRS E1-4 and ESRS E1-6 disclose key figures estimated from indirect sources or approximations. The accuracy of this data is considered to be lower than that of data from direct sources. In this context, NORD/LB is currently using standard market approximation procedures. As global reporting requirements increase, data collection and availability can be expected to improve. NORD/LB plans to continue to orient itself to common market standards and strives to improve data quality (cf. E1-3 MRD-A “Data Quality”) in the coming years.

Table 2: Principles and accuracy of physical emission intensity

E1-4 Scope 1, 2 and 3 GHG emission reduction targets related to climate change mitigation and adaptation		
Key figures	Basis of preparation	Accuracy level
All physical emission intensities	The calculation of NORD/LB's financed emissions basically follows the PCAF ("Partnership for Carbon Accounting Financials") methodology. Scenario analyses for aligning the investment and loan portfolio with the climate goals are based on the PACTA (Paris Agreement Capital Transition Assessment) methodology. In accordance with the relevant business activity, earmarked and unearmarked (project) funding is taken into account in all sectors where PCAF methods allow for estimation. Physical emissions intensity is determined by the ratio between the share of emissions financed by NORD/LB in the relevant business activity and the physical metric associated with each sector. Missing emissions data are, if possible, calculated using technology-specific and production-based models or estimated using granular sector-specific and region-specific average values. The sector averages used were derived as economic emission intensities using a large number of reported corporate emissions from an external data source as well as macroeconomic data. The best possible data source is selected individually for each emissions scope.	The emissions calculation follows a cascading logic that reflects the hierarchy of the data quality scores of the Partnership for Carbon Accounting Financials (PCAF). The use of directly reported emissions data from business partners or reported emissions data from data sources from third-party providers is preferred. If these are not available, approximations are made using models or (sector) averages. These estimates largely have to be used as the number of companies currently subject to reporting is low, which has resulted in a lack of emission data available. The data quality of emissions data approximated using models or sector averages is considered to be lower than reported emissions data. The proportion of approximation also depends heavily on the type and number of customers in a sector. In sectors with few large and reportable customers, coverage is naturally higher, such as in the steel sector. Further information on the procedure can be found in "Table 3: E1-6 Gross GHG emissions of categories Scope 1, 2 and 3 and total GHG emissions" below.
Physical emission intensity Aviation sector	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 Greenhouse Gas (GHG) emissions category 15) and the passenger kilometres (Pkm) required to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity Energy sector	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) and the amount of energy produced (in MWh) needed to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity of residential properties	The resulting CO ₂ e emissions (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) as well as the square metres (m ²) required to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity of commercial properties	The resulting CO ₂ e emissions (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) as well as the square metres (m ²) required to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity Agriculture - Dairy	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) and the amount of milk produced (in kg) needed to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity Agriculture - Pork	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) and the amount of meat produced (in kg) needed to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity Agriculture - Crops	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) and the amount of fruit produced (in ha) needed to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity Steel	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) and the amount of steel produced (in kg) needed to calculate the emissions intensity are partly based on estimates.	
Physical emission intensity automotive	Both the CO ₂ e emissions generated (see ESRS 2 BP-2 Scope 3 GHG emissions category 15) and the passenger kilometres (Pkm) required to calculate the emissions intensity are partly based on estimates.	

Table 3: Principles and accuracy of GHG emission data

E1-6 Scope 1, 2 and 3 gross GHG emissions and total GHG emissions		
Key figures	Basis of preparation	Accuracy level
Scope 1 GHG emissions	<p>Scope 1 GHG emissions include direct emissions from the combustion of fossil raw materials and the operation of the vehicle fleet. Direct emissions from fuels for heating and gensets as well as coolant losses are recorded with the help of the VfU tool. The underlying emission factors are taken from the Ecoinvent database. For foreign locations for which no direct values are available, a pro-rata estimate is made on the basis of percentage projections.</p> <p>This is also done for the foreign branches and subsidiaries of NORD/LB (with the exception of CBB Luxembourg).</p> <p>These statements also apply, to the extent applicable, to the category Scope 3.3 Emissions, Energy Precursors.</p>	<p>The degree of accuracy depends on the availability of data. Direct measurements are highly accurate. When projections are based on average values, the degree of accuracy is moderate.</p>
Scope 2 GHG emissions	<p>Scope 2 GHG emissions refer to indirect emissions arising from the production of purchased energy, such as electricity, district heating and natural gas. The calculation is based on both the market-based and the location-based method. Location-related emissions are recorded using the average emissions intensity of the respective electricity grid, while market-related emissions are based on contractual instruments. For foreign locations and international lease agreements ("warm leases"), missing values are estimated using projections per employee. The underlying emission factors come from the Ecoinvent database.</p> <p>Existing data from the MST database and invoices were used to calculate the electricity consumption. Missing data was supplemented by a conversion factor calculated from the division of the total data by the total area in square metres. This resulted in an average consumption of 50 kWh/m².</p> <p>Similar to electricity consumption, heat consumption was supplemented by a conversion factor. The total data was divided by the total area in square meters, resulting in an average consumption of 100 kWh/m².</p> <p>This also applies to NORD/LB's foreign branches and subsidiaries (with the exception of CBB Luxembourg).</p> <p>These statements also apply to the category Scope 3.3 Emissions, energy precursors, where applicable.</p>	<p>The degree of accuracy depends on the availability of data. Direct measurements are highly accurate. When projections are based on average values, the degree of accuracy is moderate.</p>
Scope 3 GHG emissions category 1, purchased goods and services	<p>Scope 3 category 1 GHG emissions refer to upstream emissions from the production of goods and services. This includes, for example, office supplies, buildings or IT equipment. The underlying emission factors come from the Ecoinvent database.</p> <p>The starting point for the calculation is the systematic recording of the purchased products and services. At NORD/LB, this takes place via an expense-based estimate based on the G/L account evaluation of the ERP system.</p> <p>The calculation is also made for the foreign branches and subsidiaries of NORD/LB (with the exception of CBB Luxembourg, as well as for locations for which no real data is available in the reporting year). Emissions are calculated on the basis of sector-specific emission factors.</p>	<p>External data sources and sector-specific emission factors are used as part of the determination. The calculations are often based on standard assumptions and cross-industry data. In combination with the methodology of an expenditure-based estimate, the degree of accuracy of the key figure is to be classified as moderate.</p>
Scope 3 GHG emissions category 2, capital goods	<p>Scope 3 GHG emissions in category 2 relate to emissions associated with the production and delivery of long-term capital and investment goods. This includes, for example, vehicles, building conversions and IT infrastructure and office equipment. The underlying emission factors come from the Ecoinvent database.</p> <p>The starting point for the calculation is the recording of the capital goods. NORD/LB uses an expense-based estimate for this, based on the acquisitions of assets in 2024. For the foreign branches and subsidiaries of NORD/LB (with the exception of CBB Luxembourg), the values are extrapolated on the basis of the number of employees.</p>	<p>External data sources and sector-specific emission factors are used as part of the determination. The calculations are often based on standard assumptions and cross-industry data. In combination with the methodology of an expenditure-based estimate, the degree of accuracy of the key figure is to be classified as moderate.</p>

Scope 3 GHG emissions, Category 6: Business travel	<p>The Scope 3 GHG emissions of Category 6 refer to the emissions of employees' business trips as part of NORD/LB's banking operations. The underlying emission factors come from the Ecoinvent database.</p> <p>The starting point for this is the flight distances of NORD/LB employees. A distinction is made between short and long-haul flights. For the foreign branches and subsidiaries of NORD/LB (with the exception of CBB Luxembourg), the values are extrapolated on the basis of the number of employees.</p>	Sector-specific emission factors are used in the calculation. In combination with the known flight distances, the degree of accuracy of the key figure is to be classified as high.
Scope 3 GHG emissions Category 7, employee commuting - working from home	<p>The Scope 3 GHG emissions of Category 7 relate to commuting of employees as part of NORD/LB's banking operations. The underlying emission factors come from the Ecoinvent database.</p> <p>The starting point for the calculation is the number of employees. This is weighted with a relative distribution of the use of transport in Germany, as the actual use of transport is unknown. This also applies to NORD/LB's foreign branches and subsidiaries (with the exception of CBB Luxembourg).</p>	External data sources and sector-specific emission factors are used as part of the determination. Since commuter traffic is determined by the number of employees and the relative distribution of transport use, the degree of accuracy of the key figure is to be classified as moderate.
Scope 3 emissions category 15, financed emissions according to PCAF	<p>The calculation of NORD/LB's financed emissions basically follows the PCAF ("Partnership for Carbon Accounting Financials") methodology. Scenario analyses for aligning the investment and loan portfolio with the climate goals are based on the PACTA (Paris Agreement Capital Transition Assessment) methodology. In accordance with the relevant business activity, earmarked and unearmarked (project) funding is taken into account in all sectors where PCAF methods allow for estimation. Missing emissions data are, if possible, calculated using technology-specific and production-based models or estimated using granular sector-specific and region-specific average values. The sector averages used were derived as economic emission intensities using a large number of reported corporate emissions from an external data source as well as macroeconomic data. The best possible data source is selected individually for each emissions scope. Further information can be found in the MDR-Ms of E1-6.</p>	The emissions calculation follows a cascading logic that reflects the hierarchy of the PCAF data quality scores. The use of directly reported emissions data from business partners or reported emissions data from data sources from third-party providers is preferred. If these are not available, approximations are made using models or (sector) averages. Further information on data quality can be found in Table 8 in Section E1-6.

11 (a), (b):

Approximations are used in the context of the Scope 3 GHG emissions reported in E1-6. A detailed description of the sources of measurement uncertainties and the underlying assumptions can be found in ESRS 2 BP-2 10. As NORD/LB will gradually introduce the quantitative disclosure obligations regarding the financial impact of E1-9 in accordance with ESRS 1 Appendix C (Phase-In), there will be no monetary amounts subject to a high degree of measurement uncertainty in the 2024 financial year.

13 (a), (b), (c), 14 (a), (b), (c):

These requirements are not relevant at this time as this is the initial report.

15:Information based on commercial regulations

This sustainability statement in accordance with the ESRS also meets the requirements for the non-financial consolidated statement prepared in accordance with Sections 289b et seq. HGB and 315b to 315c HGB and thus represents the combined non-financial statement for the NORD/LB Group and NORD/LB AöR.

In order to fulfil our reporting obligations under commercial law, we declare the following:

- The first and full use of the European Sustainability Reporting Standards (ESRS) as a framework pursuant to Sections 315c(3) in conjunction with 289d HGB takes place due to the importance of the ESRS as a reporting standard for sustainability reporting adopted by the European Commission.

- There are no material risks arising from the NORD/LB Group's own business activities as well as from business relationships, products and services that are highly likely to have serious negative effects on the non-financial aspects in accordance with Section 289c HGB.
- For the NORD/LB Group, there are no reportable most significant non-financial performance indicators within the meaning of Section 289c HGB.

Disclosures under the EU Taxonomy Regulation

As part of the environmental information in this sustainability statement, the information pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation) for the NORD/LB Group is included in "Environmental Information - Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)".

Supplementary information on the non-financial statement of NORD/LB AöR pursuant to Section 289b HGB

- No recognised framework was used for the non-financial statement of NORD/LB AöR, as the ESRS Group statement is relevant for the stakeholders.
- Unless otherwise stated, the concepts, measures and objectives specified at Group level are generally also pursued at parent company level.

16:

The disclosure requirements of ESRS 2 GOV-5 (Governance) and IRO-1 (Management of Impacts, Risks and Opportunities) for risk management and internal controls of sustainability reporting are included in the disclosures in the Forecast, Opportunity and Risk Report section/ESG Risks chapter of the Group Management Report. The quantitative disclosure requirements for the company-specific disclosure of tax transparency are included in the notes to the Group Management Report in the Country-by-Country Reporting section in accordance with Section 26a of the German Banking Act (KWG) and are an integral part of the sustainability report. In addition, all other references in the sustainability report are not part of the sustainability report itself, but serve to indicate further information.

Governance – ESRS 2

GOV-1

20/22 (a):

NORD/LB is organised according to the dual system.

NORD/LB's governing bodies are the Managing Board, the Supervisory Board and the Owners' Meeting. The tasks of the respective governing bodies are derived from the corporate and banking supervisory regulations as well as from NORD/LB's Articles of Association and the respective rules of procedure of the governing bodies. An administrative body within the meaning of ESRS 2 does not provide for the organisational structure of NORD/LB.

In accordance with the rules of procedure for the Managing Board, the Managing Board conducts the Bank's business in compliance with the statutory provisions, the Bank's Articles of Association, the business and risk strategies and the guidelines adopted by the Owners' Meeting or the Supervisory Board. The Managing Board coordinates the strategic direction of the Bank with the Supervisory Board and regularly discusses the status of strategy implementation with the Supervisory Board. This includes the establishment and validation of procedures for dealing with the Bank's material impacts, risks and opportunities.

The Managing Board currently consists of four people:

- Jörg Frischholz (CEO),
- Ingrid Spletter-Weiß (CCO),
- Christoph Dieng (CRO),
- Jasper Hanebuth (CFO).

The division of tasks within the Managing Board is determined by the division of responsibilities plan.

In addition to the tasks prescribed by law, the Supervisory Board of NORD/LB must advise in particular the Managing Board, monitor its management and discuss the Bank's business and risk strategy with the Managing Board. These tasks include reviewing the procedures for dealing with the Bank's material impacts, risks and opportunities.

According to the Articles of Association, NORD/LB's Supervisory Board is composed of 18 members:

- Gerald Heere (Chairman of the Supervisory Board),
- Herbert Hans Grüntker,
- Cord Bockhop,
- Bernd Brummermann,
- Jürgen Fox,
- Dr Susanne Knorre,
- Dr Thorsten Kornblum,
- Christina Lang,
- Walter Petry,
- Michael Richter,
- Silke Stremmlau,
- Matthias Wargers,

- Nana Geisler,
- Stefan Große,
- Karin Lichtenstein,
- Christian Lange,
- Cornelia Günther,
- René Baumgartner.

An Audit Committee, a Risk Committee, a Remuneration Committee and a Presidential and Nominations Committee have been established to advise and support the Supervisory Board in the performance of its tasks. Further committees can be formed if necessary.

The Owners' Meeting serves as a meeting of NORD/LB's owners for the purpose of exercising their rights in material matters relating to the Bank. According to the Articles of Association, the tasks of the Owners' Meeting include passing resolutions on selected personnel and material matters that are essential for the management of the Bank.

21 (a):

Table 1: Number of members of the Managing Board and Supervisory Board

Number of Managing Board members	4
Number of Supervisory Board members	18

Due to the dual system of organisation described under GOV-1 20/22 a), the members of the Managing Board are to be regarded as executive and those of the Supervisory Board as non-executive.

21 (b):

Of the 18 members of the Supervisory Board, six represent the Bank's employees.

The general representation and consideration of the interests of NORD/LB employees and other employees can be viewed under ESRS 2 SBM-2 45 a).

21 (c):

When selecting the members of the management bodies (Managing Board and Supervisory Board), attention is paid – in accordance with the respective tasks and responsibilities – to the diversity of the skills available in the committees. The professional suitability of the members of the Managing Board and the Supervisory Board should be continuously ensured in accordance with the regulatory requirements and reviewed at least once a year in accordance with the Group guidelines on the assessment of the suitability of members of the Managing Board. Professional suitability requires, among other things, knowledge, skills and experience in the business NORD/LB operates and in the risks associated with it.

The business segments, products and geographical locations relevant to NORD/LB's business activities can be viewed under ESRS 2 SBM-1 40 a), e) and f).

Further information, such as the CVs of the members of the Managing Board, can be found on NORD/LB's website: <https://www.nordlb.de/de-nordlb/gremien-und-organe>

As a result, the members of the Managing Board and the Supervisory Board as a whole – in accordance with their respective tasks and responsibilities – possess a wide range of knowledge, skills and experience in order to be able to properly perform their tasks at NORD/LB.

21 (d):

The Managing Board currently consists of three men and one woman. Twelve men and six women are currently represented on the Supervisory Board.

Table 2: Gender diversity on the Managing Board and Supervisory Board

Share of women on the Managing Board	25%
Share of men on the Managing Board	75%
Share of women on the Supervisory Board	33%
Share of men on the Supervisory Board	67%
Ratio of women and men on the Supervisory Board	1/3

21 (e):

The quota of Supervisory Board members deemed to be independent is determined based on guidelines set by the European Banking Authority (EBA) on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021-06), according to which those members who represent employees should not be taken into account. According to the institution's own assessment, six of the 12 Supervisory Board members relevant for determining the independence rate are considered independent within the meaning of the EBA guidelines. This corresponds to a rate of 50 per cent.

22 (a), (b):

NORD/LB's Managing Board conducts the Bank's business in compliance with the statutory provisions, the Bank's Articles of Association, the business and risk strategies and the guidelines adopted by the Owners' Meeting or the Supervisory Board. The Supervisory Board is responsible for the tasks arising from the law and the Bank's Articles of Association. In particular, it shall advise the Managing Board, monitor its management and discuss the Bank's business and risk strategy with the Managing Board.

The respective banking responsibilities of the individual members of the Managing Board are set out in the business distribution plan. The topic of sustainability – including the collection and validation of the impacts, risks and opportunities (IROs) of the respective business segments – generally affects all Managing Board delegates. As a result, responsibility for sustainability aspects is shared among all members of the Managing Board (cf. ESRS 2 GOV-1 21. c).

The Supervisory Board has formed committees as described in ESRS 2 GOV-1 19. A specific committee on sustainability issues has not been set up. Depending on the content, sustainability aspects are dealt with either in the committees responsible for the topic or in the Supervisory Board (cf. ESRS 2 GOV-1 21. c).

22 (c) i:

As described in ESRS 2 GOV-1 22 a), the Managing Board and the Supervisory Board share responsibility for governance procedures, controls and operations in accordance with their respective duties and responsibilities. CSRD reporting, including reporting by the IROs, takes place via the Group Annual Report. The Group Annual Report is signed by the Managing Board. On a proposal from the Supervisory Board, the Owners' Meeting resolves on the adoption of the annual financial statements and approval of the consolidated financial statements. In addition, the ESG strategy is adopted by the Managing Board and brought to the attention of the Supervisory Board.

22 (c) ii:

The reporting obligation of the Managing Board to the Supervisory Board results from the legal requirements and the Managing Board's Rules of Procedure. Accordingly, the Managing Board must report on the following topics in particular:

- Business policy and fundamental issues of corporate planning;
- Profitability of the bank;
- The Bank's business development and position;
- Transactions that are of major significance to the Bank's profitability or liquidity;
- Risk situation of the Bank and the Group; and
- The Bank's remuneration systems.

In addition, the Chairman of the Supervisory Board must be informed immediately of other events, particularly those that are important from a risk perspective.

ESRS 2 GOV-2 26 describes the involvement of the Managing Board and the Supervisory Board in the materiality analysis. ESRS 2 GOV-2 26 describes the involvement of the Managing Board and the Supervisory Board in the materiality analysis.

22 (c) iii:

Internal controls and monitoring mechanisms have been implemented in the Bank's specialist departments to monitor risks and mitigate them. These are documented in the Bank's written documentation of internal regulations (sfo) and are validated annually.

In addition, no specific controls and procedures have been established for the management of IROs.

22 (d):

ESRS GOV-2 26 a) covers the monitoring of the setting and achievement of objectives related to material IROs. As part of the responsibility for the proper organisation of the Bank's business, the Managing Board is responsible for establishing an effective ESG strategy process. The resulting ESG strategy is brought to the attention of the Supervisory Board or the relevant technical committees. The Managing Board and Supervisory Board are thus involved in defining NORD/LB's objectives for material IROs and tracking their progress.

23 (a):

NORD/LB has, in its own view, a robust governance framework to ensure the regulatory requirements for the suitability of the members of the Managing Board or Supervisory Board and for the composition of both bodies in terms of their specialisms. Professional suitability requires, among other things, skills and expertise in connection with sustainability aspects.

Jasper Hanebuth in particular has relevant experience and expertise with regard to sustainability aspects as the responsible Managing Board member for the ESG Management department. This relates, for example, to the topics of sustainability reporting and climate stress tests. However, the other members of the Managing Board can also demonstrate various touchpoints on ESG-related topics both within the scope of their work at NORD/LB and from previous work at other companies in the financial sector (e.g. member of the ESG Council in a leading banking group and Head of People & Culture).

As part of the last reappointment of the Supervisory Board (term of office 1 June 2024 – 31 May 2028), consideration was given in particular to sufficient expertise with regard to sustainability topics in accordance with the Group Guideline on the suitability assessment of members of management bodies and key function holders. As a result, according to NORD/LB's self-assessment, NORD/LB's Supervisory Board has adequate theoretical and practical experience in ESG overall for NORD/LB's business operations. In carrying out their duties, the Chairs of the Risk Committee, the Remuneration Control Committee and the Presidential and Nomination Committee may also seek the advice of external experts. In addition, there is an internal right to information from selected key functions of the Bank.

In order to maintain and deepen the expertise required for the performance of the mandate, the training programme to be prepared annually for the Managing Board and the Supervisory Board also includes sustainability aspects. In addition, each member of the Managing Board and Supervisory Board has the opportunity to indicate their individual training needs. The training concept is flexible and training courses are also offered on an ad hoc basis. For example, these are also carried out as individual training, in small groups or with the involvement of external service providers.

23 (b):

The established governance framework ensures that both NORD/LB's Managing Board and Supervisory Board should have the skills and expertise required for the Bank's business operations, including the required expertise for monitoring sustainability aspects. This is achieved through targeted selection, intensive onboarding and continuous further training of the members of the Managing Board and Supervisory Board. The current level of knowledge is collected in connection with the suitability survey to be carried out at least once a year for the Managing Board and the Supervisory Board. The assessment criteria are based, among other things, on the Bank's main risks and opportunities and their impacts.

G1.GOV-1

5 (a):

The general role of the management and supervisory body of NORD/LB is described in more detail in chapter ESRS 2 GOV-1 20/22 (a).

With regard to the role of the Managing Board in the design and implementation of the corporate policy, the Rules of Procedure stipulate that the Managing Board conducts the Bank's business in accordance with the statutory provisions, the Bank's Articles of Association, the business and risk strategies and the guidelines adopted by the Owners' Meeting or the Managing Board. The Bank's strategic direction must be coordinated with the Supervisory Board and the status of strategy implementation must be discussed regularly with the Supervisory Board. This includes the overall business strategy, the individual business segment strategies (Private and Commercial Customers, Corporate Customers and Savings Bank Network business, Markets, Structured Finance and Real Estate Customers) and the risk strategy. In addition, selected functional strategies (e.g. ESG, IT, HR) can be discussed in the Supervisory Board or in the relevant technical committees.

In addition to the tasks prescribed by law, the Supervisory Board of NORD/LB must advise in particular the Managing Board, monitor its management and discuss the Bank's business and risk strategy with the

Managing Board. This was done in 2024, firstly, in the ordinary meetings of the Supervisory Board and in the relevant technical committees, and secondly as part of a multi-day strategy workshop.

5 (b):

The suitability of the administrative, management and supervisory bodies with regard to corporate governance should be ensured through a robust governance framework described in GOV-1 23 a) and set out in the “Group Guidelines on the assessment of suitability assessment of members of management bodies and key function holders and on succession planning of management bodies” and the “Guidelines on the training of members of NORD/LB’s management bodies in both its management and supervisory functions”.

GOV-2

26 (a):

For the 2024 financial year, the Managing Board and Supervisory Board were separately informed about the significant IROs from the materiality analysis as part of the initial CSRD reporting. From the 2025 financial year, this will be initiated by NORD/LB’s ESG management via the annual process for revising or adjusting the ESG strategy. The information also includes the implementation of due diligence in the area of sustainability as well as the results and effectiveness of the agreed concepts, measures, key figures and objectives.

26 (b):

The Managing Board adopts NORD/LB’s business strategy, which is then discussed and duly noted by the Supervisory Board. In addition to the business segment strategies and the risk strategy, the business strategy also includes functional strategies, which also include the ESG strategy. From the 2025 financial year, IROs will be taken into account in the ESG strategy.

26 (c):

All IROs were presented to the Managing Board and the Supervisory Board. The complete IRO list can be found in ESRS 2 SBM-3 48 (a-c).

GOV-3

29 (a):

The structure and general role of the management and supervisory body of NORD/LB is described in more detail in chapter ESRS 2 GOV-1. In the context of GOV-3, it is mainly the Managing Board and Supervisory Board who are relevant here; an administrative body within the meaning of ESRS 2 does not apply for NORD/LB’s organisational structure.

Managing Board remuneration

Managing Board remuneration consists of an annual fixed salary and a variable remuneration. Since the 2024 financial year, the Managing Board remuneration system has provided that 60 per cent of the variable remuneration is determined on the basis of key figures that reflect the Group’s performance

("Group component"). In 2024, 10 per cent of the Group component was aligned with the sustainability-related goal of "green new business volume".

With the inclusion of the sustainability-related target "green new business volume" in the Group component, a general market development is taken into account to increase the attention given to sustainability aspects in the remuneration parameters. At the same time, the expectation of the ECB's Joint Supervisory Team (JST) and the Federal Financial Supervisory Authority (BaFin) to bindingly agree quantitative environmental targets is being met. The specific design of the sustainability component must be redefined annually in line with the expected further developments in the definition and measurement of key sustainability figures.

Supervisory Board remuneration

Members of the Supervisory Board do not receive any variable remuneration components for their activities in accordance with Section 25d (5) German Banking Act. For this reason, sustainability-related incentive and remuneration systems for the Supervisory Board of NORD/LB are not implemented and do not apply as part of CSRD reporting.

29 (b), (c):

A sustainability target is used for the assessment of the sustainability component within the scope of the Group component of the NORD/LB Group, enriched with further ancillary conditions for target achievement if necessary. The selection of the sustainability target starts as part of the update of the business and risk strategy in the third quarter of a financial year for the next financial year. The final adoption of the sustainability target for the Managing Board for the next financial year takes place together with the adoption of the other Managing Board targets for the following year. This is usually done in December by the Supervisory Board.

Green new business volume was targeted for the 2024 reporting year.

The level of achievement of the sustainability component's targets is based on the amount of new business volume of green financing issued. The Bank's environmentally sustainable activities and suitability criteria are defined via the NORD/LB-internal Sustainable Loan Framework. Thus, the sustainability component can vary depending on the level of target achievement and thus affects variable remuneration.

29 (d):

Extrapolated to the total variable remuneration of the Managing Board, the sustainability component accounts for six per cent of the variable target remuneration.

29 (e):

The Supervisory Board is responsible for the appropriate design of the remuneration systems for the Managing Board. According to the remuneration report, the total amount of variable remuneration for the members of the Managing Board is determined by the Supervisory Board in accordance with the requirements of Section 7 of the Remuneration Regulation for Institutions (InstitutsVergV) according to the same criteria and metrics that also apply to employees. The variable remuneration may not exceed the fixed remuneration for the members of the Managing Board.

The ongoing implementation and management of the remuneration processes is carried out by the HR department. The remuneration control committee, the control units and the remuneration officer are involved in the design and application of the remuneration systems within the scope of their responsibilities and tasks.

E1.GOV-3

13:

The sustainability-related incentive and remuneration system for the NORD/LB Managing Board is described in detail in ESRS 2 GOV-3 29. A separate climate-related remuneration was not implemented in the 2024 financial year.

In addition, the Managing Board's performance is not currently assessed against the greenhouse gas emission reduction targets submitted under the ESRS E1-4 reporting obligation.

Since no variable remuneration is granted to the Supervisory Board, sustainability-related incentive and remuneration systems for the Supervisory Board of NORD/LB are not implemented and do not apply as part of CSRD reporting.

GOV-4

30, 32:

As part of the duty of care in accordance with ESRS 1 Chapter 4, NORD/LB has implemented a procedure for dealing with actual and potential adverse impacts on the environment and people. Table 1 presents an overview of the core elements of due diligence with the paragraphs distributed across the sustainability statement, including an explanation.

Table 1: Procedures for fulfilling due diligence

Core element of due diligence	Paragraphs in the Sustainability Statement	Explanatory Text	(Sub-) Chapter
a) Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2, 26. a), b)	Anchoring of information channels and monitoring mechanisms for material IROs for the Management Board and Supervisory Board	ESRS 2 GOV-2, 26. a), b)
	ESRS 2 GOV-3, 29. a), b), c), d), e)	Anchoring of sustainability-related remuneration for the Managing Board	ESRS 2 GOV-3, 29. a), b), c), d), e)
	ESRS 2 SBM-3, 48. a), b), c), f)	Overview of key IROs and relationship to strategy and business model	ESRS 2 SBM-3, 48. a), b), c), f)
	ESRS E1 GOV-3, 13.	Anchoring climate-related remuneration of members of administrative, management and supervisory bodies	ESRS E1 GOV-3, 13.
	ESRS E4 SBM-3, 16. a), b), c)	Overview of key IROs and relationship to strategy and business model	ESRS E4 SBM-3, 16. a), b), c)
b) Involvement of affected stakeholders in all important due diligence steps	ESRS 2 GOV-2, 26. a), b)	Involvement of the Managing Board and Supervisory Board in material IROs	ESRS 2 GOV-2, 26. a), b)
	ESRS 2 SBM-2, 45. a), b)	Definition and involvement of affected stakeholders	ESRS 2 SBM-2, 45. a), b)
	ESRS 2 IRO-1, 53. b) iii.	Involvement of affected stakeholders in materiality assessment of sustainability aspects	ESRS 2 IRO-1, 53. b) iii.
	ESRS S1-2, 27., 27. a), 28.	Involvement of employee representatives	ESRS S1-2, 27., 27. a), 28.
	ESRS ESD-3	Involvement of affected stakeholders on the topic of taxation	ESRS ESD-3
c) Identification and assessment of adverse impacts	ESRS 2 SBM-3, 48. a), b), c)	Overview of negative impacts and impact on strategy, business model and value chain	ESRS 2 SBM-3, 48. a), b), c)
	ESRS 2 IRO-1, 53. a), b)	Materiality analysis procedure for adverse impacts	ESRS 2 IRO-1, 53. a), b)
	ESRS E1 SBM-3, 19. a), b), c)	Description of the resilience of the strategy and business model	ESRS E1 SBM-3, 19. a), b), c)
	ESRS E1 IRO-1, 20. a)	Procedures for identifying and assessing climate-related impacts	ESRS E1 IRO-1, 20. a)
	ESRS E4 IRO-1, 17. a)	Procedures for identifying and assessing impacts on biodiversity and ecosystems	ESRS E4 IRO-1, 17. a)

Core element of due diligence	Paragraphs in the Sustainability Statement	Explanatory Text	(Sub-) Chapter
(d) Measures to combat these negative impacts	ESRS E1-2, 22., 23., 24.	Strategies to address the improvement of material impacts related to climate change mitigation and adaptation	ESRS E1-2, 22., 23., 24.
	ESRS E1-3, 26., 27., 28.	Climate action and adaptation to climate change	ESRS E1-3, 26., 27., 28.
	ESRS E4-2, 20., 21., 22.	Strategies for managing material impacts related to biodiversity and ecosystems	ESRS E4-2, 20., 21., 22.
	ESRS E4-3, 25., 26., 27.	Measures related to biodiversity and ecosystems	ESRS E4-3, 25., 26., 27.
	ESRS S1-3, 32. a), b)	Procedures for eliminating or remedying negative impact on own workforce, complaint channels	ESRS S1-3, 32. a), b)
	ESRS S1-4, 38. a), b), c), 40. a), 43.	Measures relating to material impacts and their measurement	ESRS S1-4, 38. a), b), c), 40. a), 43.
	ESRS G1-1, 10., ESRS G1-3, 18., ESRS ESD-3	Procedures to prevent potential negative impacts on the topics of whistleblowing, corruption and bribery, and tax transparency	ESRS G1-1, 10., ESRS G1-3, 18., ESRS ESD-3
e) Tracking the effectiveness of these efforts and communication	ESRS E1-4, 31.	Objectives to address material climate impacts	ESRS E1-4, 31.
	ESRS E4-4, 30.	Objectives to address the material impacts associated with biodiversity and ecosystems	ESRS E4-4, 30.
	ESRS S1-4, 38. b), d), 39., 41.	Measures relating to material impacts and their measurement	ESRS S1-4, 38. b), d), 39., 41.
	ESRS S1-5, 47. a), b), c)	Objectives related to addressing material negative impacts, promoting positive impacts and addressing material risks and opportunities	ESRS S1-5, 47. a), b), c)
	ESRS G1-3, 18., ESRS ESD-3	Checking the effectiveness of the measures to prevent corruption and bribery and the tax governance compliance system	ESRS G1-3, 18., ESRS ESD-3

GOV-5

36 (a)-(e):

The ICS for sustainability reporting is currently being developed and should be based on the established ICS with regard to the approach and procedure. For the established ICS, the adequacy and effectiveness of the established ICS is regularly checked in a specified control cycle. Due to the first-time sustainability reporting, the planned regular regulatory cycle was naturally not yet fully completed as at the reporting date of 31 December 2024.

The disclosure requirements of ESRS 2 GOV-5 (governance) for risk management and internal controls of sustainability reporting are included in the disclosures in the section Forecast, Opportunity and Risk Report of the (Group) Management Report and are also an integral part of this (Group) Sustainability Report.

Strategy – ESRS 2

SBM-1

40 (a)i, 40 (a)ii, 40(a) iii, 40(g):

The core elements of NORD/LB's general strategy, which relate to significant business segments, products and services, markets and customer groups as well as employees, are linked to sustainability aspects via the ESG strategy. The Bank offers ESG-based financing such as green loans and sustainability-linked loans to promote the transformation towards sustainable business models. It is focusing on key markets and customer groups, including private and business customers as well as corporate customers, and integrates ESG criteria into its business decisions. At the same time, NORD/LB attaches great importance to a sustainable corporate culture that promotes diversity, inclusion and the further development of its employees in order to also anchor the ESG transformation internally.

As a Group, NORD/LB primarily finances private and corporate customers as well as customers in the areas of renewable energies, infrastructure, agriculture and real estate. NORD/LB offers its business partners products in a number of strategic business segments (SBSs), including private and commercial customers, corporate customers & savings bank network and functions such as Treasury, in order to support the transformation. For example, NORD/LB offers ESG-based financing as sustainability-linked loans for medium-sized corporate customers in the bilateral and syndicated lending business as well as for promissory notes for the transformation to a more sustainable economy. NORD/LB also takes ESG criteria into account when taking new business decisions and in its funding (e.g. through sector-specific ESG risk analyses) and thereby supports its customers in the transformation. Under the Deutsche Hypo brand, NORD/LB covers commercial real estate financing, offering green loans as a logical addition to the sustainability concept in Deutsche Hypo's core business.

NORD/LB's business segments are divided as follows:

- **Private and commercial customers** The Private and Commercial Customers business segment consists of BLSK and Private Banking at locations in Hanover, Hamburg, Bremen and Oldenburg under the NORD/LB Private Investors private label. BLSK acts as a savings bank with a public mandate and is committed to its focus on public welfare, regional value creation and sustainability. BLSK supports private customers in the real estate sector offering consulting and financing solutions for energy-efficient construction projects and renovations (e.g. with the modernisation calculator and LBS energy consulting). The business segment plans to further develop consulting skills in order to meet the growing requirements and increased need for transformational consulting. BLSK offers its customers the Löwen+ investment fund for sustainable investment products. The annual distribution provides funding for sustainable projects and initiatives throughout the business segment and the initiation of the Bank's own projects. The Bank is expanding its ESG expertise in the business segment by offering sustainable fund products for distribution by other savings banks.
- **Corporate customers and Savings Bank Network:** NORD/LB offers comprehensive support for medium-sized companies throughout Germany, with particular expertise in the food, agriculture, trade and energy sectors. In addition, NORD/LB accompanies and supports the association savings banks with complex financing and is a specialised financier in the areas of leasing and private equity as well as in the municipal loan business. NORD/LB supports its customers in this business segment (corporate and

savings bank customers as well as the savings banks themselves) in their transition and with the related challenges.

- **Markets** NORD/LB issues bonds for financial institutions and offers capital market products for institutional customers and savings banks. NORD/LB also develops securitisation transactions (asset-backed finance). The business segment is further developing its sustainable product range. This includes sustainably classified retail issues in accordance with the Principal Adverse Impacts (PAI) standard and green bonds in the benchmark format. In this respect, a first green senior benchmark bond and a green mortgage Pfandbrief were issued, each with a volume of EUR 500 million. The business segment is planning further green bond issues in mortgage bond format or on the basis of the renewable energy portfolio. As a participant in the committees (Sustainability Board and Green Asset Committee), the business segment regularly discusses new business and funding planning with the wholesale credit divisions.
- **Special Finance:** NORD/LB offers energy and infrastructure financing in Germany as well as at its foreign locations in London, New York and Singapore. In the area of renewable energies (wind, solar and battery storage), more than 1,000 projects were carried out in more than 20 markets. NORD/LB is withdrawing completely from the aircraft financing business. This was decided by the Bank in the 2024 financial year as part of a strategic review of the business segment. No new business is being concluded in the field of aircraft financing; the existing business is currently continuing.
- **Real Estate Banking Customers:** As part of NORD/LB Real Estate Finance, Deutsche Hypo finances commercial real estate in Germany and Europe with a focus on energy-efficient office properties, housing, retail, logistics, hotels and care. NORD/LB is also involved in promoting financing for sustainably designed real estate. As a financing institution, NORD/LB offers “green loans” under the Deutsche Hypo brand, which are specifically geared towards the financing of very sustainably designed real estate. The Bank supports this financing through favourable financing conditions. Energy efficiency is currently in the foreground when evaluating real estate, and other aspects such as the connection to public transport or whether new areas have been sealed or existing areas rebuilt are also taken into account. These relate in particular to transitory risks that could influence the usability of a property in the future due to regulatory requirements or economic considerations.

NORD/LB's business activities as a commercial bank, state bank, Pfandbrief bank and central savings bank are mainly limited to Germany, in particular to the core region of Northern Germany, as well as supraregionally with domestic and foreign locations in Poland, France, Luxembourg, Netherlands, Spain, the USA, the United Kingdom and Singapore.

As at 31 December 2024, the NORD/LB Group had 3,902 employees worldwide. For more detailed information, see ESRS S1-6 50 a).

The core elements of NORD/LB's strategy described are a result of the strategy compendium. The NORD/LB Group's strategy compendium consists of the business strategy, the risk strategy and the supplementary functional strategies relating to ESG, IT, personnel, remuneration and trading as well as non-performing loans (NPL), where required. There was no need for an NPL strategy in the 2024 financial year. Further information on NORD/LB's business model, including the relevant markets and economic environment, can be found in the sections “Business Model” and “General Economic and Industry-specific Environment” of the Group Annual Report, as well as the information under E1-2 MDR-P “ESG Strategy”.

The biggest challenge in terms of sustainability is adapting to changing regulatory requirements as well as new market trends and customer needs. In addition, environmental and climate risks that may affect NORD/LB's business activities and the markets must be assessed and managed. To address these challenges, ongoing improvements in sustainability reporting and transparency are planned. NORD/LB also strives to strengthen cooperation with customers, business partners and other stakeholders in order to jointly enable innovative solutions for sustainable development. Stakeholder involvement is detailed in ERS 2 SBM-2.

The Credibility And Responsibility (CARE) sustainability project, launched in 2021, has been continued since 1 January 2024 through the follow-up project Banking Lifting Up the Environment (BLUE). The CARE project anchored ESG governance in NORD/LB's organisation, including committees and reporting lines. The BLUE programme builds on the results created as part of the CARE project, but focuses more on market opportunities and opportunities in the context of ESG. The BLUE programme also aims to implement the ESG-specific regulatory requirements at NORD/LB, but also to highlight the issue of ESG from an opportunity-oriented and market-oriented perspective.

40(a)iv:

NORD/LB has established regulations for continuous monitoring of current geopolitical developments and for adapting its business activities in order to achieve compliance with regulatory and ethical requirements. There is no evidence that financial services have been provided to companies, institutions or individuals subject to such restrictions.

NORD/LB's aim with these regulations is to ensure that its products and services are offered in full compliance with the applicable legal and regulatory requirements. In this context, there is no evidence that transactions have been conducted in markets prohibited by international or national sanctions, embargoes or other regulatory restrictions.

This applies in particular to countries, regions, companies and persons subject to sanctions by the European Union (EU), the United Nations (UN) or the Federal Republic of Germany. The basis for this is in particular:

- Regulations of the Council of the European Union in the framework of the Common Foreign and Security Policy (CFSP), such as in the area of financial and trade sanctions (e.g. EU Regulation 833/2014 on sanctions against Russia).
- The Foreign Trade Act (AWG) and the Foreign Trade Ordinance (AWV), which regulate the implementation of international sanctions in Germany.
- The Money Laundering Act (GwG) and the Financial Sanctions Act (FinSanG), which oblige banks to check transactions for sanctions violations.

NORD/LB also evaluates certain markets or sectors from a sustainability perspective based on its transformation guidelines. NORD/LB has formulated minimum standards, exclusion criteria and sector principles for this purpose. The minimum standards include regulations on human rights, protected areas and palm oil. The sector principles define (exclusion) criteria with the aim of underlining NORD/LB's business policy position and ensuring that new business activities are in line with NORD/LB's ESG principles. These include exclusions in the oil & gas, steel, agriculture and energy sectors (nuclear power plants, coal-fired power plants, etc.).

40 (b), (c), (d):

The breakdown of total revenue by relevant ESRS sectors does not apply until the finalisation of ESRS sectors by the European Financial Reporting Advisory Group (EFRAG). Further information on total revenue can be found in the Consolidated Financial Statements section of the Group Management Report. NORD/LB generates its revenue from financial services and products, but not from direct activities in the sectors listed in the table below:

Table 1: Income from direct activities per sector/area

Sector/area	Direct activity/income (yes/no)
Fossil fuels (coal, oil and gas)	No
Taxonomy-aligned economic activities related to fossil gas	No
Manufacture of chemicals	No
Controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	No
Cultivation and production of tobacco	No

40 (e), (f):

NORD/LB, as a globally active company, employer and public actor, is obliged to take responsibility for all social, ecological and economic impacts of its own business activities and, in doing so, also pursue the goals of the Paris Agreement to limit global warming to well below 2°C (with efforts to limit it to 1.5°C). NORD/LB aims to not only meet all regulatory requirements imposed on NORD/LB in its role as a state bank, but also to work actively and in a future-oriented manner to continuously reduce CO₂ emissions in banking operations and in its portfolios. In addition, NORD/LB has made it its mission to accompany and support its customers holistically in their transformation towards sustainability. For example, ESG Advisory supports NORD/LB customers with strategic ESG consulting expertise, suitable product solutions and a network of numerous cooperation partners.

NORD/LB is a signatory to the climate commitment of the German financial sector and is thus committed to aligning its loan and investment portfolios with the goals of the Paris Agreement. Originating from the banking sector of the financial sector, this initiative aims to actively contribute to the societal transformation to limit climate change.

To fulfil its obligations, NORD/LB relies on a variety of initiatives and standards. In addition to legal requirements, such as the EU Action Plan for Sustainable Finance, it is also a member of relevant networks, including the UNGC, VfU and UNEP FI. It is also based on the UN Sustainable Development Goals (SDGs), the Hanover 2035 Climate Alliance, the climate commitment of the German financial sector and the Principles for Responsible Banking (PRB).

The resulting sustainability goals and ambitions of NORD/LB are assessed and presented for each action area, climate change and the company's workforce, in the ESRS E1-4 and ESRS S1-5 disclosure requirements:

- E1-4: Greenhouse gas emission reduction targets (Scope 1-3)
- S1-5 related to S1-4: Reducing negative and promoting positive impacts on own workforce, and managing material risks and opportunities related to own workforce

Contributing to this, NORD/LB pursues the following key ambitions with regard to the most important products and services, customer categories, geographical areas and relationships with stakeholders:

1. Products & services

Within the existing business segments, business opportunities that will add significant value as part of the transformation are continuously analysed and evaluated. This includes the entire value chain of the hydrogen industry, but also other technologies that contribute to a CO₂-neutral economy. When analysing possibilities, NORD/LB's strategic focus is heavily on the EU Taxonomy-eligible economic activities as well as the overarching environmental objectives and the associated regulatory requirements. As such, the business segments concerned are aligning their strategy and activities to operate in line with the principles of the circular economy. This means that all business segments are making efforts to make their entire value chain resource efficient. NORD/LB also strives to ensure the continuity of green bond issuance. Detailed sector targets can be found in ESRS E1-4 Tables 2 and 3.

2. Customer categories

NORD/LB continuously reviews the extent to which the development or expansion of customer categories correspond to the current ESG strategy. No dedicated sustainability targets have been defined for the individual customer categories for the 2024 financial year.

3. Geographical areas

NORD/LB does not currently plan to expand the geographical areas, but is subjecting this to continuous review. No dedicated sustainability targets have been defined for the individual geographical areas for the 2024 financial year.

4. Relationships with stakeholders

NORD/LB's ambition is to deepen relations with existing stakeholders and analyse as well as review the inclusion of other stakeholder groups. No dedicated sustainability targets have been defined for the individual stakeholders for the 2024 financial year.

NORD/LB has assessed the relevance of these core elements of the strategy, business model and value chain in accordance with ESRS 2.AR 13 due to the fact that they contribute more than 10 per cent to revenue for the 2023 financial year and/or due to their connection with the material impacts. In terms of sustainability and in particular in order to achieve the emission reduction targets, the Bank has identified the most important products and services on the asset side, including the financing of renewable energies and commercial real estate financing, as well as the issue of green bonds on the liabilities side. Due to their impact on NORD/LB's Scope 3 footprint, private and commercial customers are the main customer groups with regard to sustainability in addition to corporate customers and the savings bank network. In addition to this, due to the high level of business activity and associated Scope 3.15 emissions, as well as the locations of NORD/LB employees, Germany and other euro countries were identified as key markets.

41:

NORD/LB is based in Germany. Therefore, no exception to the reporting of information under Article 18(1)(a) of Directive 2013/34/EU is allowed. NORD/LB will report the information in accordance with ESRS 2 SBM-1 40 b) and c) as soon as the ESRS sectors have been defined by the European Commission.

42:

Banks play a central role in an economy, as they process monetary transactions, regulate payment transactions and manage (monetary) assets. As a financial intermediary, NORD/LB enables investments

for companies by removing barriers between savers and companies with financing needs and thus acting as an intermediary between the various market participants. Short-term and medium-term funds from savers are combined to grant loans after checking borrowers' creditworthiness and probability of default. In this way, NORD/LB is able to balance the demand for loans with the supply of savings deposits. The importance of banks in an economy is therefore not only limited to bringing money into circulation, but also to enabling access to the capital market in order to expand company financing platforms.

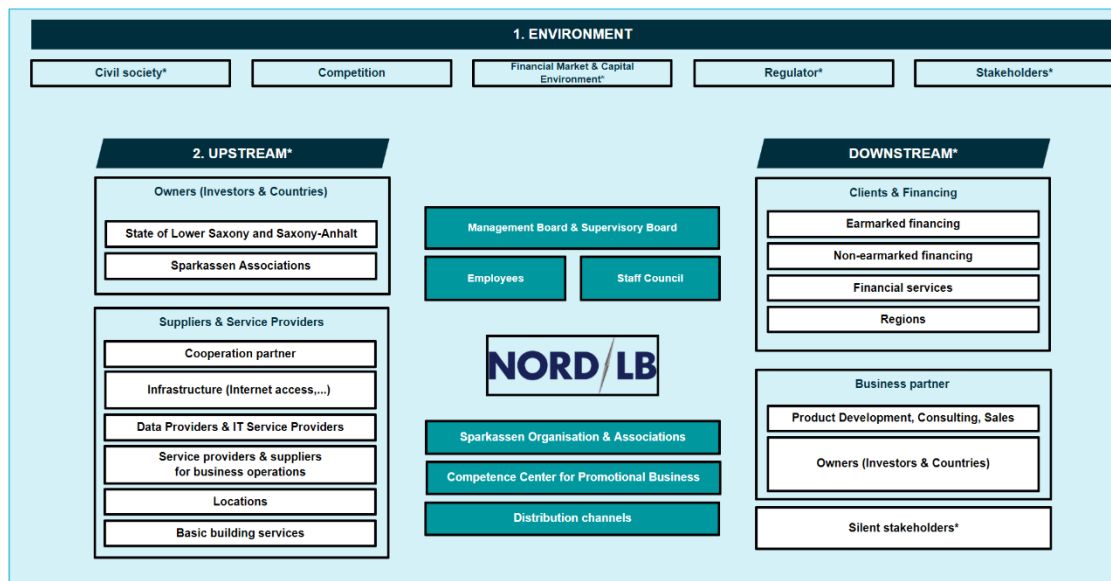
Credit institutions create value both in banking operations and in banking business. There is generally no depth to the value chain in banking, as financial services are predominantly what is provided and no upstream production steps are necessary, compared to manufacturing companies.

Banking includes financial services for customers involving banking products such as deposits, loans, mortgages, payment services, investment advice and other services, and asset management. The Bank's internal processes are summarised under banking operations. This includes administrative and support functions, such as risk management, compliance, IT infrastructure, human resources management, accounting, and internal controls and general administration.

Identifying NORD/LB's value chain raises the following questions:

- How does NORD/LB receive and structure its capital, own issues and deposits?
- Which business areas and products do NORD/LB's income (interest and commissions) come from?
- What is NORD/LB invested in?

An explanation of the specific aspects of the upstream and downstream value chain is as follows:



* Defined according to ESRS 1

Figure 1: NORD/LB's value chain within the meaning of the ESRS.

NORD/LB's activities are described in 40(a)i, 40(a)ii per business segment and are also understood to be an integral part of the value chain. In addition, NORD/LB defines its value chain in accordance with ESRS through the following actors:

1. Environment

The business environment influences a company or business segment. It includes all factors or variables that can directly and/or indirectly affect the company or business segment and to which the organisation must react and operate.

Significant external factors that influence NORD/LB's value creation are presented in the environment. As a public law institution, it is part of the Sparkassen-Finanzgruppe and is one of the nationally systemically relevant banks in Germany.

Table 2: Actors in the NORD/LB environment

Players	Explanatory text
Civil society	As the Landesbank, Giro centre and association bank for the savings banks in Lower Saxony, Saxony-Anhalt and Mecklenburg-Western Pomerania, NORD/LB assumes comprehensive social responsibility. The Bank sees its regional environment not only as a location, but also as a place of residence and living for its employees and many customers.
Competition	As a commercial bank, NORD/LB is in constant competition with other market participants. Continuous market and competitive analysis is necessary to ensure a strong position in the market.
Financial market & capital environment	NORD/LB offers its customers a wide range of financial services and operates in the field of tension between regional anchoring, personal customer contact and its activity on the global markets.
Regulator	NORD/LB is subject to many regulations, particularly due to its systemic relevance. Professional implementation of regulations and communication with the regulator is crucial for the business model.
Representation of interests	NORD/LB emphasises the importance of systematically dealing with the demands of its stakeholders and sees this as an essential element for ensuring the long-term success of the company. A detailed description of the involvement of stakeholders in NORD/LB's business model can be found in ESRS SBM-2.

2. Upstream

The upstream value chain includes all actors and activities that provide products or services that are used in the development of NORD/LB's own products or services.

Table 3: Actors in NORD/LB's upstream value chain

Players	Explanatory text
Owners (investors & countries)	NORD/LB is owned by the Federal State of Lower Saxony, the Federal State of Saxony-Anhalt, the Savings Banks Association of Lower Saxony, the Special Purpose Holding Association of the Savings Banks of Mecklenburg-Western Pomerania, and the Savings Banks Finance Group's security system with two trust companies FIDES Gamma GmbH, Berlin, and FIDES Delta GmbH, Berlin.
Suppliers and service providers	NORD/LB has identified the following suppliers and service provider groups as significant/material in the value chain: <ul style="list-style-type: none"> - Cooperation partners - Infrastructure - Data providers & IT service providers - Service providers & suppliers for business operations - Locations - Building Ordinance

3. NORD/LB

The Bank's own business area covers every activity of the company to achieve the company's objective. It covers all activities for the manufacture and use of products and for the provision of services, regardless of whether they are carried out at a domestic or foreign location.

Table 4: Stakeholders and their activities within NORD/LB

Players & activities	Explanatory text
Managing Board & Supervisory Board	NORD/LB's Managing Board manages the Bank under its own responsibility and represents it in court and out of court. The Supervisory Board has the task of regularly advising the Managing Board and monitoring its management. More detailed information on the Managing Board and Supervisory Board can be found on the ESRS GOV-1.
Employees	According to ESRS S1, employees are always part of a company's value chain and are therefore integrated into the main part of NORD/LB's value chain diagram. They actively contribute to NORD/LB's value creation.
Works Council	The Works Council represents the interests of NORD/LB employees. This includes participation and co-determination in various matters relating to the employment relationship and working conditions
Savings bank organisation & associations	NORD/LB is closely linked to the savings bank organisation as a Landesbank and savings bank central bank. It supports its owner federal states of Lower Saxony and Saxony-Anhalt in the procurement of its financial transactions and conducts their promotional business on behalf of the states. As a central savings bank, NORD/LB is a partner for all savings banks in Lower Saxony, Saxony-Anhalt and Mecklenburg-Western Pomerania, offering them the services of the entire Group with its international locations. In addition, the Bank is also cooperating with the savings banks in Schleswig-Holstein and Brandenburg as part of the "extended network". NORD/LB is also a member of various associations, such as the DSGV and DekaBank Deutsche Girozentrale, and, together with other shareholders, has supporting functions, for example at LBS NordWest.
Competence centre promotional business	NORD/LB conducts its promotional business on behalf of the federal states of Lower Saxony, Saxony-Anhalt and Mecklenburg-Western Pomerania. The Landesförderinstitut Mecklenburg-Vorpommern, which is part of the NORD/LB Group, advises the respective federal state government.
Distribution channels	NORD/LB uses various sales channels to offer its services and interact with its customers. The sales channels are therefore essential for NORD/LB to earn money.

4. Downstream:

The downstream value chain comprises all stakeholders and activities that receive and process products or services from NORD/LB or pass them on to end customers. This includes, in particular, sales companies and end customers.

Table 5: Stakeholders in NORD/LB's downstream value chain.

Players	Explanatory text
Municipalities	Municipalities are to be understood as the umbrella term for the economic ecosystem and the people living in it with whom NORD/LB interacts.
Customers	Its strategic orientation as a commercial bank, federal state bank, Pfandbrief bank and central savings bank results in diversification across different customer groups and products, which NORD/LB serves through its business segments (cf. paragraph 40(a)i).
Business partnerships	NORD/LB's core business comprises brokerage, advice and sale of banking products, including product development in cooperation with business partners, as well as cooperation with the owners (profit-sharing) (compare "Owners (investors & federal states)" under paragraph 2).
Silent stakeholders	The ESRS defines 'silent stakeholders' as stakeholders who are unable to express their concerns themselves, such as nature. Due to its financing activities in sectors with a direct impact on silent stakeholders, such as agriculture, real estate, chemicals and energy, NORD/LB recognises these as a player in its value chain in accordance with ESRS.

SBM-2**45 (a):**

It is essential for companies to recognise the requirements of their stakeholders at an early stage in order to be able to respond to them appropriately. Taking into account the requirements of a wide range of stakeholders is an essential element for NORD/LB in securing its long-term corporate success. NORD/LB therefore uses established discussion formats with various social groups to exchange ideas on sustainability topics, to obtain and provide impetus for sustainability-oriented actions and to further develop itself. Dialogue with the stakeholders is led by ESG management in collaboration with various specialist departments. The involvement of stakeholders are governed by the Stakeholder Policy. The policy sets out how NORD/LB deals with the various interest groups (see Table 2 “Overview of Stakeholder Involvement” for a list of NORD/LB’s key interest groups and their involvement).

NORD/LB’s interest groups include legal entities and natural persons. It can be assumed that they are significantly affected by the Bank’s activities or that their actions can be expected to influence the Bank with regard to the implementation of strategies and the achievement of objectives (inside-out and outside-in perspective). ESG management is responsible for determining the materiality of stakeholders.

Table 1: Overview of stakeholder involvement

Stakeholder category	Stakeholders	How is inclusion organised?
Owners	State of Lower Saxony Savings Banks Association of Lower Saxony State of Saxony-Anhalt Savings Bank Association of Saxony-Anhalt Savings Bank Association of Mecklenburg-Western Pomerania GDPR Trustee Companies Fides Gamma and Fides Delta	The Federal State of Lower Saxony is the Bank's largest shareholder and is therefore particularly affected and interested. The Ministry of Finance of the Federal State of Lower Saxony is responsible for managing such investments and representing the interests of citizens. The owners are each represented on the Supervisory Board of NORD/LB. At the Savings Banks Association level, regular exchanges take place at different levels such as the Managing Board or specialist level, as well as ad hoc bilateral meetings with the individual owner representatives.
Employees and HR Council		All employees at the domestic locations are represented by local staff representatives and a general staff council. Employees are involved in the Bank's business development and the resulting impact on staff through briefings given to the Economic Committee of the employee representatives as and when the situation demands. All employees and their elected representatives are regularly informed via the various communication and information channels about important topics and significant changes in the company (e.g. through all-hands meetings, Q&A formats, annual kick-off events, staff meetings and information letters).
Capital markets ((Sustainability) ratings agencies, analysts, institutional investors)	ESG rating agencies	NORD/LB initiated dialogue with ESG ratings agencies for the first time in 2010. The feedback obtained in this way is used as a basis for analysing their sustainability activities and as an impetus for continuous further development in ESG matters. Ad-hoc discussions are held in the event of rating changes or new ESG publications by the Bank.
Media (Daily newspaper, business press, social media)		In its function as an institution of public law, NORD/LB acknowledges its special responsibility towards the public and undertakes to fulfil this responsibility also through transparent, open and honest cooperation with the journalistic media representatives. NORD/LB is available via the press department as a contact partner for editorial staff and freelance print and electronic media staff. At the same time, it also publishes information about its business activities on its own initiative and makes it available to the various media via the NORD/LB website and via mail distribution lists. The media landscape is also monitored quarterly with regard to ESG. The results of this are reported as KPI I to the Managing Board and Supervisory Board as part of the internal sustainability management reporting.
Suppliers and service providers		NORD/LB is a financial services company. The core business is the brokerage, advice and sale of banking products. For this reason, banks are not affected by the supply chain risks of manufacturing companies, for example in the supply of raw materials and auxiliary materials. Nevertheless, NORD/LB is dependent on suppliers and service providers to carry out and maintain its activities.
Customers	Private customers Business customers Corporate Customers Savings Bank Network Institutional customers	NORD/LB is in regular contact with its customers on current topics, e.g. via the annual capital market conference. In addition, NORD/LB participates in many (specialist) conferences and trade fairs and actively engages in contact with current or potential customers or participates in panel discussions, such as at the WindEnergy, HUSUM WIND and AGRITECHNICA trade fairs. Evening events are also organised on an ad-hoc basis for the exchanges with private customers. NORD/LB has a direct communication channel to its investors and their ESG concerns via the Research/Economics unit and Markets Strategy & Floor Research. In this context, numerous studies on the topic of sustainability were published in 2024. As part of the communication strategy, NORD/LB informs its investors about sustainable objectives.
Politics and authorities (EU, Germany, city and country)		NORD/LB is actively involved in shaping a binding and transparent regulatory framework for the financial services sector. As a regionally operating bank, NORD/LB attaches great importance to both global and municipal commitment. As part of its support for the Hanover 2035 Climate Alliance, the bank is participating in the climate change goals of the federal state capital of Hanover to reduce greenhouse gas emissions in its own operations. The Hanover 2035

		<p>Climate Alliance organises network meetings for the participating companies four to six times a year.</p> <p>NORD/LB is also in regular contact with the German and European Financial Supervisory Authority.</p> <p>In addition, topics may be reflected on the Supervisory Board via the country representatives on a case-by-case basis.</p>
Non-governmental organisations (NGOs)		NORD/LB engages in occasional exchanges with various NGOs, such as the World Wide Fund For Nature (WWF). Such occasions may include enquiries by NGOs about NORD/LB's credit exposures in certain sectors or regions or topic-related exchanges at ESG events. NGOs represent the interests of NORD/LB's silent stakeholders.
Company (social environment, neighbours, trade unions)	Ver.di	In order to anticipate the potential impact on NORD/LB employees, Ver.di, as a trade union, provides an independent insight into the interests of the employees and can assess the materiality of NORD/LB and identify other IROs, particularly in the area of social issues. As stated under "Employees and HR Council", Ver.di will be involved in the staff meetings. In addition, Ver.di has two representatives on the Supervisory Board of NORD/LB. Further dialogue takes place with NORD/LB employees who are members of Ver.di, e.g. in the country specialist groups on a quarterly and ad-hoc basis.
Associations (banking and industry associations)	Sustainable Finance Commission of the Federal Association of German Public Sector Banks (VÖB), DSGV, UN Global Compact (UNGC), German Global Compact Networks (UN GCD), UNEP FI, VfU	<p>NORD/LB is a member of the VÖB's Sustainable Finance Commission; it participated in the Round Table of the United Nations Environment Program Finance Initiative (UNEP FI) for the first time in 2013; and has participated in the Round Table of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. (VfU) since 2008 in order to discuss current developments in sustainability with other participants.</p> <p>NORD/LB also participates in ESG conferences, including those of the UN Global Compact Network Germany and Handelsblatt. In addition, NORD/LB has set itself the objective of raising awareness of sustainable and strategically relevant topics among its stakeholders through ESG management.</p> <p>NORD/LB is also a regular participant in various sustainability-related working groups, such as the UNGC network, the GDPR or the UN GCD.</p>
Regulator and supervision		All NORD/LB Group companies maintain a cooperative relationship with the regulator and public authorities and institutions while safeguarding their own interests. NORD/LB contacts the regulator on an ad hoc basis and quarterly with the JST.

The expectations of NORD/LB's sustainable actions communicated as part of the dialogues are incorporated into NORD/LB's sustainability management. The organisational unit (OE) ESG Management creates a list of topics annually and takes this into account for weighting measures in sustainability management and topics in sustainability communication. NORD/LB also takes into account the sustainability requirements of its stakeholders when developing and implementing its sustainability measures and when carrying out the materiality analysis. The results from the respective committees or meetings are documented in minutes or meeting notes.

45 (b):

In addition to the stakeholder dialogue within the definition of paragraph 45(a), NORD/LB has implemented various channels that can be used to disclose and understand the interests and viewpoints of stakeholders, in particular the breaches of business obligations in its own business area or with direct suppliers. Channels include, for example, the Bank's complaints channels, the whistleblower system, the mediation office, or special officers, such as the General Act on Equal Treatment (AGG) officer or human rights officer. NORD/LB responds to enquiries and concerns of its stakeholders with regard to sustainability topics. Reactions can include, for example, adjustments to the governance structure, such as tasks and responsibilities, as well as optimisation of work processes and procedures, practical individual measures and communication measures on sustainability.

45 (c):

For the 2024 financial year, the dialogues with the stakeholders did not reveal any topics that required an adjustment of the ESG strategy or business model. Should adjustments to the ESG strategy or business model be required in the future as a result of these dialogues, they will take place as part of the annual strategy adjustment.

45 (d):

Part of the internal sustainability management reporting, which is provided quarterly to the Managing Board and annually to the Supervisory Board, is the media briefing prepared by an external service provider, which provides information about any public mention of NORD/LB. Representatives of the Supervisory Board are also represented in various committees, such as the DSGVO staff council and Bundesverband Öffentlicher Banken Deutschlands, VÖB (Association of German Public Sector Banks), who are informed about the findings from dialogues with stakeholders.

ESRS 2 S1.SBM-2 Reporting Requirements - Company Workforce**12.**

Further information in this disclosure is based on information about the following category of stakeholders from Table 2 on the overview of stakeholder involvement in ESRS 2 SBM-2:

Stakeholder category
Employees and HR Council

The interests, positions and rights of NORD/LB employees, including respect for their human rights, are incorporated into the strategy and business model via the regular strategy process. The ESG strategy anchors, among other things, how NORD/LB exercises its social responsibility in relation to the rights, well-being and interests of people and communities as part of its corporate actions. This includes a clear employee-oriented positioning of the HR department as well as principles and measures on the topics of human rights, code of conduct, diversity management, occupational health management, occupational safety and social commitment. Detailed information on the personnel strategy can be found in S1-1 19.

SBM-3**48 (a) to 48 (c):**

The materiality analysis (MA) identifies NORD/LB's material influences on the environment and society (inside-out perspective) and of the environment and society on NORD/LB (outside-in perspective). The impacts presented below and identified as material correspond by definition to the "Impacts" described in ESRS 1.14 and are therefore related to the company's strategy, business model, activities and business relationships within the meaning of 48 c ii and iv. The underlying activities or business relationships can be found in Table 2. The effects are specified here in the description and located in the value chain.

The IROs were presented to the Managing Board for the first time as part of a project in the 2024 financial year, but were not yet taken into account in the development of the strategies due to a time lag with the Bank's strategy process. From the 2025 financial year onwards, NORD/LB will integrate the IROs into the Bank's strategic direction via the ESG strategy. The current and expected impact on decision-making

processes due to the risks and opportunities identified is considered to be low in the 2024 reporting year as this is the first time it has been submitted.

Due to the impacts and risks identified, there were no material restrictions on banking operations or banking business during the reporting period. The current impact on the Bank's financial performance through the use of those opportunities identified is positive, but low. At the same time, the potential risks did not materialise, so it had low to no impact on the Bank's financial position. No material risks requiring material adjustment are expected for the coming reporting period (cf. 48 d) and e)). According to current findings, there are no restrictions resulting from the material impacts and risks with medium and long-term time horizons that would require adjustments to the ESG strategy.

In response to the impacts, risks and opportunities identified, the Bank has taken key measures in relation to sustainability issues. As part of ESRS E1-3, ESRS S1-4 and ESRS G1-3, NORD/LB's most important measures are presented in the sustainability context. In addition, company-specific information on money laundering (see G1-4 24 b)) and taxes, which include NORD/LB's material sustainability measures, is taken into account. Due to the medium to long-term nature of the IROs, no additional measures were established in the E4 in the current reporting period. These measures did not involve any changes to the overall strategy or business model.

As part of the materiality assessment, NORD/LB identified the following material IROs. The company-specific information is marked with an asterisk in the first column in Table 2. Table 1 shows the abbreviations in the IRO list.

Table 1: Notes to the IRO list

Category	Abbreviation	Meaning
Topic	E1	Climate change
Topic	E4	Biodiversity and ecosystems
Topic	S1	Own workforce
Topic	G1	Governance
Sub-topic (E1)	E1.1	Transition plan for climate change mitigation
Sub-topic (E1)	E1.2	Climate protection
Sub-topic (E1)	E1.3	Energy
Sub-topic (E4)	E4.1	Direct causes of biodiversity loss
Sub-topic (E4)	E4.2	Effects on the state of species
Sub-topic (S1)	S1.1	Workplace environment
Sub-topic (S1)	S1.2	Equal treatment and equal opportunities
Sub-topic (G1)	G1.1	Corporate culture
Sub-topic (G1)	G1.2	Protection of whistleblowers
Sub-topic (G1)	G1.3	Corruption and bribery
Sub-topic (G1)	G1.4	Tax transparency
Sub-topic (G1)	G1.5	Money laundering
IRO type	I (+)	Positive impact
IRO type	I (-)	Negative impact
IRO type	R	Risk
IRO type	O	Chance
BB/BO	BB	Banking business
BB/BO	BB	Banking operations
DS/US/PB	US	Upstream
DS/US/PB	DS	Downstream:
DS/US/PB	PB	Proprietary business
ST/MT/LT	ST	Short-term
ST/MT/LT	MT	Medium term
ST/MT/LT	LT	Long-term

Table 2: NORD/LB's IRO list

Topic	Sub-topic	Description including influence and impact on business model & strategy	IRO-type	BB/BO	DS/US/PB	ST/MT/LT
E1	E1.1	Physical risks: Physical risks, for example, resulting from insufficient insurance against extreme weather or natural production losses (droughts, extreme heat, forest fires, flooding, etc.), can impair the ability to provide capital services, increase the probability of defaults and thus lead to an increased credit risk for NORD/LB.	R	BB	DS	MT
E1	E1.1	Risks from extreme weather events: Increasing extreme weather events, such as prolonged periods of drought, can lead to the gradual migration of entire industries, such as the agricultural industry, to climate-friendly regions. These developments can significantly reduce economic activity and jobs in the affected areas. For NORD/LB, this creates the risk of credit defaults and impairments for investments in these regions and sectors.	R	BB	DS	LT
E1	E1.1	Renewable energies: NORD/LB has a direct influence on CO ₂ emissions through the projects it finances. The Bank focuses on financing renewable energies, which has a positive environmental impact. By supporting sustainable energy projects such as wind turbines or solar parks, NORD/LB contributes to the expansion of sustainable energy sources and positions itself as a pioneer in the field of sustainable financing.	I (+)	BB	DS	LT
E1	E1.1	Green funding: NORD/LB has a positive impact on the promotion of sustainable projects by issuing green bonds. These bonds refinance environmentally friendly projects such as renewable energies and sustainable buildings. This positive impact enables the Bank to reduce CO ₂ emissions, conserve natural resources and create green jobs.	I (+)	BB	US	LT
E1	E1.1	New business segments: The development of new business segments, such as sustainability consulting and product/financing solutions for companies with regard to the challenges of transforming their business models, as well as cross-regional cooperation in the context of sustainability offer NORD/LB an opportunity. These initiatives enable the bank to position itself as a leading provider of sustainable product/financial solutions, unlocking transitory sources of revenue and offering innovative services that meet increasing regulatory and societal requirements.	O	BB	DS	ST
E1	E1.2	Stranded assets: A potential risk for NORD/LB in the course of the transition to renewable energies is the risk of stranded assets within its portfolio. In concrete terms, this could mean that investments in fossil fuels and conventional energy projects lose value or become unsellable. This could lead to significant financial losses and burden the Bank's balance sheet as the assets concerned no longer generate the originally expected returns.	R	BB	DS	MT
E1	E1.2	Transient risks: Transition risks can lead to NORD/LB customers no longer being competitive due to regulatory changes, technological advances and market shifts. Companies that do not adapt quickly enough could suffer financial losses or become insolvent, which impairs default rates and thus the stability of NORD/LB's loan portfolio and leads to financial losses.	R	BB	US	MT
E1	E1.2	Regulations: Stricter legal requirements for limiting CO ₂ emissions, such as minimum shares of renewable energies for energy suppliers or stricter requirements for fleet consumption for car manufacturers, could present significant challenges for NORD/LB's customers. Such regulatory changes could require investments and adjustments by companies, which could affect their financial stability. For NORD/LB, this results in the risk of credit defaults and impairments for investments in affected industries and companies.	R	BB	DS	MT

Topic	Sub-topic	Description including influence and impact on business model & strategy	IRO-type	BB/BO	DS/US/PB	ST/MT/LT
S1	S1.1	Competitive situation on the labour market: Competition in the labour market is increasing steadily, as professionals – especially technology-oriented and specialist profiles – are scarce in many areas. This development is exacerbated by demographic change and leads to increased demands on HR in recruitment and retention. Delays in recruiting and retaining professionals can impact productivity and efficiency, leading to competitive disadvantages.	R	BB	PB	ST
S1	S1.1	Social responsibility: NORD/LB enables its employees to engage socially through diverse offers and the Bank's support, thereby achieving a positive impact. These measures promote the sense of community and social responsibility of employees, strengthen the feeling of belonging to the Bank and contribute positively to a corporate culture in which social responsibility and commitment are recognised.	I (+)	BB	PB	LT
S1	S1.1	Stable working environment: NORD/LB has a positive impact on the workforce by creating secure jobs and offering permanent employment. These measures ensure long-term employment security and promote employees' trust and loyalty to the bank, which ultimately contributes to a stable and motivating working environment.	I (+)	BB	PB	ST
S1	S1.1	Social dialogue: NORD/LB has a positive impact on social dialogue through the agreements between NORD/LB and the staff council on all material HR issues. These agreements result from constructive and transparent cooperation, strengthen trust between employees and management and contribute to a fair and inclusive working environment.	I (+)	BB	PB	LT
S1	S1.1	Working time: Potential negative effects could arise from exceeding the allowable working hours, which could result in impairments to personal recovery up to health problems. In order to avoid potential negative impacts, NORD/LB places great value on the application of the collective agreement on working hours and holidays both to employees who are paid according to the collective agreement and those who are not paid outside the collective agreement.	I (-)	BB	PB	LT
S1	S1.1	Health management: NORD/LB strengthens the health protection and safety of employees through comprehensive occupational health management, which includes an occupational health service, personal health services, company sports groups and counselling services for employees and managers. These measures help to create a healthy and safe working environment that promotes the well-being of the workforce and positions the Bank as a caring employer.	I (+)	BB	PB	ST
S1	S1.1	Collective agreements: A high proportion of employees covered by collective agreements contributes to a fair and stable working environment. Almost all NORD/LB employees in Germany benefit from collective agreement regulations on working hours and holidays. This promotes employee satisfaction and retention, ensures fair working conditions and thus strengthens the company's attractiveness as an employer.	I (+)	BB	PB	ST

Topic	Sub-topic	Description including influence and impact on business model & strategy	IRO-type	BB/BO	DS/US/PB	ST/MT/LT
S1	S1.2	Diversity: For NORD/LB, open-minded, appreciative cooperation is the basis for successful cooperation and corporate success. The implementation of diversity management at NORD/LB is driven by the Community of Diversity in all dimensions along the Charter of Diversity of Companies in Germany. As part of the "Community of Diversity" network, which operates across multiple dimensions, NORD/LB's LGBTIQ network has established itself with "BUNT/LB", which supports tolerance, fairness and appreciation in the workplace, as well as the parental leave initiative and the women's network woman@work. Furthermore, activities are regularly initiated on specific campaign days, such as the German Diversity Day, the intercultural week and Orange Day. This strengthens team collaboration and creates a culture of openness and acceptance that encourages innovation and creativity.	I (+)	BB	PB	ST
S1	S1.2	Equal treatment: Potential negative impacts could result from needs for action related to the gender pay gap or the proportion of women in management positions. Existing gender inequalities could reduce employee confidence and satisfaction, reduce potential applications, and thus affect the Company's competitiveness in the labour market.	I (-)	BB	PB	ST
S1	S1.2	Training and development: The systematic provision of training, advanced training and development opportunities enables NORD/LB to promote the skills and qualifications of its employees in the long term. Targeted investments in professional development strengthen the competence and performance of the workforce, leading to greater efficiency, innovation and quality of the services provided. This continuous promotion contributes to sustainable corporate success and improved positioning in the market.	I (+)	BB	PB	ST
S1	S1.2	Discrimination: Potential negative impacts could arise from discrimination in everyday work, which can lead to loss of productivity, increased sick leave and higher employee turnover. Legal consequences and claims for damages can lead to financial burdens, while reputational damage can undermine the trust of customers and investors. In order to proactively counteract these potential negative impacts, NORD/LB attaches great importance to a diverse, inclusive and non-discriminatory working environment.	I (-)	BB	PB	ST
G1	G1.1	Corporate culture: NORD/LB's positioning as a reliable and transparent business partner through integrity and value-based behaviour offers it an opportunity. Such behaviour strengthens the trust and loyalty of business partners and customers, which leads to long-term and stable business relationships. In addition, this positive reputation can open up new business opportunities and thus sustainably increase competitiveness and business success.	O	BB	PB	ST
G1	G1.1	Increasing regulatory requirements: Increased requirements for data collection and collection, for example due to the implementation of new regulatory requirements for sustainability reporting and the often tight time frames for implementation, entail the risk of overloading NORD/LB's internal processes. This can ultimately lead to delays in reporting or impairments to other processes at NORD/LB. In this context, there is also a risk that NORD/LB is not able to publish relevant reports on time, which could lead to reputational damage and penalties on the part of the supervisor.	R	BB	PB	ST

Topic	Sub-topic	Description including influence and impact on business model & strategy	IRO-type	BB/BO	DS/US/PB	ST/MT/LT
G1	G1.1	Increasing effort for data collection and processing: Increasing requirements for data capture and collection could make it necessary to set up additional human resources in certain areas of NORD/LB (e.g. in Controlling). This could lead to an unplanned increase in personnel costs and have a negative impact on the Bank's financial position.	R	BB	PB	MT
G1	G1.1	Positive corporate culture: A positive corporate culture enables NORD/LB to retain employees and attract new talent. A supportive and motivating work environment promotes the satisfaction and loyalty of existing employees, while at the same time creating an attractive image for potential applicants. These factors contribute to reducing staff turnover, increasing productivity and innovativeness, and ultimately strengthening competitiveness and business success in the long term.	I (+)	BB	PB	ST
G1	G1.2	Protection of whistleblowers: Fraud at banks undermines confidence in the financial system, causes financial losses and destabilises the economy. NORD/LB has therefore set up protective mechanisms for whistleblowers to mitigate fraud cases and promote transparency. These mechanisms include secure, anonymous reporting channels, regular training, clear policies and thorough investigations of reported incidents to minimise future fraudulent activities.	I (-)	BB	PB	MT
G1	G1.3	Incidents of corruption or compliance violations: Incidents of corruption or compliance violations could damage NORD/LB's reputation and impair the trust of customers and business partners.	R	BB	PB	ST
G1	G1.3	Possible effects of corruption and bribery: Corruption and bribery harm both NORD/LB and society, impair trust, efficiency and fairness in the financial system and can have legal and socio-economic consequences. NORD/LB has firmly anchored the principles of the Global Compact on anti-corruption in its guidelines, which strengthens the corporate culture of integrity and transparency and prevents corruption incidents.	I (-)	BB	PB	ST
G1	G1.3	Corruption and bribery: NORD/LB has an opportunity to position itself as a reliable and transparent business partner free of corruption and bribery incidents. This integrity fosters the trust of customers and business partners, leading to long-term relationships and new business opportunities. In addition, a strong reputation in terms of integrity and transparency can increase the bank's competitiveness and strengthen its market position.	O	BB	DS	ST
G1*	G1.4	Tax avoidance: Tax avoidance by companies can have a significant and far-reaching negative impact on society, both financially and in terms of social justice and public perception. In this respect, NORD/LB fulfils its tax obligations to the tax authorities under national or international tax laws and has implemented a corresponding tax compliance management system.	I (-)	BB	PB	ST
Topic	Sub-topic	Description including influence and impact on business model & strategy	IRO-type	BB/BO	DS/US/PB	ST/MT/LT
G1*	G1.5	Money laundering/embargoes/fraud: Failure to prevent money laundering, terrorist financing and criminal offences could lead to legal and financial sanctions for NORD/LB.	R	BB	DS	ST

48 (d), 48 (e):

NORD/LB has integrated sustainability risks into its risk inventory and evaluates them quantitatively with regard to financial effects depending on the availability of data. The risk inventory covers environmental (including climate and biodiversity aspects), social and governance risks and relates to the portfolio as

well as the Bank's own business activities according to the respective risk type. The materiality analysis in accordance with CSRD incorporates findings from the risk inventory. More detailed information on NORD/LB's risk management can be found in the Forecast, Risk and Opportunity Report as part of NORD/LB's Group Annual Report. In the context of the risk inventory, this analysis examines the extent to which sustainability risks are the relevant drivers for NORD/LB's potential losses from the risk types identified as material or relevant. As part of its regular reporting, NORD/LB determines and reports on the proportion of ESG effects from counterparty risks. These are in the middle double-digit million range, but have a low probability of occurrence of 0.1 per cent for the short-term time horizon in accordance with ICAAP logic. Against this backdrop, we do not consider these to be significant risks that could lead to significant adjustments to carrying amounts.

Opportunities from the materiality analysis in accordance with CSRD have been identified and coordinated; for reasons of confidentiality of business activities, publication beyond the contents presented in Table 2 is not planned until further notice.

48 (f):

The measures described under E1-3, S1-4, G1-3, G1-4 and tax transparency are aimed at amplifying the positive impacts and managing the negative impacts. At the same time, opportunities should be exploited and potential risks minimised in order to strengthen the resilience of the strategy and business model in the long term.

Here, NORD/LB has various analyses, strategies and procedures for assessing the Bank's resilience. These include, among other things, the risk inventory, the ESG business environment scan and the climate stress test, which mainly deal with the risks from the context of E1 and E4. The respective methodologies including applied scenarios and time horizons can be viewed under ESRS E1.IRO-1 and ESRS E1.SBM-3. As part of the materiality analysis, the climate stress test was included via the risk inventory and ESG business environment scan and risk strategies. Other material impacts, risks and opportunities related to the S1 and the G1 are not part of these analyses. NORD/LB's handling of these material impacts, risks and opportunities is described in ESRS G1-1 and ESRS S1-1.

48 (g):

The materiality analysis in accordance with CSRD was carried out for the first time in the 2024 financial year. Changes compared to the previous reporting period will therefore be reported here from the next financial year onwards.

48 (h):

As described in ESRS 2 IRO-1, the materiality analysis identified the company-specific information on tax transparency: In addition, key figures identified as material in the materiality analysis but not sufficiently covered by the ESRS were added to E1-6 (Gross GHG emissions of categories Scope 1, 2 and 3 and total GHG emissions) and E4-5 (Key figures for impacts related to biodiversity and ecosystem changes). The IROs covered by company-specific disclosures can be identified in ESRS 2 SBM-3 48. a) - c) by the asterisk in the first column in the IRO list in Table 2.

The materiality analysis of sustainability topics in connection with climate change, biodiversity and NORD/LB's workforce is discussed in more detail via the following information on E1.SBM-3, E4.SBM-3 and S1.SBM-3.

E1.SBM-3

18:

The climate risks listed below were identified in the materiality analysis for the 2024 financial year in accordance with CSRD. The materiality analysis procedure can be found under ESRS 2 IRO-1, and the full results can be viewed under ESRS 2 SBM-3.

Table 1: Classification of climate risks into physical and transition risks

Physical risks, for example, resulting from insufficient insurance against extreme weather or natural production losses (droughts, extreme heat, forest fires, flooding, etc.), can impair the ability to provide capital services, increase the probability of defaults and thus lead to an increased credit risk for NORD/LB.	Climate-related physical risk
Increasing extreme weather events, such as prolonged periods of drought, can lead to the gradual migration of entire industries, such as the agricultural industry, to climate-friendly regions. These developments can significantly reduce economic activity and jobs in the affected areas. For NORD/LB, this creates the risk of credit defaults and impairments for investments in these regions and sectors.	Climate-related physical risk
A potential risk for NORD/LB in the course of the transition to renewable energies is the risk of stranded assets within its portfolio. In concrete terms, this could mean that investments in fossil fuels and conventional energy projects lose value or become unprofitable. This could lead to significant financial losses and put a strain on the Bank's balance sheet as the assets concerned no longer generate the originally expected returns and collateral loses value.	Climate transition risk
Transition risks can lead to NORD/LB's customers no longer being competitive due to regulatory changes, technological advances and market shifts. Companies that do not adapt quickly enough could suffer financial losses or become insolvent, which impairs default rates and thus the stability of NORD/LB's loan portfolio and leads to financial losses.	Climate transition risk
Stricter legal requirements for limiting CO ₂ e emissions, such as minimum shares of renewable energies for energy suppliers or stricter requirements for fleet consumption for car manufacturers, can pose significant challenges for NORD/LB's customers. Such regulatory changes could require investments and adjustments by companies, which could affect their financial stability. For NORD/LB, this results in the risk of credit defaults and impairments for investments in affected industries and companies.	Climate transition risk
The rise in CO ₂ prices can lead to significantly higher production costs for companies in various industries. These increased costs can affect companies' profit margins and jeopardise their financial stability. For example, rising electricity prices can pose major challenges for energy-intensive industries. For NORD/LB, this creates the risk of credit defaults and impairments for investments in affected companies.	Climate transition risk

19(a); 19(b); 19(c):

NORD/LB does not carry out an explicit resilience analysis. Two analyses are used to report this disclosure requirement: NORD/LB's ESG business environment scan and climate stress test.

ESG business environment scan:

The analysis examines the effects of climate change and environmental degradation on the business environment and the business for a set of countries fixed in advance and three different scenarios (selection from the scenarios according to the Network for Greening the Financial System for Orderly, Disorderly and Hot House World). For this purpose, the effects on macroeconomic variables and trends of the business environment (countries) as well as the effect on the business of NORD/LB, broken down according to the strategic business segments (SBSs), are assessed. In addition, physical risk drivers (climate & environment) are considered, which are consistent with the risk drivers from the risk inventory

(see E1. IRO-1) of NORD/LB. The three time horizons considered in the analysis, short-term (up to three years), medium-term (three to five years) and long-term (over five years), are in line with the ECB's guideline on climate and environmental risks (November 2020). NORD/LB generally carries out the ESG business environment scan annually.

The individual results of the analysis are merged and analysed and commented on from different perspectives. If necessary, measures are derived that may have implications for the business model, for example. The results of ESG 2024 business environment scan, which was launched in spring, were presented at the Managing Board's meeting on 27 August 2024. The results are incorporated into the derivation of the strategic thrusts of the business segments for NORD/LB's ESG strategy as part of the bank's annual strategy process, and are therefore an implicit part of the ESG strategy published by NORD/LB.

Climatic stress test:

NORD/LB's climate stress test takes into account regulatory requirements of the ECB and other supervisory authorities to ensure the integration of physical and transitory climate and environmental risks. It uses the risk types identified and assessed in the risk inventory as well as relevant sustainability risk drivers. The risk drivers are divided into physical and transitory risks. The climate stress test includes the implementation of scenarios and sensitivity analyses to test the resilience of NORD/LB's business activities to climate and environmental risks, taking into account both short-term (1-5 years) and long-term projections (>10 years). Scenario selection takes into account scientifically recognised scenarios, such as from the Network for Greening the Financial System (NGFS). The results of the climate stress test are integrated into the risk inventory and are incorporated into strategic planning and risk management. The results of the climate stress test are communicated to the supervisory authority. Climate stress tests are a type of simulation in NORD/LB's stress test programme and are carried out at least every two years. The latest climate stress test was carried out in 2024.

E4.SBM-3

16 (a):

In the disclosure, NORD/LB summarises its properties into locations within the meaning of the ESRS definition by location and by location type.

Locations in Germany	
NORD/LB offices	Hanover, Brunswick, Magdeburg
Other NORD/LB locations	Schwerin, Oldenburg, Düsseldorf, Frankfurt, Hamburg, Munich, Bremen
Real estate agencies	Hanover, Düsseldorf, Frankfurt, Hamburg, Berlin
Subsidiaries	Bremen, Kaiserslautern, Hanover, Oldenburg, Brunswick, Pullach im Isartal

16 (a)i:

The site-specific risks regarding biodiversity and ecosystems were analysed and assessed with regard to the Bank's own sites at main property level. It found that the majority of the properties have a low risk and only two properties have a medium risk of adverse impacts on biodiversity and ecosystems. In the reporting year, there was no evidence that NORD/LB is carrying out activities with adverse impacts in areas with biodiversity in need of protection. NORD/LB considers the impacts on biodiversity to be non-critical, as financial institutions based on ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) and WWF Risk Filter have very low direct adverse impacts on nature.

16 (a)ii:

NORD/LB takes natural risks into account as part of a risk assessment based on various external data, including the use of the WWF Risk Filter. A detailed description of this risk assessment can be found in E4.IRO-1 20(b). On average, properties of NORD/LB and its significant subsidiaries have a low risk value of 2.06, whereby 1 represents a very low risk and 5 a very high risk. A total of 138 properties were assessed, with 136 properties having a low risk and only two properties having a medium risk.

Accordingly, all values are to be rated as low risk on average.

16 (a)iii:

An area is considered vulnerable if it harbours a high level of biodiversity, provides a habitat for endangered species, contains unique or sensitive ecosystems, fulfils important ecological functions or is threatened by human activities. NORD/LB has locations in or near areas with biodiversity in need of protection, such as the Harz Mountains.

16 (b):

Based on the analyses carried out, there was a low impact in the reporting year in terms of land degradation, soil sealing and desertification. This is due to the soil sealing by the buildings.

16 (c):

Based on the analyses carried out, there were no indications for the reporting year that NORD/LB's activities affect endangered species, as the activities of the branches do not extend beyond the building itself.

S1.SBM-3**13 (a)i:**

The impacts on NORD/LB's own workforce are generally based on NORD/LB's strategy and business model (cf. ESRS 2 SBM-3).

Based on the strategy and business model as financial service provider, NORD/LB's employees mainly carry out advisory, financial and banking support activities. With a view to a high quality of advice in the provision of financial services and the rapid change of technologies in the supporting processes, the business model has an impact on the workforce in the form of an ongoing need for qualified specialists, which must be met via the external labour market and through the systematic training and development of employees. The main impacts of this were identified in detail: the competitive situation in the labour market, a stable and motivating working environment, collective bargaining agreements and training. In addition, the focus of NORD/LB's business model on the aspect of sustainability has a positive impact on the workforce, as meaningful activity is an important factor for many (potential) employees when choosing an employer. Anchoring NORD/LB's social responsibility towards employees and society in the ESG strategy, which in particular includes supporting employee social responsibility and promoting diversity, inclusion and equal treatment, contributes positively to employee retention.

13(a)ii:

All information regarding how actual and potential impacts influence the strategy and business model in terms of the Bank's employees can be found in ESRS 2 SBM-3.

The actual and potential impacts relate to attracting, retaining and promoting the ability of employees to contribute to the successful implementation of the strategy and business model. This includes the positive impacts listed under ESRS 2 SBM-3 with regard to a stable working environment with the provision of permanent employment, social engagement and the promotion of social responsibility, the design of social dialogue, occupational health management, coverage by collective agreements, systematic diversity management and systematic training, education and development opportunities. NORD/LB counters potential risks – such as an increased competitive situation in the labour market or potential adverse impacts such as the possible need for action in connection with exceeding permitted working hours, equal treatment or discrimination in everyday work – with proactive and preventive measures (see also S1-1, S1-4 and S1-5) so that they do not result in any adjustments or impairments to the strategy or business model.

13(b):

Motivated, qualified and loyal employees are essential for the successful implementation of the strategy and business model. While the positive impacts outlined in 13 (a)ii contribute directly to this, the potential adverse impacts are systematically addressed to avoid disruption in connection with the workforce. The

HR strategy derived from the business strategy addresses key HR action areas relating to the identified impacts – such as the increasing competitive situation in the labour market, the design of a stable and motivating working environment and the promotion of systematic diversity management – and supports these with appropriate measures. The aim of the interplay between the strategy and business model and the identified impacts, risks and opportunities is to ensure they are appropriately countered through integrated, employee-oriented HR work. The strategy and business model are to be successfully implemented in this way.

14:

All individuals in the Bank's own workforce who can be significantly influenced by the Bank are included in the scope of disclosure under ESRS 2. Labour in the value chain was not identified as a material topic in the materiality analysis and is therefore not part of the disclosure under ESRS 2.

14(a):

All types of employees of NORD/LB's own workforce listed under ESRS S1-6 may potentially be affected by the material impacts.

Employees include anyone who is in an active employment relationship (not a dormant employment relationship or an unpaid leave of absence) – except interns and student trainees. In addition, the type of employment refers to the type of contract that the employees have concluded with NORD/LB. In detail, this includes permanent employees, temporary employees, employees without guaranteed working hours, full-time employees and part-time employees.

Leasing staff may also be potentially affected by the material impacts. These are individuals provided by third-party companies primarily active in the field of workforce placement and temporary staffing.

14(b):

The potential adverse impacts identified for the reporting period in connection with exceeding permitted working hours, equal treatment or discrimination in everyday relate to any individual incidents. Proactive and preventive measures contribute to avoiding potential adverse impacts (see also S1-1, S1-4 and S1-5). The potential risk of an increased competitive situation in the labour market relates to the professionals required. NORD/LB is addressing this risk with targeted measures such as the further development of employer branding and recruitment (see also S1-4).

14(c):

The implementation of modern HR work that strengthens NORD/LB's position as a reliable and attractive employer leads to (potential) positive impacts on its own employees in a number of different action areas (cf. ESRS 2 SBM-3).

NORD/LB offers a stable working environment in which the majority of its own workforce has permanent employment relationships and creates secure jobs that strengthen employees' trust and loyalty to the Bank (cf. ESRS S1-4 and S1-5). In addition to this, a high proportion of employees benefit from collective agreements – for example with regard to working hours and holidays – which contributes to fair and employee-oriented working conditions (cf. ESRS S1-8). The constructive and transparent cooperation between NORD/LB and the staff council should contribute to strengthening social dialogue and therefore trust between its own workforce and management, and contribute to a fair and inclusive working

environment (cf. ESRS 2 SBM-3). To continuously empower employees, NORD/LB provides systematic learning management with training and development opportunities for managers and employees. To maintain health and strengthen work performance productivity, NORD/LB offers comprehensive measures as part of occupational health management, which includes an occupational health service, personal health services, company sports groups and counselling services for employees and managers. With regard to the working environment and corporate culture, NORD/LB offers a wide range of social activities and implements systematic diversity management. The purpose of the Community of Diversity is to help promote tolerance, fairness and appreciation in the workplace. In this context, for example, activities are regularly initiated on specific campaign days, such as the German Diversity Day, the intercultural week or Orange Day.

All types of employees from NORD/LB's own workforce listed under ESRS S1-6 are (potentially) positively impacted by the activities listed above. This also applies to leasing staff with regard to essential working conditions such as adequate remuneration, workplace equipment and working hours or a safe and non-discriminatory working environment. (cf. ESRS S1.SBM-3 14. a)).

Further details on the activities are listed in ESRS 2 SBM-3.

14(d): NORD/LB has identified a risk of dependence on its own workforce due to a shortage of professionals due to increased competition (cf. ESRS 2 SBM-3). NORD/LB itself does not exert any influence on increasing or mitigating the shortage of professionals, but can mitigate the risk by adjusting its personnel work.

14(e): Not applicable as no transition plan is currently being published. NORD/LB's strategy and business model do not require a transition plan for its own workforce, as the impacts, risks and opportunities identified are adequately addressed as part of the measures derived from the HR strategy.

14(f)i, ii, (g) i, ii: Not applicable. In the reporting year, there was no evidence that NORD/LB carries out activities at home or abroad in which there is a significant risk of forced labour, compulsory labour, child labour, or is active in countries or geographical areas in which such risks exist.

15: All types of employees were considered equally in identifying potential risks and potential adverse impacts.

The identified material risks and potential adverse impacts do not affect specific groups of people among the company's workforce, but impact all types of employees.

The activities of NORD/LB's employees are mainly limited to advisory, financial and administrative tasks that do not involve any particular physical hazards, insofar as no specific groups of persons have been identified that may be more at risk due to their working environment or certain activities.

16: The risk of a shortage of professionals due to increased competition and the resulting importance of employee retention as well as the identified potential negative impacts and positive impacts do not relate to specific groups of people, but to the entire workforce of NORD/LB.

Impact, risk and opportunity management – ESRS 2

IRO-1

53 (a):

As part of the CSRD reporting obligation, the definition of materiality has been expanded and the concept of double materiality applies. Topics that are financially significant (outside-in) and those that have significant impacts on the environment, society or corporate governance (inside-out) must be reported. Expanded reporting requirements required a comprehensive dual materiality analysis.

The starting point for the dual materiality analysis is sustainability aspects from the CSRD (ESRS 1, Art. AR 16, see also Table 1), as well as other bank-related issues that can result from entity-specific disclosures (ESD) used for dialogue with external and internal stakeholders.

NORD/LB is obliged to disclose the material impacts, risks and opportunities categorised under sustainability aspects (topics, sub-topics or sub-sub-topics). Once an aspect of sustainability has been identified as material, the Bank refers to the requirements of the relevant thematic ESRS to determine the necessary information (ESRS 1, Articles 30 and 31).

In order to determine the disclosure obligations in this Sustainability Report, it was necessary to determine the IROs for each topic areas both from an internal and an external perspective.

The internal perspective is covered by identifying all relevant business areas as well as from the relevant divisions by identifying the specific employees affected across all hierarchical levels. They are identified based on the following criteria:

- Divisions affected by the impacts, risks and/or opportunities of the respective sustainability aspects
- Knowledge of specific sustainability aspects

In order to determine the perspective of other users of NORD/LB's sustainability reporting and its material sustainability aspects, external stakeholders were involved based on the following criteria:

- Use of NORD/LB's Sustainability Report
- Affected by the impacts of the Bank or close connection with the Bank
- Very good knowledge of NORD/LB's business model
- Expertise in sustainability

As part of the CSRD reporting, the relevant internal and external stakeholders for the materiality analysis were identified. This was based on the stakeholders surveyed as part of the materiality analysis in 2023 as well as other internal and external stakeholders who were identified as relevant to the ESRS topics due to their activity in the company.

Expert interviews on materiality assessment were agreed and carried out with external stakeholders, and standard-specific workshops were held with the identified internal stakeholders in order to ensure that the assessment forms were subsequently answered independently.

The topics and subtopics from ESRS 1, Application Requirement (AR) 16 were used to structure the questionnaire for obtaining the materiality assessment of internal and external stakeholders. The questions are developed based on the assumptions of ESRS 1(3.4) Materiality of impacts and (3.5) Financial

materiality of ESRS 1 and reflect the required calculation methods such as the severity and probability of occurrence of the respective IROs. In addition to the sustainability aspects from the ESRS, the analysis also examined the non-financial report, the sustainability report and internal documents of NORD/LB, such as the ESG strategy, the risk inventory and the Code of Conduct. It also included other aspects identified through peer reviews and market studies, such as the topic of money laundering. Sustainability standards such as the Task Force on Climate-Related Financial Disclosures (TCFD), Task Force on Nature-Related Financial Disclosures (TNFD) and Sustainable Finance Disclosure Regulation (SFDR) are also taken into account in the questionnaire. The upstream implementation of the gap analysis for the materiality analysis enabled some additional aspects important to NORD/LB to be identified and added to the questionnaire.

The objective of the questionnaire is to:

- Identify material sustainability aspects for NORD/LB's business model
- Evaluate the identified sustainability aspects with regard to financial materiality
- Evaluate the impacts of sustainability aspects by means of severity and probability of occurrence

For the implementation and decision-making of the materiality assessment, an initial assessment of the relevance of all ESRS for NORD/LB is obtained from all interviewed internal stakeholders. In order to determine the topic allocation, stakeholders, regardless of their affiliation to banking business or banking operations, evaluate all sustainability aspects of the ten ESRS topics. The classification and subdivision of sustainability aspects into clusters per banking operation or banking business was subsequently carried out and is used as a guide for specifically determining double materiality. The banking business cluster covers financial services for customers, while the banking operations cluster includes internal processes as well as administrative and support functions. A detailed description of both clusters can be found in SBM-1 42.

Alongside the sustainability aspects, the stakeholders then identify and assess the material IROs for the ESRS assigned to them, arising from the risks and opportunities for NORD/LB from (outside-in perspective) and impacts of NORD/LB on the environment and society (inside-out perspective). The materiality assessment results from the calculation logic of the individual materiality values based on the following characteristics: "Severity (scale, extent, irreversibility) and probability of occurrence". The calculation logic is based on Sections 3.3.1 and 3.3.2 of EFRAG's "Implementation guidance for materiality assessment". The calculation logic for impacts is different from the calculation logic for risks and opportunities; this is described in more detail in ESRS 2 IRO-1 53. b) and 53. c). The different IROs are assessed by the stakeholders on a scale of 1 (insignificant) to 5 (very significant) based on the characteristics described.

In addition, stakeholders are made aware in the workshops of the need to add entity-specific disclosures (ESD) at their discretion. ESD are energy in the portfolio, biodiversity in the portfolio, money laundering and tax transparency.

Alongside internal evaluations, expertise is sought from the external stakeholders and then consolidated in a joint document per ESRS so that a subsequent validation can be carried out by management. The process is as follows:

1. Presentation of the individual feedback in a consolidation template

2. Calculation of the average values of the internal stakeholder materiality assessment – disaggregated by banking operation and banking business at ESRS and sub-theme level
3. Calculation of the average values of the external stakeholder materiality assessment
4. Validation and approval at management level

The disclosure requirements required in the report are derived from mapping the sub-topics to the level of the ESRS disclosure requirements. In the final step, a materiality matrix is created to provide a detailed overview of the material sustainability aspects.

53(b)

The procedure for assessing the materiality of impacts (inside-out perspective) is described in IRO-1 53 a). The methodological approach enables NORD/LB to identify adverse effects and implement possible countermeasures. This can also be used to prioritise countermeasures for negative impacts or funding measures for positive impacts afterwards. For information on the processes used for monitoring potential and actual impacts, risks and opportunities via the documentation of internal regulations, please refer to ESRS GOV-1 22 c).

In the materiality analysis, NORD/LB includes all its internal activities, business relationships and geographical circumstances that have the potential to lead to an increased risk of adverse impacts. These were reviewed as part of the review of the ESRS-compliant value chain and a gap analysis upstream of the materiality analysis on the sustainability topics of the ESRS and taking into account existing ESG projects. Banking operations and banking business are considered when analysing the impacts, which ensures that both NORD/LB's internal activities and its business partner activities are included in the value chain. The topics to be answered by the respective stakeholders were defined in advance.

Stakeholders concerned were involved via the use of proxies (cf. *ESRS 1 Appendix A, Table 2; “credible proxies”*). Silent stakeholders were mapped via the WWF; the company's own workforce was mapped through the survey of the employee representatives by ver.di and the HR department; the market environment was mapped via the VÖB; and the owners via the Ministry of Finance of Lower Saxony. Specific consultations with affected communities were not carried out in the materiality analysis under the ESRS. However, NORD/LB maintains an ongoing dialogue with its relevant stakeholders; further information on this can be found in SBM-2 45 a).

In order to assess the materiality of impacts for reporting, they must be assessed by internal and external stakeholders based on different characteristics. Firstly, the severity of an impact is assessed. This is based on the following three characteristics and is assessed on a scale of 1 (low materiality) to 5 (high materiality). The following dimensions are considered:

1. **Classification of impact:** Are they actual positive, potential positive, actual adverse or potential adverse impacts? A value is only calculated in the Excel template if this information has been entered.
2. **Maturity classification:** Are these short-term, medium-term or long-term impacts?
3. **Scale:** How severe (negative)/beneficial (positive) are the effects on this sub-topic or sub-sub-topic?
4. **Scope:** How far-reaching are the effects?

5. **Irremediable character:** How difficult is it to compensate or make up for the damage?
6. **Time horizon of the probability of occurrence:** What is the probability of the impact occurring?

The following scales were used in the survey:

Table 1: Scales for determining the materiality of impacts

Classification of impact	Scale	Scope	Irreversibility	What is the probability of the impact occurring?
Very positive	1 - Very low	1 - Very limited	1 - Very easily resolvable	1 - Unlikely
Potentially positive	2 - Minor	2 - Limited	2 - Easily or quickly resolvable	2 - Probable in the long term (>5 years)
Actually negative	3 - Moderate	3 - Medium	3 - Resolvable with effort (time and cost)	3 - Medium term likely (1-5 years)
Potentially negative	4 - Material	4 - Extensive	4 - Difficult or slow to resolve	4 - Likely in the short-term (0.5-1 years)
	5 - Very severe	5 - Global	5 - Not resolvable	5 - Very likely in the short term (< 0.5 years)

On this basis, all relevant sustainability aspects are evaluated by internal and external stakeholders. The feedback from both stakeholder groups was taken into account in a balanced manner. All impacts with a materiality score above the materiality threshold of 3.5 determined by management and based on expert assessments are considered material. There is a reporting obligation on these sustainability aspects in accordance with the CSRD.

53(c), (d)

The basic procedure for materiality analysis of risks and opportunities (outside-in perspective) is similar to the procedure for determining the material impacts. As with the collection and assessment of impacts, both internal and external stakeholders in banking operations and banking business are included in the determination. In this regard, risk management and corporate development are involved in particular due to their expertise in this area. The materiality analysis for the 2024 reporting year was carried out on a project-specific basis. Within this framework, a regulation process was created and embedded as part of the documentation of internal regulations (sfO) and thus also the Bank's ICS. Within the substeps of the materiality analysis, quality assurance measures are planned such as prepared and standardised questionnaires, as well as a central review by the organisational units responsible for the process and validation by key documents and data analyses. The detailed procedure for the materiality analysis is described in IRO-1 53 a).

When calculating the individual materiality values, a distinction must be made between the inside-out perspective (impacts) and the outside-in perspective (opportunities and risks).

The materiality values for opportunities and risks are calculated on the basis of an average across the following three dimensions:

1. **Probability of occurrence:** What is the probability of the described scenario occurring?
2. **Financial scope:** How high are the expected financial impacts (financial position, financial capacity and cash flows) on NORD/LB in the event of an occurrence?

3. Impact on long-term performance: How does the situation affect NORD/LB's continued existence and performance in the long term?

The materiality of the risks and opportunities is assessed analogously to the impacts using the scale described under IRO-1 53 a) from 1 (low materiality) to 5 (high materiality):

Table 2: Scales for determining financial materiality

Probability of occurrence	Scope	Impact on long-term performance
1 - up to 20%	1 - $\leq \text{€ } 120,000$	1 - Very low
2 - up to 40%	2 - $\leq \text{€ } 1.2 \text{ million}$	2 - Slight
3 - up to 60%	3 - $\leq \text{€ } 6 \text{ million}$	3 - Medium
4 - up to 80%	4 - $\leq \text{€ } 12 \text{ million}$	4 - Critical/reinforcing
5 - up to 100%	5 - $> \text{€ } 12 \text{ million}$	5 - Very critical/very reinforcing

The scale values are aligned with NORD/LB's risk matrix for operational risks. The valuation reflects the financial impact in the current reporting period.

The result is the respective materiality assessment score. In the next step, the materiality threshold was applied to this score to determine the material IROs. The list of essential IROs and respective standards was validated by management and adopted by the Managing Board in standard-specific workshops.

NORD/LB recognises potential correlations and dependencies between the material impacts and risks and opportunities identified, but did not further examine these in the materiality analysis that was carried out in accordance with ESRS initially.

Information on NORD/LB's handling of sustainability risks can be viewed in the Forecast, Opportunity and Risk Report/ Chapter on ESG risks as part of the Management Report of NORD/LB's Group Annual Report and is also an integral part of this Sustainability Report.

53(e)

The materiality analysis carried out under ESRS as the basis for this Sustainability Report does not form part of the Bank's risk management. However, the relevant risks identified in the dedicated materiality analysis of the risk inventory underpin the materiality analysis under ESRS. A description of the integration of sustainability risks into the risk inventory is described in SBM-3 48 d) e). As the materiality analysis in accordance with ESRS did not reveal any additional new findings in the 2024 reporting year, a standard return to risk management process has not been implemented at this time.

53(f)

Similar to IRO-1 53 e), the materiality analysis is not part of NORD/LB's general management procedure. However, opportunities are identified, evaluated and managed upstream of the sustainability reporting process and used as the basis for the materiality analysis.

53(g)

In addition to the characteristics described under ESRS 2 IRO-1 53 a), b) and c), NORD/LB takes into account further input parameters from internal and external sources.

Internal data on NORD/LB's business segments and from parameters of the internal risk matrix (cf. IRO-1 53 c) and risk inventory (cf. SBM-3 48 d) and e)) are used to assess sustainability aspects and the respective

impacts, risks and opportunities as part of the materiality analysis. An ENCORE analysis is also carried out as part of the risk inventory. This makes it possible to determine NORD/LB's impact on biodiversity due to its business activities and locations.

NORD/LB also uses UNEP FI's portfolio impact analysis for banks to quantitatively substantiate the materiality assessment of its impacts. The portfolio analysis is carried out in order to determine the impact of its business activities on various dimensions, such as climate, water or soil quality.

The Bank's internal ESG score is also taken into account to determine borrowers' CO₂ emissions. Added to this, the S-ESG score from the company Sparkassen Rating und Risikosysteme GmbH takes into account CO₂ emissions, water use, taxes for environmentally harmful activities, and a qualitative assessment of the physical and transitory environmental risks in the retail process. Further information on the quantitative analyses in relation to climate change can be found in E1.IRO-1 and in relation to biodiversity in E4.IRO-1.

53(h)

The materiality analysis in accordance with CSRD and ESRS will be carried out for the first time in this reporting year. The materiality update is scheduled to start in March 2025.

E1.IRO-1

20 (a):

The NORD/LB Group aims to reduce CO₂ emissions in the loan portfolio financed by the Bank. In order to reduce the amount of CO₂e emissions financed by the Bank, it successively looks at individual economic sectors and develops sector-related (decarbonisation) strategies. To do this, the Bank focuses on the sector in question in various different dimensions (upstream in so-called sector sprints).

The NORD/LB Group has developed a comprehensive action plan to achieve the decarbonisation targets it has set itself. This plan includes both cross-sectoral and sector-specific measures aimed at reducing CO₂e emissions in the individual economic sectors. Through this holistic approach, NORD/LB aims not only to reduce its own emissions, but also to promote sustainable business practices and thus contribute to a climate-friendly future.

The objectives and measures are reviewed in a control process, at least annually, and checked for deviation from the chosen transition path and reference path. In addition, the reference paths used are regularly reviewed as part of the CO₂e baseline.

With regard to the sustainability aspect of climate change, the process for identifying material impacts, risks and opportunities is applied in the same way it is for all other ESRS using materiality analysis (cf. ESRS 2 IRO-1 11). The process for collecting greenhouse gas emissions through the Partnership for Carbon Accounting Financials (PCAF) can be found under ESRS E1-6.

20 (b):

Exposure to climate-related physical risks cannot be entirely ruled out. The risk inventory, climate stress test, ESG sector-specific risk analyses, sector strategies and ESG business environment scan are used to assess/identify climate-related physical risks.

Risk inventory:

Physical risk refers to the financial impact of a changing climate or changes in nature. According to the Bank's definition, a physical risk is considered acute if it arises due to sudden, extreme events such as floods and storms. If it is the result of gradual changes (e.g. rising temperatures, rising sea levels, loss of biodiversity, land use change, habitat destruction and resource scarcity), it is classified as chronic. The effects can occur directly (e.g. as property damage or in the form of reduced productivity) or indirectly lead to consequential events, such as supply chain interruption.

The analysis of the effect of physical climate and natural risks is carried out as part of the risk inventory by means of a quantitative evaluation at individual driver level of each relevant risk type. For this purpose, a granular risk assessment of individual climate and natural risks is carried out on the basis of external data from Munich Re. An analysis is carried out with a focus on the financing portfolio (downstream value chain), including the locations of collateral. This enables the identification of exact geographical locations that are at increased risk due to potential property damage caused by physical risk drivers. The risk drivers taken into account include storm risks, flood risks, temperature-related risks and other hazards. In addition, for the risk drivers for which corresponding data are available, a scenario analysis is also carried out for medium and long-term periods, taking into account the Representative Concentration Pathways (RCPs) or Shared Socioeconomic Pathways (SSPs) of the Intergovernmental Panel on Climate Change (IPCC). Furthermore, as part of the risk inventory a quantitative assessment using the aforementioned data is conducted for NORD/LB's own locations regarding their exposure to physical climate and natural risks. In the selected analysis scenario for the secured receivables, the financing portfolio and the Bank's own locations, the temperature will rise approximately 2.6 °C by 2100 compared to the pre-industrial levels. Climate stress testing also takes into account scenarios with an increase in the global average temperature of around 4.8°C by 2100 compared to the pre-industrial levels (scenarios with high greenhouse gas emissions).

The analysis looks at the financing portfolio, including collateral (downstream value chain), to assess how vulnerable NORD/LB's assets and business activities could be to the climate risks identified in terms of a short, medium and long-term time horizon. The analysis takes place at address data or geolocation level. The severity and probability of occurrence are used on the basis of Munich Re's risk data. Subsequent to the quantitative analysis, an overall qualitative assessment of materiality is carried out, taking into account the severity, e.g. due to existing insurance policies. As part of climate stress testing, additional damage functions are also considered. NORD/LB's own locations are analysed as well. In addition, the risks for the upstream value chain (service provider locations) are taken into account through regular analyses conducted by the service provider management.

The analysis of the effect of physical climate and environmental risks is also completed with the help of KRIs and via the semi-annual Capital Requirements Regulation (CRR) disclosure for acute and chronic physical risks. A portfolio impact can then be derived from this.

Various risk drivers are taken into account as part of the risk inventory and reporting. Time horizons are covered by various scenarios and climate stress testing.

NORD/LB defines the following time horizons in accordance with the ICAAP logic:

Table 1: Time horizons ICAAP logic

Time horizon	in years
Short-term	Up to three years
Medium term	Three to five years
Long-term	More than 5 years

The strategic planning horizons and lifetime of NORD/LB's assets are based on the ICAAP (Internal Capital Adequacy Assessment Process) time horizons. There is no connection with the capital allocation plans.

Climate stress test:

The design of the climate stress test on physical risks is set out in the disclosure ESRS 2-SBM-3 in conjunction with the ESRS E1 under 19 a)-c).

NORD/LB has carried out a risk assessment for the climate-related physical risks for NORD/LB's portfolio. For the natural hazards, NORD/LB uses Munich Re's risk assessments and, if applicable, scenarios from the Network for Greening the Financial System (NGFS). A detailed explanation of the NGFS scenarios can be found in ESRS 2 SBM-3 in conjunction with ESRS E1 under 19. a)-c).

ESG sector-specific risk analyses:

The high-risk sector analysis identifies NORD/LB's ESG high-risk sectors. A methodological distinction is made with regard to physical and transitory climate and environmental risks. The impact of individual sectors on climate and environmental risks is determined by using scientific sources and measuring or estimating greenhouse gas emissions through the Bank's own CO₂ accounting. High-risk sectors currently include agriculture, food, real estate and non-renewable energy. The identification of high-risk sectors is updated annually.

For the identified high-risk sectors, ESG sector analyses are anchored in the financing principles. These analyses aim to predict potential future impacts of changes in ESG risk drivers on borrowers' financial performance and resilience. They enable a comprehensive risk assessment, for example, by integrating sector-specific forecasts whose parameters cover the dominant ESG risk factors of the sectors (including CO₂e emissions). The methodology behind these sector analyses includes an in-depth examination of the direct and indirect ESG risks arising from the borrowers' business activities and assesses the extent to which these risks may affect the ESG risk profile.

ESG scores are used for the cross-sector and aggregated classification of the ESG risk of loan customers. At the risk classification level, they supplement the existing Internal Ratings Based Approach (IRBA) procedures as an additional element by taking ESG-specific risk factors into account and systematically consolidating them in a combined ESG rating. The ESG scores represent a structured ESG risk assessment at individual client level. In the event of an increased ESG score, increased ESG risks are assumed for the client, after which a more in-depth analysis of the risks must be carried out, including an assessment of the risks identified and the measures presented by the borrower to deal with these risks. The ESG scoring process assesses the sub-risks relating to physical and transitory environmental, social and governance issues.

Sector strategies:

NORD/LB has developed holistic sector strategies in various dimensions. For this purpose, physical and transitory sustainability risks are also considered and the results of the ESG sector-specific risk analyses are included. Based on the sector strategies, ideas and options are given to help further develop these analyses.

The planning horizons of the sector strategies mainly cover the years 2026 and 2030 and are based on the requirements of the Capital Requirements Regulation (CRR) and CSRD disclosures as well as the requirements of the capital market.

NORD/LB's ESG strategy takes NGFS scenarios into account. NORD/LB develops sector-specific decarbonisation pathways for the emission-intensive sectors in its financing portfolio. These are based on the International Energy Agency's (IEA - reference path) Net Zero 2050 Climate Roadmap, among other things.

ESG business environment scan:

The design of the ESG business environment scan on physical risks is set out in the disclosure ESRS 2 SBM-3 in conjunction with the ESRS E1 19.

NORD/LB uses the ESG business environment scan to determine the impact of climate-related physical risk drivers on business activities and assets in the SBSs in the countries where NORD/LB operates that have been identified as relevant.

20 (c):**Risk inventory/climate stress test:**

The determination of climate-related transition risks and opportunities in our own operations and along the downstream value chain is considered to be part of climate stress testing as well as risk inventory and CO₂ accounting. The NORD/LB Group regards transition risk as financial losses that institutions may incur directly or indirectly as a result of the adjustment process towards a lower-carbon and more environmentally sustainable economy. This risk could arise, for example, due to sudden climate and environmental policy measures, technological progress or changes in market sentiment and preferences.

In addition to expert qualitative assessments, various quantitative approaches to transitory risk drivers are used for identification and subsequent evaluation as part of a materiality analysis. The materiality analysis described below is carried out as part of the risk inventory and does not relate to the materiality analysis under ESRS, which is described under ESRS 2 SBM-3. For transition climate risks, a sector-specific CO₂e intensity per euro turnover or a suitable physical emissions intensity of the borrower was determined. Following the assumption that borrowers with a comparably high CO₂e intensity within their sector or, based on a transition path specified externally by the International Energy Agency (IEA) (achievement of the 1.5°C target of the Paris Agreement), are presumably more affected by a sustainable transformation, a risk assessment was carried out in three categories ("low", "medium", "high") below. In addition, for the quantitative assessment of the materiality of further climate-related transition events such as waste generation and water consumption, indicative score values of the RSU are considered based on industry/country combinations. In addition to the overall scores, the underlying sub-scores or risk drivers were also analysed and evaluated. The analysis includes both the probability of occurrence and the severity of the transitional event.

Climate-related transition events are also considered as part of the climate stress test. The design of the climate stress test on transition risks is set out in the disclosure ESRS 2 SBM-3 in conjunction with the ESRS E1 19.

The analyses described have identified business activities and assets that may be exposed to significant transition risks or opportunities.

The following sectors are excessively affected in terms of their CO2e intensity and impact on their credit rating: Agriculture (agriculture and forestry, fisheries), coking and mineral oil processing, energy supply and transport. The Bank considers these to be exposed to the highest transition risk.

Detailed information on the scenarios used can be found for the risk inventory in the preceding section 20 b) and for the climate stress test in the disclosure ESRS 2-SBM-3 in conjunction with the ESRS E1 19.

NORD/LB defines the following time horizons in accordance with the ICAAP logic:

Table 2: Time horizons ICAAP logic

Time horizon	in years
Short-term	Up to three years
Medium term	Three to five years
Long-term	More than 5 years

The design of the climate stress test on transition risks is set out in the disclosure ESRS 2 SBM-3 in conjunction with the ESRS E1 Art. 19.

ESG sector-specific risk analyses and ESG scoring:

The forward-looking management of transitory risks is considered both in the ESG score and in the sector analyses. In this regard, the sector analyses focus on assessing borrowers' resilience to transitory risks. This assessment will be particularly important if the objectives based on the Paris Agreement are not met. As part of the ESG score, the forward-looking management of transition risks is assessed through qualitative, forward-looking questions (e.g. with regard to the reduction of CO2e emissions in accordance with the Paris Agreement).

Sector strategies:

As described under 20 b), both physical and transition risks are considered for the sector strategies.

ESG business environment scan:

The impact of climate-related transition risks on NORD/LB's business activities is determined within the considerations of the NGFS scenarios. The sensitivity of NORD/LB's business activities to climate-related transition risks is reviewed in this context, however, beyond that, there is no further separate review.

21:

The following describes the methodology for how climate-related scenarios were used to assess physical and transitory risks over short, medium and long-term periods.

The NGFS scenarios have been created to provide a common starting point for analysing the impact of climate risks on the economy and financial system and are continually being developed. They show a number of possible future scenarios depending on how climate change (physical risk), transition policy,

technological developments and changes in preferences (transitory risk) develop. This enables consistent results that combine physical and transitional risks as well as macro-financial developments, are applicable at a global level, and are freely accessible via a public online platform. The RCP 8.5 path is used as the basis for the fifth IPCC report and, like NGFS scenarios, is cited by the ESRS as the market standard.

Climate stress test:

In some cases, approximate estimates are required for emission data and energy certificates, if they are not yet available. We are continuously working on optimising the real data inventory.

ESG score:

The analysis of physical risks with the ESG score is based on postal codes and geo-coordinates.

Sector strategy:

The identification of opportunities as part of the scenario analyses takes place within the framework of internal ESG strategy tool sets.

The ESG strategy takes into account NGFS scenarios. Under the different scenarios, opportunities and risks are considered at the level of the strategic business segments and are consistent with the critical climate-related assumptions – i.e. the climate-related risks and opportunities – from the Group Annual Report.

ESG business environment scan:

The ESG business environment scan includes the SBSs and geographical areas (countries) in which the majority of NORD/LB's business activities are located. The method is applied across all SBSs and geographical areas under consideration. Over time, the set of geographical areas to be considered may change depending on changes in business activity.

E2.IRO-1

11 (a), (b):

With regard to the sustainability aspect of pollution, the process for identifying material impacts, risks and opportunities is applied in the same way it is for all other ESRS using materiality analysis (cf. ESRS 2 IRO-1(53)).

Stakeholder involvement is comprehensively presented under ESRS 2 IRO-1 53 b i)-iv).

E3.IRO-1

8 (a), (b):

With regard to the sustainability aspect of water and marine resources, the process for identifying material impacts, risks and opportunities is applied in the same way it is for all other ESRS using materiality analysis (cf. ESRS 2 IRO-1 53).

Stakeholder involvement is comprehensively presented under ESRS 2 IRO-1 53 (b) i)-iv).

E4.IRO-1

17 (a):

The procedure for NORD/LB's double materiality analysis is described in ESRS 2 IRO-1. The Bank identified and assessed the actual and potential impacts on biodiversity and ecosystems both at its own sites and within the upstream and downstream value chain. This also included direct causes of biodiversity loss such as climate change, land use changes, freshwater and marine use changes, direct exploitation, invasive alien species and pollution. In this context, NORD/LB used an UNEP FI analysis; a detailed explanation of this can be found in E1.IRO-1. The UNEP habitat and species areas can be assigned to ESRS Standard E4.

Both internal and external stakeholders, including environmental and financial NGOs, were involved in the process. This included consultations with the stakeholders concerned to determine how they could be affected, and the involvement of external experts. Adverse impacts were prioritised based on their relative severity and probability. In doing so, NORD/LB took into account all internal activities, business relationships and geographical circumstances that could lead to an increased risk of adverse effects.

Using location and an Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) analysis, the material impacts, risks and opportunities identified based on stakeholder interviews were subsequently set out in greater detail and validated in the context of the actual and potential impacts on biodiversity and ecosystems at the Bank's own locations and within the upstream and downstream value chain.

In order to identify location-specific biodiversity risks with regard to the Bank's locations, a WWF risk filter analysis was supplemented by a separate analysis of the locations with regard to their proximity to protected areas or areas worthy of protection in accordance with "Nature Ecology & Evolution". The areas were taken into account according to their relevance to biodiversity, water resources and carbon storage based on a priority ranking. The location risks are determined using the results of the study "Areas of global importance for conserving terrestrial biodiversity, carbon and water" by Jung et al., which was published in "Nature Ecology & Evolution" in 2021. Priority scores (scale 1 (high priority) to 100 (no priority)) were developed, taking into account global areas with regard to their contribution to the achievement of species protection and climate objectives. For this purpose, the analysis uses extensive data on the distribution areas of plants and animals, as well as carbon and water resources. Each NORD/LB location is assigned the corresponding priority score and converted into a scale from 1 (very low risk) to 5 (very high risk). Based on the original 30x30 target from COP15, proximity is implicitly defined by this scale by giving a (very) high risk if a score of 4 or 5 is achieved. The analysis did not include any species already extinct. Parts of the distribution area of a species, where the occurrence of the species is unlikely, were removed from the distribution area based on what habitat the species belonged to, thereby refining the distribution area of the species into one habitat area. No adverse impacts beyond the operation of the buildings were identified due to the business activities as a financial institution.

With the addition of the ENCORE database, providing data on nature and biodiversity risks, all sectors in the financing portfolio are classified. To this end, the sectors are assessed for 22 dependencies on ecosystem services and 12 adverse impacts on natural capital. This can be used to derive metrics for portfolio impact and portfolio dependency. Supply chains of the economic sectors were also taken into

account. This is considered as an additional indication of an increase in the materiality of individual natural risks through the supply chain of the financed sector, which may have an indirect additional impact on the portfolio.

The materiality assessments of the ENCORE database assess the significance of dependencies and impacts of economic activities in relation to ecosystem services. ENCORE uses the UN's SEEA Ecosystem Accounting classification and includes services such as biomass provision, water flow regulation and climate regulation. In the second step, ENCORE links the economic activities to the relevant ecosystem services based on scientific findings. The materiality of the dependency or impact is then assessed. The ENCORE scale ranges from "very low" to "very high". A dependency or impact is classified as "high" when the loss or impairment of a particular ecosystem service has a significant impact on the functionality of an economic activity. In this case, according to ENCORE, significant adjustments may be required to continue the activity, e.g. by using expensive alternatives or slowing down production. The financial costs of these adjustments are substantial, but economic activity typically remains viable. A "very high" score on the ENCORE scale means that the dependence on an ecosystem service is so critical that its loss would severely impair or make economic activity impossible. This leads to extremely high financial adjustment costs or the complete cessation of the activity. Examples of this are activities that are directly dependent on natural resources such as water or fertile soil, the availability of which is fundamental for production processes. The ENCORE rating scale uses quantitative data where available to allow objective comparisons, e.g. water consumption per revenue. In the absence of sufficient quantitative data, ENCORE assessments rely on qualitative analysis, with both approaches validated by a coordinated expert assessment (Delphi method).

Significant potential impacts were identified for the financing portfolio.

17 (b):

Two analyses were carried out as part of the investigation into whether and how dependencies on biodiversity and ecosystems, and their performance at the Bank's own locations and within the upstream and downstream value chain were identified and assessed. The ENCORE analysis focuses on a sector-specific view of the portfolio, while the additional analysis with the WWF Risk Filter and Nature Ecology & Evolution data analyses the dependencies and impacts on the Bank's own locations.

The additional analysis and the WWF Risk Filter cover the consideration of the locations and their impacts and dependencies on biodiversity and ecosystems. As part of this, potential dependencies on ecosystem services and impacts on biodiversity were identified specifically for each location. The potential adverse impacts of a location were assessed on a scale of 1 (very low risk) to 5 (very high risk). The assessment of the potential dependencies of a location's ecosystem services was carried out on a scale of 1 (very low risk) to 5 (very high risk).

In particular, NORD/LB's financed portfolio was recorded via ENCORE in order to review its downstream banking value chain. The risk driver analysis covers the entire financed portfolio and is carried out based on NACE codes. ENCORE identified potential dependencies on ecosystem services and impacts on biodiversity for each of the specific NACE codes. The potential adverse impacts of a sector were assessed after an evaluation had been carried out in 12 predefined categories. The potential dependencies of a sector's ecosystem services were assessed after an evaluation had been carried out in 22 predefined categories. For this purpose, the following evaluation criteria were included: utilities, regulatory or

support services, cultural services, ecosystem use, pollution, use of resources and other disturbances (e.g. noise, odour and light).

The analysis using ENCORE and the location analysis contribute in particular to the “Locate”, “Evaluate” and “Assess” steps of a LEAP-compliant analysis. Dependencies and impacts are determined (“Evaluate”) based on the locations (“Locate”) and with the addition of economic sectors. An expert-based validation and concrete assessment of the resulting risk (“Assess”) is then carried out.

For the financing portfolio, only a small proportion is heavily dependent on the ecosystem services under consideration.

17 (c):

Transitional risks and physical risks related to biodiversity and ecosystems in relation to the analysis of the counterparty risk portfolio (Group) were identified and assessed via the ENCORE analysis. For this purpose, the following evaluation criteria were included: utilities, regulatory or support services, cultural services, ecosystem use, pollution, use of resources and other disturbances (e.g. noise, odour and light).

Transition risks and physical risks related to biodiversity and ecosystems also play a role with regard to NORD/LB's locations. The distance of NORD/LB's locations to protected areas or areas worthy of protection, which may implicitly indicate transition risks and physical risks, was identified.

The Bank has identified and assessed various natural risks.

The risk assessment is carried out on a scale from very low to very high, which enables a quantitative and qualitative assessment of the risks. Physical and transitory risks are also taken into account in the area of biodiversity and evaluated by all relevant risk types. The results provide a qualitative foundation for identifying potential risks, which can be analysed in more detail in further steps.

An in-depth analysis of opportunities related to biodiversity and related ecosystem services has not yet taken place.

17 (d):

Due to the sector-specific consideration as part of the ENCORE analysis and the inclusion of supply chains, systemic risks are implicitly taken into account.

The ENCORE database takes into account systemic nature and biodiversity risks by identifying the dependencies, impacts and interactions of industries with ecological processes. Sectoral analyses use these links to better assess the vulnerability of entire economic sectors to natural changes and the associated financial risks. This allows for a more comprehensive risk assessment.

17 (e):

Based on the analysis carried out, no impacts or risks related to communities were identified, which meant no affected communities could be identified. Therefore, consultations with relevant communities were not required.

17 (e)i:

As no affected communities were identified, consultations with the relevant communities were not required. In addition, the production and procurement of raw materials is not part of the banking business.

19 (a):

NORD/LB has locations in or near areas with biodiversity in need of protection, such as the Harz Mountains. These are primarily BLSK branch locations.

According to WWF Risk Filter, on account of its activity as a financial institution, there are no activities carried out at NORD/LB's locations in or close to areas with biodiversity in need of protection that have an adverse impact on these areas.

19(b):

In the 2024 reporting year, there were no indications that measures to reduce the loss of biodiversity need to be implemented.

E5.IRO-1**11 (a), (b):**

With regard to the sustainability aspect of resource use and circular economy, the process for identifying material impacts, risks and opportunities is applied in the same way it is for all other ESRS using materiality analysis (cf. ESRS 2 IRO-1 53).

Stakeholder involvement is comprehensively presented under ESRS 2 IRO-1 53 b i)-iv).

G1.IRO-1**6:**

With regard to the sustainability aspect of corporate governance, the process for identifying material impacts, risks and opportunities as part of the materiality analysis is applied in the same way it is for all other ESRS (see ESRS 2 IRO-1 53). The material impacts, risks and opportunities related to the sustainability aspects of the G1 have been identified and assessed with the help of various internal and external experts in relation to the business. The business model, the company's activities and the geographical locations of the activities were taken into account.

Finally, the risk inventory, the ESG strategy, the Code of Conduct as well as the due diligence obligations and the mandatory organisational measures to be implemented in accordance with the Money Laundering Act (GwG) were used for validation.

The following disclosure requirements are therefore reported under the ESRS G1: G1-1 on policies related to corporate policy and culture; G1-3 on the prevention and detection of corruption and bribery; and G1-4 on corruption and bribery cases .

There is no evidence that NORD/LB is directly involved in political influence or lobbying activities. Against this background, the disclosure is considered to be non-material in accordance with requirement G1-5.

NORD/LB uses third-party services. The agreed payment terms are set out in the respective contracts and framework agreements. Incoming invoices are recorded in the invoice ledger and their timely payment is tracked. The disclosure requirements G1-2 for managing supplier relationships and G1-6 for payment practices were therefore assessed in the materiality analysis as not material.

IRO-2

56:

Table 1: Disclosure obligations followed in preparing the sustainability statement based on the results of the materiality analysis

Disclosure obligation	(Sub-) Chapter
ESRS 2 - General disclosures	ESRS 2
<i>Basis of preparation</i>	
ESRS 2 BP-1 - General principles for preparing sustainability statements	ESRS 2 BP-1
ESRS 2 BP-2 - Information related to specific circumstances	ESRS 2 BP-2
<i>Governance</i>	
ESRS 2 GOV-1 - The role of administrative, management and supervisory bodies	ESRS 2 GOV-1
ESRS G1 - Disclosure in relation to ESRS 2 GOV-1 - The role of administrative, management and supervisory bodies	ESRS G1
ESRS 2 GOV-2 - Information and sustainability aspects addressed by the company's administrative, management and supervisory bodies	ESRS 2 GOV-2
ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3
ESRS E1 - Disclosure related to ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	ESRS E1
ESRS 2 GOV-4 - Statement on due diligence	ESRS 2 GOV-4
ESRS 2 GOV-5 - Risk management and internal controls over sustainability reporting	ESRS 2 GOV-5
<i>Strategy</i>	
ESRS 2 SBM-1 - Strategy, business model and value chain	ESRS 2 SBM-1
ESRS 2 SBM-2 - Stakeholder interests and views	ESRS 2 SBM-2
ESRS 2 SBM-2 - Disclosure requirement in relation to ESRS 2 SBM-2 - Interests and views of stakeholders	ESRS 2 SBM-2
ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3
ESRS E1 - Disclosure in relation to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	E1.SBM-3
ESRS E4 - Disclosure in relation to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	E4.SBM-3
ESRS S1 - Disclosure related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	S1.SBM-3
<i>Management of impacts, risks and opportunities</i>	
ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	ESRS 2 IRO-1
ESRS E1 - Disclosure in relation to ESRS 2 IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities	E1.IRO-1
ESRS E2 - Disclosure in relation to ESRS 2 IRO-1 - Description of the process to identify and assess the material impacts, risks and opportunities related to pollution	E2.IRO-1
ESRS E3 - Disclosure in relation to ESRS 2 IRO-1 - Description of the process to identify and assess the material impacts, risks and opportunities related to water and marine resources	E3.IRO-1
ESRS E4 - Disclosure in relation to ESRS 2 IRO-1 - Description of the process to identify and assess the material impacts, risks and opportunities related to biodiversity and ecosystems	E4.IRO-1
ESRS E5 - Disclosure related to ESRS 2 IRO-1 - Description of the process to identify and assess the material impacts, risks and opportunities related to resource use and circular economy	E5.IRO-1
ESRS G1 - Disclosure related to ESRS 2 IRO-1 - Description of the process to identify and assess the material impacts, risks and opportunities	G1.IRO-1
ESRS 2 IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability statement	ESRS 2 IRO-2

Disclosure obligation	(Sub-) Chapter
ESRS E1 - Climate change	ESRS E1
<i>Strategy</i>	
ESRS E1-1 - Transition plan for climate change mitigation	ESRS E1-1
<i>Management of impacts, risks and opportunities</i>	
ESRS E1-2 - Policies related to climate change mitigation and adaptation	ESRS E1-2
ESRS E1-3 - Actions and resources related to climate concepts	ESRS E1-3
<i>Key figures and targets</i>	
ESRS E1-4 - Targets related to climate change mitigation and adaptation	ESRS E1-4
ESRS E1-6 - Gross GHG emissions of categories Scope 1, 2 and 3 and total GHG emissions	ESRS E1-6
ESRS E1-7 - Greenhouse gas removals and greenhouse gas mitigation projects financed through carbon credits	ESRS E1-7
ESRS E1-9 - Potential financial effects from material physical and transition risks and potential climate-related opportunities	ESRS E1-9
ESRS E4 Biodiversity & ecosystems	ESRS E4
<i>Management of impacts, risks and opportunities</i>	
ESRS E4-2 - Policies related to biodiversity and ecosystems	ESRS E4-2
ESRS E4-3 - Actions and resources in relation to biodiversity and ecosystem	ESRS E4-3
<i>Key figures and targets</i>	
ESRS E4-4 - Targets related to biodiversity and ecosystems	ESRS E4-4
ESRS E4-5 - Key figures for impacts in relation to biodiversity and ecosystem changes	ESRS E4-5
ESRS E4-6 - Potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	ESRS E4-6
<i>Management of impacts, risks and opportunities</i>	
ESRS S1-1 - Policies related to own workforce	ESRS S1-1
ESRS S1-2 - Processes for engaging with own workers and workers' representatives about impacts	ESRS S1-2
ESRS S1-3 - Processes for improving negative impacts and channels for own workers and workers' representatives to raise concerns	ESRS S1-3
ESRS S1-4 - Taking action on material impacts on own workforce and approaches to managing material risks and exploiting material opportunities related to own workforce and the effectiveness of those actions	ESRS S1-4
<i>Key figures and targets</i>	
ESRS S1-5 - Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities	ESRS S1-5
ESRS S1-6 - Characteristics of the undertaking's employees	ESRS S1-6
ESRS S1-7 - Characteristics of non-employee workers in the undertaking's own workforce	ESRS S1-7
ESRS S1-8 - Collective bargaining coverage and social dialogue	ESRS S1-8
ESRS S1-9 - Diversity metrics	ESRS S1-9
ESRS S1-10 - Adequate wages	ESRS S1-10
ESRS S1-11 - Social protection	ESRS S1-11
ESRS S1-12 - People with disabilities	ESRS S1-12
ESRS S1-13 - Training and skills development key figures	ESRS S1-13
ESRS S1-14 - Health and safety key figures	ESRS S1-14
ESRS S1-15 - Work-life balance key figures	ESRS S1-15
ESRS S1-16 - Remuneration metrics (pay gap and total remuneration)	ESRS S1-16
ESRS S1-17 - Incidents, complaints and severe human rights impacts	ESRS S1-17
ESRS G1 - Corporate governance	ESRS G1
<i>Management of impacts, risks and opportunities</i>	
ESRS G1-1 - Corporate culture and governance policies	ESRS G1-1
ESRS G1-3 - Prevention and detection of corruption and bribery	ESRS G1-3
<i>Key figures and targets</i>	
Disclosure obligation G1-4 - Corruption or bribery cases	ESRS G1-4
Company-specific disclosure - tax transparency	ESD-3

Table 2: Data points resulting from other EU legislation listed in Annex B of this standard

Disclosure obligation and associated data point	SFDR reference ⁽¹⁾	Pillar 3 reference ⁽²⁾	Benchmark regulation reference ⁽³⁾	EU climate law reference ⁽⁴⁾	(Sub-) Chapter
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator No. 4 in Annex 1 Table 2	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Form 3: Investment book - Transition risk related to climate change: Reconciliation metrics	Delegated Regulation (EU) 2020/1818, Article 6		ESRS E1-4
ESRS E1-5 Energy consumption from fossil fuels by source (climate-intensive sectors only) paragraph 38	<i>Not material</i>				-
ESRS E1-5 Energy consumption and energy mix paragraph 37	<i>Not material</i>				-
ESRS E1-5 Energy intensity related to activities in climate-intensive sectors paragraphs 40 to 43	<i>Not material</i>				-
ESRS E1-6 Gross GHG emissions of categories Scope 1, 2 and 3 and total GHG emissions paragraph 44	Indicators Nos 1 and 2 in Annex 1 Table 1	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Form 1: Investment book - Transition risk related to climate change: Credit quality of risk positions by sector, issue and remaining maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)		ESRS E1-6
ESRS E1-6 Intensity of gross GHG emissions paragraphs 53 to 55	Indicator No. 3 Table 1 in Annex 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Form 3: Investment book - Transition risk related to climate change: Reconciliation metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		ESRS E1-6
ESRS E1-7 Removal of greenhouse gases and CO2 allowances paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	ESRS E1-7
ESRS E1-9 Risk exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		ESRS E1-9

Disclosure obligation and associated data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	(Sub-) Chapter
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk paragraph 66(a) ESRS E1-9 Location where significant assets with significant physical risk are located paragraph 66(c)		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Form 5: Investment book - Physical risk related to climate change: Risk positions with physical risk			ESRS E1-9
ESRS E1-9 Breakdown of the carrying amount of its real estate by energy efficiency class paragraph 67(c)		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Form 2: Investment book - Transition risk related to climate change: Loans secured by real estate - Energy efficiency of collateral			ESRS E1-9
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities paragraph 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		ESRS E1-9
ESRS E2-4 Quantity of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted into air, water and soil, paragraph 28	<i>Not material</i>				-
ESRS E3-1 Water and marine resources paragraph 9	<i>Not material</i>				-
ESRS E3-1 Special policy paragraph 13	<i>Not material</i>				-
ESRS E3-1 Sustainable oceans and seas paragraph 14	<i>Not material</i>				-
ESRS E3-4 Total quantity of water recovered and reused paragraph 28(c)	<i>Not material</i>				-
ESRS E3-4 Total water consumption in m ³ per net revenue from own activities paragraph 29	<i>Not material</i>				-
ESRS 2 – SBM-3 – E4 Paragraph 16(a)(i)	Indicator No.7 in Annex 1 Table 1				ESRS 2 – SBM-3 – E4
ESRS 2 – SBM-3 – E4 Paragraph 16(b)	Indicator No. 10 in Annex 1 Table 2				ESRS 2 – SBM-3 – E4

Disclosure obligation and associated data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	(Sub-) Chapter
ESRS 2 – SBM-3 – E4 Paragraph 16(c)	Indicator No.14 in Annex 1 Table 2				ESRS 2 – SBM-3 – E4
ESRS E4-2 Sustainable practices or concepts in land use and agriculture paragraph 24(b)	Indicator No. 11 in Annex 1 Table 2				ESRS E4-2
ESRS E4-2 Sustainable practices or concepts in the area of oceans/seas paragraph 24(c)	Indicator No. 12 in Annex 1 Table 2				ESRS E4-2
ESRS E4-2 Policies for combating deforestation paragraph 24(d)	Indicator No. 15 in Annex 1 Table 2				ESRS E4-2
ESRS E5-5 Non-recycled waste paragraph 37(d)	<i>Not material</i>				-
ESRS E5-5 Hazardous and radioactive waste paragraph 39	<i>Not material</i>				-
ESRS 2 SBM-3 – S1 Risk of forced labour paragraph 14(f)	Indicator No. 13 in Annex I Table 3				ESRS 2 SBM-3 – S1
ESRS 2 SBM-3 – S1 Risk of child labour paragraph 14(g)	Indicator No. 12 in Annex I Table 3				ESRS 2 SBM-3 – S1
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator 9 in Annex I Table 3 and indicator 11 in Annex I Table 1				ESRS S1-1
ESRS S1-1 Due diligence requirements in relation to issues covered by the International Labour Organisation's fundamental conventions 1 to 8, paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-1
ESRS S1-1 Processes and actions to combat trafficking in human beings paragraph 2	Indicator No. 11 in Annex I Table 3				ESRS S1-1
ESRS S1-1 Policy or management system for the prevention of occupational accidents paragraph 23	Indicator No. 1 in Annex I Table 3				ESRS S1-1
ESRS S1-3 Complaints handling paragraph 32(c)	Indicator No. 5 in Annex I Table 3				ESRS S1-1

Disclosure obligation and associated data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	(Sub-) Chapter
ESRS S1-14 Number of fatalities and number and rate of occupational accidents paragraph 88(b) and (c)	Indicator No. 2 in Annex I Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-14
ESRS S1-14 Number of days of absence due to injury, accident, death or illness paragraph 88(e)	Indicator No. 3 in Annex I Table 3				ESRS S1-14
ESRS S1-16 Unadjusted gender pay gap paragraph 97(a)	Indicator No. 12 in Annex I Table 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-16
ESRS S1-16 Excessive remuneration of members of management bodies paragraph 97(b)	Indicator No. 8 in Annex I Table 3				ESRS S1-16
ESRS S1-17 Cases of discrimination paragraph 103(a)	Indicator No. 7 in Annex I Table 3				ESRS S1-17
ESRS S1-17 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the Organisation for Economic Co-operation and Development (OECD) Guidelines paragraph 104(a)	Indicator 10 in Annex I Table 1 and Indicator 14 in Annex I Table 3		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		ESRS S1-17
ESRS2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11(b)	<i>Not material</i>				-
ESRS S2-1 Human rights policy commitments paragraph 17	<i>Not material</i>				-
ESRS S2-1 Policies related to labour force in the value chain paragraph 18	<i>Not material</i>				-
ESRS S2-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines paragraph 19	<i>Not material</i>		<i>Not material</i>		-
ESRS S2-1 Due diligence requirements in relation to issues covered by the International Labour Organisation's fundamental conventions 1 to 8, paragraph 19			<i>Not material</i>		-

Disclosure obligation and associated data point	SFDR reference ⁽¹⁾	Pillar 3 reference ⁽²⁾	Benchmark regulation reference ⁽³⁾	EU climate law reference ⁽⁴⁾	(Sub-) Chapter
ESRS S2-4 Human rights issues and incidents within the upstream and downstream value chain paragraph 36	<i>Not material</i>				-
ESRS S3-1 Human rights obligations paragraph 16	<i>Not material</i>				-
ESRS S3-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Principles or the OECD Guidelines paragraph 17	<i>Not material</i>		<i>Not material</i>		-
ESRS S3-4 Human rights issues and incidents paragraph 36	<i>Not material</i>				-
ESRS S4-1 Policies related to consumers and end-users paragraph 16	<i>Not material</i>				-
ESRS S4-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines paragraph 17	<i>Not material</i>		<i>Not material</i>		-
ESRS S4-4 Issues and incidents in relation to human rights paragraph 35	<i>Not material</i>				-
ESRS G1-1 United Nations Convention against Corruption paragraph 10(b)	Indicator No. 15 in Annex 1 Table 3				ESRS G1-1
ESRS G1-1 Protection of whistleblowers Paragraph 10(d)	Indicator No. 6 in Annex 1 Table 3				ESRS G1-1
ESRS G1-4 Fines for violations of corruption and bribery rules paragraph 24(a)	Indicator No. 17 in Annex 1 Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS G1-4

Disclosure obligation and associated data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	(Sub-) Chapter
ESRS G1-4 Anti-corruption and bribery standards paragraph 24(b)	Indicator No. 16 in Annex 1 Table 3				ESRS G1-4
<p>(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317 of 9.12.2019, p. 1).</p> <p>(2) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 (OJ L 176 of 27.6.2013, p. 1).</p> <p>(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as a benchmark in financial instruments and financial contracts or to measure the performance of an investment fund and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 (OJ L 171 of 29.6.2016, p. 1).</p> <p>(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No. 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243 of 9.7.2021, p. 1).</p> <p>(5) Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement how ESG factors are reflected in each benchmark that is made available and published (OJ L 406 dated 3.12.2020, p. 1)</p> <p>(6) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 with regard to the disclosure of environmental, social and governance risks (OJ L 324 dated 19.12.2022, p. 1).</p> <p>(7) Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU climate change benchmarks and for EU Paris-aligned benchmarks (OJ L 406 dated 3 December 2020, p. 17)</p>					

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The information to be disclosed was determined from a combination of materiality analysis and gap analysis. The materiality analysis identified the key topics that need to be reported under the CSRD. Both the inside-out and the outside-in perspective were taken into account to assess financial and non-financial impacts. The gap analysis was used to identify the discrepancies between current reporting practices and ESRS requirements. They were taken into account in the implementation planning to ensure compliance with regulatory requirements. Both are described in more detail under IRO1 53 a), b) and c).

ESRS E1 Climate change

Strategy – ESRS E1

E1-1

17:

NORD/LB plans to adopt and publish a transition plan by 2030 in line with the development of intermediate targets.

There is currently no transition plan according to the requirements of the ESRS.

Impact, risk and opportunity management – ESRS E1

E1-2

24, MDR-P:

As “Bank der Energiewende”, promoting Germany's energy transition, NORD/LB has been active in the financing of renewable energies and infrastructure projects for over 30 years, primarily in the areas of wind energy, photovoltaics and battery storage. Its business model is based on future-oriented business areas and forms the foundation for the challenges of the ESG transformation of the economy and society.

As part of this transformation process, NORD/LB has developed an ESG strategy that promotes long-term sustainability and contributes to achieving the climate goals. The ESG strategy is an integral part of the Bank's strategy compendium and is supplemented by the risk strategy, the transformation guidelines, the Green Funding Framework and the Sustainable Loan Framework. These concepts define the scope of climate-related initiatives and risk assessments and are described in more detail in Tables 1 to 5.

Table 1: Minimum disclosure requirement MDR-P: Policies for dealing with material sustainability aspects

Banking business policy	Risk strategy
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content The risk strategy includes the allocation of risk capital to material risk types, which are determined by a business area risk type matrix and associated risk sub-strategies. In addition to the risk strategy limits for the main risk types, statements on yield and risk concentrations are also part of the risk strategy. At the same time, selected profitability indicators and climate-related key risk indicators are included in the risk-strategic objectives.</p> <p>The risk strategy is part of NORD/LB's business strategy process, which takes into account internal and external influencing factors for the strategic business segments, including specific environmental factors such as climate change. The sector limits for the sectors influence the Bank's risk appetite with regard to climate and environmental risks.</p> <p>General objectives The objective of the risk strategy is to determine risk appetite and deal with the main risk types based on risk sub-strategies within the framework of the NORD/LB Group's business model. The risk strategy describes the risk-bearing capacity concept, risk governance, risk understanding, risk culture and the organisation of risk management. NORD/LB has integrated ESG risks into its risk strategy, whereby ESG risks are considered as drivers for all relevant risk types.</p> <p>References to significant impacts, risks or opportunities In the upstream process of the risk strategy, ESG risks are analysed and assessed as part of the risk inventory. The results are incorporated into the risk strategy. The material risks are therefore related to the overarching risk strategy (see E1.IRO-1 for more detailed information on the management of the material risks).</p> <p>Monitoring process Continuous monitoring of the strategic risk objectives is ensured through regular reporting. The interlinked creation of the business and risk strategy ensures that there is a risk-conscious approach to both strategies. The operational management and limitation of risks classified as material is based on a quantitative limit system (or additional thresholds for monitoring the business and strategic risk based on selected profit and loss items). These apply implicitly to material ESG risks. The internal requirements of the risk strategy for risk capacity and risk appetite are regularly operationalised and monitored within risk reporting in the form of traffic light signals.</p> <p>Operational risk management is carried out decentrally within the NORD/LB Group in the main NORD/LB AöR and NORD/LB CBB companies. To this end, the companies have a structured structure and process organisation as well as a variety of Group-wide instruments. These guarantee sufficient transparency of the risk situation and make the required limitation and portfolio diversification</p>

<i>Scope of the agreement</i>	manageable and monitorable. The risk strategy is part of NORD/LB's strategy compendium. It applies to the NORD/LB Group. The risk strategy is a concept for banking business and banking operations.
<i>Responsibility for top-level implementation</i>	The responsible Chief Risk Officer of the respective individual institutions is responsible for defining and monitoring the risk strategy in consultation with the market departments. The responsible Chief Risk Officer (CRO) of NORD/LB AöR is the Head of the risk controlling function according to AT 4.4.1 of the MaRisk and is responsible for defining and monitoring the Group risk strategy in consultation with the market departments. The Managing Board of NORD/LB AöR is responsible for NORD/LB Group's risk management.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	see Section 24
<i>Consideration of the interests of key stakeholders</i>	The development of the risk strategy takes place internally through cooperation with the affected specialist units and the strategic business segments, but without the specific involvement of external stakeholders. The strategy is defined by the Managing Board and noted by the Supervisory Board after discussion. Shareholders of the Federal State of Lower Saxony are among those represented here. In addition, there is no additional involvement by NGOs or other external stakeholders.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	NORD/LB does not publish its risk strategy externally.

Table 2: Minimum disclosure requirement MDR-P: Policies for dealing with material sustainability aspects

Banking business policy	ESG strategy
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content</p> <p>Due to regulatory requirements, changing competitive conditions and creating transparency, ESG criteria are playing an increasingly important role. Sustainable investments are considered not only from an environmental and social perspective, but also in terms of their impact on long-term financial stability. NORD/LB's ESG strategy reflects this based on clearly defined objectives, principles, responsibilities and actions in order to comprehensively integrate sustainability aspects into all business areas. All decisions follow four central management principles: Stakeholder orientation, responsibility, integrity and transparency. These principles serve as guidelines for the Bank's ESG alignment.</p> <p>A key objective of the strategy is to decarbonise the financing portfolio, in particular by reducing CO₂ emissions and supporting the 1.5-degree target of the Paris Agreement. To this end, the bank is developing sector-specific transition paths, in particular for emissions-intensive sectors such as energy, real estate and agriculture. (See E1-4)</p> <p>To implement the ESG strategy in the sense of promoting sustainable investments, NORD/LB has developed a Sustainable Loan Framework and a Green Funding Framework. Climate stress tests are also carried out to assess physical and transitory risks. ESG risks are actively integrated into the risk management process and business strategy. (See E1-3)</p> <p>Progress is monitored against measurable targets, including the reduction of emission intensity in the energy sector and in the residential real estate sector (see E1-4 in connection with E1-6). Strategically relevant ESG key figures are reported and commented on via the Bank's internal sustainability management reporting implemented by the ESG strategy.</p> <p>General objectives</p> <p>The aim of the ESG strategy is to define the strategic framework for the Bank's "Environmental, Social & Governance" issues. It sets out, in relation to ESG, the strategic principles in terms of business activities, sustainable financing and the business environment, among other things. In addition, the ESG strategy contains strategic targets based, among other things, on materiality analysis and the anchoring of corresponding key figures (Key Performance Indicators (KPI) or Key Risk Indicators (KRI)).</p> <p>References to significant impacts, risks or opportunities</p> <p>The material impacts, risks and opportunities are considered thematically in the annual ESG strategy process. This enables NORD/LB to proactively address potential impacts and materialise opportunities (cf. E1-3 for the relevant actions and E1-4 for the relevant targets).</p> <p>Monitoring process</p> <p>As part of the annual ESG strategy process, the strategic business segments develop and review their ESG strategic orientation, taking into account the requirements set by the Managing Board for the targeted allocation of resources as well as internal and external influencing factors.</p> <p>The ESG strategy is created and adapted in line with the business strategy and the functional strategies, ensuring alignment in terms of the ESG strategy.</p>
<i>Scope of the agreement</i>	The ESG strategy is part of NORD/LB's strategy compendium. It applies to the NORD/LB Group. The ESG strategy is a concept for banking business and banking operations.
<i>Responsibility for top-level implementation</i>	The Managing Board is responsible for implementing NORD/LB's ESG strategy. The Managing Board of NORD/LB AöR and the Managing Boards of the individual institutions are responsible for the sustainable development of the NORD/LB Group and present the results to the owners.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	see Section 24
<i>Consideration of the interests of key stakeholders</i>	The ESG strategy is carried out internally through cooperation with the relevant specialist units and strategic business segments, but without the specific

<p><i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i></p>	<p>involvement of external stakeholders. The strategies are set out by the Managing Board and noted by the Supervisory Board after discussion. Shareholders of the Federal State of Lower Saxony are among those represented here. In addition, there is no additional involvement by NGOs or other external stakeholders.</p> <p>As part of the annual strategy process, a comprehensive ESG strategy was developed in 2023 and included in NORD/LB's strategy compendium. The approval was granted by NORD/LB's whole Managing Board and noted by the Supervisory Board. NORD/LB published an extract of the ESG strategy in 2024 and published its ESG strategy on 1 January 2025.</p>
<p>Banking business policy <i>Main content, objectives and reference to material impacts, risks and opportunities</i></p>	<p>ESG strategy</p> <p>Core content</p> <p>Due to regulatory requirements, changing competitive conditions and creating transparency, ESG criteria are playing an increasingly important role. Sustainable investments are considered not only from an environmental and social perspective, but also in terms of their impact on long-term financial stability. NORD/LB's ESG strategy reflects this based on clearly defined objectives, principles, responsibilities and actions in order to comprehensively integrate sustainability aspects into all business areas. All decisions follow four central management principles: Stakeholder orientation, responsibility, integrity and transparency. These principles serve as guidelines for the Bank's ESG alignment.</p> <p>A key objective of the strategy is to decarbonise the financing portfolio, in particular by reducing CO₂ emissions and supporting the 1.5-degree target of the Paris Agreement. To this end, the bank is developing sector-specific transition paths, in particular for emissions-intensive sectors such as energy, real estate and agriculture. (See E1-4)</p> <p>To implement the ESG strategy in the sense of promoting sustainable investments, NORD/LB has developed a Sustainable Loan Framework and a Green Funding Framework. Climate stress tests are also carried out to assess physical and transitory risks. ESG risks are actively integrated into the risk management process and business strategy. (See E1-3)</p> <p>Progress is monitored against measurable targets, including the reduction of emission intensity in the energy sector and in the residential real estate sector (see E1-4 in connection with E1-6). Strategically relevant ESG key figures are reported and commented on via the Bank's internal sustainability management reporting implemented by the ESG strategy.</p> <p>General objectives</p> <p>The aim of the ESG strategy is to define the strategic framework for the Bank's "Environmental, Social & Governance" issues. It sets out, in relation to ESG, the strategic principles in terms of business activities, sustainable financing and the business environment, among other things. In addition, the ESG strategy contains strategic targets based, among other things, on materiality analysis and the anchoring of corresponding key figures (Key Performance Indicators (KPI) or Key Risk Indicators (KRI)).</p> <p>References to significant impacts, risks or opportunities</p> <p>The material impacts, risks and opportunities are considered thematically in the annual ESG strategy process. This enables NORD/LB to proactively address potential impacts and materialise opportunities (cf. E1-3 for the relevant actions and E1-4 for the relevant targets).</p> <p>Monitoring process</p> <p>As part of the annual ESG strategy process, the strategic business segments develop and review their ESG strategic orientation, taking into account the requirements set by the Managing Board for the targeted allocation of resources as well as internal and external influencing factors.</p> <p>The ESG strategy is created and adapted in line with the business strategy and the functional strategies, ensuring alignment in terms of the ESG strategy.</p>
<p><i>Scope of the agreement</i></p>	<p>The ESG strategy is part of NORD/LB's strategy compendium. It applies to the NORD/LB Group. The ESG strategy is a concept for banking business and banking operations.</p>

<i>Responsibility for top-level implementation</i>	The Managing Board is responsible for implementing NORD/LB's ESG strategy. The Managing Board of NORD/LB AöR and the Managing Boards of the individual institutions are responsible for the sustainable development of the NORD/LB Group and present the results to the owners.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	see Section 24
<i>Consideration of the interests of key stakeholders</i>	The ESG strategy is carried out internally through cooperation with the relevant specialist units and strategic business segments, but without the specific involvement of external stakeholders. The strategies are set out by the Managing Board and noted by the Supervisory Board after discussion. Shareholders of the Federal State of Lower Saxony are among those represented here. In addition, there is no additional involvement by NGOs or other external stakeholders.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	As part of the annual strategy process, a comprehensive ESG strategy was developed in 2023 and included in NORD/LB's strategy compendium. The approval was granted by NORD/LB's whole Managing Board and noted by the Supervisory Board. NORD/LB published an extract of the ESG strategy in 2024 and published its ESG strategy on 1 January 2025.

Table 3: Minimum disclosure requirement MDR-P: Policies for dealing with material sustainability aspects

Banking business policy	Transformation guidelines
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content The exclusion criteria and sector principles contained in NORD/LB's transformation guidelines were already largely part of the ESG strategy ¹⁾ in the 2024 financial year and serve as a comprehensive set of rules that set the framework for sustainable and ethical business practices. In addition to the legal requirements of the respective federal states, NORD/LB has also defined generally applicable minimum standards. Moreover, NORD/LB has formulated sector-specific criteria that must be included in addition to the minimum standards for transactions in the respective area. The transformation guidelines expect business partners to adhere to internationally recognised standards and promote cooperation with partners who demonstrate a high level of governance and responsibility.</p> <p>General objectives The purpose of the transformation guidelines is to ensure that NORD/LB concludes new business activities and economic activities financed by NORD/LB only in consideration of the guidelines.</p> <p>References to significant impacts, risks or opportunities The transformation guidelines contribute to the management of material impacts, risks and opportunities by setting out a strategic mechanism for NORD/LB to mitigate risks and prevent stranded assets through explicit specifications for investments in potentially vulnerable sectors (e.g. energy, real estate). This enables NORD/LB to finance customers who are involved to a lesser extent in critical activities, possibly also as part of a corporate group/group structure, provided that the funds provided are not used directly to support these critical activities. This allows customers to be supported in their demonstrable transformation process towards more sustainable business models, even if they may be involved in activities that fall under our exclusion criteria and sector principles, provided that the financing contributes to reducing these activities or their negative impacts.</p> <p>Monitoring process The transformation guidelines are reviewed at least every six months and on an ad hoc basis. Should an adjustment of the guidelines be required based on this review, the revised guidelines will be reviewed by the Legal Department and approved by the Managing Board. The review of operational compliance with the transformation guidelines is carried out and documented as part of the business initiation process.</p>
<i>Scope of the agreement</i>	The transformation guidelines apply to all new business activities and refer to the economic activities financed by NORD/LB. This means that customers who are involved to a lesser extent in critical activities (peripheral activities) - possibly also as part of a corporate group/group structure - can be financed, provided that the funds provided are not used directly to support these critical activities. The transformation guidelines are a policy for the banking business.
<i>Responsibility for top-level implementation</i>	The AöR Managing Board is responsible for updating NORD/LB's transformation guidelines.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	NORD/LB is committed to the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises. These standards are integrated into the transformation guidelines.
<i>Consideration of the interests of key stakeholders</i>	The transformation guidelines are updated internally through cooperation with the affected specialist units and the strategic business areas, but without the specific involvement of external stakeholders.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The transformation guidelines will be published on the NORD/LB website as of 1 January 2025 to ensure transparency and support implementation. Up until 31 December 2024, the transformation guidelines had only been published internally as part of the ESG strategy.

¹⁾ As of 1 January 2025, the transformation guidelines were removed from the ESG strategy and transferred to a separate document, which was also published externally.

Table 4: Minimum disclosure requirement MDR-P: Concepts for dealing with material sustainability aspects – Green Funding Framework

<i>Banking business policy</i>	Green Bond Framework¹⁾
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content NORD/LB's Green Bond Framework (since 2025) Green Funding Framework was developed to procure funds for the refinancing of suitable green financing. It supports the Bank's strategy and commitment to sustainability and aims to promote the EU's environmental objectives and climate change mitigation in particular.</p> <p>General objectives The main objectives include supporting the energy transition through investments in renewable energy and energy-efficient buildings. NORD/LB aims to align its loan and investment portfolios with the goals of the Paris Agreement.</p> <p>References to significant impacts, risks or opportunities NORD/LB has developed its Green Bond Framework to procure funds for the refinancing of suitable green financing that supports the Bank's ESG strategy. In addition, these funds contribute to the EU's environmental objectives, in particular to combating climate change. The aim of issuing green financing instruments is to reconcile sustainable project financing with the appropriate refinancing and to meet the growing demand for environmentally friendly investments.</p> <p>(See ESRs 2 SBM-3 for a detailed description of the material impacts, risks and opportunities)</p> <p>Monitoring process The Green Asset Committee (GAC) reviews the eligibility criteria at least once a year and decides on the composition of the Green Asset Pool. External audits are conducted to ensure compliance with market standards for green bonds.</p> <p>The GAC reports to NORD/LB's ESG management and is composed of representatives from the following areas: ESG Management (Chair), Treasury, Valuation Management, Markets, Structured Finance, Deutsche Hypo (commercial real estate business), Credit Risk Management. The business areas summarise potential credit transactions based on the eligibility criteria and make these available to the Treasury upon request.</p>
<i>Scope of the agreement</i>	The scope of application for products on the liabilities side is regulated in NORD/LB's Green Bond Framework. The Green Bond Framework is a policy for the banking business.
<i>Responsibility for top-level implementation</i>	ESG management coordinates all ESG issues in the Bank and reports directly to the CFO. The Sustainability Board assumes an overall bank management function for ESG on behalf of NORD/LB's Managing Board. It makes significant decisions on the Bank's ESG-specific framework conditions.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	NORD/LB is an official member of the International Capital Markets Association (ICMA) and follows the Green Bond Principles (GBP). ISS ESG is commissioned by NORD/LB to review the implementation of the Green Bond Principles and the sustainability of the Bank's entire Green Bond programme.
<i>Consideration of the interests of key stakeholders</i>	<p>The update to the Green Bond Framework (GBF) in 2024 was primarily due to changes in the vdp standards for the issue of "Grünen Pfandbriefen".</p> <p>The Bank's specialist department responsible carried out the relevant changes to the GBF without involving external stakeholders. It was then presented in the GAC and approved.</p>
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The reporting consists of allocation and impact reporting, which is made publicly available to investors. The results of the external audits are published on the NORD/LB website.

¹⁾ The Green Bond Framework was renamed "Green Funding Framework" as of 1 January 2025.

Table 5: Minimum disclosure requirement MDR-P: Policies for dealing with material sustainability aspects – SLF

<i>Banking business policy</i>	Sustainable Loan Framework (SLF)
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content Through the implementation of the SLF, NORD/LB has established its own internal methodology and processes for the internal classification of financing as “sustainable loans”.</p> <p>Fundamentals and methodology - The SLF complements the Green Funding Framework and is aligned with the EU Taxonomy. - The classification of sustainable loans takes place in a multi-stage process on the basis of defined internal bank eligibility criteria. - Continuous further development is planned by examining the possibility of including further sustainable asset classes.</p> <p>Testing and verification - Sustainability data, such as emission values, are verified by suitable customer evidence or other reliable sources. - The SLF takes into account significant impacts, risks and opportunities of sustainable financing.</p> <p>General objectives The central objective of NORD/LB’s Sustainable Loan Framework (SLF) is compliance with the ESG strategy and the targeted promotion of sustainable financing.</p> <p>References to significant impacts, risks or opportunities The SLF has a positive impact on the material impacts, risks and opportunities through the transparency and classification of loans. The classification enables NORD/LB to provide suitable green financing and optimise its portfolio management in such a way that opportunities can be materialised and risks potentially mitigated. The SLF underlines NORD/LB’s goals and ambitions and thus has a potentially positive impact on credibility. (cf. E1-3 for the relevant actions and E1-4 for the relevant targets).</p> <p>Monitoring process The Sustainable Loan Framework is updated as required and approved by the Managing Board. The application takes place as part of the business initiation process and is also documented in this context.</p>
<i>Scope of the agreement</i>	The SLF generally refers to all sectors of NORD/LB Group as well as all credit product types on the asset side (e.g. green loans, sustainability-linked loans and other products offered by the Bank). It applies to existing and new customers in Germany and abroad. The SLF is a policy for banking business.
<i>Responsibility for top-level implementation</i>	The Managing Board is responsible for updating NORD/LB’s SLF.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	In the SLF, NORD/LB has defined its own eligibility criteria that contribute to achieving the goals of the Paris Agreement and the Sustainable Development Goals (SDGs). These criteria are based on internationally recognised market standards, such as the LMA Green Loan Principles (GLP), ICMA Green Bond Principles (GBP) and the ESG strategy.
<i>Consideration of the interests of key stakeholders</i>	The main stakeholders, such as customers and investors, are taken into account by following recognised standards. The SLF is updated without the specific involvement of external stakeholders.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The SLF is an internal document and will not be published. The inclusion of customers is set out in the loan agreement in the form of corresponding delivery obligations.

In 2024, NORD/LB also started to develop a climate & energy concept based on the significant impacts in banking operations, which sets out measurable goals for the future and presents suitable key figures and measures to quantify how the implementation of the concept is progressing.

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NORD/LB's banking business concepts take into account climate protection and adaptation to climate change, energy efficiency and the use of renewable energies by its customers. In this context, it has also become a member of initiatives such as the "Klima-Selbstverpflichtung des deutschen Finanzsektors" (voluntary commitment of the German financial sector to the climate) and is guided, among other things, by the content underlying the initiatives when developing its ESG strategy. NORD/LB has based its ESG strategy on measures to adapt to climate change and takes into account regulatory requirements such as the ECB Guidelines on Climate and Environmental Risks. In this context, NORD/LB finances and evaluates investments in technologies that improve the energy efficiency of industrial operations, buildings and apartments. NORD/LB also supports its customers in the transition to a climate-neutral economy. Key sectors here are the energy (in particular renewable energies through the alignment of the strategic business segment "Structured Finance" (cf. SBM-1)), the real estate and the agriculture sector. Other sustainability aspects such as environmental and air pollution are not considered in more depth on the basis of the material topics and the strategic orientation of NORD/LB. Energy efficiency and renewable energies in banking operations are part of the concept for climate & energy currently being developed.

E1-3**28; MDR-A:**

In banking operations, NORD/LB is focusing on a continuous reduction of its own Scope 1 and 2 emissions. Measures for this were developed and implemented in 2023, e.g. the optimisation of office space. No concrete, measurable targets were decided in the 2024 financial year. As an ambition level, NORD/LB initially set out to reduce its own Scope 1 and 2 emission values by three per cent of the respective previous year's value. In the banking business, NORD/LB is focusing on continuously reducing its financed emissions (Scope 3.15) and has established appropriate measures for doing so, which are described below. Emission reductions in banking operations and banking business contribute positively to the achievement of the ESG strategic objectives (see E1-4 for further information on the targets). The basis for the development and implementation of effective and measurable measures is the quantification of GHG emissions and their systematic recording as part of the preparation of the NORD/LB-specific greenhouse gas inventory (cf. E1-6).

Table 1: MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects in the banking operation – energy efficiency

<i>Measure</i>	Energy efficiency
<i>Explanatory text</i>	<p>Increased energy efficiency In order to achieve the defined ambition, the following actions have been developed for banking operations:</p> <ul style="list-style-type: none"> - Space optimisation: space optimisation measures make more efficient use of existing space; freed-up space is handed over or developed for external use. - Replacement of lamps with LED lamps: by replacing conventional light sources with LEDs, energy requirements can be sustainably reduced. - Optimisation of heat regulation: replacing thermostats or controls in the heating systems reduces the heat output. - The data basis was converted to dual reporting in order to track and derive energy efficiency measures with regard to Scope 2 emissions. In addition, NORD/LB's energy management is certified according to DIN EN ISO 50001 and monitors energy consumption in an implemented energy management system. <p>References to significant impacts, risks or opportunities Due to the resulting Scope 1 and 2 emission reduction, the measures make a positive contribution to the material impact on banking operations.</p>
<i>Scope</i>	The scope of the measures described above focuses on the reduction of directly controllable Scope 1 and 2 emissions from banking operations.
<i>Time horizon</i>	It is expected that the defined ambitions with the underlying defined measures will be achieved by 2030.
<i>Quantitative and qualitative information on progress</i>	The ambition of the measures is to achieve a reduction in the Bank's own Scope 1 and 2 emissions.

Table 2: MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects in the banking business – data quality

Measure	Data quality
<i>Explanatory text</i>	<p>Improving the quality of emissions data through cross-sectoral and sector-specific measures Data plays a decisive role in the implementation of NORD/LB's decarbonisation strategies. Collecting valid data presents numerous challenges. Wherever possible, NORD/LB aims to use publicly available data to determine targets and measure progress, as it makes a big difference to the data quality and validity of the decarbonisation targets. NORD/LB is therefore working - also in cooperation with its business partners - to increase the accuracy of emission data. It plans to achieve this through the following activity, among other things:</p> <p>- Expansion of customer questionnaires for collecting (sector-specific) emissions data in the credit process: NORD/LB has introduced sector-specific customer questionnaires for collecting ESG data for customers. They are a work tool for gathering/collecting the necessary information to operate the RSU ESG score and sector analyses for high-risk ESG sectors. The intention in the future is for this questionnaire to be supplemented by further questions on GHG emissions in order to have a positive impact on real data coverage and thus also on data quality. This began in mid-2024 with the partial collection of customer-specific target values.</p> <p>References to significant impacts, risks or opportunities Improving data quality has a positive impact on the material impacts and risks in the areas of physical and transition risks as well as on transformation financing in the context of the climate and environment. A more accurate database enables improved risk assessment at customer and sector level, which can identify climate-related risks more precisely, develop appropriate control measures and minimise potential financial losses.</p> <p>In addition, an improved data situation promotes significant positive impacts and opportunities in the areas of transformation financing and green funding by enabling ESG-optimised product development and targeted portfolio management. This contributes to the development of innovative financing offers in the field of climate and environment, where the Bank can actively support the decarbonisation of the economy. After all, higher data quality and thus more precise emissions data have a potential positive impact on customer and investor confidence, leading to greater transparency and traceability of sustainable financing decisions and enabling the Bank to underpin its position as a financier of sustainable projects.</p>
<i>Scope</i>	The measure affects all customers (regardless of their company locations) and all NORD/LB locations.
<i>Time horizon</i>	Measures to improve the quality of emissions data are being taken on an ongoing basis.
<i>Quantitative and qualitative information on progress</i>	The emission data quality is reflected, among other things, in the key figure Weighted data quality level (cf. E1-6).
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require material operational expenditure (OpEx) or capital expenditure (CapEx).
<i>Expected and achieved greenhouse gas reduction</i>	This measure does not lead to direct greenhouse gas reductions, but has an indirect impact on this through improved controllability based on increased data quality, enabling NORD/LB to develop measures in the future with a direct reduction effect on greenhouse gas emissions.

Table 3: MDR-A minimum disclosure requirement: Measures and resources relating to material sustainability aspects in the banking business – governance

<i>Measure</i>	Controllability
<i>Explanatory text</i>	<p>Improvement of controllability and development/implementation of management tools Controllability is of vital importance in achieving decarbonisation targets at NORD/LB. Effective controllability makes it possible to set clear targets, monitor progress and make necessary adjustments to ensure that the set climate goals are achieved.</p> <p>NORD/LB is working on the following approaches to increase its controllability: - Development of ESG indicators for active portfolio management: In order to be able to manage its new business in the future within the sectors and in the overall view of the NORD/LB financing portfolio, NORD/LB plans to develop specific key figures to measure whether and to what extent planned new business activities affect the achievement of the sector-specific decarbonisation targets set. - Establishment of a dashboard for creating transparency in customer business: NORD/LB plans to establish a dashboard for all participants in customer business in order to create transparency of the status quo of emissions data development and, in particular, to measure progress with regard to achieving the decarbonisation targets.</p> <p>References to significant impacts, risks or opportunities Improving controllability has a positive impact on the material impacts and opportunities in the areas of green funding and transformation financing. By collecting and analysing relevant data more precisely, the ambitions and targets set - in particular in connection with emission reduction targets - can be systematically managed and stored with suitable key figures.</p> <p>This enables more effective monitoring of progress, a more targeted allocation of capital to sustainable projects and a more risk-conscious management of the loan portfolio. Combined with the measures for improving data quality, opportunities in sustainable financing can be better exploited and innovative business models promoted, which can contribute to NORD/LB's competitiveness and resilience in the long term.</p>
<i>Scope</i>	The measure affects all customers (regardless of their company locations) and all NORD/LB locations.
<i>Time horizon</i>	Measures to improve controllability are being taken on an ongoing basis.
<i>Quantitative and qualitative information on progress</i>	n/a
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require material operational expenditure (OpEx) or capital expenditure (CapEx).
<i>Expected and achieved greenhouse gas reduction</i>	This measure does not lead to direct greenhouse gas reductions, but has an indirect impact on this through improved controllability based on increased data quality, enabling NORD/LB to develop measures in the future with a direct reduction effect on greenhouse gas emissions.

Table 4: MDR-A minimum disclosure requirement: Measures and resources relating to material sustainability aspects in the banking business – consideration of ESG risks/credit process

Measure	Consideration of ESG risks/credit process
Explanatory text	<p>Consideration of ESG risks as part of NORD/LB's sector strategies Consideration of environmental, social and governance (ESG) risks is crucial as it not only contributes to risk mitigation, but also promotes long-term sustainability and responsibility. ESG risks can have a significant financial impact if not appropriately assessed and managed. NORD/LB's approach to embedding ESG risks in credit risk management takes into account different approaches:</p> <ul style="list-style-type: none"> -To implement the transformation guidelines (cf. E1-2 MDR-P "Transformation Guidelines"), NORD/LB has formulated sector-specific criteria that must be included in addition to the minimum standards for business activities in the respective area. In this way, NORD/LB ensures that a business activities can only be carried out under consideration of these additional aspects and standards. -ESG customer questionnaires (including sector-specific questions): NORD/LB has introduced sector-specific customer questionnaires in which ESG data is collected for customers. They represent a work tool for providing the necessary information for operating the ESG score of RSU GMBH & CO. KG (RSU ESG score) and sector analyses for ESG high-risk sectors. -Integration of ESG into individual customer credit decisions via ESG scoring: RSU ESG scoring and the S-ESG score (Savings Bank ESG score) are used to determine ESG risks and assess them on a scale. The various sub-risks are summarised in a tree-like structure and weighted differently. The calculation structure of the score has a quantitative and a qualitative part, both of which make up the ESG score. The S-ESG score (savings bank ESG score) is applied in the corporate customers and real estate business typical for savings banks. <p>The RSU ESG and S-ESG scores are based on various indicators from the ESG dimensions. The Environment area is covered by the Environment (E) score dimension and is divided into E-physical, e.g. flood risks, and E-transition, e.g. greenhouse gas emissions.</p> <p>Together with the indicators for Social (S) and Governance (G), the Environment dimension is aggregated into an overall value that reflects the respective sustainability risk and a comparison with the industry.</p> <p>The final result of the RSU ESG and S-ESG scores is mapped on a 5-stage rating scale from A (very low sustainability risks) to E (high sustainability risks).</p> <ul style="list-style-type: none"> -ESG sector analyses (a standardised risk assessment is carried out for high-risk sectors): NORD/LB develops special requirements and financing principles for identified high-risk sectors. In addition, the risk appetite for the high-risk sectors with regard to climate and environmental risks is determined separately each year and the overall risk of the high-risk sectors is managed via a special KRI. <p>References to significant impacts, risks or opportunities The measure has a positive impact on the identified material ESG risks by enabling a systematic and data-based assessment of the risks. By integrating ESG factors into credit decisions, sector-related risk analyses and transformation guidelines, potential financial and regulatory risks can be identified and managed early. This improves the resilience of the loan portfolio to climate-related and regulatory challenges, reduces potential losses in value due to stranded assets and supports the ability to finance the sustainable transformation of the economy. In addition, the consideration of ESG criteria strengthens the trust of investors and stakeholders and contributes to the Bank's long-term competitiveness, thus contributing to the material opportunities.</p>
Scope	The measure affects all customers (regardless of their company locations) and all NORD/LB locations.
Time horizon	The measures for taking account of ESG risks are carried out on an ongoing basis
Quantitative and qualitative information on progress	n/a
Material operating expenses (OpEx) and/or capital expenditures (CapEx)	Implementation of the measure does not require material operational expenditure (OpEx) or capital expenditure (CapEx).
Expected and achieved greenhouse gas reduction	This measure does not lead to direct greenhouse gas reductions, but has an indirect impact on this through improved controllability based on increased data quality, enabling NORD/LB to develop measures in the future with a direct reduction effect on greenhouse gas emissions.

NORD/LB did not define any concrete future measures in the 2024 financial year, but is continuously reviewing the establishment of further measures for banking and banking operations.

29(a):

The **Bank's operational** measures for area optimisation, heat regulation and the replacement of lighting contribute to NORD/LB's energy efficiency and pursue the ambition of reducing its own Scope 1 and 2 emissions. In addition, measures to adapt to climate change, such as green infrastructure in the form of roof greening, have been implemented. However, these are of minor materiality within the meaning of CSRD reporting.

The measures in NORD/LB's **banking business** are aimed at achieving its set emission reduction targets in the financing business and integrating climate risks into governance processes. No sector-specific measures regarding decarbonisation levers were decided for the 2024 financial year. Further information on NORD/LB's decarbonisation levers can be found in E1-4 34 f).

29(c)i:

With regard to the planned measures within the scope of NORD/LB's business activities, capital expenditure (CapEx) and operating expenses (OpEx) do not represent significant key figures for reporting. This is because the structure of NORD/LB's business model is primarily based on the provision of banking activities and related financial services. Income and cost factors are not primarily influenced by tangible assets or ongoing operating expenses.

Consequently, no detailed allocation or explanation of these key figures takes place in the context of the annual financial statements, as they are not meaningful for assessing NORD/LB's financial position or performance.

29(c)ii, 16(c):

Significant investments in NORD/LB's business model mainly relate to intangible and financial aspects. These measures cannot be quantified using CapEx/OpEx

29(c)iii, 16(c):

Since NORD/LB does not use CapEx plans to control its inherent business activities, an allocation in accordance with Commission Delegated Regulation (EU) 2021/2178 is not possible.

The ability to implement the defined measures in **banking operations** depends on NORD/LB's strategic orientation with regard to its own Scope 1 and 2 emissions and the funds provided for target and measure development as well as the processes for reducing energy requirements and emissions reduction.

The ability to implement the defined measures in the **banking business** depends, among other things, on NORD/LB's strategic direction with regard to the financing business and the associated funds provided.

Parameters und targets – ESRS E1

E1-4

32, 33, MDR-T:

NORD/LB has not yet adopted any defined climate-related targets or strategies in **banking operations**. As part of the development of a corresponding objective and corresponding strategies, an ambition level was set, which is being followed until a decision is made. The ambition levels set are based on the results of an expert workshop with participation from both internal and external experts.

NORD/LB has set itself reduction targets for physical emission intensity by 2030 for each financed sector (cf. 34(b)). For these sector-specific target values in the **banking business**, the portfolio is compared with the set target values as part of an annual review process. This process also involves the review and supplementation of the underlying measures. The objectives in the banking business have been developed on the basis of scientific findings, scenario analyses and in coordination with the internal units concerned. ESG management plays a strategic and leading role in target setting. The concerned departments/market divisions are also involved in the development of the objectives as part of the annual validation.

Table 1: MDR-T minimum disclosure requirement: Follow-up of the effectiveness of concepts and measures in the banking business through targets

<i>Goal</i>	Reduction of financed Scope 3 GHG emissions (Scope 3 Category 15)
<i>Relationship between the goal and the policy targets</i>	The goal contributes to the general target specifications set out in NORD/LB's business strategy and ESG strategy. The planned gradual reduction of GHG emissions thus contributes to the goal of the Paris Agreement.
<i>Target level</i>	Decarbonisation requires suitable approaches for different sectors, as the sources of GHG emissions and the reduction options available vary greatly from sector to sector. A sector-specific approach makes it possible to consider the diverse challenges and opportunities in each sector and develop effective strategies. The goals are defined as a reduction of physical emission intensities. The sector-specific targets are summarised in Table 4.
<i>Scope</i>	The goals of the banking business with regard to the portfolio refer to the financed emissions from the on-balance sheet lending business (excluding guarantees, letters of credit, internal lines for hedging transactions), in accordance with PCAF Part A. NORD/LB uses the methodology of the Paris Agreement Capital Transition Assessment (PACTA) (if available) to determine the target and the scope of the value chain under consideration. When setting targets for the lending business, individual targets and scopes are determined by sector; an overview of these can be found in Table 4. These include targets for the sectors of aviation, energy, real estate (commercial and residential real estate), agricultural dairy, agricultural pork, agricultural crops, oil & gas, automotive, steel, shipping and chemicals.
<i>Reference Values</i>	See Table 4
<i>Reference year</i>	See Table 4
<i>Period including possible stages or intermediate targets</i>	The target of reducing the financed emissions relates to the period up to 2030. To review progress, intermediate targets will be formulated every five years from 2030. The objective is validated annually as part of a review process.
<i>Methods and significant assumptions</i>	NORD/LB's ESG strategy takes NGFS scenarios into account. NORD/LB develops sector-specific decarbonisation pathways for the emission-intensive sectors in its financing portfolio. For all sectors (except agriculture), reference paths were derived from the updated IEA NZ 2050 scenario of the World Energy Outlook (WEO) 2023. Following the PACTA methodology, Scope 1 and Scope 2 GHG emissions were considered in the steel, cement and chemicals sectors. Data from the IEA was also used to integrate Scope 2. For the agricultural sector, Forest, Land and Agriculture (FLAG, version 1.0) of the Science Based Target initiative (SBTi) was used.
<i>Targets related to environmental aspects are based on sound scientific evidence</i>	In order to achieve a climate-neutral on-balance sheet lending business in the long term (excluding guarantees, letters of credit, internal lines for hedging transactions), NORD/LB follows scientifically recognised sector decarbonisation guidelines, e.g. from the IEA. NORD/LB also follows the SBTi Guidances and aims to align its on-balance sheet lending business (excluding guarantees, letters of credit, internal lines for hedging transactions) with the goals of the Paris Agreement. This initiative aims to actively contribute to the societal transformation to limit climate change. The Bank will report on its progress in this initiative annually, including as part of the sustainability report.
<i>Inclusion of stakeholders</i>	The goals were developed internally at NORD/LB. External stakeholders were not involved.
<i>Changes to the objective and related key figures, underlying measurement methods, material assumptions, constraints, sources and data collection methods</i>	NORD/LB is publishing its climate targets for the banking business for the first time in its 2025 sustainability report. Therefore, no historical comparison can be made.
<i>Performance, target monitoring, use of key figures, progress, trends</i>	For these sector-specific target values in the banking business, the portfolio is compared with the set target values as part of a review process carried out at least once a year.

NORD/LB pursues the ambition of expanding the **portfolio of green emissions** by offering green loans and green bonds as well as issuing green refinancing instruments for sustainable project financing. Levers for promoting environmental investment include a sufficient volume of green buildings in the investment pool as well as the procurement of funds for the refinancing of sustainable financing through the establishment and expansion of a sustainable and green investor base. Under its Green Bond Framework, NORD/LB can issue green senior and subordinated bonds (green bearer or registered bonds), green covered bonds (Grüne Pfandbriefe), green promissory notes (green bonds), green deposits (green

term deposits and deposits) and green commercial papers (green unsecured, short-term bonds). These funds are used to finance energy-efficient (i.e. green) buildings, such as new buildings, replacement buildings, project developments, certified existing financing and energy renovations of buildings and renewable energies. In the area of renewable energies, photovoltaics, onshore & offshore wind and battery storage are financed for the Green Asset Pool in particular.

No measurable, result-oriented target was set in this context, but the ambition can be tracked by NORD/LB's green bond issues. Since its introduction in 2017, six green mortgage covered bonds (Grüne Pfandbriefe) have been issued with a volume of € 500 million each (benchmark).

NORD/LB is also pursuing the ambition of **expanding its sustainable product and consultancy offering in the corporate and savings bank network business**. To that end, NORD/LB and BLSK are expanding their **sustainable product and consultancy offering** in the corporate and savings bank network business. BLSK is involved in regional sustainability initiatives such as the Energiegenossenschaft Braunschweiger Land eG and the HarzForumZukunft. NORD/LB has introduced an internal Sustainable Loan Framework and the public Green Funding Framework in order to specifically align financial products with sustainability. NORD/LB offers strategic ESG advice, including workshops, for formulating objectives and deriving action plans for its customers, among other things. The ESG product range is also being expanded to open up new sales areas.

In this context, no measurable, results-oriented objective was set and no direct targeting of the identified material risks was undertaken. These risks cannot be considered in isolation from complex interactions and are influenced by dynamic and external factors to such an extent that it is not possible for NORD/LB to control them. However, they are covered by corresponding analyses and measures (cf. E1.IRO-1 "Management of impacts, risks and opportunities" and E1-3 "Data quality" and "Consideration of ESG risks/credit process").

34 (a)

The following table shows the GHG emission reduction targets as a percentage by Scope 1, 2 and 3 measured at the base year:

Table 2: GHG emission reduction targets as a percentage by Scope 1, 2 and 3 measured at the base year

GHG Emission Reduction Targets	Base year	Target for 2030	Target for 2035	Target for 2040	Target for 2045	Target for 2050
Scope-1	-	-	-	-	-	-
Scope-2 market-based	-	-	-	-	-	-
Scope-2 location-based	-	-	-	-	-	-
Scope-3 Bank issues	-	-	-	-	-	-
Scope-3 Financed emissions	-	-	-	-	-	-
Agriculture (dairy)	2022	-8%	-	-	-	-
Agriculture (pork)	2022	-2%	-	-	-	-
Agriculture (crops)	2022	-8%	-	-	-	-
Aviation	2022	-14%	-	-	-	-
Power	2022	-29%	-	-	-	-
Oil and Gas	-	-	-	-	-	-
Residential real estate	2022	-37%	-	-	-	-
Commercial real estate	2022	-58%	-	-	-	-
Chemicals	2022	-27%	-	-	-	-
Steel	2023	-30%	-	-	-	-
Automotive	2023	-33%	-	-	-	-
Shipping	-	-	-	-	-	-

The following table shows the target GHG emission intensity values of the financed sectors:

Table 3: Objective of the GHG emission intensity values of the financed sectors

(Physical) GHG emission intensity values	Base year	Intensity value in base year	Intensity value in reporting period	Target for 2030	Target for 2035	Target for 2040	Target for 2045	Target for 2050	Physical unit
Agriculture (crops)	2022	2834.00	2840.00	2621.00	-	-	-	-	kgCO ₂ /ha
Agriculture (dairy)	2022	1.18	1.17	1.09	-	-	-	-	kgCO ₂ /kg
Agriculture (pork)	2022	3.17	3.18	3.11	-	-	-	-	kgCO ₂ /kg
Automotive	2022	0.14	0.14	0.09	-	-	-	-	kgCO ₂ /pkm
Aviation	2022	99.00	83.00	85.00	-	-	-	-	kgCO ₂ /pkm
Chemicals	2022	n/a	n/a	n/a	-	-	-	-	-
Energy	2022	42.00	34.00	30.00	-	-	-	-	kgCO ₂ /MWh
Commercial real estate	2022	66.00	41.53	28.00	-	-	-	-	kgCO ₂ /m ²
Steel	2022	1.69	1.6	1.18	-	-	-	-	kgCO ₂ /kg
Residential real estate	2022	30.00	24.40	19.00	-	-	-	-	kgCO ₂ /m ²

Only absolute figures are available for the chemicals sector, so this sector is indicated as n/a.

34(b):

NORD/LB has defined measures in order to reduce the risk in **banking business** that the set reduction targets for greenhouse gas (GHG) emissions are not in line with the defined system limits (cf. Table 3) of the greenhouse gas inventory. This includes defining the scope in order to best cover all relevant emission sources. The material scopes were defined in the ESG strategy process as part of objective setting. Regular reviews and adjustments of objectives are intended to promote consistency with the inventory. In order to meet the requirements and contribute to the achievement of NORD/LB's climate and, in particular, decarbonisation targets, successive sector-specific transition paths have been developed since 2023 and serve the CRR disclosure sectors as well as all sectors relevant to NORD/LB beyond that.

A list of the sectors can be found in Table 4 below. This means that NORD/LB covers approximately 47 per cent of the financed Scope 1 emissions, 39 per cent of the financed Scope 2 emissions, 53 per cent of the financed Scope 3 emissions and thus 51 per cent of the financed Scope 1-3 emissions (cf. E1-6, Table 13). In order to reinforce the ESG strategic alignment in the Oil & Gas sector, clear ESG exclusion criteria have been defined for upstream activities in the Oil & Gas sector (and thus a concrete exclusion of activities for the development, exploration and extraction of conventional and unconventional oil and gas deposits). In the shipping sector, NORD/LB has decided to completely wind down the business area and has already largely implemented this. This results in a significantly more ambitious reduction in emissions compared to the IEA Net-Zero 2050 scenario. Due to the fixed attribution factor (due to property financing) and the short time horizon (reduction of the portfolio by approx. 2032), it can be concluded that the exposure reduction is proportional to the CO₂ reduction.

The following table shows the considered scopes of GHG emission intensity values per emission intensity target of the financed sectors:

Table 4: Objectives and scopes per sector

Sector	Scope	Target
Agriculture - Dairy	Scope-1, Scope-2, Scope-3 (Upstream only)	Reduction of physical emissions intensity by eight per cent by 2030 in order not to exceed a value of 1.09 kg CO ₂ e/kg.
Agriculture - Pork	Scope-1, Scope-2, Scope-3 (Upstream only)	Reduction of the physical emissions intensity by two per cent by 2030 in order not to exceed a value of 3.11 kg CO ₂ e/kg.
Agriculture - Crops	Scope-1, Scope-2, Scope-3 (Upstream only)	Reduction of the physical emissions intensity by eight per cent by 2030 in order not to exceed a value of 2,621 kg CO ₂ e/ha.
Aviation	Scope 1 (combustion of kerosene)	Reduction of the physical emissions intensity by 14 per cent by 2030 in order not to exceed a value of 85 g CO ₂ /pkm.
Energy	Scope 1:	Reduction of the physical emissions intensity by 29 per cent by 2030 in order not to exceed a value of 30 kg CO ₂ e/MWh.
Oil and gas	n/a	n/a
Real estate	Scope 1 and Scope 2	Reduction of physical emissions intensity by 37 per cent by 2030 in order not to exceed a value of 19 kg CO ₂ e/m ² .
Commercial properties	Scope 1 and Scope 2	Reduction of physical emissions intensity by 58 per cent by 2030 in order not to exceed a value of 28 kg CO ₂ e/m ² .
Chemicals	Scope 1 and Scope 2	Reduction of absolute, indexed emissions by 27 per cent by 2030.
Steel	Scope 1 and Scope 2	Reduction of physical emissions intensity by 30 per cent by 2030 to not exceed 1.18 kg CO ₂ e/kg of steel produced.
Automotive	Scope 3 (exhaust emissions)	Reduction of the physical emissions intensity by 33 per cent by 2030 in order not to exceed a value of 0.091 kg CO ₂ /pkm
Shipping	n/a	n/a

NORD/LB therefore did not define any absolute GHG emission reduction targets in accordance with Scopes 1, 2 and 3 in the 2024 financial year. For the financed sectors, GHG emission intensity values were defined for the target, as well as a GHG emission reduction target as a percentage.

Transparency and reporting on methods and progress also play an important role in achieving optimum coherence between objectives and inventory. These measures are intended to implement the set GHG emission reduction targets realistically and comprehensively in accordance with the emissions recorded in the GHG inventory.

34(e), 16(a):

In the **banking business**, NORD/LB has developed sector-specific GHG emission reduction targets as part of its sector strategies. In doing so, NORD/LB is guided in the sectors (if available) by the IEA's reference paths to Net Zero Emissions by 2050 (NZ 2050), which should – as recommendations for action – contribute to the reduction of GHGs in energy-intensive sectors and also take into account future developments and technological progress based on assumptions. The reference paths for all sectors (except agriculture) were derived from the updated IEA Net-Zero 2050 scenario of the World Energy Outlook (WEO) 2023. SBTi FLAG (version 1.0) was used for the agricultural sector. The IEA's reference paths to Net Zero Emissions by 2050 (NZ 2050) are based on the goal of limiting the average global temperature rise to 1.5°C. NORD/LB's sector-specific CO₂ targets are partly above and partly below the reference paths. Information about this can be found in the ESG strategy on NORD/LB's website. In line with the reference paths, NORD/LB's objectives are based on the current scientific findings and frameworks for reducing GHG emissions in relation to the Paris Agreement's goal to limit global warming to 1.5° Celsius.

The targets for 2030 set out in 34 (b) are sector-specific and, depending on the sector, partly above and partly below the ambition of the respective IEA reference path (based on the goal of limiting the average global temperature rise to 1.5°C).

The achievement of the targets depends, among other things, on the occurrence of the central assumptions and externalities in the underlying reference paths and the associated transformation of NORD/LB's business partners. Within the existing business segments, business opportunities that will add significant value as part of the transformation are continuously analysed and evaluated. This includes the entire value chain of the hydrogen industry, but also other technologies that contribute to a CO₂-neutral economy. When analysing opportunities, NORD/LB is strategically oriented towards EU taxonomy-eligible economic activities as well as the overarching environmental goals and associated regulatory requirements. This means that the entire circular economy sector is the focus of the affected business segments.

34(f), 16(b), MDR-M:

In order to work towards achieving its sustainability goals in the **banking business**, NORD/LB regularly develops and validates sector-specific and sector-agnostic measures. Business policy measures can also be taken.

Among other things, NORD/LB reviews the portfolio compositions underlying the sectors in a regular sector-specific process and also deals with the technologies used by its business partners. The introduction of new technologies plays a subordinate role in NORD/LB's alignment with sustainable financing strategies. In addition, the transformation guidelines are regularly reviewed and adjusted and refined, if necessary. NORD/LB is constantly working, in a sector-agnostic way, to increase ESG data accuracy in cooperation with its business partners.

NORD/LB has also set itself the goal of gradually expanding its volume of sustainable business activities.

In this context, NORD/LB relies on two central levers for decarbonisation:

1. Decarbonisation via portfolio management: By steering financial flows, investment decisions and lending, the portfolio is gradually aligned with lower-emission and more sustainable economic activities. This includes promoting climate-friendly sectors, phasing out carbon-intensive industries, and integrating climate risks into credit portfolio management. Decarbonisation follows the target values of the scientific reference paths and is based on the expected emissions reduction within the sectors under consideration (cf. E1-3 measure "Data quality" and "Controllability", "Consideration of ESG risks/credit process").

2. Decarbonisation through economic transformation: The Bank supports the economy in its own decarbonisation by supporting companies in their transformation process. This helps the real economy reduce its CO₂ emissions and operate in a climate-neutral manner in the long term. These effects have an indirect impact on NORD/LB's Scope 3.15 emissions.

The following key figures from Tables 5 to 14 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 5: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: energy
<i>Explanatory text</i>	Physical emissions intensity of Scope 3.15 emissions in the energy sector (only includes electricity generation).
<i>Methods and assumptions</i>	The physical emissions intensity for the energy sector is expressed in kilogrammes of carbon dioxide equivalent per megawatt hour (KgCO ₂ e/MWh). The specification of the parameter currently refers to electricity generation (PACTA-relevant share of the value chain) and is based on the reference path IEA NZ 2050.

Table 6: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: aviation
<i>Explanatory text</i>	Physical emission intensity of Scope 3.15 emissions in the aviation sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the aviation sector is expressed in grammes of carbon dioxide equivalent per passenger kilometre (gCO ₂ e/Pkm). The specification of the parameter currently refers to passenger air traffic (PACTA-relevant share of the value chain) and is based on the reference path IEA NZ 2050.

Table 7: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: steel
<i>Explanatory text</i>	Physical emission intensity of Scope 3.15 emissions in the steel sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the commercial real estate sector (PACTA-relevant share of the value chain) is stated in kilogrammes of carbon dioxide equivalent per square metre (KgCO ₂ e/m ²). The specification of the parameter is based on the reference path IEA NZ 2050 (services).

Table 8: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity commercial real estate
<i>Explanatory text</i>	Physical emission intensity of Scope 3.15 emissions in the commercial real estate sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the commercial real estate sector (PACTA-relevant share of the value chain) is stated in kilogrammes of carbon dioxide equivalent per square metre (KgCO ₂ e/m ²). The specification of the parameter is based on the reference path IEA NZ 2050 (services).

Table 9: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: residential real estate
<i>Explanatory text</i>	Physical emission intensity of Scope 3.15 emissions in the residential real estate sector.
<i>Methods and assumptions</i>	The physical emission intensity for the residential real estate sector (PACTA-relevant share of the value chain) is stated in kilogrammes of carbon dioxide equivalent per square metre (KgCO ₂ e/m ²). The specification of the parameter is based on the reference path IEA NZ 2050 (Residential).

Table 10: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: agriculture - dairy
<i>Explanatory text</i>	Physical emissions intensity of Scope 3.15 emissions in the agricultural dairy sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the agricultural dairy sector (PACTA-relevant share of the value chain) is expressed in kilogrammes of carbon dioxide equivalent per kilogramme of milk (KgCO ₂ e/kg). The specification of the parameter is based on the SBTi Forest Land and Agriculture Guidance, as no IEA NZ 2050 data are available for this.

Table 11: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: agriculture - pork
<i>Explanatory text</i>	Physical emissions intensity of Scope 3.15 emissions in the agricultural pork sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the agricultural pork sector (PACTA-relevant share of the value chain) is expressed in kilogrammes of carbon dioxide equivalent per kilogramme of pork (KgCO ₂ e/kg). The specification of the parameter is based on the SBTi Forest Land and Agriculture Guidance, as no IEA NZ 2050 data are available for this.

Table 12: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: agriculture - crops
<i>Explanatory text</i>	Physical emissions intensity of Scope 3.15 emissions in the agricultural crops sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the agricultural crops sector (PACTA-relevant share of the value chain) is expressed in kilogrammes of carbon dioxide equivalent per hectares of crops farming (KgCO ₂ e/ha). The specification of the parameter is based on the SBTi Forest Land and Agriculture Guidance, as no IEA NZ 2050 data are available for this.

Tables 13: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Emissions intensity: automotive
<i>Explanatory text</i>	Physical emissions intensity of Scope 3.15 emissions in the automotive sector.
<i>Methods and assumptions</i>	The physical emissions intensity for the automotive sector (PACTA-relevant share of the value chain) is given in kilogrammes of carbon dioxide equivalent per passenger kilometre (KgCO ₂ e/Pkm). The specification of the parameter is based on the reference path IEA NZ 2050 (passenger cars).

Table 14: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

Key figures	Emissions metrics: chemical industry
Explanatory text	Physical emissions intensity of Scope 3.15 emissions in the chemical industry.
Methods and assumptions	Due to the complexity of the value chain, companies currently mainly publish emissions and targets based on absolute emissions. For this reason, NORD/LB uses indexed absolute emissions as a metric for management, which is designed to reflect absolute customer emissions and targets. The metric measures the alignment of the average (weighted) absolute portfolio emissions; in the base year 2022, the metric was 100.

E1-6

44(a), 44(b), 48(a), 48(b), 49(a), 49(b), 50 MDR-M:

Table 1: Scope 1 and Scope 2 gross GHG emissions:

Scope 1 greenhouse gas emissions	Retrospective				Milestones and target years			
	Base year	Comparison	N	%N / N-1	2025	2030	(2050)	Annual % of target/base year
Scope 1 gross GHG emissions (t CO ₂ e) total	-	-	2,706	-	-	-	-	-
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (in %)	-	-	-	-	-	-	-	-
Scope 2 greenhouse gas emissions	-	-	-	-	-	-	-	-
Total gross site-related Scope 2 GHG emissions (tCO ₂ e)	-	-	6,956	-	-	-	-	-
Total Scope 2 gross market emissions (tCO ₂ e)	-	-	1,159	-	-	-	-	-

NORD/LB mainly purchases certified green electricity to operate its sites. For the sake of traceability, emissions are reported using both the market-based and the location-based method.

The percentage of GHG emissions from the combustion or biodegradation (Scope 1, 2 and 3) of biomass is recorded using the VfU tool.

The following key figures in Tables 2 and 3 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Scope 1 GHG emissions
<i>Explanatory text</i>	Scope 1 GHG emissions include direct CO2 emissions. They come from emission sources at NORD/LB locations, e.g. from the combustion of fossil raw materials and the operation of the fleet
<i>Methods and assumptions</i>	<p>Scope 1 GHG emissions are recorded in tonnes of gross GHG emissions (tCO2e) using the VfU tool. The underlying emission factors come from the Ecoinvent database.</p> <p>If no direct values are available, these are estimated pro rata (percentage). This includes, in particular, the emissions of the foreign locations.</p> <p>There is no re-extrapolation on data that has already been extrapolated or estimated.</p> <p>A detailed description of the estimation methods and data accuracy can be found in the ESRS 2 BP-2 data (Table 3: Fundamentals and accuracy of GHG emission data).</p>

Table 3: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Scope 2 GHG emissions
<i>Explanatory text</i>	Scope 2 GHG emissions refer to the indirect CO2 emissions generated by the Bank's suppliers in the production of energy, e.g. purchased as electricity, district heating or natural gas.
<i>Methods and assumptions</i>	<p>Scope 2 market-related GHG emissions are recorded using the VfU tool based on the emissions figures recorded in contractual instruments in tonnes of gross GHG emissions (tCO2e). The site-related Scope 2 GHG emissions are recorded using the VfU tool based on the average emission intensity of the respective electricity grid in tonnes of gross GHG emissions (tCO2e).</p> <p>If no direct values are available, these are estimated pro rata (percentage). This includes, in particular, the emissions of the foreign locations.</p> <p>There is no re-extrapolation on data that has already been extrapolated or estimated.</p> <p>A detailed description of the estimation methods and data accuracy can be found in the ESRS 2 BP-2 data (Table 3: Fundamentals and accuracy of GHG emission data).</p>

44(c), 51:

Table 4: Gross GHG emissions of the Scope 3 categories:

Significances of Scope 3 greenhouse gas emissions	Retrospective				Milestones and target year			Annual % of target/base year
	Base year	Comparison	N	%N / N-1	2025	2030	(2050)	
Total indirect (Scope 3) gross GHG emissions (tCO ₂ e)	-	-	48,047,662.82	-	-	-	-	-
1 Purchased goods and services	-	-	23,461	-	-	-	-	-
2 Capital goods	-	-	7,319	-	-	-	-	-
3 Fuel and energy related activities (not included in Scope 1 or Scope 2)	-	-	2,305	-	-	-	-	-
4 Upstream transport and distribution	-	-	-	-	-	-	-	-
5 Waste generation in operations	-	-	-	-	-	-	-	-
6 Business travel	-	-	549	-	-	-	-	-
7 Commuting employees	-	-	7,806	-	-	-	-	-
8 Upstream leased assets	-	-	-	-	-	-	-	-
9 Downstream transport	-	-	-	-	-	-	-	-
10 Processing of sold products	-	-	-	-	-	-	-	-
11 Use of sold products	-	-	-	-	-	-	-	-
12 Treatment of end-of-life products	-	-	-	-	-	-	-	-
13 Downstream leased assets	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-
15 Investments	-	-	48,006,262.82	-	-	-	-	-

Table 5: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

Key figures	Scope 3 GHG emissions (category 1, 2, 3, 6, 7)
Explanatory text	The Scope 3 GHG emissions of categories 1, 2, 3, 6 and 7 relate to the other indirect CO ₂ e emissions, from waste, fuel consumption for business travel, buildings and IT, water, paper, home office and electricity for power generation.
Methods and assumptions	<p>Scope 3 GHG emissions are captured using the VfU tool by applying emission factors to a variety of operational activities. The underlying emission factors come from the Ecoinvent database. The data is collected from various sources such as travel agencies, the HR department and Purchasing at NORD/LB and consolidated centrally. This consolidated data is then used to calculate the greenhouse gas emissions in tonnes of CO₂ equivalents (tCO₂e) associated with the Company's indirect operating activities.</p> <p>If no direct data is available for the material Scope 3 categories, the estimate is based on industry averages, emissions factors, projections of comparable activities or expenditure-based estimates using external data sources. Further information on the estimation methods can be found in ESRS 2 BP-2.</p> <p>There is no re-extrapolation on data that has already been extrapolated or estimated.</p> <p>A detailed description of the estimation methods and data accuracy can be found in the ESRS 2 BP-2 data (Table 3: Fundamentals and accuracy of GHG emission data).</p>

Table 6: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

Key figures	Scope 3 GHG emissions (category 15)
Explanatory text	Scope 3 GHG emissions in category 15 relate to the financed investments. NORD/LB distinguishes between loan volume and investment volume. The following information relates to the credit volume.
Methods and assumptions	<p>NORD/LB fundamentally follows the PCAF ("Partnership for Carbon Accounting Financials") methodology when calculating the emissions of the loan portfolio. In accordance with the relevant business activity, non-earmarked corporate financing is taken into account in all sectors as well as earmarked (project) financing in some sectors.</p> <p>Missing emissions data are, if possible, calculated using technology-specific and production-based models or estimated using granular sector-specific and region-specific average values. The sector averages used were derived as economic emission intensities using a large number of reported corporate emissions from an external data source as well as macroeconomic data. The best possible data source is selected individually for each emissions scope.</p>

Scope 3 GHG emissions include CO₂e emissions caused along the value chain.

In both **banking operations** and the **banking business**, NORD/LB takes into account the categories Scope 1, 2 and 3 when calculating GHG emissions. With regard to Scope 3 GHG emissions, NORD/LB is oriented towards the 15 categories in accordance with the Greenhouse Gas (GHG) Protocol. Emissions from the banking business are covered by Scope 3 Category 15. For banking operations, the relevant emission values are assessed using the VfU tool, taking into account the GHG Protocol.

The underlying methodology for calculating emissions using the VfU tool includes the collection and evaluation of data in a number of different areas, which are then consolidated centrally. The methodology covers emissions in Scopes 1-3:

Scope 1: Direct emissions from fuels for heating and aggregates in the company as well as coolant losses.

Scope 2: Indirect emissions from electricity consumption and district heating.

Scope 3: Other indirect emissions resulting from waste, fuel consumption for business travel, water, paper, working from home and electricity for power generation.

The following data points are used for this:

- Electricity, heating (energy consumption MST; ancillary cost accounting), coolant, water
- Number of employees, job tickets,
- Expenditure on new buildings and renovations, expenditure on IT equipment and maintenance,
- Air travel (km),
- Quantities (litres/units) petrol/diesel/motor vehicles/different car types.

The tool applies emission factors to these data points in order to derive the relevant greenhouse gas emissions associated with a company's operational activities.

The following Scope 3 categories are excluded from the calculation due to lack of relevance and materiality for banking operations, lack of direct taxability and insufficient data basis:

- Working from home allocation,
- Water, paper, refrigerants and fire extinguishers,
- Upstream transport and distribution,
- Waste,
- Upstream leased assets,

- Downstream transport,
- Processing of sold products,
- Use of sold products,
- Treatment of end-of-life products,
- Downstream leased assets,
- Franchises.

In **banking operations**, NORD/LB has included the following categories of Scope 3 GHG emissions in its inventory:

- Purchased goods and services,
- Capital goods,
- Fuel and energy-related emissions,
- Business travel,
- Employee commuting.

NORD/LB uses the VfU tool to calculate its own Scope 1, 2 and 3 GHG emissions. Non-available values are estimated as an approximate proportion (percentage). This includes, in particular, the GHG emissions of the foreign locations as well as subsidiaries, with the exception of CBB Luxembourg.

In the **banking business**, NORD/LB has included the following categories of Scope 3 GHG emissions in its inventory:

- Emissions financed by financial services.

These categories cover the significant upstream and downstream GHG emissions in NORD/LB's value chain and contribute to the comprehensive accounting of Scope 3 GHG emissions. NORD/LB uses the reporting limits to define which emission sources, processes and activities are taken into account when calculating GHG emissions.

44(d), 52, 52(a), 52(b):

Table 7: Total GHG emissions:

Total GHG emissions	Retrospective			
	Base year	Comparative	N	%N / N-1
Total GHG emissions (location-based) (tCO2e)	-	-	48,057,324.82	-
Total GHG emissions (market-based) (tCO2e)	-	-	48,051,527.82	-

The GHG emission factors used to calculate the **Bank's** Scope 1, 2 and 3 GHG emissions are calculated using the VfU tool. NORD/LB uses conversion factors that largely originate from this database to calculate the GHG balance sheet.

The calculation of NORD/LB's financed emissions (**banking business**) essentially follows the PCAF methodology. In accordance with the relevant business activity, earmarked and unearmarked (project) funding is taken into account in all sectors where PCAF methods allow for estimation. The share of GHG emissions financed by NORD/LB is determined by the ratio between NORD/LB financing and the total asset value. The GHG emissions calculation follows a cascading logic that reflects the hierarchy of the PCAF data quality scores. The use of directly reported GHG emissions data from business partners or reported GHG emissions data from data sources from third-party providers is preferred. Missing emissions data are, if possible, calculated using technology-specific and production-based models or estimated using granular sector-specific and region-specific average values. The sector averages used were derived as economic

emission intensities using a large number of reported corporate emissions from an external data source as well as macroeconomic data. The best possible data source is selected individually for each GHG emissions scope.

In NORD/LB's reporting period from 1 January 2024 to 31 December 2024, there were no known relevant events regarding the value chain that impacted the GHG balance sheet. The share of GHG emissions calculated using primary data from suppliers or other partners in the value chain is 27.93 per cent.

47:

As part of the publication of the first sustainability report, the scope of consolidation was evaluated based on the requirements of the CSRD. A distinction is made here between banking operations and banking business. The respective components of the upstream and downstream value chain can be found in chapter ESRS 2 SBM-1.

53, MDR-M:

Tables 8, 9 and 10 below disclose the GHG intensity based on net revenue in total GHG emissions in tonnes of CO₂ equivalent (as referred to in paragraph 44(d)) per net revenue, as well as the positions and assumptions used for the reconciliation of net revenue (reference for calculating GHG intensity as per paragraph 53).

Table 8: Greenhouse gas intensity based on net sales:

GHG intensity per net revenue	Comparison	Retrospective	
		N	%N / N-1
Total GHG emissions (site-related) per net revenue (tCO ₂ e/€ million)	-	6,471.50	-
Total GHG emissions (market-related) per net revenue (tCO ₂ e/€ million)	-	6,470.70	-

Table 9: Reconciliation of net sales revenue; used to calculate GHG intensity:

Net sales revenue used to calculate greenhouse gas intensity	
Net sales revenue (other) in € million	7,426.00

Table 10: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects:

Key figures	GHG intensity per net revenue
Explanatory text	The GHG intensity per net revenue indicates the ratio of total GHG emissions (in tCO ₂ e) per euro net revenue. Disclosure of the emissions intensity of a business activity enables, among other things, greater comparability and transparency of a bank's business activities.
Methods and assumptions	Net sales comprise interest income from assets and liabilities, commission income, disposal profit/loss from financial Instruments not measured at fair value through profit or loss and other operating income (Income Statement and Note 30 to the Notes).

Table 11: Economic emissions intensity (CO₂e footprint of the investment and loan portfolio in relation to the investment and financing volume):

Economic emissions intensity	Comparative	N	%N / N-1
Emissions in realtions to loan volume in tCO ₂ eq/million €	-	484.91	-

The following key figure in Table 11 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 12: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

Key figures	Emission intensity
Explanatory text	The emission intensity indicates the ratio of GHG emissions to the credit volume.
Methods and assumptions	The ratio is calculated for the financed GHG emissions from financing.

51, MDR-M:

Tables 13: Scope 3.15 GHG emissions broken down by sector in the lending business:

Activity sector	Emission intensity (in tCO ₂ e/million €) Scope-1	Emission intensity (in tCO ₂ e/million €) Scope-2	Emission intensity (in tCO ₂ e/million €) Scope-3	Emission intensity (in tCO ₂ e/million €) Scope 1-3	Weighted data quality level (high quality = 1, low quality = 4) or data coverage
Agriculture	877.21	0.00	434.11	1,311.32	3.00
Agriculture (dairy industry)	1,209.56	0.00	224.15	1,433.72	3.00
Agriculture (pork)	983.53	0.00	1,661.64	2,645.17	3.00
Agriculture (cash crop production)	857.79	0.00	301.99	1,159.78	3.00
Aviation	1,842.74	8.55	261.95	2,113.24	4.00
Energy	181.93	23.23	211.16	416.32	4.00
Oil and Gas	520.22	52.17	16,870.67	17,443.06	3.49
Real Estate	15.98	5.44	75.07	96.49	4.00
Residential property	12.60	5.38	55.44	73.42	4.00
Commercial property	16.99	5.44	82.68	105.11	4.00
Chemicals	319.65	70.11	631.81	1,021.57	3.49
steel	798.43	49.84	702.02	1,550.28	3.59
Automotive	5.15	28.81	1,045.11	1,079.07	4.00
Shipping	143.51	23.39	540.26	707.15	4.00
Non-controlled sectors	91.71	10.78	267.71	370.20	3.39
Total	104.80	11.53	368.58	484.91	3.58

Due to the possible multiple assignment of customers to sectors and sub-sectors shown, the totals do not result from the individual rows.

Due to the transitional provisions for company-specific disclosures, financed emissions from asset management are not reported at this time.

Table 14: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

Key figures	Weighted data quality level
Explanatory text	The weighted data quality level is determined for Scope 3 category 15 gross GHG emissions based on the PCAF data quality score on a scale of 1 to 4.
Methods and assumptions	Decisive for classification is whether outstanding amounts in the company and Enterprise Value Including Cash (EVIC) are known and whether audited or unaudited emissions of the company are available or whether these are estimated from physical or economic activity. The data quality level tends to be distorted downwards by the emissions weighting across Scope 1, 2 and 3 due to the often strong impact of Scope 3 emissions. For the real estate sector, EP certificates do not provide real data collection for Scope 2 and 3. The key figure was not subjected to external validation in the 2024 financial year.

Further key figures for banking business

As part of the materiality analysis, a rising CO2 price and the increase in extreme weather events were identified as risks as well as impacts and opportunities in connection with the transformation financing of affected customers (cf. ESRS 2 SBM-3 Table 2).

The following key figures are used to analyse potential risks by creating transparency on the exposure to relevant sectors and on the proportions of real estate-secured commitments in physical high-risk areas. Extreme weather events put property values in high-risk areas at risk in particular. This entails an increased risk for NORD/LB as a financial institution if this real estate serves as collateral. A high proportion of such real estate in the portfolio can destabilise the risk structure and lead to an increase in loans at risk of default.

The key figures thus support NORD/LB in dealing with climate-related risks and opportunities in the development of a sustainable and resilient sustainability strategy.

NORD/LB has drafted the sector-specific criteria (cf. E1-3 MDR-A “Consideration of ESG Risks/Credit Process”), which must be included in addition to the minimum standards for transactions in the respective area. This affects, among other things, the distribution and exposure of NORD/LB’s business activities/investments to energy-intensive sectors, renewable energy sectors, sectors related to fossil fuels and the share of real estate-backed commitments in physical high-risk areas.

The table below provides an overview of the distribution and exposure of NORD/LB’s business activities/investments in energy-intensive sectors, sectors related to renewable energies and sectors related to fossil fuels. Exposure is defined by the gross carrying amount of banking book transactions with companies that are active in the respective sectors and thus reflect the total assets in the Group. The proportion of real estate-backed financing in physical risk areas is also disclosed.

Table 15: Distribution and exposure of NORD/LB’s business activities/investments

Exposure to energy-intensive sectors	3.58%
Exposure to renewable energy sectors	0.42%
Exposure to sectors related to fossil fuels	1.55%
Percentage of the property portfolio in physical high-risk areas	6.82%

MDR-M:

The following key figures from Tables 16 to 19 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 16: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Exposure to energy-intensive sectors
<i>Explanatory text</i>	The exposure in the lending business to energy-intensive sectors is reported as a percentage (gross carrying amount of banking transactions in the sector/gross carrying amount of banking transactions).
<i>Methods and assumptions</i>	<p>Financing is defined in NORD/LB's definition as financing based on the gross carrying amount after financial reporting (FinRep). Energy-intensive sectors are defined by the following Statistical System of Industries in the European Community (NACE) sectors: Energy-intensive sectors include industries with increased energy consumption. Examples include the chemicals industry, metal production and cement production.</p> <p>Assignment is primarily automated using the NACE codes. It is assumed that the NACE code reflects the principal activity of the company. Borderline cases in which companies carry out several activities or where a clear assignment is not possible are considered separately. A proportional weighting can be made based on the revenue shares or the energy consumption of the different business segments. Alternatively, categorisation based on the underlying main activity or the industry context can also be used as a decisive criterion. For example, despite the high energy intensity of the manufacturing process, the production of components for renewable energies falls into the category of renewable energies. For activities listed in the value chain of an industry, the sector is classified according to the context of the supported industry. For example, services for the extraction of fossil fuels are assigned to the corresponding industry (e.g. fossil fuels). This is done by identifying the activities that account for the largest share of the sector's revenue or value creation.</p> <p>Limitations can potentially arise from the granularity of the customer data and the corresponding assignment to NACE codes as well as in the valuation of conglomerates. In order to avoid duplicate entries here, the gross carrying amount of each exposure is only taken into account once. A presentation by gross carrying amount allows exposure to be broken down into different categories or business areas and serves as a starting point for further risk assessments or assessments of financial positions.</p>

Table 17: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Exposure to renewable energy sectors
<i>Explanatory text</i>	The exposure in the lending business to renewable energy sectors is reported as a percentage (gross carrying amount of the sector's banking book transactions/gross carrying amount of banking book transactions).
<i>Methods and assumptions</i>	<p>Financing is defined in NORD/LB's definition as financing based on the gross carrying amount after financial reporting (FinRep). Renewable energies are defined by the following Statistical System of Industries in the European Community (NACE) sectors: Renewable energy refers to sectors that promote, generate or use sustainable energy sources.</p> <p>The assumptions in the course of the allocation and limitations can be found in Table 16 and apply equally to the calculation of the key figure.</p>

Table 18: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Exposure to fossil fuel-related sectors
<i>Explanatory text</i>	Exposure in the lending business to sectors related to fossil fuels is recorded as a percentage (gross carrying amount of banking book transactions of the sector/gross carrying amount of banking book transactions).
<i>Methods and assumptions</i>	<p>Financing is defined in NORD/LB's definition as financing based on the gross carrying amount after financial reporting (FinRep). Sectors related to fossil fuels are defined by the following classification of sectors in the European Community (NACE): Fossil fuels include activities aimed at the extraction, processing or use of finite energy sources.</p> <p>The assumptions in the course of the allocation and limitations can be found in Table 16 and apply equally to the calculation of the key figure.</p>

Table 19: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Percentage of the property portfolio in physical high-risk areas
<i>Explanatory text</i>	Percentage of the property portfolio in physical high-risk areas
<i>Methods and assumptions</i>	The percentage (%) of property portfolio in physical high-risk areas is the volume of real estate-backed financing in physical high-risk areas divided by the total volume of real estate-backed financing. MunichRe's risk scores at geolocation level for earthquake, storm, flood and runaway fire risks are used to identify high-risk areas. If the risk exceeds a defined threshold (at least very high), taking into account the probability of occurrence and the severity, the location of the security is marked as affected. The key figure is not validated by an external body.

E1-7**56(a):**

NORD/LB has not currently initiated any projects for the extraction or storage of greenhouse gases. This applies to the company's own activities as well as to the upstream and downstream value chain. Therefore, there is no evidence in the reporting year regarding the reduction and storage of greenhouse gases achieved as part of NORD/LB's activities. Any extraction and storage of greenhouse gases due to projects within NORD/LB's activities or in connection with its value chain thus amounts to 0 tonnes of CO2 equivalent.

No natural sinks are improved and no technical solutions for extracting greenhouse gases from the atmosphere are used in NORD/LB's operations and in its upstream and downstream value chain.

56(b):

NORD/LB is currently not carrying out any climate protection projects financed by the acquisition of CO2 credits outside its value chain that contribute to the reduction or removal of greenhouse gases. In addition, NORD/LB is currently not carrying out any climate protection projects outside its value chain that it intends to finance by purchasing CO2 credits and that contribute to the reduction or removal of greenhouse gases.

NORD/LB did not carry out any activities to extract greenhouse gases that were converted into CO2 credits and resold to other parties on the voluntary market.

NORD/LB also does not use any further CO2 credits apart from the disclosures provided in this standard/chapter or the set GHG emission reduction targets (cf. ESRS E1-4). NORD/LB has not yet defined any quality criteria for the use of CO2 credits.

58(a):

The total quantity of greenhouse gases extracted and stored in tonnes of CO2 equivalent is zero for NORD/LB. This applies both to NORD/LB's own activities and to its upstream and downstream value chain as well as to all types of extraction activities.

58(b):

As no projects for the extraction and storage of greenhouse gases are actively carried out, no assumptions, methods or a specific framework from NORD/LB were used in the calculation.

E1-9**65 (a), 66 (c):**

NORD/LB does not currently differentiate in its reporting between large geographical areas affected by acute and chronic physical risks from climate change for the expected financial impact. The reason for this is that it has not yet been possible to determine a breakdown that provides clear information on the distribution of the risks with a manageable and meaningful level of granularity of the risks. NORD/LB plans to do an appropriate breakdown if there is an applicable metric.

The risk in the portfolio is assessed based on the granular location of the asset or on the business partners at geolocation level.

In the reporting, NORD/LB differentiates the information on significant assets with a significant physical risk by economic sector (NACE classification) for those sectors that are affected by acute and chronic events resulting from climate change.

The impact of physical climate and natural risks is analysed as part of the risk inventory by means of a quantitative evaluation. For this purpose, a granular risk assessment of individual climate and natural risks is carried out on the basis of external data from Munich Re. An analysis is carried out with a focus on the loan portfolio, including the locations of collateral. This enables the identification of exact geographical locations that are at increased risk due to potential property damage caused by physical risk drivers. According to the traffic light logic, an impact per risk driver is assumed if the location is in an area that is at least "highly" at risk. In addition, a scenario analysis for medium and long-term periods is also carried out, taking into account the representative concentration pathways (RCPs) and shared socioeconomic pathways (SSPs) of the IPCC.

As part of the ESG business environment scan, the impacts of physical risk drivers (climate & environment) on the business environment and the business are considered for a predetermined country set. This is based on three scenarios (Orderly, Disorderly, Hot House World) from the perspective of NORD/LB's various strategic business segments. The three time horizons considered in the ESG business environment scan, short-term (up to three years), medium-term (three to five years) and long-term (over five years), are in line with the ECB's guidelines on climate and environmental risks (November 2020).

NORD/LB has carried out a risk assessment for the climate-related physical risks of floods, storms, heat and drought for NORD/LB's portfolio.

NORD/LB uses Munich Re's risk assessments. Heat and drought were included in the industry specification for NORD/LB's portfolio by combining the NGFS Hot House World scenario and RSU data.

In accordance with the ICAAP logic, NORD/LB considers the period up to one year to be short-term, the period from one to five years to be medium-term and the period over five years to be long-term.

NORD/LB uses a variety of scenarios to carry out the climate stress test, which cover both short-term and long-term risks.

The climate risks themselves are taken over from the risk inventory. All short-term scenarios are effective until 2030 and can be projected onto the forecast horizon of NORD/LB's medium-term planning. The short-term physical risk currently takes effect over a one-year period, whereby a risk assessment for the physical risks of floods and storms is carried out by Munich Re using the NATHAN tool.

64, 67:

NORD/LB includes transition risks in the general assessment of its future asset and financial position with regard to assets and business activities. For example, it examines the extent to which customers have rising production costs due to political or regulatory control measures, such as rising CO₂ prices. This can affect the economic conditions and customer competitiveness, which can potentially lead to an increased probability of default on loans. Consequently, this would, in turn, have an impact on the valuation of NORD/LB's receivables.

Climate-related transition risks are included – via the NGFS scenarios in conjunction with macroeconomic variables and trends – in determining the impact of climate change and environmental degradation on the business environment and business at NORD/LB.

The impacts of changes in the CO₂ price on NORD/LB's borrower costs are analysed and linked to the customer-specific emissions. In addition, the sector-specific decarbonisation paths of the IEA are used to derive the long-term CO₂ intensity per sector for NORD/LB's portfolio. Together with macroeconomic factors, it is possible to derive how the business models of NORD/LB's customers are impacted and thus also NORD/LB itself.

The determination of material transition risks plays an important role in the valuation of assets and business activities. Qualitative evaluations as well as quantitative approaches are also used for the assessment. For the transition climate risks, a sector-specific CO₂ intensity per euro of turnover or a suitable physical emissions intensity of the borrower was determined using the internal CO₂ accounting tool. Following the assumption that borrowers with a comparably high CO₂ intensity within their sector or based on an externally specified transition path are presumably more affected by a sustainable transformation, a risk assessment was subsequently classified in three categories ("low", "high", "medium"). In addition, further transitory risks were used to indicate the values of the ESG score, based on country and industry combinations, as well as individual customer assessments.

In accordance with the ICAAP logic, the individual risk drivers were assessed for different time horizons, whereby NORD/LB understands the period up to one year as short-term, the period from one to five years as medium-term and the period over five years as long-term.

The climate stress test carried out by NORD/LB refers to the risk drivers identified in the risk inventory and classified as material, which contribute to the risk types. This also includes transition risks. The climate stress tests examine the effect of the transition risk of changing CO₂ prices on NORD/LB's portfolio with the help of the Orderly and Disorderly NGFS scenarios. As part of the climate stress test, NORD/LB considers short-term and long-term transitory risks. Short-term transition risks relate to a period from 2024 to 2030, and in this context are referred to as short-term climate shocks and relate to changes in the CO₂ price. Long-term transitory risks relate to the period from 2030 to 2040.

Climate-related opportunities arise from the development of new business segments as well as the expansion of the product range and customer base in the corporate customer and savings bank network business. NORD/LB finances companies in the transformation process towards ecological sustainability and integrates public funding in the process. It also offers private customers financing solutions for energy-efficient construction projects and renovations. At the same time, demand for ESG consulting and sustainable emissions in the debt capital markets business is increasing, which is why capacities and expertise are being expanded.

The aim is to strengthen the market position through the use of existing and new customer connections, sectoral diversification and through the opening up of new markets. In the real estate sector, opportunities arise from financing the energy transition.

ESRS E4 Biodiversity & Ecosystems (ESRS E4)

Management of impacts, risks and opportunities ESRS E4

E4-2

22, 23 (a), (b), MDR-P:

The biodiversity concepts include the ESG strategy, the transformation guidelines and the consideration of biodiversity in the upstream process of the risk strategy. These are documented in E1-2 MDR-P. It provides access to information on application areas, scope and responsibilities, as well as consideration of the interests of key stakeholders. They apply analogously in the sense of this ESRS requirement. The specific correlations between the concepts and the topic of biodiversity are presented below:

ESG strategy (cf. E1-2 MDR-P “ESG Strategy”)

From the 2025 financial year, NORD/LB plans to expand its focus to the environment area in addition to the areas of biodiversity and climate action, as NORD/LB supports business activities that can have an impact on the diversity of ecosystems. NORD/LB plans to review its processes and products for their respective impacts on biodiversity. In the future, NORD/LB will deal in-depth with the topic of biodiversity and anchor it even more deeply in its strategic sustainability orientation, although biodiversity was already recognised by explicit thematic consideration in the ESG strategy in 2024 and has taken into account the direct factors influencing the loss of biodiversity. Based on its ESG strategy, NORD/LB takes into account not only risks but also opportunities that can open up business and use cases for NORD/LB. This requires intensive knowledge development. In addition, NORD/LB monitors its competitors and will build and expand awareness of biodiversity within NORD/LB and towards customers based on this. In the 2024 financial year, the ESG strategy stipulated that the “Performance Standard 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources” of the International Finance Corporation (World Bank) should be taken into account in the business initiation process - in particular for projects with renewable resources outside the high-income OECD countries and the European Union. In addition, for financing companies in the timber industry, FSC certifications, PEFC certifications and, for the fishing and breeding industry, MSC and ASC certifications, are set as minimum requirements. This included aspects such as the protection of biodiversity and ecosystems, land use and agriculture, oceans and seas (fishing and farming) and the fight against deforestation.

Transformation guidelines (cf. E1-2 MDR-P “Transformation Guidelines”)

Possibilities for a biodiversity-positive influence on the economy are diverse, with exclusion criteria or guidelines for financing, for example, being the first step in the discussion that contributes to a proactive consideration of biodiversity aspects. The ESG strategy is supplemented here by the transformation guidelines, introduced on 1 January 2025, and takes into account direct influencing factors on the loss of biodiversity such as climate change, land use changes and environmental pollution. The transformation guidelines implement minimum standards, exclusion criteria and sector principles that, among other things, refer to the impacts on protected areas (cf. E1-2 MDR-P “Transformation Guidelines”). In addition, NORD/LB does not support financing related to the construction of dams and hydropower plants in protected areas, for example.

The transformation guidelines will in the future be included in the decision to finance economic activities [see ESRS E4-2 24. b), c) and d)]. NORD/LB expects compliance with the minimum standards, exclusion criteria and sector principles when financing new business activities, which must be confirmed via the checklist for the transformation guidelines as part of business initiation. The check is carried out by the respective advisor, among other things as part of the Know Your Customer process. ESG management can be contacted if there are any uncertainties in the making the assessment or when working on the checklist. Infringements will not result in potential financing. If, during the course of the business relationship or business activity, there are indications that the minimum standards are not (or no longer) being complied with, contact must be made with ESG management.

Risk strategy (cf. E1-2 MDR-P “Risk Strategy”).

The upstream process of the risk strategy takes into account the field of action “biodiversity” due to the increasing loss of biodiversity and the associated potential impact on the credit rating of companies, as around 75 per cent of all loans granted by credit institutions to companies depend on ecosystem services. The loss of biodiversity thus influences the risks of NORD/LB’s financing portfolios. NORD/LB already took the value of biodiversity into account in 2023 with an ENCORE analysis for the integration of biodiversity into the risk inventory, where the impacts and dependencies of various ENCORE biodiversity risk drivers were examined on a sector-specific basis. This analysis was expanded in 2024 to include supply chains and a biodiversity stress test. NORD/LB identified and assessed the actual and potential impacts, risks and opportunities with regard to biodiversity and ecosystems, both at its own locations and within the upstream and downstream value chain. In order to identify location-specific biodiversity risks with regard to the Bank’s locations, a WWF risk filter analysis was supplemented by a separate analysis of the locations with regard to their proximity to protected areas or areas worthy of protection in accordance with “Nature Ecology & Evolution”. The areas were taken into account according to their relevance to biodiversity, water resources and carbon storage based on a priority ranking. The WWF Risk Filter analysis also explicitly includes direct causes of biodiversity loss such as climate change, land use changes, changes in freshwater and marine use, direct exploitation, invasive alien species and pollution. NORD/LB derives its concepts in the corresponding topics from the impacts, risks and opportunities identified.

23(c):

The ESG strategy considers material dependencies and material physical and transition risks as well as opportunities related to biodiversity and ecosystems. Based on the upstream scenario analysis of the strategic business segments (SGF), these are examined and incorporated into the ESG strategy process.

23(d), (e):

As part of its activities as a financial institution, NORD/LB has no products, components and raw materials within the definition of E4 23 d) and e). NORD/LB’s existing concepts in connection with biodiversity and ecosystems do not therefore take into account the traceability of products, components and raw materials with material actual or potential impacts on biodiversity and ecosystems within the value chain in the 2024 financial year.

23(f):

The social consequences of impacts related to biodiversity and ecosystems were not systematically considered at the time of publication.

24 (a), (b), (c), (d):

NORD/LB has implemented sustainable processes and policies in the following areas:

Protection of biodiversity and ecosystems

At the time of publication, NORD/LB has no concepts for the protection of biodiversity and ecosystems with regard to operating sites that it operates in or near a protected area or an area with biodiversity in need of protection.

Land use and agriculture

Within the “Transformation Guidelines” concept (cf. E1-2 “Transformation Guidelines”), NORD/LB takes into account land use and agriculture. When financing economic activities in renewable resources, in particular in the area of agricultural financing, NORD/LB attaches great importance to the consideration and observance of environmental, planning, animal welfare and nature conservation laws. In doing so, NORD/LB is guided by international standards for the management of natural habitats as well as the key elements of the United Nations International Convention on Biological Diversity: conservation of biodiversity, sustainable use of its components and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources. For the practical implementation of the Convention, NORD/LB also refers to the aspects of the EU Commission’s common agricultural policy, in particular the protection and conservation of rural heritage, water management and water consumption as well as climate change. For business transactions relating to renewable resources that take place outside the OECD countries or the EU area, NORD/LB takes into account the “Performance Standard 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources” of the International Finance Corporation of the World Bank.

Oceans and seas

Within the “transformation guidelines” concept (cf. E1-2 “Transformation Guidelines”), NORD/LB takes into account the topic area of oceans and seas. The minimum requirements for MSC certification and ASC certification apply to the financing of companies in the fishing and breeding industry. For business transactions relating to renewable resources that take place outside the OECD countries or the EU area, NORD/LB takes into account the “Performance Standard 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources” of the International Finance Corporation of the World Bank. NORD/LB also takes into account UNEP FI’s Environmental and Social Risk Briefings on the Agriculture and Fisheries sector. These apply to all new business activities and refer to the economic activities financed by NORD/LB. The regulations are implemented as procedures within the business initiation process via the checklist for the transformation guidelines and must be confirmed by the respective account manager.

Combating deforestation

Within the “transformation guidelines” concept (cf. E1-2 “Transformation Guidelines”), NORD/LB considers the topic of deforestation. The minimum requirements for FSC certification and PEFC

certification apply to the financing of companies in the timber industry and wood processing as well as paper production. For business transactions relating to renewable resources that take place outside the OECD countries or the EU area, NORD/LB takes into account the “Performance Standard 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources” of the International Finance Corporation of the World Bank. For business relationships relating to palm oil, NORD/LB expects compliance with the No Deforestation, No Peat, No Exploitation (NDPE) Policy and membership of the Roundtable on Sustainable Palm Oil (RSPO) or another recognised organisation with at least equivalent standards, which must be followed and documented for the duration of the business relationship. Compliance with the minimum standards in accordance with the transformation guidelines must also be confirmed here as a procedure via the applicable checklist. If, during the course of the business relationship or business activity, there are indications that the minimum standards are not (or no longer) being complied with, contact must be made with ESG management.

E4-3

26.27, MDR-A:

At the time of publication, NORD/LB has not adopted any measures relating to biodiversity and ecosystems. There is currently no concept applicable to NORD/LB for measuring the impact of business activities on biodiversity, which does not make it possible to formulate quantifiable measures. Risks related to biodiversity are taken into account in NORD/LB’s risk inventory. In particular, there is a lack of publicly available customer data that can be used to develop potentials and business cases for the analysis of opportunities for biodiversity aspects in order to create measures. A risk assessment of the impacts of biodiversity loss is possible based on the existing regulatory scenario (risk perspective) and tools available on the market (e.g. ENCORE), but deriving opportunities from this is challenging and there are currently no standard procedures for determining opportunities from the consideration of biodiversity aspects in the business activities of credit institutions.

Parameters and targets ESRS E4

E4-4

30, 31, MDR-T:

At the time of publication, NORD/LB does not monitor the effectiveness of its concepts and measures concerning material sustainability-related impacts, risks and opportunities associated with biodiversity and ecosystems.

NORD/LB plans to define measurable result-oriented goals in connection with biodiversity and ecosystems within the timeframe – by 2030 at the latest – based on the Global Diversity Framework of the Conference of the Parties (COP).

E4-5

35, MDR-M:

In the banking operation, NORD/LB has identified 26 sites that are located in or in the immediate proximity of areas with biodiversity, water resources and/or carbon stores in need of protection. The total area of all affected sites is 3.66 hectares. Material impacts, risks and opportunities within the meaning of the ESRS were not identified in banking operations in this context.

Key figures for banking operations

The following key figures from Tables 1 and 2 on sustainability aspects were not subjected to any additional external validation in the 2024 financial year.

Table 1: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

Key figures	Number of sites located in biodiverse areas in need of protection
Explanatory text	The number of sites includes those that are owned, leased and managed by NORD/LB in the vicinity of protected areas or important biodiverse areas that are potentially affected by the Company.
Methods and assumptions	The location risks are determined using the results of the study “Areas of global importance for conserving terrestrial biodiversity, carbon and water” by Jung et al., which was published in “Nature Ecology & Evolution” in 2021. Priority scores (scale 1 (high priority) to 100 (no priority)) were developed, taking into account global areas with regard to their contribution to the achievement of species protection and climate objectives. For this purpose, the analysis uses extensive data on the distribution areas of plants and animals, as well as carbon and water resources. Each NORD/LB location is assigned the corresponding priority score and converted into a scale from 1 (very low risk) to 5 (very high risk). Based on the original 30x30 target from COP15, proximity is implicitly defined by this scale by giving a (very) high risk if a score of 4 or 5 is achieved. The analysis did not include any species already extinct. Parts of the distribution area of a species, where the occurrence of the species is unlikely, were removed from the distribution area based on what habitat the species belonged to, thereby refining the distribution area of the species into one habitat area.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Area of sites located in biodiverse areas in need of protection
<i>Explanatory text</i>	The area comprises the area in hectares of the sites owned by NORD/LB, leased and managed in the vicinity of protected areas or important biodiverse areas that are potentially affected by the Company.
<i>Methods and assumptions</i>	The area is determined based on the locations identified in the location analysis. For methods and assumptions, see Table 1.

Key figures for the banking business

As part of the materiality analysis, significant impacts and risks were identified in the “Biodiversity in the portfolio” area due to NORD/LB’s positioning as a financier of the agricultural and energy industry (cf. ESRS 2 SBM-3).

The following key figures are used to analyse potential risks and impacts by creating transparency on the exposure to relevant sectors. They thus support NORD/LB in addressing biodiversity risks and developing a resilient sustainability strategy.

As part of the portfolio review, an ENCORE analysis was carried out as of 31 December 2024 (cf. E4.IRO-1 17 (b)). The results are detailed below:

Table 1: Exposure to sectors in the field of biodiversity and ecosystems

Exposure to sectors that have an impact on the main drivers of biodiversity loss	24.67%
Exposure to sectors that have significant dependencies on biodiversity and ecosystem services	3.08%

The following key figures of Tables 2 and 3 on material sustainability aspects were not subjected to any additional external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Exposure to sectors impacting the main drivers of biodiversity loss
<i>Explanatory text</i>	The exposure in the lending business to sectors that have an impact on the main drivers of biodiversity loss is recorded as a percentage (exposure at default of the sector's banking book transactions/total exposure at default in the Group).
<i>Methods and assumptions</i>	<p>Financing is defined in NORD/LB's definition based on the EaD. External data (here ENCORE) is used to create the key figure.</p> <p>The ENCORE analysis looks at various natural risk drivers and assesses dependencies and the potential impacts of economic activities on ecosystem services. The materiality assessments of the ENCORE database assess the materiality of dependencies and the impacts of economic activities in relation to ecosystem services using a materiality assessment scale from "very low" to "very high". A dependency or impact is classified as "high" when the loss or impairment of a particular ecosystem service has a significant impact on the functionality of an economic activity. In this case, according to ENCORE, significant adjustments may be required to continue the activity. A "very high" score on the ENCORE scale means that the dependence on an ecosystem service is so critical that its loss would severely impair or make economic activity impossible. This leads to extremely high financial adjustment costs or the complete cessation of the activity. The ENCORE rating scale uses quantitative data where available to allow objective comparisons. In the absence of sufficient quantitative data, ENCORE assessments rely on qualitative analysis, with both approaches validated by a coordinated expert assessment (Delphi method).</p> <p>The ENCORE database is based on data from 2023-2024. Limitations of the ENCORE tool and its database arise from the global view of the correlations, which means that regional particularities and company-specific factors can sometimes be ignored in the analysis. Similarly, the database only covers two stages upstream and downstream of the value chain, so part of the primary production cannot be recorded. Furthermore, fossil fuels are not considered as natural resources and materiality assessments are only comparable within one sector.</p> <p>Further information on the limitations, methodologies and assumptions can be found on the ENCORE website https://encorenature.org/en/data-and-methodology/methodology.</p>

Table 3: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects

<i>Key figures</i>	Exposure to sectors that are materially dependent on biodiversity and ecosystem services
<i>Explanatory text</i>	Exposure to sectors that have significant dependencies on biodiversity and ecosystem services is reported as a percentage (exposure at default of the sector's banking book transactions/total exposure at default in the Group).
<i>Methods and assumptions</i>	Financing is defined in NORD/LB's definition based on the EaD. External data (here ENCORE) that is not generated by NORD/LB itself is used to create the key figure (see Table 2). The key figure is based on the sectoral allocation of the financing; company-specific information on its impact on biodiversity is not taken into account.

In the 2024 financial year, NORD/LB did not set any measurable targets for biodiversity in the portfolio that are subject to progress measurement.

38.

NORD/LB uses ESRS 1 133 b) as part of E4-5. When obtaining information from actors within their value chain, companies can omit information on the upstream and downstream value chain within certain parameters during the first three years. In accordance with ESRS E4-5 37, paragraphs 38 to 41 refer to NORD/LB's own activities. In the reporting year, there were no indications that the business operations have a material impact on land use changes, freshwater and marine use changes, so the disclosures in paragraphs 38 to 41 are omitted.

E4-6**45(a)**

Expected financial effects for NORD/LB's banking business can generally be derived from the increased probability of credit default. The quantitative ENCORE analysis carried out as of 31 December 2024 shows that only 3.08 per cent of the portfolio has a high or very high dependency on ecosystem services. This suggests that the expected financial impacts on biodiversity and the ecosystem are low. At present, it is not possible to quantify an explicit influence of the dependence of ecosystem services on the probability of default. The financing of NACE sector K (financial and insurance activities) is currently excluded from the analysis, following the market standard.

The details of the ENCORE analysis can be found in the E4-5 in the section "Key figures of the banking business" and apply equally in connection with the information within the definition of E4-6 45(a).

Taking biodiversity aspects into account within NORD/LB opens up opportunities in the context of the biodiversity-positive transformation of the economy and society. The analysis of general market developments and specific market analyses reveals trends towards an environmentally and biodiversity-positive orientation of economic activities, in particular biodiversity-positive lending by credit institutions. NORD/LB aims to derive new opportunities from potential risks and promote long-term sustainable investments. The prospective derivation of business/use cases for NORD/LB is at the heart of this biodiversity-positive transformation. Among other things, cooperation with stakeholders on biodiversity aspects represents an opportunity for NORD/LB to develop solutions that are geared especially towards sustainability and biodiversity. On this basis, NORD/LB plans to actively use the increasing demand for biodiversity-positive financial products to achieve long-term added value for stakeholders as well as the environment, society and the economy.

45(b)

Due to the destruction of ecosystems and environmental pollution (according to IPBES, the progressive loss of biodiversity is caused by the following drivers: land-use change, climate change, pollution, overexploitation and invasive species), NORD/LB anticipates a potential short-, medium- and long-term deterioration in the economic conditions of its borrowers with the consequence of an increased probability of default in sectors dependent on ecosystems (e.g. fisheries or the agricultural sector). In addition, short-term regulatory changes in the context of biodiversity risks can also have medium- and long-term effects on the continuity of the borrowers' business activities in ecosystem-dependent industries and/or restrict their business models, which also leads to an increased probability of default.

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)

ESRS S1 Own Workforce

ESRS S1 Impact, Risk and Opportunity Management

S1-1

19, MDR-P:

The concepts, goals and measures relating to the workforce relate to the NORD/LB Group or NORD/LB AöR, including domestic and foreign locations. Certain subsidiaries, on the other hand, do not fall within the scope of the concepts, objectives and measures presented in sections S1-1, S1-4 and S1-5 due to their immateriality in terms of employee numbers. The quantitative data on the company’s own workforce relates to NORD/LB (for the use of the terms NORD/LB and NORD/LB Group, see also the section “About this report”).

NORD/LB pursues a holistic approach to identifying, evaluating, managing and improving the material impacts, risks and opportunities associated with its own workforce. The comprehensive concept for this is the HR strategy.

Table 1: Minimum disclosure requirement MDR-P: Policies for dealing with material sustainability aspects – HR strategy

<i>Policy</i>	HR strategy
<p><i>Main content, objectives and reference to material impacts, risks and opportunities</i></p>	<p>Core content The NORD/LB Group’s HR strategy is derived from the business strategy and sets the framework for contemporary HR work, which is intended to strengthen NORD/LB’s position as a reliable and attractive employer. HR work is geared towards five strategic focus topics, which are supported by measures for operational implementation:</p> <ul style="list-style-type: none"> - Working world - Culture & change - Expertise & development - Recruiting & employer brand - HR business model <p>The focus topics are supplemented by the action areas Operational Excellence and Strategic Consulting as the foundation for the HR department’s cooperation with other departments.</p> <p>General objectives The comprehensive objective of the HR strategy is to secure the future and sustainable success of NORD/LB through modern HR practices to attract, retain and promote the performance of employees. The action areas and measures are aimed at promoting employee satisfaction and retention while at the same time increasing the efficiency and productivity of the organisation.</p> <p>To this end, the following strategic objectives are pursued in particular:</p> <ul style="list-style-type: none"> - create a future-oriented working world with modern working conditions, - create an appreciative and diverse work culture, - promote the potential of employees and develop their skills for future requirements, - attract the employees of tomorrow with modern selection processes, - ensure reliable HR work with data-based decisions and efficient processes. <p>References to significant impacts, risks or opportunities The HR strategy addresses the material impacts, risks and opportunities related to its own workforce by addressing the strategic focus topics on working conditions, which are intended to promote employee satisfaction and well-being, with a particular focus on promoting equal opportunities and performance. To achieve this, the strategic focus topics are backed by measures presented in section S1-4.</p>

Policy	HR strategy
	Monitoring process The HR strategy is reviewed as part of the annual Bank-wide strategy process, taking into account internal and external influencing factors as well as with regard to the business model, and adjusted if necessary. In addition, an occasional review can take place (e.g. in the event of adjustments to the business model during the year). The HR strategy applies to all employees of the NORD/LB Group and covers the entire workforce.
<i>Scope and information on whether the concept covers specific groups within the workforce or the entire workforce</i>	The HR strategy is adopted by the Managing Board as part of the Bank-wide strategy process and presented to the Supervisory Board. Responsibility for operational implementation lies with the HR divisional management and the managers in all divisions.
<i>Responsibility for top-level implementation</i>	N/A
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	
<i>Consideration of the interests of key stakeholders</i>	The further development and implementation of the HR strategy takes into account the requirements of the Bank's business areas, the internal viewpoint of the HR department and the analysis of internal and external influencing factors such as the competitive situation on the labour market and the requirements of potential employees.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The HR strategy is communicated to all employees on the intranet and in specific formats, such as presentations to the General Staff Council, in order to ensure a common understanding and ensure support in its implementation.

The HR strategy forms the framework for HR measures that contribute to the significant impacts, risks and opportunities. It is supplemented by company regulations such as collective agreements, which serve as the basis for the design and implementation of individual HR measures, as well as the Code of Conduct and the Diversity Policy.

Collective Agreements

In the implementation of the HR strategy, collective agreements are an important instrument of the staff council, helping to represent the interests of employees. The collective agreements concluded between the Bank and the staff council cover all essential HR issues with regard to the design of working conditions and the implementation of occasion-related measures.

The following topics in particular are regulated in collective agreements:

- Working hours and overtime
- Staff appraisals and personnel development
- Fixed and variable remuneration
- Employee and fringe benefits
- Company pension scheme
- Organisation of operations
- Mobile working

The trusting and constructive cooperation in the negotiation of collective agreements contributes positively to social dialogue. The topics covered by the collective agreements also relate to the potential positive impacts by contributing to the implementation of HR measures geared to the needs of employees and to the potential negative impacts by promoting healthy working conditions, for example in terms of working hours.

Code of Conduct

The NORD/LB Group's Code of Conduct forms the framework for integrity, ethical and fair conduct and defines binding principles of conduct that, among other things, aim to ensure a respectful and non-discriminatory working environment.

Further information on the Code of Conduct can be found in G1-1 9.

Diversity Policy

The Diversity Policy of NORD/LB AöR represents the basic understanding of diversity management and the objectives for promoting diversity in the management bodies.

This includes the following aspects:

- Explicit commitment to diversity and equal opportunities
- Measures with regard to visibility, qualification and anchoring of diversity management
- Gender diversity targets in management bodies.

Measures to increase the visibility of diversity at the Bank include actions such as information stands on Orange Day or offers for experiencing physical limitations on German Diversity Day. Qualification measures include the introduction of diversity management at NORD/LB, for example for young employees, as well as specific offers relating to the different facets of diversity, such as online lectures on the topic of age or men's health. Measures to anchor diversity management include the further development of processes and products, such as the establishment of tandem management or the equal replacement of management positions.

With regard to gender diversity in management bodies, a target ratio of 30 per cent was set for the Supervisory Board as of 1 January 2024. A target of at least two representatives of the underrepresented gender for five members of the Managing Board and at least one member of the underrepresented gender for four members of the Managing Board has been set for the Managing Board as of 1 January 2024.

20, 20 (a):

NORD/LB is committed to human rights and to avoiding any kind of human rights risks and is committed to preventing or mitigating adverse impacts on human rights caused by or associated with its business activities and services and to addressing adverse impacts, if and to the extent that they occur. NORD/LB expressly supports the guiding principles of "Protect, Respect and Remedy".

NORD/LB is committed to the ten principles of the UN Global Compact on human rights, labour standards, environmental protection and the prevention of corruption and has incorporated these into its internal exclusion criteria and sector principles. NORD/LB's transformation guidelines, developed as part of its ESG strategy, include ESG aspects in business decision-making at all levels and provide a framework for how NORD/LB intends to deal with business opportunities and risks in connection with direct and indirect sustainability impacts (see also E-1).

In addition to the UN Global Compact, NORD/LB is guided by the following international standards in its use of NORD/LB AöR's internal Human Rights Policy:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights

- ILO International Labour Standards

The Human Rights Policy applies to dealing with customers, service providers and suppliers both on a daily basis and at a business level. In addition, compliance with human and employee rights is part of the Code of Conduct, the Diversity Policy, the UK Master Slavery Agreement and the Human Rights Policy Statement.

NORD/LB has established risk management in its own business operations with regard to respect for the human rights, including employee rights, of persons in its own workforce. This includes, in particular, a risk analysis, preventive measures, complaint procedures and remedial measures, if necessary.

As part of the risk analysis, the existing concepts and company regulations on human rights issues, such as working hours, holidays or remuneration, and their implementation are evaluated by the respective specialist departments with regard to potential risks and existing prevention measures. Preventive measures include, for example, company regulations on working hours and the obligation of managers to monitor compliance with them; or regular analyses and the establishment of a database on the gender pay gap.

In order to become aware of human rights-related risks or violations at an early stage, NORD/LB has established a complaints procedure that can be accessed via NORD/LB's website and used by both employees and external persons. Each case is carefully reviewed in accordance with a procedural code - also published on NORD/LB's website - and, if necessary, appropriate preventive and/or remedial measures are taken.

20 (b):

The procedures outlined in ESRS S1-2 are available to employees to raise concerns related to human rights issues.

20 (c):

The procedures outlined in ESRS S1-3 are available to employees to raise concerns or complaints related to human rights issues with the company. The respective input channel carries out an inspection and, if necessary, initiates appropriate preventive and/or remedial measures.

21:

NORD/LB's present concepts are based on internationally recognised standards such as the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the ILO International Labour Standards. As a signatory to the UN Global Compact, NORD/LB expressly commits to the principles relating to human rights and working conditions and has defined the principles and values pursued by NORD/LB in accordance with international standards as binding requirements in the Human Rights Policy. NORD/LB's systematic diversity management is aligned with the dimensions of the Diversity Charta.

22:

NORD/LB's concepts cover human trafficking, forced or compulsory labour and child labour.

23:

There is a management system for the prevention of occupational accidents.

24 (a):

There are concepts for eliminating discrimination and promoting diversity and equal opportunities.

24 (b):

The concepts explicitly cover the following reasons for discrimination: Gender and gender identity, age, sexual orientation, ethnic origin (incl. skin colour) and nationality, physical and mental abilities, religion and beliefs, social origin and other forms of discrimination covered by EU and national law.

24 (c):

There are specific legal or operational obligations regarding inclusion or promotional measures for people from particularly vulnerable groups.

Pursuant to Section 154 SGB IX, NORD/LB is obliged to employ severely disabled people in at least five per cent of the workplace. The inclusion agreement concluded between the employer, staff council and the severely disabled representatives sets out measures that help increase people's awareness of the particular situation of people with disabilities and to help ensure participation in working life within NORD/LB.

Systematic diversity management refers to all dimensions of the Diversity Charta and aims to contribute to the visibility, acceptance and inclusion of marginalised groups of people from all dimensions of diversity.

24 (d):

NORD/LB does not tolerate discrimination or harassment of any kind, whether for reasons of gender and gender identity, age, sexual orientation, ethnic origin and nationality, physical and mental abilities, religion and beliefs, social origin or political opinion or trade union activity. NORD/LB's zero tolerance policy with regard to discrimination or harassment is incorporated in the Code of Conduct. Possible incidents or discrimination can be reported to the internal complaints office or via the whistleblower system. The report is carefully checked and, if necessary, appropriate measures will be taken.

In addition to legal regulations such as the AGG in Germany and corresponding local regulations at the foreign locations, internal regulations such as the Code of Conduct, the Diversity Policy and the Human Rights Policy set the framework for ensuring equal treatment and preventing discrimination. Anti-discrimination is addressed in various actions and measures adopted by the "Community of Diversity" in order to continuously raise awareness and proactively counteract any discrimination.

Possible discrimination or violations can be reported to a complaints office, and a person specifically appointed for AGG topics is available for matters concerning equal opportunities. Trusted third parties and representatives of employees with severe disabilities have been elected to support and protect people with disabilities, those at risk of disability and those with severe disabilities. It is mandatory for all employees at the locations in Germany to complete a web-based training course (WBT) on the implementation of the General Act on Equal Treatment (AGG) every three years.

S1-2**27:**

All employees at NORD/LB AöR's locations in Germany are represented by local staff councils and a General Staff Council, who are regularly involved in decisions or activities that deal with actual and potential impacts on NORD/LB employees. Involvement occurs via participation rights for staff councils to design and implement measures that help promote positive impacts, such as instruments for personnel development and remuneration. Using their participation rights, staff councils are also involved in the implementation of preventive measures to avoid potential negative effects, for example, in the design of regulations for compliance with working hours.

At NORD/LB AöR's foreign locations, employees are not represented by a staff council (see also S1-8 60). In subsidiaries with a relevant number of employees, employees are represented by a staff council in accordance with the statutory provisions. NORD/LB AöR is subject to the Lower Saxony Employee Representation Act; the German Works Constitution Act applies to German subsidiaries; and the corresponding local legal provisions apply to NORD/LB CBB.

The staff council and management work together on the basis of the Lower Saxony Employee Representation Act and jointly implement legal, collective agreement and company regulations. Stakeholder cooperation and involvement occurs on an ongoing basis with the provision of the necessary financial and human resources.

Employees are involved in the Bank's business development and the resulting impact on staff through briefings given to the Economic Committee of the staff council. This also includes regular reporting on the Bank's activities in terms of reducing CO2 emissions and transitioning to a climate-neutral economy. The impact of these activities on its own workforce mainly consists of qualification requirements in terms of the processes, products and services with which NORD/LB is pursuing its objective of contributing to the transition to a climate-neutral economy.

Operational changes resulting from these measures are discussed with the staff council and submitted to NORD/LB's committees in accordance with the relevant participation rights in order to reach joint agreements. At NORD/LB, collective agreements are an important instrument for the staff council, helping to represent the interests of employees.

NORD/LB is committed to collective agreement coverage and the further development of collective agreements together with the social partners. The trade unions ver.di and Deutscher Bankangestellten-Verband (DBV) represent the interests of employees within the scope of the relevant collective agreements in the context of collective bargaining.

27(a):

Employees of NORD/LB AöR in Germany and the subsidiaries with a relevant number of employees are involved directly and through the involvement of the staff council.

27(b):

At NORD/LB AöR in Germany, employees were regularly involved via 14-day staff council meetings for the entire bank and at site level for the departments as well as via regular Economic Committee meetings.

During the reporting period, all employees and their elected representatives were also informed in a timely and comprehensive manner about important topics and significant changes in the company via various communication and information channels. This includes regular information meetings with the Managing Board for all employees, event-related bank-wide interactive discussions, annual staff meetings at the office locations as well as ongoing information letters and information on the intranet from the staff council, corporate communications and HR department.

27(c):

The Human Resources Divisional Manager has the highest position within the company with operational responsibility for implementing participation and ensuring that the results influence the company's approach. The operational implementation of the participation processes is carried out by employees who are equipped with the relevant authorisation and competences on the basis of the legal provisions. This includes processes such as providing the necessary documents to the General Staff Council for a participation process at bank-wide level, e.g. introducing a new personnel development measure or providing the required information for an individual personnel measure, such as an appointment to the local Staff Council.

27(d):

In order to respect the human rights of employees, NORD/LB follows internal guidelines as well as relevant laws, regulations and guidelines of the countries in which the Group conducts business. The internal requirements include the principles of conduct in the Code of Conduct, the Human Rights Policy, the Diversity Policy and guidelines and collective agreements on HR issues relating to the recruitment, remuneration and further development of employees. With regard to the responsible handling of human rights and labour standards in its own business activities and its supply chain, NORD/LB is committed to the international principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the international standards of the ILO International Labour Standards.

27(e):

The effectiveness of the employee involvement procedures is to be ensured through feedback on the participation processes provided by the staff council. Based on the feedback from the reporting year, NORD/LB assesses the dialogue and exchange formats used as effective tools for incorporating the viewpoints of its own workforce into decisions and activities.

28:

With regard to the IROs S1.2 "Equal treatment" and "Discrimination", marginalised groups of people within the workforce may be affected by potential adverse impacts. To counteract this, systematic diversity management pursues the objective of promoting education and visibility in line with the dimensions of the Diversity Charta and gaining insights into the perspectives of these groups of people. This is done through actions and information offered by the working groups in the various dimensions and the activities of the networks woman@work, Väternetzwerk (fathers' network), Elternzeitinitiative (parental leave initiative) from the gender diversity dimension and BUNT/LB from the sexual orientation dimension.

NORD/LB strives to ensure that people with disabilities can fully participate in work life in order to ensure their social participation, self-determination and inclusion in working life. The focus is on special redundancy protection, help with workplace equipment and support provided by specialised services. The interests of people with disabilities are safeguarded by the elected representatives for severely disabled persons for the entire bank and representatives for severely disabled persons with trusted third parties in the individual departments.

Employees can get involved in the “Community of Diversity”, which exists to raise awareness and promote understanding. The objective of the “physical and mental abilities” dimension included here is to promote open and unbiased interaction with each other and to focus on talents rather than deficits. The inclusion agreement concluded between the employer and staff council and the severely disabled representatives defines measures that are intended to contribute to an increased awareness of the special situation people with disabilities find themselves in and to ensure they can participate in work processes within NORD/LB.

S1-3

32 (a):

NORD/LB addresses the potential adverse impacts identified in SBM-3 S1.1 “Working hours” and S1.2 “Equal treatment” and “Discrimination” with the collective agreement and company regulations on working hours and the measures “Health management”, “Talent development and women in leadership” and “Diversity management” (see S1-4 and S1-5). NORD/LB ensures compliance with its human rights due diligence obligations in accordance with the legal provisions and leading international and national standards. Further explanations on the implementation of human rights due diligence obligations can be found in Section S1-1 20.

In order to avoid potential adverse impacts regarding working hours, NORD/LB applies the collective agreement on working hours and holidays both to employees who are paid according to the collective agreement and those who are not. The collective agreements on working hours contain specifications on the working time bandwidth, maximum permissible working time, target time in accordance with the collectively agreed provisions, rest breaks to be complied with as well as individual options for building up and reducing time credit within a defined framework. Compliance with these requirements must be monitored by the managers, who can see the recorded working hours for collectively agreed salaried employees via the HR information system and can agree individual measures with the employee to remedy the situation, such as prioritising tasks, if action is required, for example, due to the maximum permissible working hours being exceeded.

32 (b):

NORD/LB provides its employees with the following internal communication channels to raise concerns or needs directly with the company:

- Complaints procedure (accessible via NORD/LB’s website: <https://www.nordlb.de/rechtlichehinweise/hinweise/-beschwerden-an-die-NORD/LB>)
- Complaints procedure in accordance with the requirements of the Supply Chain Due Diligence Act
- Whistleblower system (see also G1-1 10)
- AGG complaints office

- Discussion with the staff council or the representatives of severely disabled persons
- Discussion with own manager

The NORD/LB Mediation Board, the central point of contact for whistleblowers at the Federal Financial Supervisory Authority (BaFin) and the Federal Anti-Discrimination Agency or corresponding local authorities in foreign locations are also available to employees as external reporting points.

32 (c):

There are mechanisms for handling complaints related to employee matters.

32 (d):

Information on the communication channels in relation to complaints or information is published for employees on the intranet and is publicly accessible on NORD/LB's website.

32 (e):

Complaints or information are first evaluated by the recipient office depending on the selected communication channel. Where necessary, appropriate measures are taken with the involvement of the responsible functions. The assessment of potential risks and the effectiveness of the measures with regard to NORD/LB employees is regularly documented as part of the risk analysis for its own business operations.

33:

The communication channels for reporting complaints or information are known to employees via the intranet and the contact persons named on there. Based on a spirit of cooperation between the employer and staff council, familiar procedures and processes have been established for employees to raise their concerns. These include submitting questions for staff meetings and carrying out participation procedures with the staff council.

There are strategies to protect individuals from retaliation. Internal guidelines from the HR and Compliance departments provide guidance for dealing with employees who have given relevant information. In particular, this concerns the protection of these persons from sanctions under employment law, such as dismissal, warning or demotion (see explanations on the whistleblower system in Section G1-1 10).

S1-4

37:

In Tables 1–5, NORD/LB presents a summarised description of the action plans and resources with regard to managing the Bank's significant impacts, risks and opportunities for employees in the following action areas: competitive labour market situation; health management; equal treatment; training and development, diversity management; and discrimination (in accordance with ESRS 2 MDR-A).

Measures have already been implemented in previous reporting years for the impacts identified concerning a stable working environment, collective agreements, social dialogue, social responsibility and working hours. With regard to the working environment, these include predominantly permanent

employment relationships, flexible working models with individual options for arranging working hours and places of work, competitive products for incentives and the extensive application of collective agreements on working hours and holidays. Social dialogue consists of constructive cooperation between the Bank and the staff council when negotiating employment agreements and involving the staff council in personnel management measures (see also S1-2). NORD/LB's social commitment is anchored in the ESG strategy and includes support for employees to engage socially through a variety of different measures. With regard to working hours, collective agreements and company regulations have been implemented. In addition to this, offers such as long-term time accounts support a work-life balance.

38:

The measures presented relate to the identified risks (S1 40a), potential adverse impacts (S1 38a) and positive impacts (S1 38c). No actual material adverse impacts requiring immediate remediation have been identified, so no measures are in place (S1 38b).

39:

The annual update of the HR strategy involves an analysis of the requirements of the business areas as well as internal and external influencing factors. These framework conditions also include the material impacts on the workforce identified in the materiality analysis, such as the competitive situation in the labour market, the importance of systematic diversity management, training and development, the development of talent and the promotion of women in leadership. All material impacts are taken into account when reviewing the key strategic areas of HR work and deriving suitable measures. In addition, in order to implement the requirements of the Act on Corporate Due Diligence Obligations in Supply Chains (LKSG), the Bank carries out an annual risk analysis to determine material risks with regard to its own workforce. The HR issues considered in this analysis, such as working hours, remuneration, equal treatment and discrimination, provide information on the effectiveness of the preventive measures to avoid potential negative impacts identified in the materiality analysis.

40, 42:

In response to the identified risk concerning the competitive situation in the labour market, the action "Further development of employer brand and recruiting" is taken (see Table 1). The materiality analysis did not identify any opportunities for the company in relation to its own workforce and did not identify any need for action regarding adverse impacts on its own workforce of transitioning to a greener, climate-neutral economy. NORD/LB assesses the overall effectiveness of the measures with regard to employee retention with a target for the employee redundancy rate (see S1-5). The effectiveness of the further measures is evaluated on an ad hoc basis with regard to individual initiatives and, at a higher level, by means of regular reporting to the Managing Board as part of the Bank's internal HR management reporting.

41:

The risk analysis of human rights risks in NORD/LB's own business operations is based on the type and scope of its business activities as a financial services company. The analysis of HR issues such as working hours, remuneration, equal treatment and discrimination was carried out based on a review of existing processes and regulations, including collective agreements and reports such as the Bank's internal HR management reporting. These HR issues were also taken into account in the double materiality analysis.

There were no indications that NORD/LB's business activities would have a material adverse impact on its own workforce.

43, MDR-A:

The HR measures concerning the significant impacts, risks and opportunities identified are implemented in collaboration with the Bank's own workforce using the HR department's human and financial resources, which are approved as part of the regular planning process. No separate significant operating or capital expenditure is foreseen.

Table 1: S1-4 in conjunction with MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects – further development of employer brand and recruiting

<i>Measure</i>	Further development of employer brand and recruiting
<i>Category</i>	Measures to reduce risks (S1 40a)
<i>Explanatory text</i>	<p>Further development of employer brand and recruiting Against the background of the ongoing intensification of the competitive situation on the labour market for qualified specialists, NORD/LB is purposefully driving forward the further development of the employer brand and the recruiting processes.</p> <p>To this end, a new employer branding strategy was developed in 2024 with the aim of strengthening NORD/LB's image and reputation as an attractive employer in order to attract and retain qualified talent on the labour market.</p> <p>The new employer brand includes the following core elements: - Innovation meets responsibility - Engagement meets career opportunities - Team player in a modern working culture</p> <p>The core elements should describe as authentically as possible what NORD/LB stands for as an employer and what is offered to employees. This is intended to create a positive perception internally and externally.</p> <p>The new employer brand will be implemented with an internal communications campaign followed by external communication and marketing measures, such as the revision of the careers page on the website or marketing measures on social media channels.</p> <p>When it comes to recruiting, social media recruiting and targeted approaching of potential employees in social networks offer promising opportunities to identify and attract external talent in a targeted manner. NORD/LB carried out an initial pilot in 2024 and plans to continue its active sourcing activities.</p>
<i>Scope</i>	The measures cover all employees and potential employees of the NORD/LB Group.
<i>Time horizon</i>	<p>The development of the new employer brand was completed in 2024. Internal communication started in the fourth quarter of 2024. External communication and the implementation of marketing measures are planned for 2025.</p> <p>The piloting of social media recruiting and active sourcing activities was successfully completed in 2024.</p>
<i>How the effectiveness of actions and initiatives in achieving results for own workforce is tracked and evaluated</i>	<p>The effectiveness of the measures is evaluated on an ad hoc basis with regard to individual initiatives (e.g. pilot project on social media recruiting) and, at a higher level, by means of regular reporting to the Managing Board as part of the Bank's internal HR management reporting.</p> <p>In 2024, NORD/LB carried out an initial pilot project on social media recruiting. With a feedback rate of over 40 per cent and a total of ten recruitments, initial success was achieved.</p>
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require any separate material operational expenditure (OpEx) or capital expenditure (CapEx) (cf. ESRS S1-4 43).

Table 2: S1-4 in conjunction with MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects – health management

<i>Measure</i>	Health management
<i>Category</i>	Measures with positive impacts and to avoid negative impacts (S1 38a and S1 38c)
<i>Explanatory text</i>	<p>Health promotion and prevention measures</p> <p>Preserving the health and strengthening the productivity and performance of all employees through qualitative health management is an essential part of HR work at NORD/LB. Occupational health management (OHM) supplements the statutory occupational health and safety by designing health-promoting working conditions, raising awareness and supporting managers, and providing preventive and individual offers. By specifically improving working conditions and the work organisation, employees' personal health behaviour can be improved and health problems can be solved or reduced.</p> <p>The health promotion offers include:</p> <ul style="list-style-type: none"> - a company medical service with advice on the optimal design of workplaces, health seminars and annual flu vaccinations - an external advisory service for work-related or psychosocial problems for managers and employees - company sports, special discounts at fitness clubs, bicycle leasing, relaxing lunch breaks, active breaks - specific seminar offers for managers, information materials on addiction prevention and dealing with employees with mental health problems
<i>Scope</i>	The OHM measures are available to almost all employees of the NORD/LB Group.
<i>Time horizon</i>	The offers are available to employees at short notice. Individual activities can have short-term, medium-term and long-term effects.
<i>How the effectiveness of actions and initiatives in achieving results for own workforce is tracked and evaluated</i>	<p>The effectiveness of the measures is evaluated on an ad hoc basis with regard to individual initiatives and, at a higher level, by means of regular reporting to the Managing Board as part of the Bank's internal HR management reporting.</p> <p>The Occupational Health Management (OHM) is evaluated on the basis of the reports from the service providers for the advisory and support services and as part of an annual report to the General Staff Council.</p>
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require any separate material operational expenditure (OpEx) or capital expenditure (CapEx) (cf. ESRS S1-4 43).

Table 3: S1-4 in conjunction with MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects – talent development and women in leadership

<i>Measure</i>	Talent development and women in leadership
<i>Category</i>	Measures with positive impacts and to avoid negative impacts (S1 38a and S1 38c)
<i>Explanatory text</i>	<p>Measures for identifying and developing talent and promoting women in leadership</p> <p>NORD/LB is clearly committed to promoting women in leadership and has set an ambition level of gender parity in filling vacant management positions. The Bank takes a holistic approach to making progress on the issue.</p> <p>A key measure is the talent identification and development process, which identifies talent in the respective areas of the Bank according to a uniform, objective approach. The identified talents are then subject to a centrally managed development programme and are given individual support by their respective manager.</p> <p>With the aim of creating parity between female and male talent, the talent identification process also contributes to the promotion of women in leadership. Other measures to increase understanding and transparency include:</p> <ul style="list-style-type: none"> - targeted addressing of internally advertised management positions via the women's network woman@work - implementation of tandem management with 120 per cent per position across two people - establishment of continuous reporting and targeted communication activities - offer of topic-related lectures and workshops
<i>Scope</i>	The measures relate to the target groups addressed within the employees of the NORD/LB Group.
<i>Time horizon</i>	<p>The talent identification process was piloted in 2024 and resulted in talent being identified in selected areas. A Bank-wide roll-out and implementation of development measures is planned for 2025.</p> <p>In the third quarter of 2024, the decision was made to pursue the implementation of the equal replacement of vacant management positions.</p>
<i>How the effectiveness of actions and initiatives in achieving results for own workforce is tracked and evaluated</i>	The effectiveness of the further measures is evaluated on an ad hoc basis with regard to individual initiatives and, at a higher level, by means of regular reporting to the Managing Board as part of the Bank's internal HR management reporting and internal sustainability management reporting.
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require any separate material operational expenditure (OpEx) or capital expenditure (CapEx) (cf. ESRS S1-4 43).

Table 4: S1-4 in conjunction with MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects – training and development

<i>Measure</i>	Training and development
<i>Category</i>	Measures with positive impacts (S1 38c)
<i>Explanatory text</i>	<p>Measures for recruiting and developing young talent and the targeted further training of employees</p> <p>The acquisition and development of young talent is of central importance for the long-term development of the specialists required. Targeted social media and trade fair activities as well as individual development opportunities and takeover offers are essential building blocks of our work with young talent. These include the following activities:</p> <ul style="list-style-type: none"> - Recruiting campaigns, events such as “Open Day” at NORD/LB and participation in training and university trade fairs - Apprentice network meetings with other companies in the Hanover region - Extensive range of training and study offers in predominantly commercial and IT-related professions - Trainee programmes, university internships and work-study activities - Offer of target group-specific benefits, such as a free Deutschlandticket <p>The aim of personnel development is to prepare managers and employees with systematic learning management for future requirements whilst also promoting individual potential and development opportunities. The measures for qualification and development include, among other things:</p> <ul style="list-style-type: none"> - The training programme with a focus on interdisciplinary content (oriented to NORD/LB’s skills model) - Specialist seminars and training courses - Offers for self-directed learning via a digital learning platform - Qualification offers on focus topics such as sustainability or artificial intelligence <p>The cross-disciplinary qualification is managed via a central training budget. In addition, each specialist unit has a decentralised training budget, which is mainly used for professional qualification and the implementation of individual measures.</p>
<i>Scope</i>	The further training measures are available to all employees of the NORD/LB Group. The measures relating to junior staff are available to the corresponding target group within the NORD/LB Group’s employees.
<i>Time horizon</i>	The training and further education measures are available on an ongoing basis. In each financial year, the legally required and individually required qualifications are completed and documented via the learning platform.
<i>How the effectiveness of actions and initiatives in achieving results for own workforce is tracked and evaluated</i>	The effectiveness of the measures is evaluated on an ad hoc basis with regard to individual initiatives and, at a higher level, by means of regular reporting to the Managing Board as part of the Bank’s internal HR management reporting. Managers are responsible for ensuring that employees are adequately qualified. Further training is managed through staff reviews, in which managers and employees discuss further training needs together and agree on corresponding measures. The performance review includes the validation of the required professional qualifications and the legally prescribed qualifications (e.g. WBT Money Laundering, Information Security or required further training). The up-to-date status of the legally required qualifications in the WBTs is also monitored during the year via system-supported tracking.
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require any separate material operational expenditure (OpEx) or capital expenditure (CapEx) (cf. ESRS S1-4 43).

Table 5: S1-4 in conjunction with MDR-A minimum disclosure requirement: Measures and resources related to material sustainability aspects – diversity management

<i>Measure</i>	Diversity management
<i>Category</i>	Measures with positive impacts and to avoid negative impacts (S1 38a and S1 38c)
<i>Explanatory text</i>	<p>Measures to promote diversity and prevent discrimination</p> <p>For NORD/LB, an open and appreciative working environment is the basis for successful cooperation and entrepreneurial success. With its systematic diversity management, NORD/LB pursues the objective of establishing a culture of diversity and fair development prospects. At the same time, diversity management should contribute to the promotion of inclusion and the prevention of discrimination in everyday work.</p> <p>The activities are driven by the Bank-wide, cross-departmental network Community of Diversity in all dimensions of the Diversity Charta. In addition, topic-related networks such as BUNT/LB, woman@work, the parental leave initiative and the father network have established themselves, which operate with information offers and campaigns within NORD/LB and across companies. The activities of the community of diversity include:</p> <ul style="list-style-type: none"> - awareness-raising measures - information and qualification offers - initiation of process improvements to promote equal opportunities <p>Measures to increase awareness and visibility of diversity at the Bank include actions such as information stands on Orange Day or offers for experiencing physical limitations on German Diversity Day. Qualification measures include the introduction of diversity management at NORD/LB, for example for young employees, as well as specific offers relating to the different facets of diversity, such as online lectures on the topic of age or men's health. Measures to anchor diversity management include the further development of processes and products, such as the establishment of tandem management or the equal replacement of management positions.</p>
<i>Scope</i>	The activities of Diversity Management include all employees of the NORD/LB Group.
<i>Time horizon</i>	Diversity management activities are carried out on an ongoing basis with an annual focus on specific campaign days.
<i>How the effectiveness of actions and initiatives in achieving results for own workforce is tracked and evaluated</i>	The effectiveness of the further measures is evaluated on an ad hoc basis with regard to individual campaign days and initiatives and, at a higher level, by means of regular reporting to the Managing Board as part of the Bank's internal HR management reporting and internal sustainability management reporting.
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require any separate material operational expenditure (OpEx) or capital expenditure (CapEx) (cf. ESRS S1-4 43).

Parameters and targets ESRS S1

S1-5

46, MDR-T, MRD-M:

With regard to the significant impacts, risks and opportunities, NORD/LB pursues the strategic objectives set out in the HR strategy and underpinned by the key strategic areas and associated measures. The relationship between the key strategic areas and the material impacts, risks and opportunities are outlined in Section S1-1 and S1-4.

There is a particular focus on the issue of women in leadership. The aspiration to achieve improvements in this area is anchored in the HR strategy under the strategic priorities of Expertise & Development and Culture & Change.

Increasing the proportion of women in leadership

NORD/LB pursues the objective of increasing the proportion of women in leadership with the interlinked measures of talent identification and development as well as equal replacement of management positions.

No measurable, result-oriented objective has been set in this context, but the effectiveness of the measures is monitored using the following objectives and activities.

Talent identification and development

- For talent identification, the goal has been set to establish parity between female and male talents. This aims in the medium-term to create an improved basis for the commitment to promoting women in leadership.
- Talent identification was initiated in the fourth quarter of 2024 with a pilot phase in selected specialist departments and a results report was submitted to the Managing Board in November. Almost half of the talents identified according to objective, standardised criteria were female.
- The plan is to roll out the talent identification process throughout the Bank and implement development measures for the identified talents in 2025.
- The Managing Board will be informed in the 2025 financial year about the talent identified in the other areas of the Bank and the progress of talent development.

Equal replacement of management positions

- For the promotion of women in leadership, the goal was set to fill every second vacant management position with a woman. The clear level of ambition is intended to support a holistic approach to increasing the share of women in leadership – consisting of measures to create transparency, the further development of tools to aid work-life balance and targeted support measures.
- The decision to pursue the implementation of equal replacement of vacant management positions was made by the Managing Board in the third quarter of 2024 and communicated internally in October 2024. With the creation of a database and the implementation of this decision in 2024, the course was set for the holistic approach to increasing the proportion of women.
- At the beginning of 2025, the annual kick-off event of the women's network woman@work with the involvement of the Managing Board created the starting point for initiating measures and actions. For 2025, measures are planned to be implemented on an ongoing basis and progress evaluated.

- The Managing Board is regularly involved in the development of the measures and informed about its progress, including via internal sustainability management reporting.

Strengthen employee retention

All measures from the strategic priorities (working environment, culture & change, expertise & development, recruiting & employer brand) defined in the HR strategy have the overall objective of strengthening employee loyalty to NORD/LB.

To that end, the HR strategy has set a measurable and result-oriented target for the employee redundancy rate.

Table 1: MDR-T minimum disclosure requirement: Objectives relating to material sustainability aspects – Strengthening employee retention

<i>Relationship between the goal and the policy targets</i>	The target specified below is the target specified in the NORD/LB Group's HR strategy for employee redundancies.
<i>Target level</i>	Employee termination rate of five per cent and lower
<i>Scope</i>	The target specification applies to all NORD/LB AöR employees.
<i>Reference Values</i>	The employee redundancy rate as at 31 December 2023 was 2.2 per cent.
<i>Reference year</i>	2023
<i>Period including possible stages or intermediate targets</i>	2024
<i>Methods and significant assumptions</i>	See Table 2
<i>Environmental objectives are based on conclusive scientific findings</i>	N/A
<i>Inclusion of stakeholders</i>	The targets are defined with the involvement of the HR department as part of the annual updating of the HR strategy.
<i>Description of the performance compared to the stated objectives</i>	The employee redundancy rate in 2024 was at a stable level of 2.5 per cent.

MDR-M:

The following key figure in Table 2 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Employee redundancy rate

<i>Key figures</i>	Employee termination rate
<i>Explanatory text</i>	The key figure of the employee termination rate describes the percentage of employees leaving the Bank due to an employee termination.
<i>Methods and assumptions</i>	The key figure is collected annually as of 31 December. In an interim review, the past four quarters are used to show the trend.

47(a), (b), (c):

The HR strategy, which is derived from the business and risk strategy, forms the basis for the objectives and measures of the HR work. The HR strategy is updated annually as part of the bank-wide strategy process and starts with an analysis of the internal and external influencing factors based on external trend studies and internal bank input from the business areas, ESG management and on the basis of identified needs for action from the perspective of the HR department. The HR department updates the HR strategy in coordination with the business and risk strategy and the other functional strategies (such as ESG strategy or IT strategy) in order to ensure consistency. The HR strategy, including targets and measures, is then adopted by the Managing Board and presented to the Supervisory Board (including

employee representatives). As part of the spirit of cooperation, the HR strategy is explained to the General Staff Council and communicated to the entire workforce via the intranet. The staff council is involved in achieving the objectives and identifying opportunities for improvement as part of the operationalisation of the HR strategy with the implementation of measures based on the relevant participation rights of the staff council (see also S1-2).

With a view to ensuring adequate staffing, target figures for personnel numbers, costs and quality are regularly monitored and analysed. This analysis is presented to the Managing Board as part of an HR Management Report and forms the basis for making adjustments to HR processes and tools. In addition, evaluations and analyses on focus topics such as gender equality are used to create transparency and derive the need for action. (cf. ESRS S1-2 Processes for engaging with own workforce and staff council about impacts).

S1-6

50 (a):

Table 1: Total number of employees (number of people) broken down by gender:

Gender*	Number of employees
Male	2027
Female	1875
Diverse	0
Not declared	0
Total number of employees	3902

* Gender according to the employee's own information

Table 2: Number of employees (number of people) broken down by country, which have 50 or more employees and a personnel status of more than 10 per cent of the total workforce (as at 31 December 2024):

Country*	Number of employees
Germany	3524

* in countries with 50 or more employees and at least 10 per cent of the total workforce

50 (b), 51, 52 (a), 52 (b):

Table 3: Number of employees (number of people) broken down by region and type of employment:

Type of employment / Region	Germany	Europe (without GER)	Northern America & Asia	Total
Number of employees (total)	3,524	233	145	3,902
Number of permanent employees	3,347	231	145	3,723
Number of temporary employees	177	2	0	179
Number of non-guaranteed hours employees	0	0	0	0
Number of full-time employees	2,749	200	144	3,093
Number of part-time employees	775	33	1	809

Table 4: Number of employees (number of people) broken down by gender and type of employment:

Type of employment / Gender*	Male	Female	Diverse	Not declared
Number of employees (total)	2,027	1,875	0	0
Number of permanent employees	1,942	1,781	0	0
Number of temporary employees	85	94	0	0
Number of non-guaranteed hours employees	0	0	0	0
Number of full-time employees	1,949	1,144	0	0
Number of part-time employees	78	731	0	0

* Gender according to the employee's own information

50 (c):

The number of staff turnovers (number of people) in the reporting year was 625. The percentage of staff turnover was 15.5.

The staff turnover rate was at an expectedly high level in 2024, as this reflects the final implementation of the NORD/LB 2024 transformation programme and the associated personnel measures.

50 (d):

The number of employees is based on actual measurements in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany and is not estimated.

The number of employees is submitted as the number of persons.

The figure corresponds to the number of employees as at 31 December of the reporting year.

For the purpose of stating employee turnover, all employees who left the company during the reporting period were taken into account.

50 (e):

Employees include anyone who is in an active employment relationship (not a dormant employment relationship or an unpaid leave of absence) – except interns and student trainees. In addition, the type of employment refers to the type of contract that the employees have concluded with NORD/LB. In detail, this includes permanent employees, temporary employees, employees without guaranteed working hours, full-time employees and part-time employees. The gender specification is based on the employee's own information. The staff turnover rate is calculated based on the average number of employees and the number of staff who leave. The average number of employees is the average of the number of employees from 31 December of the previous year and 31 December of the reporting period.

50 (f), MDR-M:

The most representative number of the information listed in this section can be found on **page 221** in NORD/LB's 2024 Annual Report.

The following key figures in Table 5 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 5: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Characteristics of the company's employees

Key figures	Characteristics of the company's employees
Explanatory text	The key figures include the number of employees working at NORD/LB by country, type of employment, gender and region as well as the number of employees who left the company voluntarily or due to dismissal, retirement or death during the reporting period.
Methods and assumptions	See 50(d)-50(e)

S1-7

55 (a):

The number of contract workers in the company's own workforce is 21.

55 (b):

The number of contract workers is based on actual measurements in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany and is not estimated.

The number of contract workers is reported as a number of people.

The figure corresponds to the number of contract workers as at 31 December of the reporting year.

55(c), MDR-M:

At NORD/LB, the group of contract workers includes the group of temporary workers.

The following key figure in Table 1 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 1: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Characteristics of the company's contract workers

Key figures	Characteristics of the company's contracted workers
Explanatory text	The key figure comprises the number of contract workers working at NORD/LB.
Methods and assumptions	See 55(b)-55(c)

S1-8

60 (a), 61:

The percentage of employees who are covered by collective agreements totals **93 per cent**. This includes both employees covered by collective agreements, who make up **46 per cent** of all employees, and contract employees who benefit from collective agreements, who make up **47 per cent** of all employees.

60 (b):

NORD/LB has several collective agreements in the European Economic Area.

60(b), 60(c), 63(a):

Table 1: Share of employees covered by collective agreements and supported by employee representatives

Coverage rate (in %)	Collective agreement coverage		Social dialogue
	Employees - EEA (for countries with >50 employees, representing >10%* of total number of employees)	Employees - Non-EEA (Estimation for regions with >50 employees, representing >10% of total number of employees)	Representatives at place of work (only EEA) (for countries with >50 employees, representing >10% of total amount of employees)
0 - 19%	-	-	-
20 - 39%	-	-	-
40 - 59%	-	-	-
60 - 79%	-	-	-
80 - 100%	Germany	-	Germany

* Currently, only Germany is above the ten-per-cent hurdle for countries/regions, so no further regions/countries are listed in the table.

63 (b), MDR-M:

As a public-law institution (AöR), NORD/LB is subject to the Employee Representation Act, which is why the involvement of employee representatives takes place via the Staff Council. There is no agreement with employee representatives at European level.

The following key figures in Table 2 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Collective agreement coverage and social dialogue

Key figures	Collective agreement coverage and social dialogue
Explanatory text	The key figures include the percentage of employees covered by collective agreements and the percentage of employees supported by employee representatives.
Methods and assumptions	The information relates to the reporting date of 31 December of the reporting period and is based on actual measurements in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany. The percentages of employees covered by collective agreements take into account both collective agreement employees and employees who are partially covered by collective agreement regulations.

S1-9**66 (a):**

Table 1: Number of employees (number of people) and the percentage distribution of employees at the top management level by gender. The highest management level is defined as the NORD/LB AöR Managing Board or the Managing Directors of the subsidiaries.

Gender*	Number of employees at top management level	Employees on top management level in %
Male	8	88.9%
Female	1	11.1%
Diverse	0	0.0%
Not declared	0	0.0%

* Gender according to the employee's own information

66 (b), MDR-M:

Table 2: Number of employees (number of people) and the percentage distribution of employees by age group:

Age groups	Number of employees (Head Count)	Percentage of total number of employees
Under 30 years old	667	17.1%
31-50 years old	1969	50.5%
Over 51 years old	1266	32.4%

The following key figures in Table 3 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 3: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Diversity parameters

Key figures	Diversity parameters
Explanatory text	The key figures include the gender distribution at the top management level and the distribution of all employees by age group as a number of persons and as a percentage.
Methods and assumptions	The gender specification is based on the employee's own information. The number of employees at the top management level and the number of employees by age are based on actual measurements of the number of employees as at 31 December of the reporting period and form the basis for calculating the percentage gender and age distribution.

S1-10**69, MDR-M:**

All employees receive appropriate remuneration in accordance with the applicable minimum wage or benchmarks.

The following key figure in Table 1 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 1: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Appropriate remuneration

Key figures	Appropriate remuneration
Explanatory text	The key figure includes the percentage of employees whose salary is below the country's benchmark for appropriate remuneration.
Methods and assumptions	The calculation of the percentage of employees who do not receive appropriate remuneration is based on the actual measurement of the number of employees and the gross salary of the employees as at the reporting date 31 December of the reporting period in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany. The gross salary is calculated without variable components such as overtime and incentive pay and without allowances, unless they are guaranteed, and therefore only takes into account payments that directly benefit the employee's life situation, i.e. Christmas bonus, 13th monthly salary or other payments that are guaranteed. This does not include pension allowances. The reference values for appropriate remuneration are based on the information in ESRS AR73.

S1-11**74 (a):**

All employees are protected against loss of income due to illness through public schemes or benefits offered.

74 (b):

Almost all employees have social security cover, either through public schemes or through benefits offered to cover loss of income in the event of unemployment, from the moment they started working for the company. In Singapore, there is no statutory unemployment insurance cover. However, in the event of a termination of the employment relationship caused by the employer for operational reasons, NORD/LB shall grant industry-standard benefits in order to cushion the loss of the job.

74 (c):

All employees are protected against loss of income due to occupational accidents and acquired incapacity through public schemes or benefits offered.

74 (d):

All employees are protected against loss of income due to parental leave through public schemes or benefits offered.

74 (e):

Almost all employees have social security cover against loss of income due to retirement through public schemes or benefits offered. In Singapore, some employees (employees from a third country with a work passport) are not covered by public schemes or benefits offered against loss of income due to retirement.

75:

In the following countries, the following types of NORD/LB employees are not covered by public schemes or benefits offered against loss of earnings due to significant life events:

	Full-time employees	Part-time employees	Temporary employees	Permanent employees	Employees without fixed working hours
Loss of income due to illness	-	-	-	-	-
Loss of income due to unemployment ¹⁾	Singapore	Singapore	Singapore	Singapore	Singapore
Loss of income due to accidents at work and acquired disability	-	-	-	-	-
Loss of income due to parental leave	-	-	-	-	-
Loss of income due to retirement ²⁾	Singapore	Singapore	Singapore	Singapore	Singapore

¹⁾ Starting from the time the employee works for the company.

²⁾ This only applies to a proportion of employees (employees from a third country with a work passport).

S1-12**79, MDR-M:**

The percentage of employees with disabilities is 3.8.

People with disabilities include all individuals who voluntarily disclose their disability to NORD/LB, regardless of the degree of disability. The data is based on actual information provided by employees in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany as at 31 December of the reporting period and is not estimated. For the reporting year, data was only collected and taken into account where disclosure is permitted by local legal provisions.

The following key figure in Table 1 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 1: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – People with disabilities

Key figures	People with disabilities
Explanatory text	The key figure includes the percentage of people with disabilities employed by NORD/LB.
Methods and assumptions	See 79

S1-13

83 (a), 83 (b), MDR-M:

Table 1: Information regarding the further employee training and skills development:

	Percentage of employees, who have participated in regular performance and career development reviews	Average number of training hours per employee
Gender*		
Male	92.4%	13.5
Female	94.5%	14.9
Diverse	0.0%	0.0
Not declared	0.0%	0.0
Employees in total	93.4%	14.2

* Gender according to the employee's own information

The following key figures in Table 2 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Parameters for training and skills development

Key figures	Parameters for training and skills development
Explanatory text	The key figures include the average number of training hours per employee by gender and the percentage of employees by gender who participated in regular performance and career development reviews.
Methods and assumptions	The information is based on the actual measurement of the total training hours as well as the participation in performance/career development reviews by gender during the reporting period in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany. The gender specification is based on the employee's own information.

S1-14

88 (a):

The percentage of employees covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines is 100%.

88 (b):

The number of deaths of employees as a result of work-related injuries and work-related illnesses is 0 and the number of deaths as a result of work-related injuries and work-related illnesses of other workers working at NORD/LB sites is 0.

88 (c):

The number of reportable work-related accidents for employees is 8 and the rate of reportable work-related accidents for employees is 1.4.

88 (d):

The number of cases of reportable work-related illnesses of employees is 0.

88 (e), MDR-M:

The number of days of employee absence due to work-related injuries and deaths due to work-related accidents, work-related illnesses and deaths due to illness is 60.

The following key figures in Table 1 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 1: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Parameters for health and safety

<i>Key figures</i>	Health and safety parameters
<i>Explanatory text</i>	The key figures include the percentage of employees covered by a company health and safety management system, the number of reportable work-related illnesses and injuries, the rate of work-related injuries, the number of deaths due to work-related illness and injury, and the number of days lost resulting from previous cases.
<i>Methods and assumptions</i>	The disclosures include all reportable work-related illnesses, injuries and deaths that occurred during the reporting period in accordance with the respective national regulations. The number of cases and the number of days lost is based on actual measurements in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany and is not estimated. The rate of work-related injuries is calculated based on the number of reportable work-related injuries and the total number of hours worked by employees. The total number of working hours during the reporting period is also based on actual measurements in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany.

S1-15**93 (a):**

The percentage of employees entitled to family-related leave is 100%.

93 (b):

Table 1: Percentage of eligible employees who have taken family-related leave, broken down by gender:

Gender*	Percentage of eligible employees, who have taken family-related leave*
Male	3.5%
Female	8.0%
Diverse	0.0%
Not declared	0.0%
Total number of employees	5.6%

* Gender according to the employee's own information

94, MDR-M:

All employees are entitled to family-related absence due to statutory, collective bargaining or company regulations.

The following key figures in Table 2 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Parameters for a work-life balance

Key figures	Work-life balance parameters
Explanatory text	The key figures include the percentage of employees who are entitled to leave for family reasons and the percentage of employees who have taken leave for family reasons by gender.
Methods and assumptions	The calculation of the percentages of employees who are entitled to leave of absence for family reasons and who have taken leave of absence for family reasons is based on the actual measurement of the number of employees at the reporting date of 31 December in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany. The gender specification is based on the employee's own information.

S1-16**97 (a), 98**

Table 1: Gender pay gap percentage

	Reporting year t-2*	Reporting year t-1*	Reporting year
Gender pay gap	-	-	26.7%

* The previous year's values are not stated, as the key figure for the gender-specific earnings gap was collected for the first time in 2024.

97 (b)

The ratio of the annual total remuneration of the highest paid person to the median of the annual total remuneration of all other NORD/LB employees is 1:17.

97 (c), MDR-M:

The disclosure of the gender-specific pay gap and the ratio of the annual total remuneration is based on the actual salary or remuneration level of NORD/LB employees. The information is based on the actual measurement of the total remuneration and the total working hours of employees during the reporting period in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany. Based on the ESRS AR101, the total remuneration includes supplements, non-cash benefits and employer

benefits for the company pension scheme, in addition to all fixed and variable remuneration components before tax and social security deductions granted to employees within a calendar year.

For the calculation of the gender pay gap and the ratio of the total remuneration, a distinction is made between the actual gross hourly salary and the target gross hourly salary. For NORD/LB AöR, the target gross hourly salary is used to make the calculation, while the subsidiaries use the actual gross hourly salary.

NORD/LB has opted for the methodology of the target gross hourly salary, as this approach represents the easiest evaluation method and ensures better data availability. In the subsidiaries, the actual gross hourly salary method was chosen in order to also use the easiest evaluation method for them and to make optimum use of the availability of the data.

Although this methodology involves a mixture of target and actual values, the previous finding that in almost all cases the actual gross hourly salary corresponds to the target gross hourly salary only leads to minimal distortion, which is not significant for the analysis.

The following key figures in Table 2 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Remuneration parameters

Key figures	Remuneration parameters
Explanatory text	The key figures include the ratio of annual total remuneration and the gender pay gap at NORD/LB.
Methods and assumptions	See 97 (c)

S1-17

103 (a):

During the reporting period, there were no instances of discrimination at NORD/LB involving the relevant input channels of the General Equal Treatment Act officers and human rights officers or equivalent functions at local locations.

103 (b):

There were also no complaints submitted through the communication channels where employees can raise concerns or to the OECD's national contact points for multinational companies.

104 (a):

During the reporting period, with the involvement of the responsible function of the human rights officer and the equivalent functions at the local locations, there were no indications of serious human rights violations within NORD/LB's own staff.

103 (c) and 104 (b):

Consequently, no fines, sanctions and damages were imposed during the reporting period in relation to discrimination incidents, complaints or serious human rights violations.

The investigation of work-related complaints, cases of discrimination and serious incidents relating to human rights as well as the collection of fines in connection with the aforementioned incidents is carried out by involving the relevant input channels such as the General Equal Treatment Act representatives, human rights officers and equivalent communication channels at local locations.

103 (d), MDR-M:

The information is based on the actual measurement in the foreign branches, representative offices, subsidiaries and NORD/LB AöR in Germany and relates to the entire reporting period.

The following key figures in Table 1 on material sustainability aspects were not subject to external validation in the 2024 financial year.

Table 1: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Incidents, complaints and serious impacts related to human rights

<i>Key figures</i>	Incidents, complaints and serious impacts related to human rights
<i>Explanatory text</i>	The key figures include the number of incidents of discrimination and harassment, the number of complaints and the number of serious human rights incidents that occurred at NORD/LB in the reporting period, as well as the amount of fines, sanctions and compensation payments in connection with the reported incidents and complaints.
<i>Methods and assumptions</i>	See 103(d)

ESRS G1 Corporate governance

Impact, risk and opportunity management – ESRS G1

G1-1

9, MDR-P:

NORD/LB is committed to promoting a corporate culture based on ethical principles and legal compliance. The Code of Conduct serves as an essential guide for all employees to ensure that conduct is in line with the company's values and legal requirements. It covers important topics such as risk management, data protection and corruption prevention and supports employees in identifying and avoiding potential violations. A whistleblower system enables anonymous reporting of violations, which contributes to the continuous improvement of the corporate culture.

Table 1: MDR-P minimum disclosure requirement: Concepts for dealing with material sustainability aspects – Code of Conduct

<i>Policy</i>	Code of Conduct
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content NORD/LB has published a Code of Conduct in order to link the Bank's requirements for compliance with laws and regulations with ethically correct conduct and thus link corporate success with social responsibility.</p> <p>It is therefore a binding guideline for day-to-day actions within the Bank as well as for dealings with customers, business partners and all other stakeholders. It commits the Bank, among other things, to preventing conflicts of interest, the fight against corruption and the prevention of money laundering, terrorist financing, fraud and other criminal offences. It will be updated on an ad hoc basis and was last revised in 2022.</p> <p>The Code of Conduct addresses the following topics, among others:</p> <ul style="list-style-type: none"> - General duties of conduct - Mutual appreciation, protection against discrimination, equality and diversity - Transparency towards customers and business partners - Prevention of corruption, bribery and money laundering - Confidentiality, banking secrecy and data protection - Health management - Whistleblower system <p>General objectives The NORD/LB Group's Code of Conduct forms the framework for integrity, ethical and fair conduct and defines binding principles of conduct that, among other things, aim to ensure a respectful and non-discriminatory working environment.</p> <p>References to significant impacts, risks or opportunities The Code of Conduct relates to material impacts by counteracting any discriminatory behaviour and promoting behaviour that has a positive impact on cooperation within the Bank and relationships with customers and other stakeholders, with an express commitment to diversity and equal opportunities and zero tolerance for any form of discrimination.</p> <p>In the event of violations of the Code of Conduct or cases of discrimination, the data subjects can contact the established channels for reporting or complaining (e.g. the whistleblower system or the AGG officer). The receiving body will review the case and, if necessary, initiate appropriate individual measures to remedy the situation.</p> <p>Monitoring process As part of the instruction system, the Code of Conduct is reviewed every 36 months to ensure it is up to date and adapted to changing social conditions, such as changing ethical values and legal changes.</p>
<i>Scope and information on whether the concept covers specific groups within the workforce or the entire workforce</i>	The Code of Conduct forms the framework for integrity, value-conscious and fair conduct and is binding for all members of the Managing Board, managers and employees of the NORD/LB Group, thus covering the entire workforce.
<i>Responsibility for top-level implementation</i>	Responsibility for implementation and Company-wide communication lies directly with the Managing Board (tone-from-the-top). It must be complied with by all employees of the NORD/LB Group.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	<p>Diversity Charter</p> <p>International Labour Organisation (ILO) Core Labour Standards</p> <p>UN Global Compact</p>
<i>Consideration of the interests of key stakeholders</i>	The Code of Conduct aims to ensure that all internal and external stakeholders behave with integrity, value awareness and fairness.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The Code of Conduct is made available to all employees in the documentation of internal regulations (written rules) and on NORD/LB's website.

The Code of Conduct is publicly available on NORD/LB's website at <https://www.nordlb.de/de-nordlb/nachhaltigkeit/compliance>. It also contributes to the section in ESRS S1 "Company Workforce", S1-1. Further information on NORD/LB's HR strategy can be found here under 19.

Table 2: MDR-P minimum disclosure requirement: Concepts for dealing with material sustainability aspects – Gifts and Invitations Policy

<i>Policy</i>	Invitations and Gifts Policy
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content The Invitations and Gifts Policy specifies the requirements of the Code of Conduct, which does not tolerate any form of corruption, bribery and the taking or granting of advantages in public or private business transactions. It is also important to avoid conflicts of interest and even the appearance of unfair influence on a business decision.</p> <p>The "Invitations and Gifts Policy" therefore provides a binding framework for the granting and acceptance of invitations and gifts. It is published in German and English and applies throughout the Group. As there are different price levels between Germany and the countries of our foreign subsidiaries, a value limit table is also published for the policy, which takes into account the price levels for invitations and gifts in terms of their value. The policy is also accompanied by a decision-making matrix with which questions on this topic can be answered more quickly if necessary.</p> <p>General objectives The Directive therefore supports the ability to maintain the level of socially appropriate conduct with regard to invitations and gifts from and to customers and services without the appearance of corruption or taking/giving advantages.</p> <p>Compliance with the policy is monitored by a reporting process with a robot-assisted approval process.</p> <p>References to significant impacts, risks or opportunities The policy therefore essentially has an impact on the mitigation of possible compliance risks by supporting the workforce in avoiding conflicts of interest.</p> <p>Monitoring process The guideline on handling invitations and gifts is reviewed for up-to-date status every 36 months as part of the instruction process and adapted on an ad hoc basis to changing social conditions, such as changing value limits for invitations and gifts.</p>
<i>Scope and information on whether the concept covers specific groups within the workforce or the entire workforce</i>	The concept covers all NORD/LB AÖR employees in Germany and abroad. The subsidiary NORD/LB Luxembourg SA Covered Bond Bank has its own policy on the handling of invitations and gifts, which is aligned with the policy of NORD/LB AÖR.
<i>Responsibility for top-level implementation</i>	Responsibility for implementation and Company-wide communication lies directly with the Managing Board (tone-from-the-top).
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	n/a
<i>Consideration of the interests of key stakeholders</i>	n/a
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The guidelines will be made available on the Employee Portal. The granting and acceptance of invitations and gifts is regulated in the process "3.02.01.001: Accepting and giving invitations and gifts", which is available to employees in the ADONIS process portal.

10 (a):

NORD/LB has implemented a whistleblower system that complies with the requirements of the Whistleblower Protection Act (HinSchG) to determine, report and investigate concerns about illegal conduct, including violation of the Code of Conduct. The whistleblower system is available to employees, customers and business partners.

10(c), MDR-P:

Table 3: Minimum disclosure requirement MDR-P: Policies for dealing with material sustainability aspects – Guidelines for dealing with whistleblowers

<i>Policy</i>	Guidelines for dealing with whistleblowers
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content The guidelines provide guidance for dealing with NORD/LB employees who have given a relevant indication of a suspicion of legal violations and other criminal acts that may constitute an economic and/or reputational risk for the Bank.</p> <p>General objectives In the interests of the Bank, employees should contact the Ombudsman or Compliance as soon as possible if they become aware of or suspect legal violations and other criminal acts that may constitute an economic and/or reputational risk for the Bank. The guidelines for dealing with whistleblowers is intended to provide guidance for dealing with NORD/LB Group employees who have submitted a relevant report of this kind. In particular, this concerns the protection of whistleblowers from sanctions under employment law, such as dismissal, warning or demotion.</p> <p>References to significant impacts, risks or opportunities The guidelines for dealing with whistleblowers contributes to the early detection of risks and promotes transparency within NORD/LB.</p> <p>Monitoring process With the introduction of the Whistleblower Protection Act in July 2023, there is a binding legal framework in this context, which is why the guidelines will be adapted/updated on an ad hoc basis.</p>
<i>Scope and information on whether the concept covers specific groups within the workforce or the entire workforce</i>	The guidelines apply to the entire NORD/LB Group. There are no separate guidelines for Group subsidiaries.
<i>Responsibility for top-level implementation</i>	The NORD/LB Managing Board is responsible for implementing the policy.
<i>Consideration of the interests of key stakeholders</i>	n/a
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The policy is not actively made available to external stakeholders. However, the topic is also dealt with within the framework of the Code of Conduct, which can be viewed on NORD/LB's website.

NORD/LB currently maintains various different reporting channels for whistleblowers. These include the compliance department, the manager, the ombudsman and the Federal Financial Supervisory Authority. Reports can be made in writing, verbally, in person or anonymously. The protection of whistleblowers is set out in the Bank's internal processes and the "Guidelines for dealing with whistleblowers". The processes comply with the requirements of the HinSchG. NORD/LB most recently provided detailed information on the options for submitting whistleblower reports in December 2024. Further publications on fraud prevention and the whistleblower system are planned at regular intervals of at least every two years. There are no explicit training courses for employees on how to provide information. The activities they undertake, for example in the compliance department at NORD/LB, ensure that the employees who receive information have the necessary expertise to work in accordance with the process.

The HinSchG protects individuals who have obtained information about infringements in connection with their professional activity or prior to a professional activity and submit this information to the reporting points set up for this purpose. It also protects individuals who are the subject of a report or disclosure, as well as other individuals who are affected by a report or disclosure. The protection also covers retaliation (acts or omissions related to professional activity) that is a response to a report or disclosure and that cause or may cause unjustified disadvantage to the whistleblower.

In accordance with the Code of Conduct, NORD/LB guarantees the protection of whistleblowers against retaliation in accordance with the law.

10 (e):

As outlined in ESRS G1-1 10 c), information can be directed to different reporting points. In this regard, NORD/LB has implemented appropriate processes to enable an immediate, independent and objective investigation of the reports.

10 (f):

Animal welfare strategies are not in place.

10 (g), MDR-P:

The “Framework Policy for the Prevention of Money Laundering, Terrorist Financing and Other Criminal Acts (Fraud) and Compliance with Financial Sanctions/Embargoes in the NORD/LB Group” sets out rules and principles that establish a common minimum standard for prevention, detection and response in connection with money laundering in the companies of the NORD/LB Group, to ensure the financing of terrorism and economic crime as well as compliance with the related embargoes and financial sanctions (Group Framework Directive).

At NORD/LB AÖR, there is a training plan for all employees and the management body (Managing Board and Supervisory Board). The training plan is updated annually. Money laundering training is then carried out regularly for all NORD/LB employees, the Management Board and the Supervisory Board. The money laundering prevention framework also exists in this context. The subsidiary NORD/LB Luxembourg S.A. Covered Bond Bank has its own training concept in this regard and carries out money laundering training independently.

Table 4: MDR-P minimum disclosure requirement: Concepts for dealing with material sustainability aspects – Framework for money laundering prevention

<i>Policy</i>	Anti-money laundering framework
<i>Main content, objectives and reference to material impacts, risks and opportunities</i>	<p>Core content The Directive covers measures to prevent money laundering and terrorist financing, including the preparation and updating of risk analyses, the development of internal policies, the further development of monitoring systems, the handling of suspected cases and the implementation of risk-oriented monitoring activities.</p> <p>General objectives The main objectives are to comply with legal requirements for the prevention of money laundering and terrorist financing and to ensure the integrity and security of financial transactions.</p> <p>References to significant impacts, risks or opportunities The framework directly contributes to mitigating the material risk of G1.5 money laundering/embargoes/fraud.</p> <p>Monitoring process The money laundering prevention framework is reviewed as part of the instruction system every 36 months to ensure it is up to date and adapted to changed framework conditions, such as legal changes, on an ad hoc basis.</p>
<i>Scope and information on whether the concept covers specific groups within the workforce or the entire workforce</i>	The policy applies to all branches, subsidiaries and Group companies of NORD/LB in Germany and abroad that are subject to anti-money laundering obligations. The concept covers the entire workforce, including permanent and temporary employees, leased staff, interns, apprentices and trainees. Special training courses are held on an ad hoc basis for specific groups.
<i>Responsibility for top-level implementation</i>	NORD/LB's Managing Board is responsible for implementing the anti-money laundering and terrorist financing strategy. The Anti-Money Laundering Officer reports directly to the responsible member of the management level.
<i>Consideration of the interests of key stakeholders</i>	The policy takes into account the requirements of the BaFin and other supervisory authorities as well as the interests of customers and the Bank.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The policy is communicated to all relevant stakeholders through training and regular reporting.

10 (h):

As described under ESRS G1-3 21 a), NORD/LB generally defines all employees as high-risk functions due to NORD/LB's business model as an internationally active national bank.

All the functions of NORD/LB that are most at risk of corruption and bribery are customer advisory units and those units involved in the purchasing and contract management process.

G1-3

18 (a):

Pursuant to Section 25h of the German Banking Act (KWG), a credit institution must have adequate risk management and internal security measures in place to prevent criminal offences that may endanger the institution's assets. To this end, they must establish and update appropriate business and customer-related security systems and carry out controls. This includes the ongoing development of appropriate strategies and safeguards to prevent the misuse of new financial products and technologies for the purposes of money laundering and terrorist financing or the favouring of anonymity of business relationships and transactions.

These criminal offences also include corruption offences: bribery, corruptibility and the granting and accepting of advantages. All criminal offences that may be committed by a credit institution are

hereinafter referred to as fraud or fraudulent activity. Where reference is made below to measures for the prevention of fraud and fraudulent activities, reference will also be made to measures that include the prevention of corruption or bribery. Once a year, the topic of money laundering, embargoes and fraud prevention is reviewed by Internal Audit. The selection of the annual topics is at the discretion of the auditor when planning and conducting the audit.

NORD/LB has established both organisational and procedural measures to prevent fraud and fraudulent activities:

Organisationally, there are three lines of defence against these fraudulent acts (three lines of defence model). The first line of defence is formed by the departments that are responsible for processes and risks. The second line of defence is represented by the two "Risk Controlling" and "Compliance and Security" divisions together with its organisational unit "Anti Money Laundering", among others. The roles and functions of the anti-money laundering officer and their deputies, the central office, the reporting point and the fraud prevention manager are assigned to the "Compliance and Security" department. The third line of defence is the Audit department, which has an externally certified anti-fraud auditor, among other things.

In terms of process organisation, NORD/LB publishes its guidelines, process descriptions (work instructions) and framework documents for preventing, detecting and combating fraud in its internal instructions system.

Firstly, they define the general processes for analysing fraud and money laundering. Secondly, specific process standards and the consistent application of each process associated with it ensure that the risk of fraud and fraudulent behaviour is mitigated.

Operational risks are addressed in the process descriptions, where applicable. In addition to processing errors, operational risks also include fraud and fraudulent activities. The relevant operational risks are not only presented and assessed in the respective processes, but are also matched with the appropriate controls for mitigation.

The ESRS G1-1 9 describes the Code of Conduct in detail. Among other things, the Code of Conduct contains clear statements on the prevention of conflicts of interest, the fight against corruption and the prevention of money laundering, terrorist financing, fraud or other criminal offences. It is important to note that:

- Conflicts of interest must be disclosed.
- Compliance with legal requirements to avoid conflicts of interest and the strict separation of different business areas with access to sensitive customer data and information ("Chinese walls") must be observed.
- All NORD/LB Group employees must avoid situations in which their personal interests conflict with the interests of the NORD/LB Group or even create the appearance that they are in conflict.

NORD/LB does not tolerate any form of corruption, either bribery, corruptibility, accepting advantages or granting them, either in public or in private business transactions. All employees are called upon to act in accordance with their duties and not to accept or grant any benefits that improve the economic, legal or even merely personal situation of the recipients materially or intangibly without any entitlement to this. NORD/LB wants to avoid even the appearance that a business activity could be associated with a socially unrecognised or even criminal benefit.

In addition, the “Gifts and Invitations Policy” provides a binding framework for the granting and acceptance of invitations and gifts. It specifies the requirements of the NORD/LB Group’s Code of Conduct with regard to invitations and gifts. It is also important to avoid conflicts of interest and even the appearance of unfair influence on a business decision. The guidelines also apply to foreign subsidiaries, taking into account adjusted value limits. The acceptance and/or granting of invitations and gifts must be reported. All submissions will either be granted or rejected.

In order to ensure that employees meet NORD/LB’s standards in the context of integrity and compliance, they are subjected to a reliability check upon hiring or on an ad hoc basis.

As described under ESRS G1-1 10. c), NORD/LB has an effective whistleblower system, which also covers fraud and fraudulent activities.

18 (b):

In the case of fraudulent acts, the factual investigation is kept strictly separate from the persons involved. This separation is governed by rules regarding its organisation and workflow. The investigation is always carried out by the compliance anti-fraud manager and the anti-fraud auditor from Auditing. If the initial suspicion persists or a certain level of damage is reached, the Governance, OpRisk and Compliance Committee (GOC) is convened for further assessment and clarification. This includes managers from the Risk Controlling, Compliance, Auditing (advisory) and Legal departments, as well as HR in the case of employees. Current fraud cases are discussed in the GOC committee on an ad hoc basis and measures are decided or recommended.

18 (c):

The information from material risks arising from ad hoc events is generally forwarded within one working day, but no later than three working days, to the Managing Board, the direct line manager and, if necessary, Internal Audit so that suitable measures or audit procedures can be initiated early (MaRisk AT 4.3.2, note 4). If an initial suspicion of fraud becomes known (not yet an ad hoc event), the audit department is assigned the task of clarifying the facts. If an initial suspicion persists, Internal Audit is involved accordingly; in the case of suspected employee-related fraud, it is mandatory to involve Internal Audit. Significant risk provisioning requirements must also be reported to the Managing Board immediately. The extent to which risks are assessed as significant is defined by the OU “RC Regulatory & OpRisk” based on the OpRisk risk matrix (MaRisk BTO 1.2.6, note 2). The risk officer is regularly informed about incidents of fraud in quarterly reports from the Anti Money Laundering OU. The Managing Board informs the Supervisory Board of the risk situation in writing at least quarterly (MaRisk BT 3.1.5). If the materiality limits from the document “Reportable matters and materiality limits for the Supervisory Board” are exceeded, ad hoc events must also be communicated to the Supervisory Board by the Managing Board.

20:

The NORD/LB Code of Conduct presented under G1-1 9 forms the basic principles of conduct for all members of the Managing Board, managers and employees of the NORD/LB Group. The topics of corruption, bribery and money laundering prevention are also covered in this context. In addition to the Code of Conduct, there are also the “Gifts and Invitations Policy” described under 18(a), which provide a binding set of guidelines for orientation.

The risks arising from fraud and fraudulent activities are collected and assessed at least annually or on an ad hoc basis in the fraud risk analysis by the compliance anti-fraud manager in consultation with the decentralised process managers and departmental risk coordinators. The departmental risk coordinators are responsible for supporting the process managers in the implementation of the Bank's process-oriented risk methods by providing expertise. The risk coordinators have a basic understanding of the process-oriented risk methods and are responsible for ensuring communication within the specialist divisions, in particular with the risk carriers (division managers). They also brief their division managers on the risk methods.

The "RC Regulatory & OpRisk" and "Orga & Processes" OUs conduct annual risk workshops where they make the risk carriers (division managers) aware of the risks from the various risk types. These workshops also provide a platform for communicating the results and the risk management strategies from the risk analyses.

Once a year, the Managing Board and the Supervisory Board are informed of the risk situation with regard to compliance risks in the Bank as part of the compliance report. This also includes the findings and assessments from the fraud risk analysis.

21 (a):

NORD/LB trains (in accordance with framework for money laundering prevention, this is described in detail in G1-1 10 g) all employees every three years in matters relevant to money laundering and embargoes. There is currently no separate training on the prevention of corruption and bribery. NORD/LB aims to introduce separate training on the prevention of corruption and bribery for high-risk functions by the end of 2025. High-risk functions are, in accordance with ESRS G1-3 AR 4, "functions where there is a risk of corruption and bribery due to their duties and responsibilities". Due to the business model, all NORD/LB employees are defined as high-risk functions.

New managers receive initial training on fraud, invitations and gifts (bribery and corruption) and conflicts of interest.

21 (b):

Since NORD/LB did not have any dedicated training on the topics of corruption and bribery in the 2024 reporting year, no training rate can be collected for high-risk functions ([G1-Quan-01](#)).

This information will be provided here from the 2025 reporting year.

21 (c):

In accordance with the framework for money laundering prevention, both the Managing Board and the Supervisory Board are trained on the topic of money laundering at least every three years and, if necessary, also on an ad hoc basis by the Money Laundering Officer. Training on corruption and bribery as well as conflicts of interest will take place from 2025.

Parameters and targets – ESRS G1

G1-4

24 (a), MDR-M:

There are no convictions for violations of anti-corruption and bribery regulations in this financial year. In addition, no fines were imposed on NORD/LB due to violations of corruption and bribery regulations.

Table 1: Number of convictions and level of fines for violations of corruption and bribery regulations in the 2024 financial year

Number of convictions	0
Level of fines	0 €

MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects, Art. 62

The following key figure in Table 2 on material sustainability aspects was not subject to any additional external validation in the 2024 financial year beyond the review of the sustainability report.

Table 2: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Number of convictions and level of fines for violations of corruption and bribery regulations

Key figures	Number of convictions and level of fines for violations of corruption and bribery regulations
Explanatory text	<p>NORD/LB defines violations of corruption and bribery regulations as violations of laws that serve, among other things, to prevent corruption and bribery, in particular the German Money Laundering Act (GwG) and the German Criminal Code (StGB).</p> <p>The number of convictions is defined as convictions confirmed by courts.</p> <p>The level of fines, measured in euros, is defined as the sum of the fines imposed by supervisory authorities such as the ECB, BaFin or the courts.</p>
Methods and assumptions	<p>Information on the number of convictions and the level of fines is retrieved across the entire NORD/LB Group. Foreign currency amounts are converted on the due date. Due to the rarity, the key figures are collected centrally, rather than decentrally, by the Group Anti-Money Laundering Officer.</p>

24 (b), MDR-A:

No measures were taken in addition to the existing preventive measures to combat corruption and bribery, as NORD/LB did not violate any corruption and bribery regulations in accordance with ESRS G1-4 paragraph 24. a). NORD/LB's material prevention measures on corruption and bribery can be viewed under ESRS G1-1 10 b) and ESRS G1-3 18 a). These include the whistleblower system and the three lines of defence model.

Regulations for the prevention and combating of corruption and bribery based on, among other things, the German Money Laundering Act, the German Banking Act or the German Anti-Bribery Act (HinSchG) are implemented, and corresponding prevention measures are implemented and documented in the documentation of internal regulations (sfO) and business processes. Details can be seen in ESRS G1-1 and ESRS G1-3. Due to the prevention measures already taken, no further action plans on corruption and bribery were implemented for the 2024 financial year.

Details on money laundering

The following text passages refer to the material banking risk G1.5 “Money Laundering/Embargo/Fraud” (cf. ESRS 2 SBM-3).

24. a), MDR-M:

No convictions for anti-money laundering violations were found in this financial year. In addition, no fines were imposed on NORD/LB due to violations of money laundering regulations.

Table 3: Number of convictions and level of fines for violations of money laundering regulations in the current financial year

Number of convictions	0
Amount of fines	0 €

The following key figure in Table 4 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 4: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Number of convictions and level of fines for violations of money laundering regulations

Key figures	Number of convictions and level of fines for violations of money laundering regulations
Explanatory text	<p>NORD/LB defines violations of money laundering regulations as violations of laws that serve, among other things, the prevention of money laundering, in particular the GwG and the StGB.</p> <p>The number of convictions is defined as convictions confirmed by courts.</p> <p>The amount of the fines is defined as the sum of the fines imposed by supervisory authorities such as BaFin or the courts in €.</p>
Methods and assumptions	<p>Information on the number of convictions and the level of fines is retrieved across the entire NORD/LB Group. Foreign currency amounts are converted on the due date. Due to the rarity, the key figures are collected centrally, rather than decentrally, by the Group Anti-Money Laundering Officer.</p>

24. b), MDR-A, MDR-T:

No measures were taken beyond the existing preventive measures to combat money laundering, as there are no relevant violations against money laundering on the part of NORD/LB in accordance with ESRS G1-4 paragraph 24. a). Significant NORD/LB preventive measures on money laundering can be viewed under ESRS G1-1 9 and 10 c) and ESRS G1-3 18 a), such as the whistleblower system or the three lines of defence model. Here are just a few examples: Code of Conduct, Guidelines for handling whistleblowers, Gifts and Invitations Policy.

Table 5: Training rate of NORD/LB’s money laundering training in the current financial year

Training rate for money laundering training	99.23%
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The following key figure in Table 6 on material sustainability aspects was not subject to external validation in the 2024 financial year.

Table 6: MDR-M minimum disclosure requirement: Key figures relating to material sustainability aspects – Training rate of NORD/LB's money laundering training

<i>Key figures</i>	Training rate for NORD/LB's money laundering training
<i>Explanatory text</i>	According to the money laundering framework, permanent and temporary employees, leasing staff, interns, trainees and trainees in Germany must complete a WBT on the topic of money laundering every three years. Foreign branches use the existing WBT on money laundering in English, supplemented by local requirements.
<i>Methods and assumptions</i>	The training rate for Germany is retrieved via SAP SF. In addition, the training rates for employees of the foreign branches and subsidiaries are queried manually, and an aggregated training rate for NORD/LB is specified. Persons on a long-term planned absence, such as parental leave or sabbaticals, as well as those with a long-term illness, are excluded from the number of employees considered. The training rate is reported as at 31 December of the current financial year. The training rate is not subject to assumptions.

Regulations on the prevention and combating of money laundering pursuant to the German Money Laundering Act, accompanied by the German Banking Act (KWG) and the German Whistleblower Protection Act (HinSchG), have been implemented. Corresponding prevention measures are implemented and documented in the documentation of internal regulations (sfO) and business processes. Details can be found in ESRS G1-1 9 and 10 c) and ESRS G1-3 18 a). Since there were no indications of money laundering cases in the reporting year, no further measures and appropriate targets for money laundering prevention are planned.

ESD-3 tax transparency

NORD/LB used the GRI (based on 3-3 and 207-1 to 207-3) as the basis for developing ESD-3 tax transparency, but there is no full reporting based on the GRI.

The importance of taxation

Taxes fulfil a variety of tasks and are therefore fundamentally important for the federal government, states, municipalities and society in general. The tax revenue contributes, among other things, to the financing of basic state services, including expenditure on the health, social, pension and education system. Government projects that benefit the economy, the environment and society can also be financed by taxes. Adverse impacts such as tax avoidance or tax evasion can deprive the state of significant revenue.

In addition to its own tax liability, the state delegates to banks the task of collecting part of the taxes for customers at source. In Germany, for example, this includes capital gains tax.

Handling taxes

The topic of taxation and how it is dealt with throughout the NORD/LB Group is regulated centrally in the Group Tax Framework Policy. This document is binding for all employees in the NORD/LB Group.

Table 1: MDR-P minimum disclosure requirement: Concepts for dealing with material sustainability aspects – Group Tax Framework Policy

Policy	Group Tax Framework Policy
<p><i>Main content, objectives and reference to material impacts, risks and opportunities</i></p>	<p>Core content The Group Tax Framework Policy regulates the essential principles of cooperation in tax matters with regard to culture, strategy, organisation, responsibilities and compliance. It is accessible to all employees and applies throughout the Group.</p> <p>NORD/LB deals with tax issues in accordance with the corporate strategy and the fundamental corporate values as defined in the Ethics & Compliance Policy. The Group Tax Framework Policy is reviewed and updated regularly and on an ad hoc basis.</p> <p>General objectives The general objectives of NORD/LB's Group Tax Framework Policy include compliance with the corporate strategy and ethical values so that tax decisions are made in accordance with these principles. Tax planning should be economically effective both for the entire Group and for each individual company, with the most favourable tax variant being chosen, provided that it is compatible with the risk strategy. NORD/LB's reputation and social responsibility must be taken into account in all decisions in order to protect the Group's reputation. Compliance with tax disclosure and declaration obligations must be ensured, and relevant documents must be stored in accordance with legal requirements. Care is taken not to support or enable illegal tax arrangements that could harm the Company's reputation. Tax decisions should be made on the basis of facts and appropriately documented. In customer relationships, care shall be taken not to provide assistance in the event of violations of law or in transactions that are used solely for tax avoidance.</p> <p>References to significant impacts, risks or opportunities By withholding taxes properly, we fulfil our obligation to secure both our customers' tax payments as well as our own as a bank and thus mitigate potential negative effects in the context of tax avoidance (a detailed description of the material risks, impacts and opportunities can be found in SBM-3).</p> <p>Monitoring process The policy is updated on an ad hoc basis, for example in the event of changes in NORD/LB's organisational structure. The policy is currently being revised and an updated version will be published in 2025.</p>
<p><i>Scope of the agreement</i></p>	<p>The policy applies to all types of tax and duties worldwide and is intended to be applied to all business activities of the NORD/LB Group.</p>

Policy	Group Tax Framework Policy
<i>Responsibility for top-level implementation</i>	The policy therefore not only defines the generally applicable tax strategy and describes the organisation of the tax function in the NORDB/LB Group, it also determines the main responsibilities for the key tax areas within the NORDB/LB Group, such as all direct taxes, withholding taxes and indirect taxes, substance taxes and other duties such as customs duties. It is intended to provide the individuals responsible for tax matters with an overview of their responsibilities and tasks in these areas. In the NORDB/LB Group, NORDB/LB's Managing Board is responsible for creating, reviewing, updating, implementing and monitoring compliance with the Group Tax Framework Policy by virtue of its position as an executive body. In doing so, it delegates these activities to the appropriate departments and individuals. These activities are mainly delegated to the directly reporting unit (DBE) 25 Finance and, within this DBE, to the OU Taxes located there. The Head of the Tax OU reviews the implementation and compliance with the Group Tax Framework Policy in the NORDB/LB Group by means of proportionate measures and reports regularly to the Tax Compliance Officer (TCO). The Head of the Tax OU may delegate the implementation of these measures to other units within the NORDB/LB Group in coordination with the TCO.
<i>Third-party standards or initiatives which the Bank undertakes to comply with</i>	As a company in the financial sector, NORDB/LB is not only a taxpayer itself, but also has to take into account the tax situation of its customers. In both cases, NORDB/LB considers itself obliged to meet the legal requirements securely and reliably. This includes, among other things, requirements from the Financial Accounts Information Exchange Act, reporting standards for customers in accordance with the Foreign Account Tax Compliance Act (FATCA) and Automatic Exchange of Information (AEOI), legally compliant and transparent transfer prices in accordance with Section 90(3) Fiscal Code (AO), as well as DAC6 reporting obligations. In addition, NORDB/LB fulfils its obligation to have established and continue to establish appropriate processes and controls to ensure compliance with tax regulations.
<i>Consideration of the interests of key stakeholders</i>	The policy will be made available to the auditor during the audit of the annual financial statements and updated if necessary.
<i>Provision for potentially affected stakeholders and stakeholders whose help is required in the implementation</i>	The policy is not shared externally. It is available to all NORDB/LB employees via the central ADONIS process tool.

Tax governance, control and risk management

NORDB/LB has developed and established systems and processes within the company to secure fulfilment of its tax obligations and the efficient management of tax risks. These systems and processes are regularly reviewed for their effectiveness and proper application and are adapted to current developments. The structure of NORDB/LB's Tax Compliance Management System (TCMS) is based on the basic elements required for an adequate compliance management system in accordance with IDW Audit Standard 980: Culture, objectives, risks, program, organisation, monitoring and development. The tasks required within the TCMS are covered by several divisions. Competences and responsibilities are assigned and described in processes via the Group Tax Framework Policy. Tax compliance is a primary duty of the Managing Board, who must ensure company-adequate and permanent tax compliance management. To that end, the Managing Board has set up the Tax Compliance function and delegated its duties to the Tax OU and appointed a TCO. The TCO function is performed by the Direct Report (DR) of DBE 25 Finance. The TCO is responsible for the proper completion of these activities in terms of content and time. The TCO can carry out the relevant activities themselves or delegate them to the Head of the Tax OU, for example. In this context, the core tasks of the Head of the Tax OU include monitoring and control tasks. This includes the creation of monitoring plans with the aim of ensuring the requirements are met (implementation of monitoring actions and controls). The Tax OU acts as a recipient- and solution-oriented competence centre for tax issues and as an interface between NORDB/LB and the tax authorities. The task of the Tax OU is also to either fulfil the tax obligations incumbent on NORDB/LB itself or to monitor fulfilment, if the obligations have been delegated to other units in the NORDB/LB Group. The Tax OU monitors that the tax obligations are met throughout the NORDB/LB Group together with the TCO located in DBE 25 Finance. As part of this task, the Tax OU and the TCO are entitled to issue instructions to other specialist departments of NORDB/LB

that can be used to ensure compliance with tax law requirements. A report to the TCO ensures that information is provided on all the relevant issues. Required ad-hoc notifications to the Managing Board are covered by the existing ad-hoc process in accordance with the minimum requirements for risk management (MaRisk).

Additional documents (including work and action instructions, tax information letters, guidelines and processes) are published with tax regulations in ADONIS and on NORD/LB's intranet to specify or supplement the requirements of the Group Tax Framework Policy. If regulations in the currently published documents contradict the policy, they shall be invalidated immediately. The subsidiaries must implement this policy properly and ensure its implementation and compliance. If individual NORD/LB Group companies issue or have issued their own regulations in connection with the responsibility and accountability for tax matters, they may not contradict this policy. The Group Tax Framework Policy applies to subsidiaries only insofar as NORD/LB is jointly responsible for fulfilling the tax obligations of the respective subsidiary under tax law or other legal regulations. The Group Tax Framework Policy serves to document, specify and practically implement the (self-)obligations and self-image of NORD/LB's Tax OUs throughout the NORD/LB Group.

The risk analysis considers the risks derived from tax laws that could arise at the operational level in the NORD/LB Group. A gross risk is determined for each risk, taking into account the Risk Controlling division's risk matrix, which applies across the entire company. Measures implemented to reduce the risk are compared with this gross risk and analysed for their appropriateness and effectiveness. The remaining net risk is derived from offsetting the measures against the gross risk. In addition, a tax-specific risk matrix was drawn up with lower amounts of financial losses compared to the Group-wide risk matrix, as even smaller amounts in tax can be relevant under criminal law. The tax-specific risk matrix is reviewed and evaluated at least annually. In addition to the controls carried out by the Tax OUs as part of process consultations and random checks, further development of the TCMS is also carried out in coordination with other divisions (particularly Compliance) and established systems. This includes, among other things, the self-assessment of all divisions to be carried out annually. Derived from the various risk assessments, NORD/LB has established measures, policies and processes to counteract the identified risks and mitigate their effects. NORD/LB has implemented a three lines of defence model, which is described in more detail under G1-3 18 a).

The compliance programme is subject to continuous optimisation and further development. The components for monitoring are the processes and conducted checks. In addition to this, in some existing processes, it is mandatory to carry out an annual random check of the tax-related data collected and processed by divisions other than the Tax OU and used for any optimisation process required. Optimisations and improvements to existing processes and solutions are essential. For example, the deficiencies identified as part of monitoring activities must be remedied or optimisation measures must be implemented. Audit reports from Internal Audit or external auditors are also suitable for identifying potential for optimisation. If weaknesses are identified during internal control system (ICS) testing, these will be remedied promptly. The implementation is monitored centrally. The core tasks of the TCO include monitoring and control tasks to check whether the procedures, processes and controls in the specialist departments are adequate and effective, as well as the sanction task to install an escalation and sanction mechanism. The TCO is also responsible for the risk management task of identifying company-specific risk potentials and evaluating tax risks as well as developing proposals for avoiding or managing tax compliance risks. In order to fulfil the tax compliance function, it is also important to ensure adequate

interface management between the TCO and, in particular, the general compliance function, the legal department, risk management and Internal Audit. Together with the Tax OU, the TCO is responsible for the annual Tax Compliance Annual Report for the Managing Board, in which the tax-relevant status and, if necessary, possible countermeasures for observations and findings are reported.

Table 1: MDR-A minimum disclosure requirement: Countermeasures to observations and findings: Coordination with the relevant tax authorities

<i>Measure</i>	Coordination with the relevant tax authorities
<i>Category</i>	Countermeasures to observations and findings
<i>Explanatory text</i>	<p>Cooperation with the tax authorities as part of external tax auditing The Tax OU maintains transparent and constructive cooperation with the responsible tax authorities and actively promotes positive cooperation.</p> <p>As part of the current external tax audit, the Tax OU receives queries from the auditors of the Federal Central Tax Office and, as part of the state audit, from the Hanover Tax Office. The handling of these queries is established in ADONIS via a modelled process.</p> <p>If the queries result in findings, the handling of these and the company audit report is also regulated and processed in ADONIS.</p> <p>Reference to material impacts, risks and opportunities These measures directly contribute to mitigating the potential risk in the context of tax avoidance.</p>
<i>Scope</i>	<p>The measures cover all NORD/LB employees; in this case they include the Tax OU in particular.</p> <p>In the foreign branches, representative offices and subsidiaries, the local employees communicate and cooperate with the competent authorities.</p>
<i>Time horizon</i>	The current audit for the years 2017 to 2020 is expected to be completed by the end of 2025. This will be followed by the audit for the years 2021 to 2024.
<i>How the effectiveness of actions and initiatives in achieving results for own workforce is tracked and evaluated</i>	The measures that lead to a proper audit process are regularly checked and adapted or extended as necessary.
<i>Material operating expenses (OpEx) and/or capital expenditures (CapEx)</i>	Implementation of the measure does not require any separate significant operational expenditure (OpEx) or capital expenditure (CapEx).

Tax measures relating to the identified material impacts are implemented in conjunction with tax matters by the tax department's personnel and financial resources. These are adopted as part of the regular planning process. No separate significant operating or capital expenditure is planned.

NORD/LB also has an independent and effective whistleblower system, which is described in detail under G1-1 10 c). In cases in which NORD/LB employees become aware of this or there is a justified suspicion that business transactions may be suitable for promoting unlawful taxation, these employees must inform NORD/LB's head of compliance, who then decides on the further course of action. If transactions relevant under tax law are discovered in the NORD/LB Group, these must be reported immediately to the Tax OU and the measures to be taken to remedy these transactions must be set out.

Each reporting unit must ensure that the tax data to be provided by it is determined and documented as valid at each reporting date. An audit of the tax-related disclosures in the audit-relevant part of the annual financial statements is carried out by the auditor.

Stakeholder involvement in tax matters

NORD/LB is in constructive contact with its stakeholders. Stakeholders include, but are not limited to, owners, employees, customers, suppliers, authorities and society in general. Among other things, the written documentation of internal regulations published on the Intranet by the NORD/LB Managing Board as well as more detailed work instructions and processes ensure internal transparency. Communication with the media (press, radio and online media) is managed by Corporate Communications. Only members of the Managing Board and authorised employees of Corporate Communications (press spokespersons) are authorised to communicate with the media. In addition, individual employees may be authorised by Corporate Communications on an ad hoc or permanent basis to provide information to the press on certain technical issues.

All Group companies maintain a cooperative relationship with tax authorities and public sector institutions while safeguarding their own interests, also in the context of the co-called "tax CV", the risk-based scoring model used by the tax authorities. This represents NORD/LB's relationship with the tax authorities. Information to authorities should always be made available in a complete, open, correct, timely and understandable form. The cooperation within the NORD/LB Group with the tax authorities and external tax advisors is designed in such a way that each specialist unit, every foreign branch, every investment funding institute of NORD/LB and every subsidiary can fulfil their respective tax obligations and the tax laws applicable to the respective unit are complied with.

Employees who either prepare or submit tax returns or declarations or work with tax-related information must therefore comply with the following requirements:

- Comply with all relevant tax laws and policies at work;
- Exercise due diligence in assessing matters of tax;
- Ensure that all decisions are made by those responsible for them and that all reasons for decisions and tax risks are adequately documented; and
- Contact the units or persons responsible in accordance with the documentation of internal regulations or, in case of doubt, the Tax OU in the event of tax-related questions.

If a subsidiary, branch, promotional institution or specialist unit in the NORD/LB Group recognises that a tax return or declaration already submitted to a tax authority is incorrect or incomplete, the respective company shall indicate this in accordance with the applicable national legal provisions of the competent authority and make the necessary corrections. The planned procedure for dealing with the respective competent authority is to be implemented only after prior involvement, coordination and approval of the Tax OU. This applies both to the processes relevant to tax criminal law and to the correction of tax reports and declarations.

In the NORD/LB Group, the reverse order of the delegation chain is decisive for any escalation concerning the fulfilment of tax obligations. Depending on the availability of the relevant organisational levels, matters are escalated from the Group management via the head of department and head of the direct reporting unit (DBE) to the responsible Managing Board member. The Tax OU must also be made aware of escalations for tax reasons. This can be done by informing the Tax OU directly or by using the existing organisational levels. An escalation for tax reasons must be initiated if a manager or administrator in one of the specialist departments and/or one of the departments of the NORD/LB Group specifically determines that tax requirements, enquiries or instructions from the Tax OU, or requirements that are

specified in the documentation of internal regulations have not been completely or accurately fulfilled or observed, or not been fulfilled or observed at all. The aforementioned statements also apply to the Tax OU. The TCO must be informed in good time if a matter is being escalated so that they can decide how and whether they need to be involved.

NORD/LB is a member of various associations, including the DSGVO or VÖB, and exercises its lawful right to represent its interests in this respect. Part of the work undertaken by the associations is also to deal with different tax issues in order to be prepared for new regulatory developments at an early stage. NORD/LB does not exercise any direct political influence.

Quantitative data for tax

The quantitative disclosure requirements of the company-specific disclosure on tax transparency are included in country-by-country reporting in accordance with Section 26a of the German Banking Act (KWG) (cf. ESD-3 (company-specific disclosure) Tax transparency) under "Further information" in NORD/LB's Group Annual Report, Country-by-Country-Reporting chapter pursuant to Section 26a of the German Banking Act (KWG) and also form an integral part of this (Group) Sustainability Report.