



**ENEXIS**  
HOLDING N.V.

# GREEN BOND IMPACT & ALLOCATION **REPORT 2021**



JUNE 2021



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# INTRODUCTION

The core activities of Enexis Groep are aimed at sustainable impact in society: we contribute directly to the goals of the Dutch Climate Agreement by ensuring a reliable, affordable and safe energy grid, while facilitating the energy transition towards a low-carbon energy system. Next to these efforts to enhance sustainability in society, we take responsibility in our own business operations. With sustainability at the heart of our daily work, we contribute significantly to the realization of the global Sustainable Development Goals (SDGs) of the United Nations.

## GREEN FINANCE FRAMEWORK

In line with our commitment to contribute to global sustainability challenges, Enexis Holding N.V. has developed a Green Finance Framework. In 2020, we issued our first green bond via this Framework. I view the success of our first green bond and more recently our second green bond last April, as a confirmation of our investors that our sustainable strategy is appreciated. We feel empowered by the connection to new investors on the capital market to continue our efforts towards creating sustainable impact in society.

I am especially proud to have issued both green bonds which contribute to the achievement of the SDG's, in particular SDG 7: affordable and clean energy. Through our energy infrastructure we ensure consumers and companies of access to energy and fortunately more and more of that energy is coming from renewable resources. These actions require substantial investments. We take the lead in the development of innovative solutions to promote sustainability and affordability of the energy supply in the Netherlands.

## **ESG PERFORMANCE AS ICING ON THE CAKE**

At time of the issue of the first green bond, Enexis Holding N.V. was qualified as “Low Risk” by the independent sustainability assessor Sustainalytics. The overall business management of ESG (Environmental, Social and Governance) risks is classified as “strong”. Sustainability assessor ISS ESG awarded Enexis Holding N.V. later in 2020 with a so-called Prime label, meaning that Enexis fulfills ambitious absolute performance requirements. Sustainability is at the heart of our existence and I am convinced that having a solid sustainability strategy has laid the right foundation for our good ESG rating. I see the green bonds and improving our ESG rating as the icing on the cake: validating our social and green character.

## **REPORTING FOR TRANSPARENCY**

In 2020 Maarten Blacquièrre, former CFO at Enexis Groep, handed over the baton to me. While he stood at the start of the Green Finance Framework, I am proud to be able to further shape the development of our green finance portfolio as the new CFO of Enexis Groep. Therefore, I am delighted to be able to share our first “Green Bond Impact and Allocation report”. Both green bonds have financed a wide range of activities within our organization. Projects that contribute to increasing the share of sustainable energy in the networks of Enexis and new network expansions for wind and solar parks, but also projects for making the network smarter with the help of, among other things, Distribution Automation (DA), for the ongoing roll-out of smart meters and for making our own buildings more sustainable.

Thank you for your interest in Enexis, together we can create sustainable impact.

Enjoy reading!

**Mariëlle Vogt**

CFO Enexis Groep

\* Wherever ‘Enexis’ is mentioned in this report is referred to all activities of Enexis Groep and its subsidiaries, unless explicitly stated otherwise.



# DEBUT GREEN BOND AND SECOND GREEN BOND

Enexis Holding N.V. has issued two Green Finance Instruments. The 12-year € 500 million debut green bond was issued in June 2020 and has a coupon of 0.625%. The second 12-year € 500 million green bond was issued last April and has a coupon of 0.375%. Both issues were arranged under the Euro Medium Term Note Programme (EMTN).

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As set out in Enexis Holding's Green Finance Framework, the net proceeds of the Green Finance Instruments have been exclusively used to finance or refinance, in whole or in part, "Eligible Assets" within the following Eligible Categories:

1. Renewable Energy (Investments in projects and activities that contribute to increasing the share of renewable energy on the grid)
2. Energy Efficiency (Smart Meters that contribute to a more efficient use of energy)
3. Green Buildings

All projects and investments are located in the Netherlands, in the provinces of Groningen, Drenthe, Overijssel, Noord-Brabant and Limburg where Enexis is active and contribute to



Enxsis' ambition to play a key role in the Dutch energy transition and its ambition to become a leading example in sustainability as a company. In particular, by issuing Green Finance Instruments, Enxsis contributes to the advancement of the following UN SDGs<sup>1</sup>: Affordable and Sustainable Energy (SDG 7), Industry, Innovation and Infrastructure (SDG 9), Sustainable Cities and Communities (SDG 11) and Climate action (SDG 13).

Enxsis Holding N.V. has established a Green Finance Framework to support the bond issues<sup>2</sup>. The framework also enables Enxsis to issue a variety of green finance instruments in the future. Enxsis Holding's Green Finance Framework is aligned with the International Capital Market Association's (ICMA) Green Bond Principles (2018) and the Green Loan Principles (2018, LMA/APLMA).

Ernst & Young Accountants has provided limited assurance on specific elements of the allocation of each Green Finance Instruments proceeds. See [page 20](#) for the assurance report.

With this report Enxsis fulfills its commitment as stated in its Green Finance Framework to report on the allocation of net proceeds and associated environmental benefits annually until the proceeds of each Green Finance Instrument have been fully allocated. This report contains information on the use of proceeds, allocation and impact reporting of all Green Finance Instruments issued to date up to and including the issuance in April 2021. Also included are case studies on the integration of renewable energy in existing electricity grids, the actual usage of the Smart Meter by one of our shareholders and one relating to our sustainable buildings. They provide background information on the assets financed by the green bonds issued in 2020 and 2021 respectively.

<sup>1</sup> <https://www.enxsisgroep.com/about/corporate-social-responsibility/#responsible-operations>

<sup>2</sup> As confirmed in the Second Party Opinion (SPO) report prepared by ISS ESG: [https://www.enxsisgroep.com/media/2743/enxsis\\_spo\\_iss\\_esg\\_final.pdf](https://www.enxsisgroep.com/media/2743/enxsis_spo_iss_esg_final.pdf)



# ALLOCATION REPORT

Portfolio date 30 April 2021

Use of Proceeds allocation table						
Portfolio of Eligible Assets Asset values as per 30 April 2021			Green funding			
ICMA GBP/ LMA GLP Eligible Categories	Amount € mln	Allocated Amount € mln	ISIN	Issuance Date	Maturity Date	Amount € mln
Renewable Energy (Integration of renewables and smart grids):						
Dedicated Sustainable CAPEX	454	252	XS2190255211	17-06-2020	17-06-2032	500
E-Grid corrected for dedicated CAPEX	857	476	XS2331315635	14-04-2021	14-04-2033	500
Energy Efficiency (Smart Meters)	455	253				
Clean Transportation (Charging Points)	-	-				
Green Buildings	34	19				
<b>Total Portfolio of Eligible Assets</b>	<b>1,799</b>	<b>1,000</b>	<b>Total Green Funding</b>			<b>1,000</b>

Percentage of Portfolio of Eligible Assets allocated to Green Finance Instruments net proceeds	<b>56%</b>	Usage as per 30/4/2021
Amount of Portfolio of Eligible Assets Allocated (in € mln)	<b>1,000</b>	
Percentage of Net Proceeds of Green Funding allocated to Portfolio of Eligible Assets	<b>100%</b>	
New Eligible Green Assets added to the portfolio since 31 December 2019 (in %)*	<b>34%</b>	April 2021 vs December 2019
New Eligible Green Assets added to the portfolio since 31 December 2019 (in € mln)*	<b>452</b>	April 2021 vs December 2019
Nature of financing: asset values and dedicated sustainable capital expenditures in renewable energy category		
*[April 2021 Portfolio of Eligible Assets - December 2019 Portfolio of Eligible Assets] / December 2019 Portfolio of Eligible Assets		



# 4.

## NOTES TO THE ALLOCATION REPORT

Proceeds from both Green Finance Instruments have been fully allocated to the Portfolio of Eligible Assets and have been fully used for refinancing purposes. The Portfolio of Eligible Assets is based on 30 April 2021 figures.

The reporting principles for the preparation of this report can be found in the Green Finance Framework which is publicly available on our website<sup>3</sup>. The framework describes the definitions and allocation criteria that are applied for the preparation of this report and consist of several categories:

- Renewable Energy
- Energy Efficiency
- Clean Transportation
- Green Buildings

The category Renewable Energy includes projects aimed at grid expansions and improvements to increase stability, flexibility and availability for connecting / facilitating renewable electricity generation and transportation. Based on a project-by-project level and/or portfolio level, i.e. both dedicated sustainable CAPEX and the share of the asset value of the Enexis electricity grid that facilitates renewable energy. The latter is calculated by multiplying the share of renewable electricity on the Enexis grid with the total electricity grid asset value, corrected for dedicated CAPEX. Dedicated CAPEX includes sustainable investments in custom connections

<sup>3</sup>[https://www.enexisgroep.com/investor-relations/funding/#\(green\)-financing](https://www.enexisgroep.com/investor-relations/funding/#(green)-financing)



and grid expansions for Decentralized Generation i.e. wind and solar parks, cogeneration as well as Distribution Automation and Distribution Automation Light. We included investments from 2013-2020 in total € 454 mln, highlighting the fact that as of 2018 those investment started to accelerate. CAPEX for 2018-2020 amount to € 375 mln<sup>4</sup> which covers almost 85% of the dedicated CAPEX. Enexis currently takes a conservative approach to define eligible grid investments but might include a higher percentage of the investments in and/or asset value of the grid, in line with the final definitions of the EU Taxonomy Regulation. The current share of renewable energy is 26.2%<sup>5</sup> for the Netherlands. In the future, information specific for the regions Enexis is active in can be used subject to availability.

The category Energy Efficiency includes the asset value of all Smart Meters installed up to and including 2020.

The category Green Buildings include our premises in Maastricht, Venlo and two in Zwolle and all have a BREEAM overall score of “Excellent”. The value is based on the asset values of our premises.

Clean transportation: Not included in the Portfolio of Eligible Assets at this moment.

<sup>4</sup> Dedicated sustainable CAPEX for 2020 amounted to € 182 million

<sup>5</sup> Source: <https://www.klimaatkoord.nl/actueel/nieuws/2020/12/22/jaarbericht-hernieuwbare-energie-in-2020#>



# 5.

## IMPACT REPORT

Portfolio based green finance report according to the ICMA “Harmonized Framework for Impact Reporting”, April 2020.

ICMA / LMA Green Eligible category	Signed amount (in € mln)	Share of Total Financing	Eligibility for Green Bonds	Capacity of renewable energy production connected in the grid (in MW)	Renewable energy production feed in to the grid by total solar, wind capacity (in MWh)	Estimated annual avoided CO <sub>2</sub> emissions (in tCO <sub>2</sub> eq.)		Number and volume of smart meters installed	Estimated energy consumption savings (in MWh)
						(Scope 1 + 2)	(Scope 3)		
	a/	b/	c/	d/	e/	e/	e/	e/	e/
Renewable Energy (Integration of renewables and smart grids)	1,311	73%	100%	6,332	7,804,000		3,706,900		
Energy Efficiency (Smart Meters)	455	25%	100%				134,010	2,339,423	330,888
Clean Transportation (Charging Points)	0	0%	100%						
Green Buildings	34	2%	100%			647			1,598
<b>Total</b>	<b>1,799</b>	<b>100%</b>	<b>100%</b>		<b>7,804,000</b>	<b>647</b>	<b>3,840,910</b>	<b>2,339,423</b>	<b>332,486</b>

**a/** Eligible category

**b/** Signed amount represents the amount legally committed by the issuer for the portfolio or portfolio components eligible for Green Finance Instruments

**c/** This is the share of the total portfolio per Eligible category

**d/** This is the share of the total portfolio costs that is eligible for Green Finance Instruments

**e/** Impact reporting indicators per Eligible category



# 6.

## NOTES TO THE IMPACT REPORT

### RENEWABLE ENERGY

The avoided CO<sub>2</sub> emissions have been estimated by taking the annual expected electricity production from connected wind and solar capacity<sup>6</sup> in 2020 and calculating the amount of CO<sub>2</sub> that would have been emitted if the average Dutch production mix had been applied<sup>7</sup>.

### ENERGY EFFICIENCY

The avoided CO<sub>2</sub> emissions<sup>8</sup> have been estimated by applying a 1%<sup>9</sup> saving on the annual consumption of gas and electricity for households with a smart meter<sup>10</sup>. This represents the effect of improved insight into actual energy consumption savings as smart meters enable consumers to become better informed about the dynamics of their household energy consumption and to opt for cost-saving measures. The total amount of smart meters installed is the cumulative amount of meters installed from the start of the project in 2015 until the end of 2020.

<sup>6</sup> Renewable energy per year [MWh] = Full load hours [hours per year] x Power [MW]

<sup>7</sup> Dutch grid intensity for 2020 is 0.475 tCO<sub>2</sub>/MWh WTW conversion factor:

<https://www.co2emissiefactoren.nl/wp-content/uploads/2021/01/CO2emissiefactoren-2020.pdf>

<sup>8</sup> We used the direct emissions of the activity, using the TTW conversion factor of 0.405:

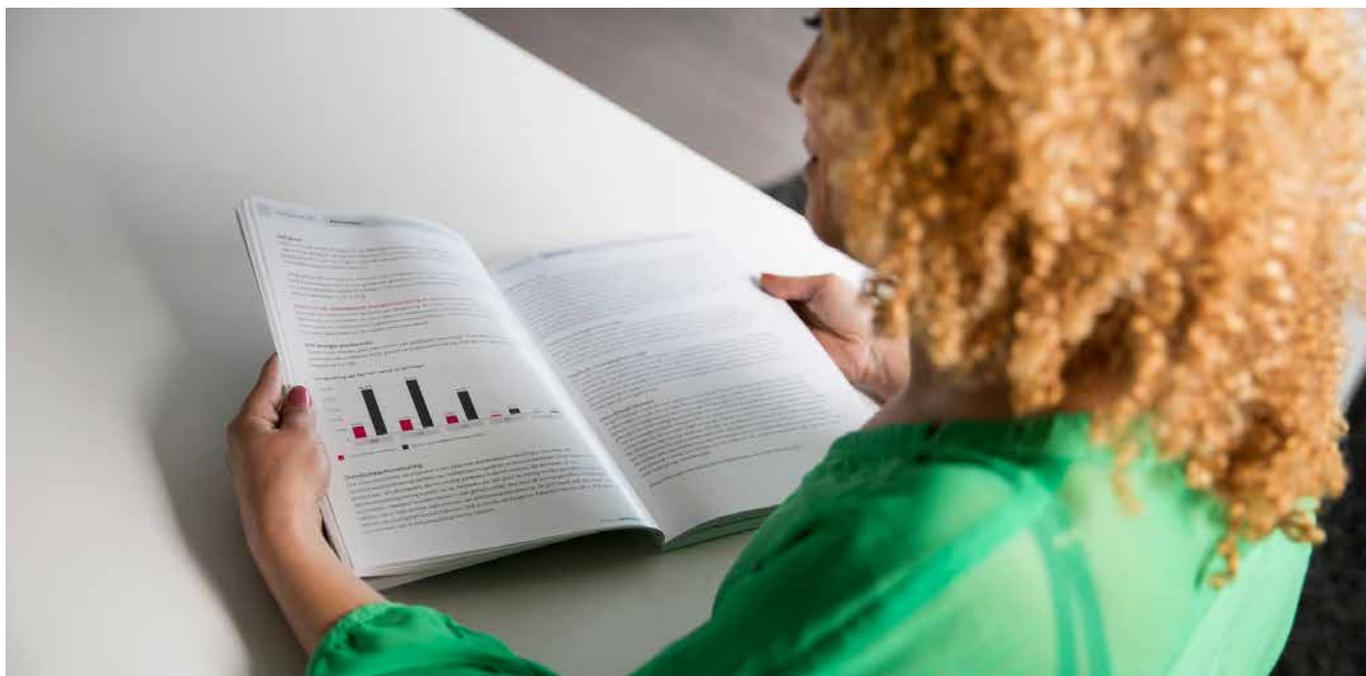
<https://www.co2emissiefactoren.nl/wp-content/uploads/2021/01/CO2emissiefactoren-2020.pdf>

<sup>9</sup> Recent research suggests a range of savings depending on the feedback system used (gas 0%-5% and electricity 2%-6%).

An average overall saving of 1% has been conservatively adopted. <https://publicaties.ecn.nl/PdfFetch.aspx?nr=ECN-N-17-017>

<sup>10</sup> We assume average consumption of electricity per household to be 2,450 kWh/year and for natural gas 1,197 m<sup>3</sup> on an annual basis:

<https://www.cbs.nl/en-gb/news/2020/10/energy-bill-170-euros-lower-this-year/average-annual-consumption>



## GREEN BUILDINGS

Avoided CO<sub>2</sub> emissions<sup>11</sup> are calculated on the basis of 18,928 m<sup>2</sup> of office space for the premises in Maastricht, Venlo and two locations in Zwolle, comparing the energy consumption of those premises per m<sup>2</sup> with that of the average Dutch office building. For those four premises the average energy usage is 105 kWh per m<sup>2</sup>. The energy label database of RVO provides the number of offices per energy label in The Netherlands. The database only includes the buildings which obtained an official energy label<sup>12</sup>. We assume that the energy use of these buildings to be the average energy use of Dutch offices<sup>13</sup>.

Avoided CO<sub>2</sub> emissions reflect the scopes of the Green House Gas emission protocols. Green House Gas related emissions of our activities are disclosed in our annual report. Customer related scope 3 emissions, as part of the energy use within the supply chain, are not included in our annual report.

<sup>11</sup> We used the direct emissions of the activity, using the TTW conversion factor of 0,405  
<https://www.co2emissiefactoren.nl/wp-content/uploads/2021/01/CO2emissiefactoren-2020.pdf>

<sup>12</sup> RVO database official energy labels, August 2020 with a calculated average energy-index (EI) for offices of 1.21;  
<https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/hulpmiddelen-tools-en-inspiratie-gebouwen>

<sup>13</sup> We assume 188kWh/ m<sup>2</sup> for average energy usage of Dutch offices according to the study in the following link:  
[https://www.eib.nl/pdf/Verduurzaming%20van%20de%20kantorenvoorraad\\_web.pdf](https://www.eib.nl/pdf/Verduurzaming%20van%20de%20kantorenvoorraad_web.pdf)



# USE OF PROCEEDS

**RENEWABLE ENERGY:** this include investments in the energy grid such as cables, medium voltage stations, substations, connections to renewable sources such as wind and solar and household and business connections.

These investments are aimed at grid expansions and improvements to increase stability, flexibility and availability for connecting / facilitating renewable electricity generation and transportation.

**ENERGY EFFICIENCY:** this include investments related to installation of smart meters at our customers.

**GREEN BUILDINGS:** only buildings can be included that have received relevant energy of sustainability classifications, in case of Enexis on overall rating  $\geq$  BREEAM Excellent.



# CASE STUDY: E-HOUSES

## SIGNIFICANT FASTER EXPANSION OF ELECTRICITY GRID CAPACITY ENSURED BY INTRODUCTION OF E-HOUSES

As part of the Green Asset Portfolio, Enexis has purchased eleven innovative modular medium voltage substations (so-called E-houses). The main advantages of these substations is that they are pre-fabricated and delivered as a whole by the manufacturer, instead of being assembled by technicians on location. As a result, project delivery is much faster and less labor capacity is required on location, which enables more effective workforce planning of the already scarce technical professionals. E-houses enable this new way of working, creating opportunities to accelerate the expansion of regional network capacity as a response to the growing demand for grid capacity by local solar- and wind energy producers.

Because of the implementation of the E-houses, roughly 1 gigawatt (GW) of installed power is added at an increased rate compared to a situation without the E-houses. The capacity of these E-houses is enough to provide more than 400,000 households with energy from sustainable sources. Enexis is investing 48<sup>14</sup> million euros in these E-houses and their installation,

<sup>14</sup> This is the budget of the total program; due to scope adjustments of the program, the budget is subject to changes

which is financed by the issuance of green bonds. The first seven E-houses are now installed on location and these will become operational in 2021. In this way, Enexis is serving its customers as fast as possible and facilitating further electrification of the Dutch energy supply, which directly contributes to reaching the goals of the Dutch Climate Agreement.

The usage of E-houses are a great example of a scaled pilot project: in 2019 four E-houses were installed as a pilot (three in Weiwerd (Groningen) and one in Etten-Leur (Brabant)). This pilot proved to be successful in reducing the lead times for grid expansions and thus faster growth in network capacity. Based on these

results, Enexis has decided to scale up and install of a total of 11 E-houses in the Northern Netherlands, where the demand for additional grid capacity is most urgent.

Also, the addition of E-houses to the Enexis' asset portfolio is a great example of our ability to smartly response to changes in legislation and regulations. From 2021 onwards, regional grid operators are allowed to use reserve transformers to connect sustainably generated electricity to the grid. E-houses make a smart use of these amended laws and regulations, as they are directly connected to the reserve transformers to make the extra capacity of the transformers available to the public. The national grid operator TenneT will also receive extra transmission capacity as a result of these new rules, which creates an additional effect on grid



Han Slootweg

availability on a larger scale. Han Slootweg, Network Strategy Director of Enexis DSO: “Because we are currently investing 48 million euros in these E-houses and connecting them, our customers can use the extra capacity on the electricity grid as quickly as possible. In practice, this means that we can connect additional solar parks or wind turbines sooner. And with that we can shorten the waiting list.”





# CASE STUDY: SMART METER

## DATA USAGE BY THE MUNICIPALITY OF WAALWIJK

Since 2015, Enexis has been installing a new type of gas and electricity meter: the so-called smart meter. The smart nature of these meters is in their ability to send meter readings remotely and to differentiate between different types of tariffs. The rollout of these smart meters is part of Enexis' Portfolio of Eligible Assets. With the measurement data provided by the smart meters, relevant insight into energy flows can be obtained by translating the data into energy dashboards. This gives end users a better insight in their energy consumption. In this way, the smart meter contributes to solutions for (reducing) the use of energy. The usage of the smart meter data by the municipality of Waalwijk (Noord-Brabant) is a great example to gain a deeper understanding of the effects of smart meters in two daily practices: those of public street lighting and of the business case of electric transportation.

## PUBLIC STREET LIGHTING

In 2014 Enexis approached the municipality of Waalwijk to start a pilot in combining the public street lighting in the municipality with the smart meters of Enexis. The municipality of Waalwijk was already known as a municipality with good insights into its energy consumption at that point. The pilot was started: Enexis installed the smart meters, a metering company took care of the collection of the smart meter readings, which were stored in an energy management system.

The municipality of Waalwijk has just over 10,000 lamp posts that are controlled from about 175 “ignition points”. Since the introduction of the smart meter, it gained better insights into the



Alex de Jonge

electricity consumption of the public lighting; this appears to be good for 40% of municipal energy consumption. Therefore, measures have been taken to reduce the energy consumption of the public lighting by introducing LED lighting from 2020 onwards. Alex de Jonge (Energy coordinator on the impact of the pilot at the municipality of Waalwijk): “By measuring the public lighting we have better control on our energy reduction goals.”

## ELECTRIC CHARGING STATIONS AND INCREASING USE OF ELECTRIC TRANSPORT

Also, the municipality has some of the charging stations for electric transport under its own management. At the beginning of 2018, the energy consumed from charging stations was still limited. However, due to the strong rise of electric cars and fiscal measures that make electric



Marc Spierenburg

driving attractive, the energy consumption of charging stations is increasing rapidly. More electric cars lead to higher energy consumption at charging stations, which means that the payback period for the charging points shortens. Marc Spierenburg (Energy Manager at the municipality of Waalwijk) explains: “The meter readings of the charging stations provide insight into the pace of electrification of cars and on the business case of the energy transition for the municipality.”



# CASE STUDY: GREEN BUILDINGS

## GREEN BONDS FOR BREEAM IMPROVEMENT

As a social, public company, Enexis aims to make the energy supply in the Netherlands more sustainable and is committed to the goals of the Dutch Climate Agreement. In addition, we take our responsibility in making our business operations more sustainable. With our daily work and our CSR ambitions and results, we contribute to the global Sustainable Development Goals (SDGs) of the United Nations. A great deal of these efforts are made by our Facility Management department: they are responsible for our location policy, with sustainability as one of the key factors in creating great places to work for our employees.



*Jan Nijhuis*

Green buildings are part of Enexis' Portfolio of Eligible Assets and Jan Nijhuis (Facility Manager at Enexis) explains why: "Why Enexis is taking steps towards a green location policy is obvious for me: we are intrinsically motivated to take our responsibility for further reduction of the emissions caused by our operations. Sustainability is in our DNA and is therefore directly reflected in our work in the realization and exploitation of our real estate".



*Solar panels office Zwolle*

In achieving this reduction of emissions, the office buildings from Enexis play an important role and therefore became part of the Portfolio of Eligible Assets. Currently, four buildings spread all over the country have been designated to be part of the Portfolio of Eligible Assets, each with an overall BREAAAM Excellent certification: this concerns our premises in Maastricht, Venlo and two buildings in Zwolle. These state-of-the-art green buildings are equipped with, amongst other things: solar panels, heat pumps, water-saving taps and light sensors.

To take our location policy a step further, Jan and his team are working on a portfolio approach for the other buildings. Those buildings are currently not part of the Portfolio of Eligible Assets, but might be included in the future. Jan: “With the portfolio approach, we want to integrate sustainability further in our existing buildings. What we use to make these buildings more sustainable is the BREAAAM In-Use methodology and we focus on certification by the end of 2021. Enexis does not see the certification as an end in itself, but as a means to fulfill the sustainable objectives of Enexis and to measure how sustainable we are.”

While the portfolio approach is taking shape, Jan and his team are looking for continuous improvement: “Last year (2020), we made a building at the existing location of Enexis Training and Education more sustainable and expanded by, among other things, installing LED lighting. Also, the regional branch Wekkerstraat in Eindhoven has been partially renovated to enable the relocation of Enexis Training and Education. The rooms are equipped with energy-efficient heating and cooling by means of a heat pump system, LED lighting and solar panels. Next to this, the Reitscheweg regional office in ‘s-Hertogenbosch has also been made more sustainable by installing a completely new climate installation in the office with a heat pump, LED lighting and solar panels.” Green buildings at Enexis are becoming the standard.



# ASSURANCE REPORT OF THE INDEPENDENT AUDITOR

To: the Board of Management and Supervisory Board of Enexis Holding N.V.

## OUR CONCLUSION

We have performed a limited assurance engagement on the accompanying Allocation of Proceeds in the Green Bond Report for the period ending 30 April 2021 (hereafter: Allocation of Proceeds) of Enexis Holding N.V. (hereafter: the Company) based in 's-Hertogenbosch, the Netherlands.

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Allocation of Proceeds is not prepared, in all material respects, in accordance with the criteria as developed by the Company and included in the “Enexis Green Finance Framework” and the applied supplemental reporting criteria as disclosed in chapter 4 “Notes to the Allocation Report” of the Green Bond Report.

The Allocation of Proceeds are included in the Allocation Report in chapter 3 in the column Allocated amount with a total of € 1,000 mln.

## **BASIS FOR OUR CONCLUSION**

We have performed our limited assurance engagement on the Allocation of Proceeds in the Green Bond Report in accordance with Dutch law, including Dutch Standard 3000A “Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)” (Assurance engagements other than audits or reviews of historical financial information (attestation engagements)). Our responsibilities under this standard are further described in the section “Our responsibilities for the assurance engagement of the Allocation of Proceeds” of our report.

We are independent of Enexis Holding N.V. in accordance with the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement. Furthermore, we have complied with the “Verordening gedrags- en beroepsregels accountants” (VGBA, Dutch Code of Ethics).

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

## **REPORTING CRITERIA**

The Allocation of Proceeds needs to be read and understood together with the reporting criteria. Enexis Holding N.V. is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the allocation of the proceeds are the “Enexis Green Finance Framework” and the applied supplemental reporting criteria as disclosed in section ‘Notes to the Allocation Report’ of the Green Bond Report.

The absence of an established practice on which to draw, to evaluate and measure the information in the Allocation of Proceeds allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

## **LIMITATIONS TO THE SCOPE OF OUR ASSURANCE ENGAGEMENT**

Our assurance engagement is limited to the Allocation of Proceeds as included in the Green Bond Report. We have not performed assurance procedures on any other information as included in the Green Bond Report in light of this assurance engagement.

The Allocation of Proceeds includes prospective information such as ambitions, strategy, plans, expectations and estimates. Inherent to prospective information, the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information in the Allocation of Proceeds.

The references to external sources or websites in the Green Bond Report are not part of the information as assured by us. We therefore do not provide assurance on this information.

## **RESPONSIBILITIES OF THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE ALLOCATION OF PROCEEDS**

The Board of Management is responsible for the preparation of a reliable and adequate Allocation of Proceeds in accordance with the reporting criteria as included in the 'Reporting criteria' section of our report. The choices made by the Board of Management regarding the scope of the Allocation of Proceeds and the reporting policy are summarized in section 'Notes to the Allocation Report' of the Green Bond Report.

The Board of Management is also responsible for such internal control as the Board of Management determines is necessary to enable the preparation of the Allocation of Proceeds that is free from material misstatement, whether due to fraud or errors.

## **OUR RESPONSIBILITIES FOR THE ASSURANCE ENGAGEMENT OF ALLOCATION OF PROCEEDS**

Our responsibility is to plan and perform our limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Procedures performed to obtain a limited level of assurance are aimed to determine the plausibility of information and vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance obtained in a reasonable assurance engagement.

We apply the Nadere voorschriften kwaliteitssystemen (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures of our limited assurance engagement included amongst others:

- Performing an analysis of the external environment and obtaining an understanding of the characteristics of the Company and themes and issues relevant for the Allocation of Proceeds.
- Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures in the Green Bond Report. This includes the evaluation of the reasonableness of estimates made by the Board of Management.
- Obtaining an understanding of the reporting processes for the Allocation of Proceeds, including obtaining a general understanding of internal control relevant to our assurance engagement.
- Identifying areas of the Allocation of Proceeds with a higher risk of misleading or unbalanced information or material misstatements, whether due to fraud or errors. Designing and performing further assurance procedures aimed at determining the plausibility of the Allocation of Proceeds responsive to this risk analysis. These further assurance procedures consisted amongst others of:
  - Interviewing management and relevant staff responsible for the Green Bond strategy, policy and results.
  - Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the Allocation of Proceeds.
  - Obtaining assurance information that the Allocation of Proceeds reconciles with underlying records of the Company.
  - Reviewing, on a limited test basis, relevant internal and external documentation.
  - Performing an analytical review of the data and trends in the information submitted for consolidation at corporate level.
- Reconciling the relevant financial information as per 31-12-2020 in the Allocation of Proceeds with the Annual Report 2020 of Enexis Holding N.V. or with information underlying this Annual Report in case the reconciliation cannot be made directly.
- Reconciling the relevant financial information as per 30-04-2021 with underlying financial information.
- Evaluating the overall presentation, structure and content of the Allocation of Proceeds.
- Considering whether the Allocation of Proceeds as a whole reflects the purpose of the reporting criteria used.
- Evaluating the consistency of the Allocation of Proceeds with the information in the Green bond report which is not included in the scope of our assurance engagement.

Amsterdam, 17 June 2021

**Ernst & Young Accountants LLP**

Signed by R.T.H. Wortelboer

**Enexis Holding N.V.**

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