2ND PARTY OPINION

NHC GROUP
SUSTAINABILITY-LINKED BOND FRAMEWORK
DATED JUNE 2024

Prepared by: DNV Business Assurance Norway AS
Location: Oslo, Norway
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Relevant Standard: Sustainability-Linked Bond Principles 2023 (ICMA)

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NHC GROUP'S SUSTAINABILITY-LINKED BOND FRAMEWORK

PRE-ISSUANCE 2ND PARTY OPINION

Scope and objectives

DNV Business Assurance Norway AS (henceforth referred to as "DNV") has been commissioned by NHC to provide an eligibility assessment on NHC's Sustainability-Linked Bond Framework dated June 2024 (the "Framework") and whether the Sustainability-Linked Bond Instrument to be issued under the Framework meets the established criteria on the basis set out below. The scope of this DNV opinion is limited to the Sustainability-Linked Bond Principles June 2023 (SLBP) set out by the International Capital Market Association (ICMA).

The NHC Group is a Norwegian family-owned, multinational company with a diverse portfolio of welfare and property development services. The group is known for its commitment to innovation and quality across its various divisions, which include Norlandia Care, Norlandia Preschools, Hero Group, Individual & Family Division, and NHC Property. Each division specializes in a different aspect of welfare and community service, ranging from nursing homes and home care services to child welfare and integration services. The group's expansive reach across different sectors allows it to have a significant impact on the communities it serves.

The NHC Group has four common sustainability commitments across its divisions: reducing value chain pollution, waste and emissions; engaging and empowering employees; protecting workforce rights in the value chain; and designing and delivering sustainable solutions and services. Each division of the NHC Group has its own sustainability priorities and achievements, which are aligned with the Group's overarching strategy and material topics. Some of the examples are: Norlandia Care's focus on employee satisfaction, food quality and waste reduction, Norlandia Preschools' programs to promote environmental awareness and education among children, Hero Group's efforts to enable social inclusion and integration of refugees and immigrants, and the Individual & Family Division's actions to reduce transport emissions and food waste.

NHC Group has recently committed to achieving net-zero GHG emissions by 2050, cementing their place as an industry leader in sustainability. The group is currently working on a double materiality approach that aligns its current UN SDG (United Nations Sustainable Development Goals) priorities and sustainability strategy with the material ESRSs (European Sustainability Reporting Standards). NHC will update its priorities based on the double materiality assessment and will subsequently report according to the ESRS standards.

The group is headquartered in Oslo, Norway and is listed on Oslo Stock Exchange. They employ approximately 17,900 people across 692 units, with their services extending to 33,000 users in six countries – Norway, Sweden, Finland, the Netherlands, Germany and Poland.

The Framework enables NHC to issue Sustainability-Linked Bonds to finance general purposes in NHC where NHC commits to future sustainability improvements within a predefined timeline.

NHC will assess its sustainability performance against annual Sustainability Performance Targets (SPTs) for the period **2024 to year-end 2030**, providing a trajectory towards:

- SPT – GHG intensity emissions reduction from 2.54 to 1.47 by 2030 compared to 2023 levels

NHC has chosen to measure performance against the SPTs through one Key Performance Indicator (KPI)

- Reduction of greenhouse gas (GHG) emissions intensity for scope 1 and 2 (market-based)

Basis of DNV's opinion

Our Sustainability-Linked Bond methodology, which incorporates the requirements of the SLBP, has been used to create an NHC Sustainability-Linked Bond Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion. The overarching principle behind the criteria is that a Sustainability-Linked Bond should "provide an investment opportunity with transparent sustainability credentials". As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the five Principles:

- **Principle One: Selection of Key Performance Indicators (KPIs).** The ISSUER of a sustainability-linked finance instrument should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed KPI. The KPI should be reliable, material to the ISSUER's core sustainability and business strategy, address relevant ESG challenges of the industry sector and be under management control.
- **Principle Two: Calibration of Sustainability Performance Targets (SPTs)**. The SPTs should be ambitious, realistic and in relation to a predetermined performance target benchmark. The target setting should be done in good faith and based on a sustainability improvement beyond a business-as-usual trajectory and beyond regulatory required targets.
- **Principle Three**: **Finance Characteristics.** The instrument will need to include a financial and/or structural impact depending on whether the selected KPI reach (or not) the predefined SPT. The finance documentation needs to require the definitions of the KPI and SPTs and the potential variation of the instruments financial and/or structural characteristics. Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner, should be explained.
- **Principle Four: Reporting**. ISSUERS should publish and keep readily available and easily accessible up to date information on the performance of the selected KPI, as well as a verification assurance report (see Principle 5) outlining the performance against the SPTs and the related impact and timing of such impact on the instrument's financial and/or structural characteristics, with such information to be provided to those investors participating in the instrument at least once per annum.
- **Principle Five: Verification (Post-issuance)**. The ISSUER should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, at least once per annum. The verification of the instrument performance against the SPTs should be made publicly available.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by NHC in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of an NHC Sustainability-Linked Bond Eligibility Assessment Protocol, adapted to the purpose of the Sustainability-Linked Bond Framework, as described above, in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by NHC on the Sustainability-Linked Bond and supplemented by a high-level desktop research. The checks refer to current assessment practices and standards methodology;
- Discussions with NHC management, and review of relevant documentation and evidence related to the criteria of the Protocol, including the Annual report, Sustainability report, Strategy and other governance documentation, Bond Term sheet (WR draft 070624), "Information Needs NHC" questionnaire and GAP-analysis;

Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

DNV's 2nd Party Opinion

DNV conducted the external review engagement in accordance with the Sustainability-Linked Bond Principles (SLBP). The review included i) checking whether the provisions of the SLBP were consistently and appropriately applied and ii) the collection of evidence supporting the review. DNV's findings are listed below:

1. **Principle One: Selection of Key Performance Indicators (KPIs)**
   DNV confirms that NHC's sustainability KPI is material to the company's overarching sustainability strategy. The rationale and process for KPI selection, as well as its definition, measurability, and verifiability, are deemed to be robust, reliable and in accordance with the SLBP. The overarching challenge for all industries is to reduce GHG emissions to mitigate climate change. To structure a credible SLB, issuers are encouraged to select at least one core KPI. The KPI addresses the carbon intensity of activities in the real estate and welfare sectors, calculated as the total scope 1 and scope 2 (market based) emissions relative to the total revenues of the NHC Group. The KPI is considered **"core"** and widely used in the real estate sector to monitor and report on carbon intensity of real estate activities and **"secondary"** in the welfare and healthcare sector (ICMA KPI Registry 2023).

2. **Principle Two: Calibration of Sustainability Performance Targets (SPTs)**
   DNV concludes that the SPT is meaningful and relevant in the context of NHC's broader sustainability and business strategy ("1. Reduction of value chain pollution, waste and emissions") and represent a material improvement over a predefined timeline. Where eligible, SBTi's (Science Based Targets initiative) cross-sector pathway (SBTi Corporate Net-Zero Standard V1.2) can be used as external reference to benchmark NHC's level of ambition. NHC's 2030 target of 1.47 GHG intensity emission reduction represents a 42% reduction with a target of 6% annual reduction (2023 baseline), in line with SBTi's recommended annual reduction targets for the same time period. DNV opines that the SPT Trajectory and NHC's target of 42% reduction of the company's carbon intensity by year-end 2030 compared to baseline year 2023, is ambitious.

3. **Principle Three: Finance Characteristics**
   DNV confirms that the financial characteristics of any instrument issued under the framework is impacted based on KPI performance under the SPTs, in line with SLBP. This impact can include either a coupon or interest rate step-up, or premium payment at the redemption of the bond in the event that a trigger event occurs and is to be agreed in the transaction-specific documentation. Investors are encouraged to review the term sheets at time of a specific issuance to ensure the requirements under the Framework are met. DNV notes that the Framework does not specify any fallback mechanisms for cases where the SPTs cannot be calculated, and that no fallback mechanisms for baseline adjustment have been included, as the emissions intensity KPI by nature will accommodate for changes in NHC's levels of business activity.

4. **Principle Four: Reporting**
   DNV concludes that the framework will ensure that the required information, as outlined in SLBP, will be published at an appropriate interval, and be kept publicly available.

5. **Principle Five: Verification**
   DNV confirms that NHC will have its performance against the SPTs independently verified by a qualified external reviewer annually.

SUSTAINABILITY LINKED BOND PRINCIPLES

Based on this review, this Framework is found in alignment
with the SLB Principles and meets the criteria in the Protocol (Schedule 2).

for DNV Business Assurance Norway AS

Oslo, 13th of June 2024

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SCHEDULE 1: DESCRIPTION OF NHC KEY PERFORMANCE INDICATORS (KPI) AND SUSTAINABILITY PERFORMANCE TARGET (SPT)

KPI1

REDUCTION OF GHG INTENSITY EMISSIONS FOR SCOPE 1 AND SCOPE 2 (MARKET BASED)

NHC has performed a materiality assessment that indicates emissions as one of four primary focus areas for all stakeholder categories. Given the outcome of this assessment, NHC has chosen to measure their sustainability performance through the KPI GHG emission intensity calculation, where NHC will report the total scope 1 and scope 2 emissions (market based) relative to the total revenues for the NHC Group. NHC does not have sufficient data for their scope 3 emissions, and therefore they have not included scope 3 emissions in the calculation of the KPI. The Framework does not capture all the possible KPIs that are material to NHC, however their broader sustainability performance is addressed in the Framework.

The proposed KPI carbon intensity metric has been chosen over an absolute emission metric as it is less sensitive to changes in company growth and size. Since NHC has growth ambitions, the group's total absolute emissions may increase over time through acquisitions. To allow for this, but still target reduction, the intensity metric is thus considered the more appropriate metric. For intensity-based metrics, issuers are encouraged to refer to the relevant methodologies and benchmarks to demonstrate their level of ambition with best practices, such as ultimately achieving absolute emissions reductions in with global decarbonization pathways (ICMA KPI registry). DNV notes that the KPI reduction of GHG intensity emissions for scope 1 and scope 2 target is in line with the SBTi recommendations.

GHG emission intensity is calculated with the following formula:

$$GHG\ emission\ intensity = \frac{Scope\ 1\ and\ Scope\ 2\ emissions}{Total\ revenues}$$

SPT

REDUCE GHG INTENSITY EMISSIONS WITH 42% BY 2030 COMPARED TO 2023 BASELINE.

NHC has chosen to use the material KPI of GHG intensity emissions reduction as a measure of its sustainability performance. The KPI performance will be assessed for the most recent financial year ending on 31st December will be measured against the SPT for the same year (the "Target Observation Date"). The KPI's planned annual trajectory has been presented to DNV, and a visualisation of the trajectory is available within the Framework. NHC do not have appropriate peers to benchmark against and has thus used SBTi as an established external standard to benchmark against. The SPT on 42% GHG reduction by 2023, or on average 6% annual reduction, is in line with the SBTi guidelines which DNV opines to be ambitious and beyond business-as-usual. DNV outlines that should a debt security be issued under the Framework; annual targets should be made visible in the relevant transaction-specific documentation.

NHC's SPT is presented below and are as follows:

SPT: Reduce the KPI from a 2023 baseline of 2.54 to 1.47 by 2030, a 42% reduction.

SPT Trajectory		**Financial year:**						
	Baseline 2023	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Accumulated GHG emission reduction target	**2.54**	2.38	2.23	2.08	1.93	1.77	1.62	**1.47**
Accumulated reduction:		*-6%*	*-12%*	*-18%*	*-24%*	*-30%*	*-36%*	***-42%***

NHC indicates that 2023 is an appropriate baseline year to measure future performance against as it is the most recent year under normal operations for which numbers and data is available.

SCHEDULE 2: SUSTAINABILITY-LINKED BOND ELIGIBILITY ASSESSMENT PROTOCOL

1. Selection of Key Performance Indicators (KPIs)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	**KPI – material to core sustainability and business strategy**	The issuer's sustainability performance is measured using sustainability KPIs that can be external or internal. The KPIs should be material to the issuer's core sustainability and business strategy and address relevant environmental, social and/or governance challenges of the industry sector and be under management's control. The KPI should be of high strategic significance to the issuer's current and/or future operations; It is recommended that issuers communicate clearly to investors the rationale and process according to which the KPI(s) have been selected and how the KPI(s) fit into their sustainability strategy.	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV has reviewed NHC's sustainability KPI and can confirm that the KPI is material and relevant to the company's core sustainability and business strategy. The chosen KPI is outlined in SCHEDULE 1: Description of NHC key performance indicators (KPI) and Sustainability Performance Target (SPT), and entails: 1. Reduce GHG intensity emissions from 2.54 to 1.47 by 2030 compared to a 2023 baseline (a 42% reduction) Core business of NHC are welfare and property development services within the health care and real estate segments. Climate change (GHG emissions and energy) is a core KPI in the real estate sector, and a secondary KPI in the health care sector according to the ICMA KPI Registry 2023. The Framework does not capture all the possible KPIs that are material to NHC, however their broader sustainability performance is addressed in the Framework. DNV therefore concludes, that the KPI is of high strategic importance to NHC's current and future operations, and the rationale of selection is clear, ref. SCHEDULE 1: Description of NHC key performance indicators (KPI) and Sustainability Performance Target (SPT).

1b	**KPI - Measurability**	KPIs should be measurable or quantifiable on a consistent methodological basis; externally verifiable; and able to be benchmarked, i.e. as much as possible using an external reference or definitions to facilitate the assessment of the SPT's level of ambition. Issuers are encouraged, when possible, to select KPI(s) that they have already included in their previous annual reports, sustainability reports or other non-financial reporting disclosures to allow investors to evaluate historical performance of the KPIs selected. In situations where the KPIs have not been previously disclosed, issuers should, to the extent possible, provide historical externally verified KPI values covering at least the previous 3 years.	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	The KPI is measurable on a consistent methodological basis and externally verifiable. NHC does not have appropriate peers to benchmark against. The company has used SBTi as an established external standard to compare the KPI against. The SPT on 42% GHG reduction by 2023, or on average 6% annual reduction, is in line with the SBTi guidelines and allows to conclude on the level of ambitiousness ref. 2b and 2c. NHC has provided the KPI statistics and methodology for calculation. The historic performance has been provided for the period of 3 years. DNV notes that the GHG emissions data and numbers have not been 3rd party verified based on the GHG Protocol or ISO14064 standards.

1c	**KPI – Clear definition**	A clear definition of the KPI(s) should be provided and include the applicable scope or perimeter as well as the calculation methodology	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV confirms that the KPI chosen by NHC has a clear scope and calculation methodology. The KPI will be calculated on an annual basis. The KPI carbon intensity metric has been calculated in Schedule 1 as total scope 1 and scope 2 (market based) relative to the total revenues for the NHC Group: $GHG\ emission\ intensity = \frac{Scope\ 1\ and\ Scope\ 2\ emissions}{Total\ revenues}$ DNV concludes that this is in line with the SLBP.

2. Calibration of Sustainability Performance Targets (SPTs)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	**Target Setting - Meaningful**	The SPTs should be ambitious, realistic, and meaningful to the issuer's business and be consistent with the issuers' overall strategic sustainability/ESG strategy.	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV considers the SPT "Reduce GHG intensity emissions from 2.54 to 1.47 by 2030 compared to a 2023 baseline (a 42% reduction) to be ambitious; The SPT is based on the benchmark data provided by NHC against SBTi's Corporate Net-Zero Standard V1.2. DNV confirms that SPT are consistent with the NHC's overall sustainability and environmental strategy and are aligned with NHC's material and strategic focus points "1. Reduction of value chain pollution, waste and emissions", as outlined in NHC's 2023 Annual Report and ESG report. The SPT are meaningful to the ISSUER's business, as it addresses Climate Change (decarbonization). However, DNV notes that around 80% of NHC's current GHG emissions are in the value chain (i.e scope 3 emissions). NHC is currently reporting on a limited part of their scope 3 emissions, but will continue to expand the number of categories for future reporting on scope 3 as part of NHC commitment to Net-Zero for all their GHG emissions by 2050.

2b	**Target Setting - Meaningful**	SPTs should represent a material improvement in the respective KPIs and be beyond a "Business as Usual" trajectory; where possible be compared to a benchmark or an external reference and be determined on a predefined timeline, set before (or concurrently with) the issuance of the bond and/or loan.	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV confirms that the SPT represents a material improvement of the KPI, being year-on-year reductions (6%) culminating in a 42% reduction by 2030 vs. 2023 baseline. NHC's target of a 42% reduction in carbon intensity compared to its 2023 baseline is more ambitious than the "business as usual" scenario, which is based on the SBTi target set out in Schedule 2, 2c. Using historic performance and when comparing to the benchmark methodology, DNV concludes that the proposed SPT of a 42% reduction in carbon intensity compared to its 2023 baseline by end-of-year 2030 represents a material improvement beyond a business-as-usual case.
2c	**Target Setting – benchmarks**	The target setting exercise should be based on a combination of benchmarking approaches: 1. The issuer's own performance over time for which a minimum of 3 years, where feasible, of measurement track	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023	1. DNV confirms that the framework provides a KPI performance track-record going back to 2021 and provides forward year-on-year guidance leading up to end-of-year 2030 – in accordance with the ICMA principles for the SPT. NHC outlines measures to be implemented to reach the SPT.

		record on the selected KPI(s) is recommended and when possible forward-looking guidance on the KPI 2. The SPTs relative positioning versus the issuer's peers where comparable or available, or versus industry or sector standards 3. Systematic reference to science-based scenarios, or absolute levels (e.g. carbon budgets) or official country/regional/international targets or to recognised Best-Available-Technologies or other proxies	• NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	2. NHC has outlined a series of near-term (2024-2026) and medium-to-long term (2026-2030) measures to meet the SPT, these are described in section 2d. 3. NHC do not have appropriate peers to benchmark against and has used SBTi guidelines as an established external standard to compare against. Where eligible, SBTi's cross-sector pathway (SBTi Corporate Net-Zero Standard V1.2) can be used as external reference to benchmark NHC's level of ambition. NHC's 2030 target of 1.47 GHG intensity emission reduction represents a 42% reduction with an annual target of 6% annual reduction (2023 baseline), in line with SBTi's recommended annual emission reduction target over the same period. DNV opines that the SPT Trajectory and NHC's target of 42% reduction of the company's carbon intensity by year-end 2030 compared to baseline year 2023, is ambitious. 4. DNV concludes that the SPT is put in an appropriate context and can be referenced to international external targets as described in 2a and 2b.
2d	**Target setting – disclosures**	Disclosures on target setting should make clear reference to: 1. The timelines of target achievement, the trigger event(s), and the frequency of SPTs 2. Where relevant, the verified baseline or reference point selected for improvement of KPIs as well as the rationale for that baseline or reference point to be used	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure	As of the DNV's opinion, the relevant disclosures on target setting are appropriately referenced: 1. The timelines of SPT target achievement are clearly referred to, at an annual frequency leading up to year-end 2030. Financial Instruments issued under the framework will need to deliver on the applicable SPT – in accordance with corresponding target observation dates for specified trigger events described in the Framework.

		3. Where relevant, in what situations recalculations or pro-forma adjustments of baselines will take place 4. Where possible and taking into account competition and confidentiality considerations, how the issuers intend to reach such SPTs	• NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 Discussions with NHC management (WR draft 070624)	2. The baseline, reference points and selection rationale are clearly described as highlighted in Schedule 2, 2a and the rationale for the baseline 2023 is described in Schedule 1. 3. The Framework does not include any fallback mechanism whereby the baseline will need to be recalculated. In the event a company will be acquired, this will be included in the KPI calculation no later than 12 months following the acquisition closing date. 4. NHC intends to meet the SPT through a series of near-term measures, such as reduce the use of fossil fuel energy sources, changing work habits among the personnel as well as energy efficiency measures (light censors, smart lightning and smart meters). Furthermore, NHC may purchase Guarantees of Origin ("GoO") for renewable energy for the electricity they purchase. Longer term, NHC will assess how to make the owned buildings consume less energy from a heat loss perspective through renovation and upgrade. DNV concludes that the SPT is realistic and that the plan is viable and possible to meeting the SPT targets outlined in the framework. However, we have seen limited quantifiable evidence to corroborate the impact of these measures.

3 Finance Characteristics

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	**Bond Characteristics – SPT Financial/ structural impact**	The SLB will need to include a financial and/or structural impact involving trigger event(s) based on whether the KPI(s) reach the predefined SPT(s).	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV can confirm that the inclusion of trigger event(s) for achieving the SPTs by the applicable Target Observation Date under the framework is in line with the requirements outlined by ICMA's SLBP. DNV has reviewed the financial characteristics of NHC's Sustainability-Linked Finance Framework. NHC state that for any Sustainability-Linked Debt Instrument issued under this Framework, the financial adjustment will either be a coupon or interest rate step-up, or premium payment at the redemption of the bond in the event that a trigger event occurs. The financial characteristic selected for each Sustainability-Linked Debt Instruments including trigger event will be specified in the relevant transaction-specific documentation. A trigger event occurs if: 1. The SPT has not been achieved at the relevant Target Observation Date; or 2. The reporting has not been completed in line with the requirements set out in this Framework or in the related transaction documentation; or 3. The verification has not been provided and made publicly available as set out in this Framework. Financial characteristics will be determined separately for each sustainability linked bond issued under the framework. Any changes to the financial characteristics of the bond resulting from

				a trigger event will apply from the first day of the next interest period immediately following the Target Observation Date and until maturity, and the premium payment of the redemption price will be paid at maturity. DNV has viewed a draft bond term sheet to be issued under this framework and can confirm that it conforms with the requirements of the Framework.
3b	**Bond Characteristics – Fallback mechanism**	Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner should be explained. Issuers may also consider including, where needed, language in the bond documentation to take into consideration potential exceptional events	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV has reviewed the financial characteristics of NHC's Sustainability-Linked Finance Framework. The framework does not specify any fallback mechanisms for cases where the SPTs cannot be calculated. As the KPI is an emissions intensity target, no fallback mechanisms for baseline adjustment have been included, as the KPI by nature will accommodate for changes in NHC's levels of business activity.

4 Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	**Reporting**	Issuers of SLBs should publish, and keep readily available and easily accessible: 1. Up-to-date information on the performance of the selected KPI(s), including baselines where relevant. 2. A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing of such impact, on the bond's financial and/or structural characteristics. 3. Any information enabling investors to monitor the level of ambition of the SPTs. This reporting should be published regularly, at least annually, and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SLB's financial and/or structural characteristics.	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	DNV concludes that the framework will ensure that required information ('Progress Report'), as required by the SLBP will be published annually and kept publicly available. NHC specify that the report will be published as part of their sustainability/ESG reporting and will be publicly available on their website. 1. The following information will be included in the report: • Information on the performance of the KPI against the SPT as per the relevant reporting period, including the calculation methodology and baselines where relevant. • Any relevant updates to NHC's sustainability strategy, ambitions or plans carrying relevance for the KPI and/or SPT. • An overview of Sustainability-Linked Bonds issued under this Framework. 2. NHC state in the Framework that the performance level of the KPIs against the respective SPTs shall be verified by a qualified external reviewer with relevant expertise. 3. The SPTs has been benchmarked in line with the target set out by the SBTi, see 2c for details. NHC state that the report will be published no later than 120 days after the end of each calendar year and in any case for any date/period relevant for assessing SPT performance that may lead

				to any potential adjustments of the sustainability-linked financial characteristics. Failure to provide a Progress report in line with the requirements set out in the transaction-specific documentation shall constitute as a trigger event, which may result in an adjustment in the financial characteristics as outlined in the instrument specific documentation.

5. Verification

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
5a	**External Verification**	Issuers should have its performance against each SPT for each KPI independently verified by a qualified external reviewer with relevant expertise, at least once a year and for each SPT trigger event.	Review of: • NHC Group Sustainability-Linked Bond Framework 2024 • NHC Group Sustainability Report 2023 • NHC Corporate Governance Handbook 2029 • NHC Code of Conduct • NHC Whistleblowing Procedure • NHC Overall Policy and ESG Policy • NHC Ethical Standards for Suppliers • ESG Strategy 2024 • Other supporting documents relating to	DNV confirms that NHC has committed in their Sustainability-Linked Finance Framework to obtain external and independent verification of their annual KPI performance relative to the SPTs at least once a year and for any date/period deemed relevant for assessing KPI performance that may lead to any potential adjustments of the sustainability-linked financial characteristics. Failure to subject the Sustainability-Linked Finance Progress Report published by NHC to external verification shall constitute as a trigger event, which may result in an adjustment in the financial characteristics as outlined in the instrument specific documentation. DNV concludes that this is in line with the SLB principles.

			materiality assessments, energy mapping, mapping of impacts and internal sustainability workshops • Draft Bond Term Sheet 2024 (WR draft 070624) Discussions with NHC management	

Statement of Competence and Independence

The management of NHC has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform NHC and other interested stakeholders in the Bond as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by NHC. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by NHC management and used as a basis for this assessment were not correct or complete.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

Our assessment relies on the premise that the data and information provided by NHC to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.