

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Bond Framework

Van Lanschot Kempen N.V.
29 April 2022

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">Green Bonds
Relevant standards	<ul style="list-style-type: none">Green Bond Principles, as administered by the ICMA (as of June 2021)The EU Taxonomy Climate Delegated Act (as of June 2021)
Scope of verification	<ul style="list-style-type: none">Van Lanschot Kempen N.V.'s Green Bond Framework (as of April 28, 2022)Van Lanschot Kempen N.V.'s Eligibility Criteria (as of April 28, 2022)
Lifecycle	<ul style="list-style-type: none">Pre-issuance verification
Validity	<ul style="list-style-type: none">As long as no substantial changes to the eligible categories are undertaken by the Issuer

CONTENTS

Scope of work	3
ISS ESG ASSESSMENT SUMMARY	4
ISS ESG SPO ASSESSMENT	5
PART I: GREEN BOND LINK TO VAN LANSCHOT KEMPEN'S SUSTAINABILITY STRATEGY	5
A. ASSESSMENT OF VAN LANSCHOT KEMPEN'S ESG PERFORMANCE	5
B. CONSISTENCY OF GREEN BOND WITH VAN LANSCHOT KEMPEN'S SUSTAINABILITY STRATEGY	7
PART II: ALIGNMENT WITH ICMA GREEN BOND PRINCIPLES	9
PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE	13
A. CONTRIBUTION OF THE GREEN BOND TO THE UN SDGs	13
B. ALIGNMENT OF THE ELIGIBLE GREEN PROJECT CATEGORIES WITH THE EU TAXONOMY.....	14
ANNEX 1: Methodology	31
ANNEX 2: ISS ESG Corporate Rating Methodology	32
ANNEX 3: Quality management processes	34
About ISS ESG SPO	35

Scope of work

Van Lanschot Kempen N.V. (“the issuer”, or “the borrower”, or “Van Lanschot Kempen”) commissioned ISS ESG to assist with its Green Bond by assessing three core elements to determine the sustainability quality of the instrument:

1. Green Bond link to Van Lanschot Kempen’s sustainability strategy – drawing on Van Lanschot Kempen’s overall sustainability profile and issuance-specific Use of Proceeds categories.
2. Van Lanschot Kempen’s Green Bond Framework (as of April 28, 2022) – benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBP) (as of June 2021)
3. The Eligibility Criteria – whether the nominated project categories contribute positively to the UN SDGs and are aligned with the EU Taxonomy Technical Screening Criteria (including the Climate Change Mitigation Criteria and Do No Significant Harm Criteria) and Minimum Social Safeguards requirements as included in the EU Taxonomy Climate Delegated Act (as of June 2021).

VAN LANSCHOT KEMPEN BUSINESS OVERVIEW

Van Lanschot Kempen is an independent wealth manager, specializing in the preservation and creation of wealth, for its clients and society in a sustainable way who transformed from a universal bank. Van Lanschot Kempen serves clients across the social spectrum and in several segments: Private Clients, Wholesale & Institutional Clients, and Investment Banking Clients.

Van Lanschot Kempen believes that in serving the long-term interests of its clients and other stakeholders, Van Lanschot Kempen can contribute to a sustainable world and societal stability.



¹ Van Lanschot Kempen core activities; 2021 data.

ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ²
<p>Part 1:</p> <p>Green Bond link to issuer's sustainability strategy</p>	<p>According to the ISS ESG Corporate Rating published (as of March 7, 2022), the issuer shows a high sustainability performance against the industry peer group on key ESG issues faced by the Asset Management & Brokerage sector. The issuer is rated 1st out of 147 companies within its sector.</p> <p>The Use of Proceeds financed through this green bond are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing green bonds is clearly described by the issuer.</p>	<p>Consistent with issuer's sustainability strategy</p>
<p>Part 2:</p> <p>Alignment with ICMA's GBP</p>	<p>The issuer has defined a formal concept for its Green Bond regarding Use of Proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA Green Bond Principles (June 2021).</p>	<p>Aligned</p>
<p>Part 3:</p> <p>Sustainability quality of the Eligibility Criteria</p>	<p>The Green Bond will (re-)finance eligible asset categories which include: Residential Green Buildings and Energy Efficiency.</p> <p>Those Use of Proceeds categories have a significant contribution to SDG 13 'Climate action' and a limited contribution to SDGs 7 'Sustainable Energy Use' and 11 'Sustainable Buildings and Cities'.</p>	<p>Positive contribution to SDGs 7, 11 & 13</p>
<p>Part 4:</p> <p>Alignment with EU Taxonomy</p>	<p>ISS ESG assessed the alignment of Van Lanschot Kempen's project characteristics, due diligence processes and policies against the requirements of the EU Taxonomy (Climate Delegated Act of June 2021), on a best-efforts basis³. Based on robust processes for selection, the nominated project categories are considered to be:</p> <ul style="list-style-type: none"> ▪ Aligned with the Climate Change Mitigation Criteria ▪ Aligned with the Do No Significant Harm Criteria, except for Climate Change Adaptation, where the issuer is in the process of doing more to fulfill the requirements. ▪ Aligned with the Minimum Social Safeguards requirements 	

² ISS ESG's evaluation is based on the Van Lanschot Kempen's Green Bond Framework (as of April 28, 2022), on the analysed Eligibility Criteria as received on April 28, 2022, and on the ISS ESG Corporate Rating applicable at the SPO delivery date (updated on March 7, 2022).

³ Whilst the Final Delegated Act for Mitigation and Adaptation were published in June 2021, the Technical Screening Criteria allow for discretion on the methodologies in determining alignment in certain cases. Therefore, at this stage ISS ESG evaluates the alignment with the EU Taxonomy on a "best efforts basis".

ISS ESG SPO ASSESSMENT

PART I: GREEN BOND LINK TO VAN LANSCHOT KEMPEN'S SUSTAINABILITY STRATEGY

A. ASSESSMENT OF VAN LANSCHOT KEMPEN'S ESG PERFORMANCE

The ISS ESG Corporate Rating provides material and forward-looking environmental, social and governance (ESG) data and performance assessments.

COMPANY	INDUSTRY	DECILE RANK	TRANSPARENCY LEVEL
VAN LANSCHOT KEMPEN N.V.	ASSET MANAGEMENT & BROKERAGE	1	VERY HIGH

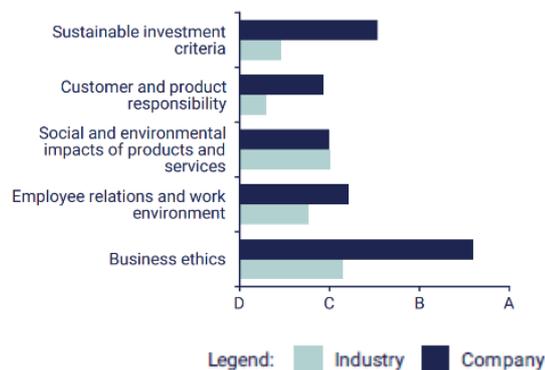
This means that the company currently shows a high sustainability performance against peers on key ESG issues faced by the Asset Management & Brokerage industry and obtains a Decile Rank relative to industry group of 1, given that a decile rank of 1 indicates highest relative ESG performance out of 10.

ESG performance

As of March 7, 2022, this Rating places Van Lanschot Kempen. 1st out of 147 companies rated by ISS ESG in the Asset Management & Brokerage industry.

Key challenges faced by companies in terms of sustainability management in this sector are displayed in the chart on the right, as well as the issuer's performance against those key challenges in comparison to the average industry peers' performance.

Key Issue Performance



Sustainability Opportunities

Van Lanschot Kempen is mainly active in private banking, asset management and investment banking services. The company offers a broad range of socially responsible investment funds, where investments are selected on the basis of best-in-class and exclusion criteria, thus, addressing global sustainability challenges. However, these do not constitute the main business of the company.

Sustainability Risks

As a financial company, the main sustainability challenges relate to the integration of environmental and social aspects in its mainstream asset management as well as its lending and investment banking

business. Van Lanschot Kempen has taken relevant steps to integrate sustainability considerations into its asset management business by defining best-in-class criteria such as human and labor rights, as well as excluding investments in controversial weapons. In addition, the company has established a comprehensive approach to engage with investee companies on a variety of sustainability-related issues, for example through proxy-voting, participation in investor initiatives and direct company dialogue. Van Lanschot Kempen has formulated a responsible corporate lending policy addressing relevant client-related social and environmental risk factors. Customer and product responsibility as well as employee relations also present important sustainability challenges. The company has expressed its commitment to responsible marketing of products and services, and several measures to facilitate the work-life balance of its employees are in place. Redundancies have taken place in recent years, yet the company has implemented reasonable measures to ensure responsible restructuring of its workforce. As far as business ethics is concerned, comprehensive group-wide policies are in place and the company has established adequate procedures to ensure ethical conduct, including compliance risk assessments and procedures for whistleblower protection.

Governance opinion

Van Lanschot Kempen's governance structure is relatively robust with all members of the supervisory board being independent, including the chair of the supervisory board (Franciscus L. Blom, as at January 31, 2022). Furthermore, the company has also established fully independent committees in charge of the audit, nomination, and remuneration. On the issue of remuneration, the company discloses some of the highest-paid executives and is sub-divided into base salary, short-term cash awards, and long-term equity incentives.

Regarding the governance of sustainability, Van Lanschot Kempen has established a committee tasked with the implementation and oversight of the company's sustainability strategy and targets but not on a supervisory board level. Furthermore, the committee is made up of two management board members (including the CEO) and senior representatives of all relevant business units. As far as business ethics is concerned, comprehensive group-wide policies are in place that relate to all relevant issues in varying detail, such as money laundering, insider trading, and conflicts of interest. The company has also established adequate procedures to ensure ethical conduct, including compliance risk assessments and procedures for whistleblower protection.

Sustainability impact of products and services portfolio

Using a proprietary methodology, ISS ESG assessed the contribution of Van Lanschot Kempen's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs). This analysis is limited to the evaluation of final product characteristics and does not include practices along Van Lanschot Kempen's value chain.

ISS ESG determined that, based on the information provided by the company, its overall business model has no net impact (contribution and/or obstruction) to the UN SDGs. Specific assessment of the Green Bond's Use of Proceeds categories impact on the UN SDGs is provided under Part III A.

Breaches of international norms and ESG controversies

The company is not facing any controversy.

B. CONSISTENCY OF GREEN BOND WITH VAN LANSCHOT KEMPEN'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the issuer

Van Lanschot Kempen's vision on sustainability is to generate long-term value for their stakeholders, which means that creating financial and societal returns must go hand-in-hand.

Among others, Van Lanschot Kempen offers a green mortgage solution, Groenhypotheek, to help private clients finance home improvements to make their properties more sustainable at a lower interest rate. By extending the services Van Lanschot Kempen offers to their mortgage clients and the conditions of their green mortgage product, Van Lanschot Kempen states it aims to encourage clients to take energy-efficient measures, such as installing solar panels. In addition, Van Lanschot Kempen offers a wide range of responsible, sustainable and impact investment funds. Van Lanschot Kempen differentiates between five levels of sustainable investing: (1) compliant, (2) basic, (3) responsible, (4) sustainable and (5) impact. Van Lanschot Kempen has set targets to annually increase the percentage of assets under management in sustainable and/or impact wealth management solutions (levels 4 and 5).

Van Lanschot Kempen states it aims to move towards more sustainable investing together with its clients. In the future, the issuer intends to raise the bar higher and make sustainable investing the new normal. Van Lanschot Kempen aims to improve the sustainability profile of its products and services, over the coming years and will focus on three key sustainability themes:

1. **Climate change and biodiversity:** helping the environment to recover faster by contributing to the energy transition and preservation of biodiversity;
2. **Smart & circular economy:** helping its investee companies to contribute to a smart, circular, and inclusive economy – and;
3. **Living better for longer:** helping society to live longer and in better health.

According to Van Lanschot Kempen, in aggregate, the three themes and progress contribute to economic development against the background of a new sustainable equilibrium. Meaning that economic development can only be sustainable if it falls within social and ecological boundaries.

In 2020, Van Lanschot Kempen strengthened their climate policy, with a long-term commitment to be a net-zero investor (by 2050), a mid-term ambition (2030) and shorter-term objectives (2025). In 2021 Van Lanschot Kempen translated their climate objectives into Key Performance Indicators (KPIs) across the organization for 2022 and formulated a biodiversity policy to further integrate biodiversity into investments and develop their policies to explore more risk assessments. Van Lanschot Kempen is a signatory, among others⁴, of the Net Zero Asset Managers (NZAM) initiative, to confirm their commitment to be a net-zero investor by 2050, the Climate Commitment of the Dutch Financial Sector (part of the 'Klimaataakkoord') and the Finance for Biodiversity Pledge.

Van Lanschot Kempen also states it tracks and discloses the carbon footprint associated with the organization, balance sheet and assets under management, evaluating its progress against targets and commitments at least annually.

⁴ List of external guidelines signed by Van Lanschot Kempen ([vanlanschotkempen.com](https://www.vanlanschotkempen.com)).

Rationale for issuance

In accordance with Van Lanschot Kempen purpose of preservation and creation of wealth, in a sustainable way, the issuance of Green Bond instruments intends to finance and refinance green loans on Van Lanschot Kempen’s balance sheet. The loan portfolio will consist of new and existing mortgages for energy-efficient residential buildings in the Netherlands (Residential Green Buildings).

Contribution of Use of Proceeds categories to sustainability objectives and priorities

ISS ESG mapped the Use of Proceeds categories financed under this Green Bond with the sustainability objectives defined by the issuer, and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Asset Management & Brokerage industry. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds categories.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Residential Green Buildings	✓	✓	Contribution to a material objective
Energy Efficiency	✓	✓	Contribution to a material objective

Opinion: *ISS ESG finds that the Use of Proceeds financed through this bond are consistent with the issuer’s sustainability strategy and material ESG topics for the issuer’s industry. The rationale for issuing green bonds is clearly described by the issuer.*

PART II: ALIGNMENT WITH ICMA GREEN BOND PRINCIPLES

1. Use of Proceeds

FROM ISSUER'S FRAMEWORK

Van Lanschot Kempen intends to allocate the net proceeds of the Green Bonds to a loan portfolio (thereafter called "Eligible Green Loan Portfolio") of new and existing mortgages for energy efficient residential buildings in the Netherlands (Residential Green Buildings). The eligible loans are to be funded in whole or in part by an allocation of the bond proceeds.

The eligibility criteria for the inclusion for the financing of mortgages with the proceeds from Green Bond are based on construction year and Dutch residential Energy Performance Coefficients (EPC). The Dutch Energy Performance Coefficient System for new buildings is a result of the Dutch government's implementation of the revised 2010 EU Energy Performance Building Directive (EPBD). The EPC is replaced by the BENG (Bijna Energie Neutrale Gebouwen) system in 2020 for near energy neutral buildings. Energy labels classify existing residential buildings from "A" to "G", with "A" indicating the best energy performance.

The Eligibility Criteria for qualification on the Van Lanschot Kempen Green Bonds are stated below. Van Lanschot Kempen has taken into account the Green Bond Principles and the EU Taxonomy, with the intention to implement them, on a best effort basis. As long as there are clear EU Taxonomy Technical Screening Criteria (TSC) and feasible practical applications in the geographies where Van Lanschot Kempen's assets are located, any Eligible Category to be included in future versions of this Framework will follow the criteria as outlined in the EU Taxonomy, on a best effort basis.

Eligible Green Loans: defined as loans that meet one of the following Eligibility Criteria:

1. For Dutch residential properties built prior to 31 December 2020:
 - **Existing residential buildings in the Netherlands with an Energy Performance Certificate "A", or it belongs to the top 15% low-carbon residential buildings in the Netherlands⁵.**
2. For Dutch residential properties built as of 1 January 2021:
 - New or existing residential buildings that have a primary energy demand at least 10% lower than the one resulting from the local Nearly Zero Energy Buildings (NZEB)⁵.
3. For Refurbished Dutch residential properties with at least a 30% improvement in energy efficiency. In terms of EPC labels, this corresponds to a two-step EPC label improvement.
4. For individual measures aimed at energy efficiency improvement and the installation of renewables onsite in residential buildings:
 - **Eligible lending activities include, but are not limited to installation of cavity wall, roof and / or floor insulation, heat pump, infrared panels, solar boilers and solar panels, installing energy efficient frames and doors and 'double glazing' or HR ++ glazing.**

⁵ Van Lanschot Kempen refers to its Green Residential Buildings Methodology Assessment document prepared by the real estate consulting company CFP.

Opinion: ISS ESG considers the Use of Proceeds description provided by Van Lanschot Kempen's Green Bond Framework as aligned with the ICMA's GBP. The issuer provides a qualitative and/or quantitative analysis of the environmental benefits of the projects categories, in line with best market practice.

2. Process for Project Evaluation and Selection

FROM ISSUER'S FRAMEWORK

Loans financed and/or refinanced through the Green Bond proceeds are evaluated and selected based on compliance with the Eligibility Criteria. When identifying Eligible Green Loans and their non-financial impacts Van Lanschot Kempen relies on external consultants and their data sources. In the event Van Lanschot Kempen decides not to use external consultants it will use its own database including all residential building records and match this data with publicly available data to identify Eligible Green Loans. Van Lanschot Kempen will use the same publicly available data sources as the external consultants.

A Green Bond Committee will manage any future updates to the Framework, including expansions to the list of Eligible Categories, and oversee its implementation. The Green Bond Committee will be composed of representatives from Treasury, Sustainability Centre, Risk Management and Finance, Reporting and Control as well as subject matter experts from the various sectors of allocated assets.

Van Lanschot Kempen takes care that all selected Eligible Green Loans comply with local laws and regulations and on a best effort basis comply with national and international standards. It is part of the transaction approval process of Van Lanschot Kempen to take care that all activities comply with internal environmental and social standards.

Van Lanschot Kempen is aware of the fact the EU Taxonomy requires that Eligible Green Loans should not only contribute to at least one of the EU Environmental Objectives but should also not significantly harm ('DNSH') any other EU Environmental Objective. Van Lanschot Kempen's due diligence processes support the mitigation of environmental and social risks potentially associated with the Eligible Green Loans through their basis in supporting compliance with national and meeting international best market practice or standards.

Opinion: ISS ESG considers the Process for Project Evaluation and Selection description provided by Van Lanschot Kempen's Green Bond Framework as aligned with the ICMA's GBP. Moreover, the issuer clearly defines responsibilities in the process for project evaluation and selection and is transparent about it, which is in line with best market practice

3. Management of Proceeds

FROM ISSUER'S FRAMEWORK

The Green Bonds proceeds will be managed by Van Lanschot Kempen in a portfolio approach.

Van Lanschot Kempen intends to allocate the proceeds from the Green Bonds to an Eligible Green Loan Portfolio that meet the Use of Proceeds Eligibility Criteria and in accordance with the evaluation and selection process presented above. The projects financed via Eligible Green Loans can be newly built or existing properties but can also include refurbishments. To ensure proceeds

are allocated in accordance with the Framework, Van Lanschot Kempen's Treasury Funding Management will track allocation of proceeds to Eligible Green Loans.

Van Lanschot Kempen will strive, over time, to achieve a level of allocation for the Eligible Green Loan Portfolio which matches or exceeds the balance of net proceeds from its outstanding Green Bonds. Additional Eligible Green Loans will be added to the issuer's Eligible Green Loan Portfolio to the extent required to ensure that the net proceeds from outstanding Green Bonds will be allocated to Eligible Green Loans.

Whilst any Green Bond net proceeds remain unallocated, Van Lanschot Kempen will hold and/or invest, at its own discretion, in its treasury liquidity portfolio, in cash or other short-term and liquid instruments or to pay back a portion of its outstanding indebtedness, the balance of net proceeds not yet allocated to the Eligible Green Loan Portfolio.

Opinion: ISS ESG finds that Management of Proceeds proposed by Van Lanschot Kempen's Green Bond Framework is well aligned with the ICMA's GBP, as all the proceeds are to be directly allocated. Moreover, the issuer discloses information regarding the allocation portfolio disbursements and the portfolio balance of unallocated proceeds, in line with best market practice.

4. Reporting

FROM ISSUER'S FRAMEWORK

The Green Bond Principles require Van Lanschot Kempen to provide information on the allocation of proceeds. In addition to information related to the projects to which Green Bond proceeds have been allocated, the Green Bond Principles recommend communicating on the expected impact of the projects.

Van Lanschot Kempen will align, on a best effort basis, the reporting with the portfolio approach described in "Handbook – Harmonized Framework for Impact Reporting (June 2021)".

Van Lanschot Kempen will report the allocation of the Use of Proceeds to the Eligible Green Loan Portfolio on aggregated basis for all of Van Lanschot Kempen's Green Bonds.

Van Lanschot Kempen will make and keep readily available reporting on the allocation of net proceeds to the Eligible Green Loan Portfolio after a year from the issuance of the applicable Green Bonds, to be renewed annually until full allocation of the Green Bond net proceeds. Reporting will be available on Van Lanschot Kempen's website: <https://www.vanlanschotkempen.com/en/financial/debt-investors>.

Allocation Reporting

The allocation report will contain at least the following details:

- **The total amount of proceeds allocated to Eligible Green Loans**
- **The number of Eligible Green Loans**
- **The balance of unallocated proceeds**
- **The amount or the percentage of new financing and refinancing**

Impact reporting

Where feasible, Van Lanschot Kempen may report on the environmental impacts of the Eligible Green Loan Portfolio funded with the Green Bond proceeds or refer to existing sustainability and CSR reporting. Key impact reporting indicators for Van Lanschot Kempen's Use of Proceeds may include:

- **A description of the Eligible Green Loans**
- **The breakdown of Eligible Green Loans by nature of what is being financed (Financial assets)**
- **Metrics regarding the Eligible Green Loan Portfolio environmental impacts as described below:**
 - **Estimated ex-ante annual energy consumption in kWh/m²**
 - **Estimated annual reduced and/or avoided emissions in tons of CO₂ equivalent**
 - **Estimated annual absolute emissions in tons of CO₂ equivalent and emission intensity (CO₂ equivalent / m²).**

Opinion: ISS ESG finds that the reporting proposed by Van Lanschot Kempen's Green Bond Framework is aligned with the ICMA's GBP. In line with best market practices, the issuer is transparent on the level and information reported in the impact report. Furthermore, the allocation report will also be audited by an external party and the location and link of the report(s) are provided.

External review

FROM ISSUER'S FRAMEWORK

Verification

Van Lanschot Kempen intends to request, one year after issuance and until full allocation, a limited assurance report on the allocation of the Green Bond proceeds to the Eligible Green Loan Portfolio, provided by its external auditor or any other qualified party.

PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE GREEN BOND TO THE UN SDGs

Based on the assessment of the sustainability quality of the Green Bond Framework and using a proprietary methodology, ISS ESG assessed the contribution of the Van Lanschot Kempen's Green Bond to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on 5-point scale (see Annex 2 for methodology):

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
------------------------------------	--------------------------------	--------------------------	---------------------------------	-------------------------------------

Each of the Green Bond's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Residential Green Buildings (new and existing buildings) With primary energy demand at least 10% lower than the one resulting from the local Nearly Zero Energy Buildings (NZEB), or an Energy Performance Certificate "A", or belonging to the top 15% low-carbon residential buildings in the Netherlands.	Significant contribution⁶	
	Limited contribution⁷	
Refurbishment of Residential Green Buildings (existing buildings) With at least a 30% improvement in energy efficiency ⁸ .	Significant contribution⁶	
	Limited contribution⁷	
Energy Efficiency Installation of cavity wall, roof and / or floor insulation, heat pump, infrared panels, solar boilers and solar panels, installing energy efficient frames and doors and 'double glazing' or HR ++ glazing.	Significant contribution⁶	
	Limited contribution⁷	

⁶ This SDG assessment slightly differs from ISS ESG SDG Assessment Methodology due to the fact that the issuer has based its selection criteria with the technical screening criteria for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).

⁷ The assessment of some of the financed sub-categories may differ from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology.

⁸ In terms of EPC labels, this corresponds to a two-step EPC label improvement.

B. ALIGNMENT OF THE ELIGIBLE GREEN PROJECT CATEGORIES WITH THE EU TAXONOMY

ISS ESG assessed the alignment of Van Lanschot Kempen's project selection process and company policies for the nominated Use of Proceeds project categories, with the relevant Climate Change Mitigation, Do Not Significant Harm Criteria (DNSH) and Minimum Social Safeguards requirements of the EU Taxonomy Climate Delegated Act⁹ (June 2021), based on information provided by Van Lanschot Kempen. Where Van Lanschot Kempen's projects and policies fully meet the EU Taxonomy Criteria requirements, a tick is shown in the table below, for the ISS ESG assessment against the EU Taxonomy Criteria requirements.

Van Lanschot Kempen's project selection criteria overlap with the following economic activities in the EU Taxonomy for Substantial Contribution to Climate Change Mitigation:

- 7.2 - Renovation of existing Buildings
- 7.3 - Installation, maintenance, and repair of energy efficiency equipment
- 7.6 - Installation, maintenance, and repair of renewable energy technologies
- 7.7 - Acquisition and ownership of buildings

Note: To avoid repetition, the evaluation of the alignment of Van Lanschot Kempen's assets to the Do No Significant Harm Criteria to Climate Change Adaptation is provided in Section B.5. It is applicable to all of the above activities.

⁹ European Union, June 2021, EU Taxonomy Climate Delegated Act, https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en

B.1 7.2 - Renovation of existing Buildings

EU TAXONOMY REQUIREMENT	PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁰	ALIGNMENT
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION – TECHNICAL SCREENING CRITERIA		
<p>The building renovation complies with the applicable requirements for major renovations¹¹.</p> <p>Alternatively, it leads to a reduction of primary energy demand (PED) of at least 30 %¹².</p>	<p>Van Lanschot Kempen confirms that it will only include refurbished Dutch residential properties where at least an improvement of 30% in the primary energy demand (PED) after renovation is achieved (calculations to be made by the issuer and validated by an external auditor).</p>	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA		
<p>GENERIC CRITERIA FOR (2)</p>	<p>See B.5</p>	
3. USE AND PROTECTION OF WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA		
<p>Where installed as part of the renovation works, except for renovation works in residential building units, the specified water use for the following water appliances is attested by product datasheets, a building certification or an existing product label in the Union, in accordance with the technical specifications laid down in Appendix E of the Annex of the Delegated Act:</p> <p>(a) wash hand basin taps and kitchen taps have a maximum water flow of 6 liters/min;</p> <p>(b) showers have a maximum water flow of 8 liters/min;</p> <p>(c) WCs, including suites, bowls and flushing cisterns, have a full flush volume of a maximum of 6 liters and a</p>	<p>Van Lanschot Kempen confirms that the framework will only finance residential buildings.</p>	<p>Not applicable</p>

¹⁰ This column is based on input provided by the issuer.

¹¹ As set in the applicable national and regional building regulations for ‘major renovation’ implementing Directive 2010/31/EU. The energy performance of the building or the renovated part that is upgraded meets cost-optimal minimum energy performance requirements in accordance with the respective directive.

¹² The initial primary energy demand and the estimated improvement is based on a detailed building survey, an energy audit conducted by an accredited independent expert or any other transparent and proportionate method, and validated through an Energy Performance Certificate. The 30 % improvement results from an actual reduction in primary energy demand (where the reductions in net primary energy demand through renewable energy sources are not taken into account), and can be achieved through a succession of measures within a maximum of three years.

<p>maximum average flush volume of 3.5 liters;</p> <p>(d) urinals use a maximum of 2 liters/bowl/hour. Flushing urinals have a maximum full flush volume of 1 liter.</p>		
<p>4. TRANSITION TO A CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA</p>		
<p>At least 70 % (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC) generated on the construction site is prepared for reuse, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy and the EU Construction and Demolition Waste Management Protocol¹³. Operators limit waste generation in processes related construction and demolition, in accordance with the EU Construction and Demolition Waste Management Protocol and considering best available techniques and using selective demolition to enable removal and safe handling of hazardous substances and facilitate reuse and high-quality recycling by selective removal of materials, using available sorting systems for construction and demolition waste.</p> <p>Building designs and construction techniques support circularity and in particular demonstrate, with reference to ISO 20887¹⁴ or other standards for assessing the disassembly or adaptability of buildings, how they are designed to be more resource efficient,</p>	<p>Van Lanschot Kempen states that the Waste Framework Directive 2008/98/EC Directive 2008/98/EC (“Waste Framework”) shall be transposed into national regulation where eligible assets are located. Under the Waste Framework Directive (2008/98/EC) Member States must achieve 70 per cent of material recovery of non-hazardous, non-soil and stone C&D waste, by 2020. The recovery rate is sufficiently high in the countries where Van Lanschot Kempen is active.</p> <p>The EU’s Waste Framework Directive (2008/98/EC) was adopted at national level in the Netherlands e.g. the form of the Afvalpreventieprogramma Nederland (Waste Prevention Program Netherlands). implemented and continuously amended (e.g. In the Dutch Building Decree it is required to have proper separation of construction waste). As long as Van Lanschot Kempen does not knowingly become aware of any contrary information, it is assumed the legislation currently in force is complied with.</p> <p>Van Lanschot Kempen states that waste management and recycling data of the Netherlands shows that 77% of waste is recycled and the residual waste is mainly used for energy production (source: Elements of Dutch waste management, Rijkswaterstaat).</p>	<p style="text-align: right;">✓</p>

¹³ EU Construction and Demolition Waste Protocol (https://ec.europa.eu/growth/content/eu-construction-and-demolition-waste-protocol-0_en).

¹⁴ ISO 20887:2020, Sustainability in buildings and civil engineering works - Design for disassembly and adaptability - Principles, requirements and guidance (<https://www.iso.org/standard/69370.html>).

<p>adaptable, flexible and dismantlable to enable reuse and recycling.</p>	<p>Van Lanschot Kempen confirms that within Dutch regulation, significant renovations are required to meet the 'Milieu Prestatienorm Gebouwen' (MPG) that includes requirements regarding the circularity of applied components and materials based on shadow pricing. This norm goes beyond the waste generated on the construction site.</p>	
<p>5. POLLUTION PREVENTION AND CONTROL – DO NO SIGNIFICANT HARM CRITERIA</p>		
<p>Building components and materials used in the construction complies with the criteria set out in Appendix C of the Annex of the Delegated Act.</p> <p>Building components and materials used in the building renovation that may come into contact with occupiers¹⁵ emit less than 0,06 mg of formaldehyde per m³ of material or component upon testing in accordance with the conditions specified in Annex XVII to Regulation (EC) No 1907/2006 and less than 0,001 mg of other categories 1A and 1B carcinogenic volatile organic compounds per m³ of material or component, upon testing in accordance with CEN/EN 16516 or ISO 16000-3:2011¹⁶ or other equivalent standardized test conditions and determination methods¹⁷.</p> <p>Measures are taken to reduce noise, dust and pollutant emissions during construction or maintenance works.</p>	<p>Van Lanschot Kempen states that it abides by all national regulatory requirements where Van Lanschot Kempen's assets are located, including:</p> <p><u>Legislative framework in EU</u></p> <ul style="list-style-type: none"> • Regulation (EU) 2019/1021: This EU regulation on persistent organic pollutants shall be transposed into national regulation where Van Lanschot Kempen's eligible assets are located. • Regulation (EU) 2017/852: The objective of this Regulation is to ensure a high level of protection of human health and the environment from anthropogenic emissions and releases of mercury and mercury compounds. This EU regulation shall be transposed into national regulation where Van Lanschot Kempen's eligible assets are located. • Regulation (EC) No 1005/2009: This Regulation lays down rules on the production, import, export, placing on the market, use, recovery, recycling, reclamation and destruction of substances that deplete the ozone layer. This EU regulation shall be transposed into national regulation 	

¹⁵ Applying to paints and varnishes, ceiling tiles, floor coverings (including associated adhesives and sealants), internal insulation and interior surface treatments (such as to treat damp and mold).

¹⁶ ISO 16000-3:2011, Indoor air — Part 3: Determination of formaldehyde and other carbonyl compounds in indoor air and test chamber air — Active sampling method (<https://www.iso.org/standard/51812.html>).

¹⁷ The emissions thresholds for carcinogenic volatile organic compounds relate to a 28-day test period.

	<p>where Van Lanschot Kempen’s eligible assets are located.</p> <ul style="list-style-type: none"> • Directive 2011/65/EU: This Directive sets out provisions on the restriction of the use of hazardous substances in electrical and electronic equipment. This EU regulation shall be transposed into national regulation where Van Lanschot Kempen’s eligible assets are located. • Regulation (EC) 1907/2006: Concerns the registration, evaluation, authorization and restriction of chemical substances (including the formaldehyde limits) This EU regulation shall be transposed into national regulation where Van Lanschot Kempen’s eligible assets are located. <p><u>Legislative framework in the Netherlands:</u></p> <p>Van Lanschot Kempen confirms that National building legislations strictly regulates procedures for handling any contaminants and testing of contaminants, which prevents the use of substances in concern.</p> <p>In the Netherlands, under the Spatial Planning Act (Wet ruimtelijke ordening, Wro), sites are designated for specific activities. To this end, all interests are carefully considered, e.g. the importance of nature, the living enjoyment by residents in the vicinity, etc.</p>	
<p>6. PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA</p>		
<p>N/A</p>		<p>N/A</p>

B.2 7.3 - Installation, maintenance, and repair of energy efficiency equipment

EU TAXONOMY REQUIREMENT	PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁸	ALIGNMENT
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION – TECHNICAL SCREENING CRITERIA		
<p>The activity consists in one of the following individual measures if they comply with minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation:</p> <p>(a) addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure air-tightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive);</p> <p>(b) replacement of existing windows with new energy efficient windows;</p> <p>(c) replacement of existing external doors with new energy efficient doors;</p> <p>(d) installation and replacement of energy efficient light sources;</p> <p>(e) installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies;</p> <p>(f) installation of low water and energy using kitchen and sanitary water fittings</p>	<p>Van Lanschot Kempen confirms that as per the Green Bond Framework Van Lanschot Kempen’s Eligibility Criteria funding can be provided for activities described in a, b, and e of the adjacent column.</p> <p>Via the Van Lanschot Groenhypotheek, Van Lanschot Kempen finances a selection of energy efficiency measures (in line with Mileu Centraal). This selection includes the following:</p> <p>(a) addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure air-tightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive);</p> <p>(b) replacement of existing windows with new energy efficient windows, and;</p> <p>(e) installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies.</p>	<p style="text-align: center;">✓</p>

¹⁸ This column is based on input provided by the issuer.

which comply with technical specifications set out in Appendix E of the Annex of the Delegated Act and, in case of shower solutions, mixer showers, shower outlets and taps, have a max water flow of 6 L/min or less attested by an existing label in the Union market.		
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA		
GENERIC CRITERIA FOR (2)	See B.5	
3. USE AND PROTECTION OF WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
4. TRANSITION TO A CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
5. POLLUTION PREVENTION AND CONTROL – DO NO SIGNIFICANT HARM CRITERIA		
<p>Building components and materials comply with the criteria set out in Appendix C of the Annex of the Delegated Act.</p> <p>In case of addition of thermal insulation to an existing building envelope, a building survey is carried out in accordance with national law by a competent specialist with training in asbestos surveying. Any stripping of lagging that contains or is likely to contain asbestos, breaking or mechanical drilling or screwing or removal of insulation board, tiles and other asbestos containing materials is carried out by appropriately trained personnel, with health monitoring before, during and after the works, in accordance with national law.</p>	<p>See B.1.</p> <p>Plus, Van Lanschot Kempen confirms that when renovating or demolishing (parts of) older buildings contractors are required to assess the risks of mobilizing asbestos, including when adding insulation. If there is such a risk, it is almost always required to engage a certified specialist to remove the asbestos containing materials or components (https://www.rijksoverheid.nl/onderwerpen/asbest/asbestregels).</p>	<p>✓</p>
6. PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A

B.3 7.6 - Installation, maintenance, and repair of renewable energy technologies

EU TAXONOMY REQUIREMENT	PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁹	ALIGNMENT
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION – TECHNICAL SCREENING CRITERIA		
<p>The activity consists in one of the following individual measures, if installed on-site as technical building systems:</p> <p>(a) installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment;</p> <p>(b) installation, maintenance and repair of solar hot water panels and the ancillary technical equipment;</p> <p>(c) installation, maintenance, repair and upgrade of heat pumps contributing to the targets for renewable energy in heat and cool in accordance with Directive (EU) 2018/2001 and the ancillary technical equipment;</p> <p>(d) installation, maintenance and repair of wind turbines and the ancillary technical equipment;</p> <p>(e) installation, maintenance and repair of solar transpired collectors and the ancillary technical equipment;</p> <p>(f) installation, maintenance and repair of thermal or electric energy storage units and the ancillary technical equipment;</p> <p>(g) installation, maintenance and repair of high efficiency micro CHP (combined heat and power) plant;</p> <p>(h) installation, maintenance and repair of heat exchanger/recovery systems.</p>	<p>Van Lanschot Kempen confirms that as per the Green Bond Framework Van Lanschot Kempen’s Eligibility Criteria funding can be provided for activities described in a, b, and c of the adjacent column.</p> <p>Via the Van Lanschot Groenhypotheek, Van Lanschot Kempen finances a selection of energy efficiency measures (in line with Mileu Centraal). This selection includes the following:</p> <p>(a) installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment;</p> <p>(b) installation, maintenance and repair of solar hot water panels and the ancillary technical equipment, and;</p> <p>(c) installation, maintenance, repair, and upgrade of heat pumps contributing to the targets for renewable energy in heat and cool in accordance with Directive (EU) 2018/2001 and the ancillary technical equipment.</p>	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA		
GENERIC CRITERIA FOR (2)	See B.5	

¹⁹ This column is based on input provided by the issuer.

3. USE AND PROTECTION OF WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
4. TRANSITION TO A CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
5. POLLUTION PREVENTION AND CONTROL – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
6. PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A

B.4 7.7 - Acquisition and ownership of buildings

EU TAXONOMY REQUIREMENT	PROJECT CHARACTERISTICS AND SELECTION PROCESSES ²⁰	ALIGNMENT
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION – TECHNICAL SCREENING CRITERIA		
<p>1. For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class A. As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings.</p> <p>2. For buildings built after 31 December 2020, the building meets the criteria specified in Section 7.1 of the Annex of the Delegated Act that are relevant at the time of the acquisition.</p> <p>3. Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW) it is efficiently operated through energy performance monitoring and assessment²¹.</p>	<p>1. Van Lanschot Kempen confirms that as per the Green Bond Framework Van Lanschot Kempen’s Eligibility Criteria for Dutch residential properties built before 31 December 2020 are cumulative: residential buildings must have an EPC label “A”, or, must belong to the top 15% low-carbon residential buildings in The Netherlands, otherwise the buildings will not qualify for selection. Currently, the number of buildings with EPC Label A in the Netherlands exceeds the top 15%. Therefore, a cut-off will be included, based on the year of construction. Van Lanschot Kempen will rely on the support of an external consultant to identify up-to-date data of the top 15% energy efficient buildings in The Netherlands²².</p> <p>2. Van Lanschot Kempen confirms that in the case of the Netherlands, a criterion that qualifies buildings that outperform the NZEB requirements by at least 10% in primary energy is best presented in terms of BENG2: maximum primary fossil energy usage in kWh per square meter per year. This indicator is the sum of all energy related aspects of a building. This includes heating, cooling, heating systems for water and mechanical or natural air ventilation. An external consultant will be asked by Van Lanschot Kempen to provide support identifying up-to-date data of energy efficient buildings outperforming the NZEB requirements by at least 10% in primary energy. Van Lanschot Kempen will only include assets that meet these maximum primary fossil energy usage (kWh/m2/p.a.) requirements²².</p>	

²⁰ This column is based on input provided by the issuer.

²¹ This can be demonstrated, for example, through the presence of an Energy Performance Contract or a building automation and control system in accordance with Article 14 (4) and Article 15 (4), of Directive 2010/31/EU.

²² To be defined according to the Van Lanschot Kempen Green Residential Buildings Methodology Assessment document prepared by the real estate consulting company CFP.

	<p>With respect to buildings larger than 5000m2 no specific measures are taken by Van Lanschot Kempen to check if acquisitions of buildings completed after 2020, comply with the 2nd and 3rd component of the mitigation criteria requirements in activity 7.1 in the EU Taxonomy. Within the green bond framework Van Lanschot Kempen does not include commercial buildings, only include residential buildings which are typically not larger than 5000 m2.</p> <p>3. Not applicable as only residential buildings will be financed under Van Lanschot Kempen’s Framework.</p>	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA		
GENERIC CRITERIA FOR (2)	See B.5	
3. USE AND PROTECTION OF WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
4. TRANSITION TO A CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
5. POLLUTION PREVENTION AND CONTROL – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A
6. PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA		
N/A		N/A

B.5 Generic Criteria for DNSH to Climate Change Adaptation

EU TAXONOMY REQUIREMENT	PROJECT CHARACTERISTICS AND SELECTION PROCESSES ²³	ALIGNMENT
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA		
<p>The physical climate risks that are material to the activity have been identified from those listed in the table in Section II of the Delegated Act by performing a robust climate risk and vulnerability assessment with the following steps:</p> <p>(a) screening of the activity to identify which physical climate risks from the list in Section II of the Delegated Act may affect the performance of the economic activity during its expected lifetime;</p> <p>(b) where the activity is assessed to be at risk from one or more of the physical climate risks listed in Section II of the Delegated Act, a climate risk and vulnerability assessment to assess the materiality of the physical climate risks on the economic activity;</p> <p>(c) an assessment of adaptation solutions that can reduce the identified physical climate risk.</p> <p>The climate risk and vulnerability assessment is proportionate to the scale of the activity and its expected lifespan, such that:</p> <p>(a) for activities with an expected lifespan of less</p>	<p>The majority of the Van Lanschot Kempen mortgage portfolio consists of Dutch residential mortgages. Since a substantial part of the Netherlands is situated below sea-level, flooding is generally considered to be the most material physical climate risk. Other physical risks such as increased heat stress in urban areas, damages due to extreme weather events, and foundation issues due to changing water levels – are likely also significant. Currently less information is available about the likelihood and impact of these physical risks on Dutch real-estate.</p> <p>In 2020, Van Lanschot Kempen conducted a high-level flood risk assessment, plotting all individual residential real-estate collateral on flood maps. These flood maps originated from the Dutch Climate Impact Map ('Klimaat-effectatlas'). This Climate Impact Map has been developed by amongst others: the Dutch national flood prevention program ('Deltaprogramma'), Deltares (a leading water institute for applied research in the field of water and subsurface), and The Royal Netherlands Meteorological Institute (KNMI). In part based on: (a) the outcomes of this assessment and (b) the expectation that rising sea levels will be countered by additional infrastructure investments by the Dutch government in sea/river defense structures, the issuer concluded that while some climate-related risks exist - the probability of these risks materializing is lower than other credit risk factors.</p> <p>However, as more information becomes available about the likelihood and potential impact of climate change – Van Lanschot Kempen wants to conduct more advanced (quantitative) analyses on amongst others flood risks. This is also expected of the issuer from regulators. Van Lanschot Kempen will report on progress and gained insights in its upcoming annual reports and/or other disclosures.</p> <p>Within its asset management activities, the issuer has already started to obtain physical climate data (on an asset level) from a specialist climate data provider to</p>	<p style="text-align: center;">○</p>

²³ This column is based on input provided by the issuer.

than 10 years, the assessment is performed, at least by using climate projections at the smallest appropriate scale;

(b) for all other activities, the assessment is performed using the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios²⁴ consistent with the expected lifetime of the activity, including, at least, 10 to 30 year climate projections scenarios for major investments.

The climate projections and assessment of impacts are based on best practice and available guidance and take into account the state-of-the-art science for vulnerability and risk analysis and related methodologies in line with the most recent Intergovernmental Panel on Climate Change reports²⁵, scientific peer-reviewed publications, and open source²⁶ or paying models.

For existing activities and new activities using existing physical assets, the economic operator implements physical and non-physical solutions ('adaptation solutions'), over a period of time of up to

gain insights into how physical risks resulting from climate change are likely to materialize in certain regions and sectors. In addition, for its equity, property and infrastructure fund range Van Lanschot Kempen has incorporated the four energy transition risk stress tests, as developed by its regulator, the Dutch Central Bank ('De Nederlandsche Bank') into its risk system.

The Dutch government is aware of the increased physical climate risks because a substantial part of the Netherlands is situated well below sea-level. Van Lanschot Kempen states that physical climate risks to its mortgage portfolio are therefore actively being reduced by Dutch governmental agencies. As referred to in (a) Van Lanschot Kempen amongst others rely on multistakeholder initiatives or regulation incorporated on a national level. Examples include the Delta Programme which is in place to protect the Netherlands from high water and flooding, to ensure a sufficient supply of fresh water, and to contribute to rendering the Netherlands climate-proof and water-resilient. As part of the Dutch Water Act and Spatial Planning Act, a so called "Watertoets" (watertest) need to be performed. This 'water test' is an instrument that takes into account water (risk) aspects in the special planning in NL. It is not a retrospective test, but a process that brings the initiator of a spatial plan and the water manager into dialogue at the earliest possible stage. This mitigates the physical climate risks related to floods. Regulations also prescribe some minimal standards regarding climate adaptation for the built environment, especially regarding the drainage of rainwater ('Bouwbesluit', in accordance with NEN3215). Regional and local governments can prescribe additional requirements and/or standards which are to be met (through the 'bestemmingsplan'). In the Netherlands regional and local governments are responsible for climate adaptation, also enforcing these requirements and standards.

²⁴ Future scenarios include Intergovernmental Panel on Climate Change representative concentration pathways RCP2.6, RCP4.5, RCP6.0 and RCP8.5.

²⁵ Assessments Reports on Climate Change: Impacts, Adaptation and Vulnerability, published periodically by the Intergovernmental Panel on Climate Change (IPCC), the United Nations body for assessing the science related to climate change produces, <https://www.ipcc.ch/reports/>.

²⁶ Such as Copernicus services managed by the European Commission.

five years, that reduce the most important identified physical climate risks that are material to that activity. An adaptation plan for the implementation of those solutions is drawn up accordingly.

For new activities and existing activities using newly built physical assets, the economic operator integrates the adaptation solutions that reduce the most important identified physical climate risks that are material to that activity at the time of design and construction and has implemented them before the start of operations.

The adaptation solutions implemented do not adversely affect the adaptation efforts or the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets and of other economic activities; are consistent with local, sectoral, regional or national adaptation strategies and plans; and consider the use of nature-based solutions²⁷ or rely on blue or green infrastructure²⁸ to the extent possible.

Late 2021 the Dutch Central Bank ('De Nederlandsche Bank') published a study on 'Climate change and financial risks of real estate', indicating the following:

- On average residential mortgages represent 27% of the balance sheet total of Dutch banks (Van Lanschot Kempen: 41.1%; 2021 data).
- The majority of real estate is located in parts of the Netherlands that may be affected by flooding. These include both areas which are not protected by flood defense systems (outside the dikes) and parts of the Netherlands that are protected against flood.
- Relatively little real estate is in unprotected areas.
- A relatively large amount of real estate exposures is situated in areas that would be flooded in the event of a failure of a primary flood defense, such as a dike.
- Approximately 50% of the total Dutch real estate exposures of Dutch banks is situated in these areas.
- Stress test calculations conducted by the Dutch Central Bank ('De Nederlandsche Bank') indicate that Dutch banks would be sufficiently capitalized to withstand flood stress situations in unprotected areas outside the systems of flood defense. The maximum effect on the combined CET1 ratio of the most extreme stress scenario for a major flood in areas outside the would be around 130 basis points. In extreme scenarios with higher water levels in protected areas, the capital impact on banks may rise to more than 700 basis points within a year (Van Lanschot Kempen CET 1 ratio: 23.7%; 2021 data). It should be noted however, that these events are expected less than once every 2000 years.

The Dutch Climate Impact Map referred contains data with regards to the likelihood of flood risks in 2050.

²⁷ Nature-based solutions are defined as 'solutions that are inspired and supported by nature, which are cost-effective, simultaneously provide environmental, social and economic benefits and help build resilience. Such solutions bring more, and more diverse, nature and natural features and processes into cities, landscapes and seascapes, through locally adapted, resource-efficient and systemic interventions'. Therefore, nature-based solutions benefit biodiversity and support the delivery of a range of ecosystem services: <https://ec.europa.eu/research/environment/index.cfm?pg=nbs>.

²⁸ See Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Green Infrastructure (GI) — Enhancing Europe's Natural Capital (COM/2013/0249 final).

	<p>Given that mortgages typically have a maturity of over 10 years and that the impacts of climate change (especially over a longer time period) are uncertain, the issuer aims to gain more insight into the likelihood and possible magnitude of physical risks through, amongst others, long-term scenario analysis in line with scientific based climate scenarios / Representative Concentration Pathways from the UN IPCC). This is also expected of the issuer from regulators. Van Lanschot Kempen will report on progress and gained insights in its upcoming annual reports and/or other disclosures.</p>	
--	---	--

Minimum Social Safeguards

ISS ESG assessed the alignment of the due diligence and selection processes in place with the EU Taxonomy Minimum Social Safeguards as described in Article 18 of the Taxonomy Regulation²⁹. The results of this assessment are applicable for every Project Category financed under this framework and are displayed below:

EU TAXONOMY REQUIREMENT	PROJECT CHARACTERISTICS AND SELECTION PROCESSES ³⁰	ALIGNMENT
<p>Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights.</p>	<p>Van Lanschot Kempen’s Responsible and Sustainable Investment policy is based on international guidelines, including UN Global Compact (UNGC), Principles for Responsible Investment (PRI), OECD Guidelines for Multinational Enterprises, Guiding Principles on Business and Human Rights (UNGP), and the OECD Responsible Business Conduct Guidelines.</p> <p>Van Lanschot Kempen realizes that it can cause, contribute to or be linked to potential adverse human rights impacts via their business relations, the issuer has extensive due diligence procedures and policies in place to identify, prevent, mitigate and remedy potential or actual negative human rights impacts. Van Lanschot Kempen due diligence procedures make use of specific filters, standards and parameters for sectors that are deemed potentially high-risk from a human rights perspective. The issuer has also established specific policies to exclude companies that structurally harm human rights, e.g. manufacturers of controversial weapons.</p> <p>In the period ahead the issuer aims in addition to the disclosures in their integrated report to further improve their reporting on human rights (policies, implementation and results) by using – among others - the UN Guiding Principles Reporting Framework.</p> <p>Van Lanschot Kempen endorses the principles of the International Labor Organization (ILO), whose conventions and recommendations set down employee rights. Van Lanschot Kempen is committed to respect these rights in their own organization and will engage their stakeholders on these themes where possible and pertinent.</p>	<p style="text-align: center;">✓</p>

²⁹ European Union, June 2020, framework to facilitate sustainable investment, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R0852>

³⁰ This column is based on input provided by the issuer.

DISCLAIMER

1. Validity of the SPO: As long as no substantial changes to the eligible categories are undertaken by the Issuer.
2. ISS ESG uses a scientifically based rating concept to analyze and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the selection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
5. We would point out that this SPO, in particular the images, text and graphics contained therein, and the layout and company logo of ISS ESG and ISS-ESG are protected under copyright and trademark law. Any use thereof shall require the express prior written consent of ISS. Use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

The issuer that is the subject of this report may have purchased self-assessment tools and publications from ISS Corporate Solutions, Inc. ("ICS"), a wholly-owned subsidiary of ISS, or ICS may have provided advisory or analytical services to the issuer. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any issuer's use of products and services from ICS by emailing disclosure@issgovernance.com.

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

Deutsche Börse AG ("DB") owns an approximate 80% stake in ISS HoldCo Inc., the holding company which wholly owns ISS. The remainder of ISS HoldCo Inc. is held by a combination of Genstar Capital ("Genstar") and ISS management. ISS has formally adopted policies on non-interference and potential conflicts of interest related to DB, Genstar, and the board of directors of ISS HoldCo Inc. These policies are intended to establish appropriate standards and procedures to protect the integrity and independence of the research, recommendations, ratings and other analytical offerings produced by ISS and to safeguard the reputations of ISS and its owners. Further information regarding these policies is available at <https://www.issgovernance.com/compliance/du-diligence-materials>.

© 2022 | Institutional Shareholder Services and/or its affiliates

ANNEX 1: Methodology

EU Taxonomy

ISS ESG evaluates whether the details of the nominated projects and assets or project selection eligibility criteria included in the Green Bond Framework meet the criteria listed in relevant Activities in the EU Taxonomy Climate Delegated Act (June 2021).

The evaluation shows to understand if Van Lanschot Kempen's project categories are indicatively in line with the requirements listed in the EU Taxonomy Technical Annex.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by Van Lanschot Kempen (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the project category location, were drawn on to complement the information provided by the issuer.

Environmental and social risks assessment methodology

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIs.

All percentages refer to the amount of assets within one category (e.g. wind power). Additionally, the assessment "no or limited information is available" either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green Bond KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by Van Lanschot Kempen (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the issuer.

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which Van Lanschot Kempen's Green Bond contributes to related SDGs.

ANNEX 2: ISS ESG Corporate Rating Methodology

Methodology - Overview

The ESG Corporate Rating methodology was originally developed by Institutional Shareholder Services Germany (formerly oekom research) and has been consistently updated for more than 25 years.

ESG Corporate Rating - The ESG Corporate Rating universe, which is currently expanding from more than 8,000 corporate issuers to a targeted 10,000 issuers in 2020, covers important national and international indices as well as additional companies from sectors with direct links to sustainability and the most important bond issuers that are not publicly listed companies.

The assessment of a company's social & governance and environmental performance is based on approximately 100 environmental, social and governance indicators per sector, selected from a pool of 800+ proprietary indicators. All indicators are evaluated independently based on clearly defined performance expectations and the results are aggregated, taking into account each indicator's and each topic's materiality-oriented weight, to yield an overall score (rating). If no relevant or up-to-date company information with regard to a certain indicator is available, and no assumptions can be made based on predefined standards and expertise, e.g. known and already classified country standards, the indicator is assessed with a D-.

In order to obtain a comprehensive and balanced picture of each company, our analysts assess relevant information reported or directly provided by the company as well as information from reputable independent sources. In addition, our analysts actively seek a dialogue with the assessed companies during the rating process and companies are regularly given the opportunity to comment on the results and provide additional information.

Analyst Opinion - Qualitative summary and explanation of the central rating results in three dimensions:

- (1) Opportunities - assessment of the quality and the current and future share of sales of a company's products and services, which positively or negatively contribute to the management of principal sustainability challenges.
- (2) Risks - summary assessment of how proactively and successfully the company addresses specific sustainability challenges found in its business activity and value chain, thus reducing its individual risks, in particular regarding its sector's key issues.
- (3) Governance - overview of the company's governance structures and measures as well as of the quality and efficacy of policies regarding its ethical business conduct.

Norm-Based Research - Severity Indicator - The assessment of companies' sustainability performance in the ESG Corporate Rating is informed by a systematic and comprehensive evaluation of companies' ability to prevent and mitigate ESG controversies. ISS ESG conducts research and analysis on corporate involvement in verified or alleged failures to respect recognized standards for responsible business conduct through Norm-Based Research.

Norm-Based Research is based on authoritative standards for responsible business conduct such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals.

As a stress-test of corporate disclosure, Norm-Based Research assesses the following:

- Companies' ability to address grievances and remediate negative impacts
- Degree of verification of allegations and claims
- Severity of impact on people and the environment, and systematic or systemic nature of malpractices

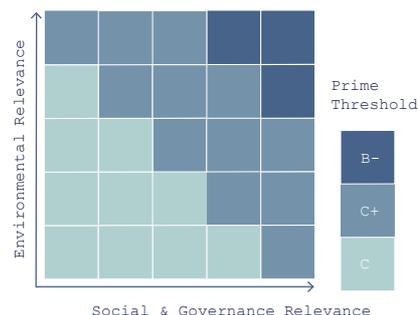
Severity of impact is categorized as Potential, Moderate, Severe, Very severe. This informs the ESG Corporate Rating.

Decile Rank - The Decile Rank indicates in which decile (tenth part of total) the individual Corporate Rating ranks within its industry from 1 (best – company's rating is in the first decile within its industry) to 10 (lowest – company's rating is in the tenth decile within its industry). The Decile Rank is determined based on the underlying numerical score of the rating. If the total number of companies within an industry cannot be evenly divided by ten, the surplus company ratings are distributed from the top (1 decile) to the bottom. If there are Corporate Ratings with identical absolute scores that span a division in decile ranks, all ratings with an equal decile score are classified in the higher decile, resulting in a smaller number of Corporate Ratings in the decile below.

Distribution of Ratings - Overview of the distribution of the ratings of all companies from the respective industry that are included in the ESG Corporate Rating universe (company portrayed in this report: dark blue).

Industry Classification - The social and environmental impacts of industries differ. Therefore, based on its relevance, each industry analyzed is classified in a Sustainability Matrix.

Depending on this classification, the two dimensions of the ESG Corporate Rating, the Social Rating and the Environmental Rating, are weighted and the sector-specific minimum requirements for the ISS ESG Prime Status (Prime threshold) are defined (absolute best-in-class approach).



Industry Leaders - List (in alphabetical order) of the top three companies in an industry from the ESG Corporate Rating universe at the time of generation of this report.

Key Issue Performance - Overview of the company's performance with regard to the key social and environmental issues in the industry, compared to the industry average.

Performance Score - The ESG Performance Score allows for cross-industry comparisons using a standardized best-in-class threshold that is valid across all industries. It is the numerical representation of the alphabetic ratings (D- to A+) on a scale of 0 to 100 with 50 representing the prime threshold. All companies with values greater than 50 are Prime, while companies with values less than 50 are Not Prime. As a result, intervals are of varying size depending on the original industry-specific prime thresholds.

Rating History - Development of the company's rating over time and comparison to the average rating in the industry.

Rating Scale - Companies are rated on a twelve-point scale from A+ to D-:

A+: the company shows excellent performance.

D-: the company shows poor performance (or fails to demonstrate any commitment to appropriately address the topic).

Overview of the range of scores achieved in the industry (light blue) and indication of the grade of the company evaluated in this report (dark blue).

Sources of Information - A selection of sources used for this report is illustrated in the annex.

Status & Prime Threshold - Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements (Prime threshold) defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating. Prime companies are sustainability leaders in their industry and are better positioned to cope with material ESG challenges and risks, as well as to seize opportunities, than their Not Prime peers. The financial materiality of the Prime Status has been confirmed by performance studies, showing a continuous outperformance of the Prime portfolio when compared to conventional indices over more than 14 years.

Transparency Level - The Transparency Level indicates the company's materiality-adjusted disclosure level regarding the environmental and social performance indicators defined in the ESG Corporate Rating. It takes into consideration whether the company has disclosed relevant information regarding a specific indicator, either in its public ESG disclosures or as part of the rating feedback process, as well as the indicator's materiality reflected in its absolute weight in the rating. The calculated percentage is classified in five transparency levels following the scale below.

0% - < 20%: very low

20% - < 40%: low

40% - < 60%: medium

60% - < 80%: high

80% - 100%: very high

For example, if a company discloses information for indicators with a cumulated absolute weight in the rating of 23 percent, then its Transparency Level is "low". A company's failure to disclose, or lack of transparency, will impact a company's ESG performance rating negatively.

ANNEX 3: Quality management processes

SCOPE

Van Lanschot Kempen commissioned ISS ESG to compile a Green Bond SPO. The Second Party Opinion process includes verifying whether the Green Bond Framework aligns with the ICMA's GBP and to assess the sustainability credentials of its Green Bond, as well as the issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Green Bond Principles (June 2021)
- EU Taxonomy Climate Delegated Act (June 2021)

ISSUER'S RESPONSIBILITY

Van Lanschot Kempen's responsibility was to provide information and documentation on:

- Green Bond Framework
- Eligibility criteria
- Documentation of ESG risks management at the asset level

ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green Bond to be issued by Van Lanschot Kempen based on ISS ESG methodology and in line with the ICMA's GBP.

The engagement with Van Lanschot Kempen took place from February to April 2022.

ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyze the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For information about SPO services, please contact: SPOsales@isscorporatesolutions.com

For Information about this Green Bond SPO, contact: SPOOperations@iss-esg.com

Project team

Project lead

João Ferreira
Associate
ESG Consultant

Project support

Adams Wong
Associate Vice President
SPO Operations

Project supervision

Viola Lutz
Associate Director
Head of ISS ESG Climate Solutions