S&P Global Ratings

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De Volksbank N.V.

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De Volksbank N.V.

Ratings Score Snapshot

Global Scale Ratings
Issuer Credit Rating
A/Stable/A-1
Resolution Counterparty Rating
A+/--/A-1

SACP: bbb+ → **Support: +2** → **Additional factors: 0**

SACP: bbb+		
Anchor	bbb+	
Business position	Moderate	-1
Capital and earnings	Very strong	+2
Risk position	Moderate	-1
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

Support: +2	
ALAC support	+2
GRE support	0
Group support	0
Sovereign support	0

Additional factors: 0
Issuer credit rating
A/Stable/A-1
Resolution counterparty rating
A+/A-1

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Longstanding domestic franchise.	Concentration in the highly competitive domestic mortgage market.
Solid capital base and sizable loss-absorption capital buffers.	A high cost base--inflation and the need for further investments in IT and compliance will add to the cost base in 2024-2026.
Comfortable liquidity buffers.	Revenues still materially concentrated in net interest income, thus vulnerable to interest rate dynamics and competitive pressures.

Decreasing interest rates and the high competitive level of the domestic mortgage market could weigh on De Volksbank's (DVB) profitability more than that of larger and better diversified peers. We anticipate that the interest rate cuts expected in the second half of 2024, tighter margins on mortgages in a challenging and competitive market, and lower expected margins on deposits will likely pressurize the bank's revenue generation capacity. As of December 2023, about 90% of DVB's operating revenues relates to net interest income.

The anti-money laundering (AML) remediation-plan-related costs will inflate expenses, adding to wage inflation and planned digital investments. Therefore, we believe it will be challenging for DVB to maintain its cost-to-income ratio at the targeted 57%-59%.

DVB's very strong capitalization will continue to underpin its creditworthiness. Specifically, we expect that the bank will maintain its risk adjusted capital (RAC) ratio above 15% in 2024-2026, mostly on the back of limited growth and sound asset quality.

We expect DVB to display resilient asset quality. At this stage, we expect DVB's asset quality to remain solid. This reflects the bank's focus on long-term, fixed-rate mortgages, and its low exposure to the domestic small-to-midsize enterprise (SME) segment, which constituted only 2.4% of exposures as of end-2023.

The NFLI suggests that a private sale or an initial public offering are the only viable options for DVB's future. We view privatization as unlikely in the short term, given DVB's ongoing execution of its 2021-2025 strategy as well as the upcoming anti-money laundering remediation plan. It has been conveyed that "A final decision on the future of DVB can only be made when the NLFI has determined that the bank is ready for it".

Outlook

The stable outlook reflects our view that the recent changes at DVB's top management will be managed smoothly. This would allow the bank to continue delivering on its strategy and AML remediation plan as agreed with the regulator, while working on its digital agenda and improving its IT infrastructure, closing the gaps with peers and regulatory standards. Moreover, we assume DVB's capitalization will remain solid, and asset quality sound, over the next 18-24 months. In addition, we believe DVB will remain able and willing to maintain an additional loss-absorbing capacity (ALAC) buffer sustainably above 8% of S&P Global Ratings' risk-weighted assets (RWAs).

Downside scenario

We could lower the ratings if DVB experiences setbacks to the implementation of its strategy, hampering its ability to preserve its competitive position or achieve appropriate returns. We could also consider a negative action if the bank proves unable to manage non-financial risks, including cyber and other operational risks, in line with regulatory and peers' standards. We would also downgrade DVB if we considered the bank unable or unwilling to maintain its ALAC buffer above 8% of our RWA metric.

Upside scenario

There is no upside scenario at this stage.

Key Metrics

De Volksbank N.V.--Key ratios and forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2022a**	**2023a**	**2024f**	**2025f**	**2026f**
Growth in operating revenue	16.7	46.5	(7.6)-(9.3)	(4.3)-(5.3)	(2.3)-(2.8)

De Volksbank N.V.--Key ratios and forecasts (cont.)

	--Fiscal year ended Dec. 31 --				
(%)	**2022a**	**2023a**	**2024f**	**2025f**	**2026f**
Growth in customer loans	-3.4	3.9	0.9-1.1	0.9-1.1	1.1-1.3
Growth in total assets	1.5	-2.9	0.7-0.8	0.6-0.8	0.8-0.9
Net interest income/average earning assets (NIM)	1.4	2.1	1.6-1.8	1.5-1.6	1.4-1.5
Cost to income ratio	67.9	57.1	63.3-66.5	68.5-72.0	72.3-76.0
Return on average common equity	5.5	12.0	8.0-8.9	5.9-6.5	4.7-5.2
Return on assets	0.3	0.6	0.4-0.5	0.3-0.4	0.2-0.3
New loan loss provisions/average customer loans	0.1	0.0	0.0-0.0	0.1-0.1	0.1-0.1
Gross nonperforming assets/customer loans	1.1	1.3	1.2-1.3	1.2-1.4	1.2-1.4
Net charge-offs/average customer loans	0.0	0.0	0.1-0.1	0.1-0.1	0.1-0.1
Risk-adjusted capital ratio	21.0	21.2	21.5-22.6	22.0-23.1	22.5-23.7

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'bbb+' For Banks Operating Only In The Netherlands

We view the economic risk trend for the Dutch banking sector as stable. Under our base-case scenario, we expect GDP growth in the Netherlands will remain subdued at 0.5% in 2024. We also project inflation will continue falling in 2024, to 2.8%, from 4.1% in 2023. The labor market remains strong, with unemployment hovering at 4%. After a small house price correction in the first half of 2023, prices are now increasing and we expect this will continue in 2024 and 2025. This is because borrowing capacity is recovering (due to rising wages and an expected decline in interest rates) while housing supply remains very limited. We foresee some deterioration of Dutch banks' asset quality metrics as economic and credit growth will remain slow but expect the pressure will be manageable. Dutch banks' asset quality is structurally supported by fixed-rate long-term mortgages, which represent the largest part of the banks' loan portfolios. We anticipate a marginal increase in nonperforming loans to 2.3%, coming mostly from lending to corporates and small and midsize enterprises. We expect Dutch banks will maintain prudent provisioning and we anticipate credit impairment charges will remain stable at a through-the-cycle level of 25 basis points (bps)-30bps.

Our assessment of industry risk for Dutch banks incorporates high domestic concentration and our view of a stable competitive environment. We expect net interest income will remain strong in 2024 and 2025, but somewhat below the 2023 level. This is because we believe net interest margins should normalize due to further client deposit pass-through rates, lower income on minimum reserves, and interest rate cuts. We expect that the domestic banking sector's prospective profitability will remain adequate, despite expected tighter margins, with weighted-average return on equity of about 10% (versus 11.6% seen in 2023). System funding is balanced between wholesale funding and customer deposits, although we note households' propensity to save in nonbank saving products, from life insurance products to pension schemes. We consider that Dutch systemwide funding benefits from, among others, the depth of the domestic financial market and potential funding support from the European Central Bank. We view the industry risk trend as stable.

Business Position: Longstanding Domestic Mortgage Bank Working To Improve Its Operating Performance

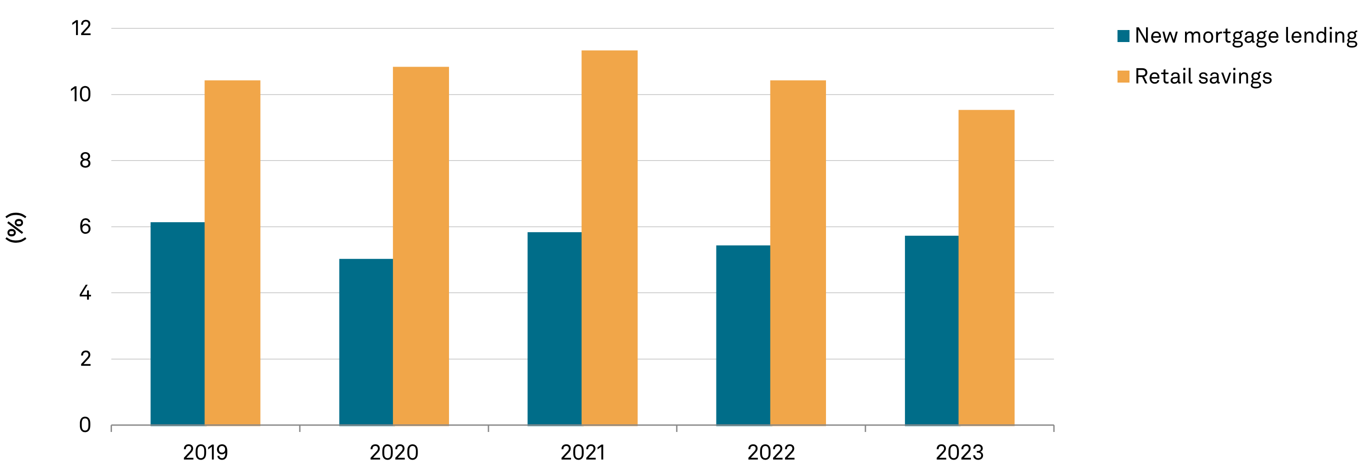
DVB is the fourth-largest lender to the private sector in the Netherlands, with more than three million customers. Its loan book reflects its monoline nature, with residential mortgages representing over 90% of the total. DVB boasts a longstanding franchise in the region, especially in the retail savings market, where its market share has constantly remained around 10% (financial year [FY] 2023: 9.5%). This was the case even after DVB's nationalization in 2013, following large impairments in its former commercial real estate investments and development loans. This illustrates DVB's well-known and trusted brands, in our view.

DVB's share of the new mortgage lending market has proved less stable over time and has decreased over the recent years until 2023, where the market share of new residential mortgage production slightly increased to 5.7% (FY2022: 5.4%). This reflects the highly competitive nature of the domestic mortgage market as well as the dynamics of the middle section of this market, which DVB targets.

Chart 1

De Volksbank N.V.'s market shares

Market share evolution of new mortgage lending and retail savings in the Netherlands

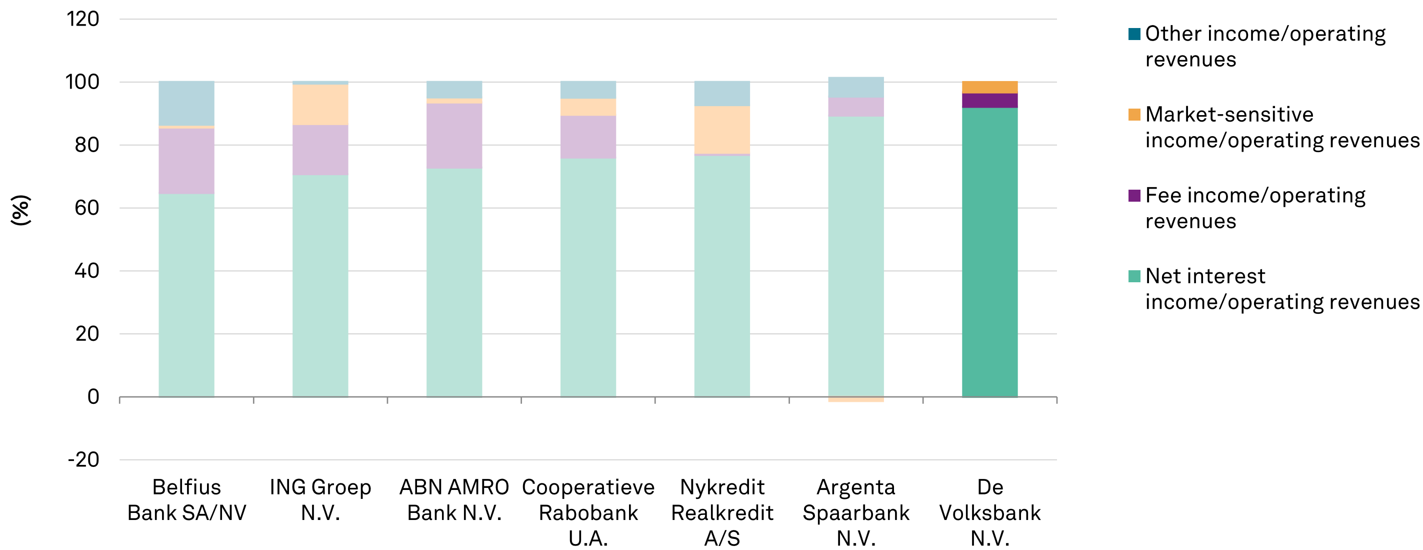


Source: S&P Global Ratings.

DVB's focus on mortgages makes the bank's revenues heavily dependent on interest-related income. The low proportion of fees and commission in the revenue mix is a weakness in terms of quality of earnings, as it indicates a narrower product range and more limited cross-selling capabilities than that of universal banks. Furthermore, DVB's cost base is quite elevated, both in absolute and relative terms.

Chart 2

De Volksbank N.V. displays revenue concentration when compared to peers as majority of revenue is driven by net interest income
Revenue diversification



Note: Data as of financial year-end 2023. Source: S&P Global Ratings.

Over the past three years, DVB has been executing its 2021-2025 strategic plan, which aims to address its major structural profitability issues, namely revenue concentration and the high-cost base.

Among other initiatives, the bank has been expanding into the SME sector in the Netherlands by offering business mortgages of up to €1 million. That said, this business activity constituted about 2.4% of the bank's portfolio at end-2023. We expect this business line to grow gradually over the next 18-24 months, but to remain a small part of the bank's assets.

DVB has introduced a monthly fee for basic banking services which has led to higher fees and commission income as of end-2023. Finally, the bank has set-up a multi-year investment plan, mostly focusing on IT security and digitalization, on top of banking regulation and customer compliance. The bank continues to follow a multi-brand strategy, with brands including ASN Bank, RegioBank, BLG Wonen, and SNS. This differentiates its business model and proposition from those of its peers.

Although we see that the execution of DVB's business plan could be positive in the long term, we also recognize some potential challenges, first and foremost the implementation of the AML remediation plans and related costs. These costs will add to salary inflation, IT, and planned digital investments, likely offsetting or delaying any cost-efficiency effect.

Regarding the future of DVB, the NLFI assesses two options as realistic: a private sale or an IPO. We see privatization as unlikely in the short term due to the difficult operating environment and the challenges that the bank faces to improve its earnings profile.

The bank has completed its planned management replacements and has appointed a new chief executive officer, chief risk officer, and chief financial crime officer in the first half of 2024, see "Netherlands-Based De Volksbank Affirmed At 'A/A-1' On Planned Management Replacements; Outlook Stable", Dec. 14, 2023.

Capital And Earnings: A Solid Capital Base

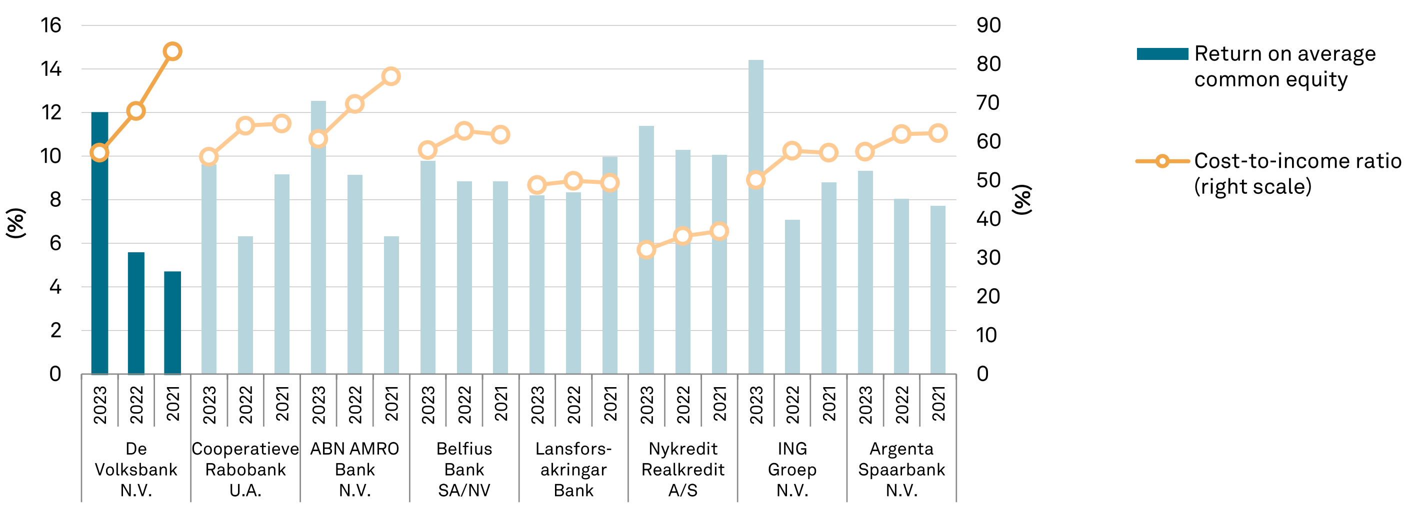
DVB's capital ratios are very high, and its solvency is undoubtedly its main rating strength. We expect that the bank's management will continue to maintain very strong capital in the years to come, mainly because of the bank's monoline identity and the finalization of Basel III, which will require more regulatory capital.

We project that the bank's RAC ratio will sit in the 23.0%-23.5% range by end-2026, compared to 21.23% that we calculate at end-2023, on the back of limited growth, prudent capital policy, sound asset quality, and positive earnings generation capacity. On this last point, at this stage, our projections do not incorporate any cost that could emerge from the implementation of the AML remediation plans.

Chart 3

High interest rates drove De Volksbank's earnings improvement in 2023

Return on average common equity and cost-to-income ratio



Source: S&P Global Ratings.

Our RAC ratio forecast is based on the following projections:

- We assume ~3% loan book growth in 2024-2026, with a slight increase in SME lending.

- We expect operating income to range between €1.2 billion and €1.3 billion in 2024-2026 (down from the €1.4 billion reported at end-2023), mainly reflecting expected interest rate cuts, lower expected margins on deposits, and fierce competition in the domestic mortgage market.
- Higher operating expenses due to inflation and the bank's investments in IT security, digitalization, banking regulation, and customer compliance. We estimate that the bank's cost base will increase by a cumulative 10% by end-2026. Our estimates exclude any impact resulting from the implementation of the AML remediation plans at this stage.
- We expect the net income to decrease by ~25% in FY2024, ranging between €300 million and €350 million.
- Sound asset quality, with the cost of risk around 5bps in 2024 but increasing slightly thereafter.
- An average dividend payout ratio of 40%.

Despite DVB's strategic initiatives, its earnings structure is unlikely to change much in the next two years. We expect that fees and commission will continue to represent a small portion of revenue, at about 5%-6%.

Risk Position: Sound Asset Quality, But Concentration Could Mask Risks

The bank's risk profile reflects a loan book that is granular and low risk. It also reflects concentration on a single asset class in the Netherlands, which exposes it to potential weakness in the domestic real estate market.

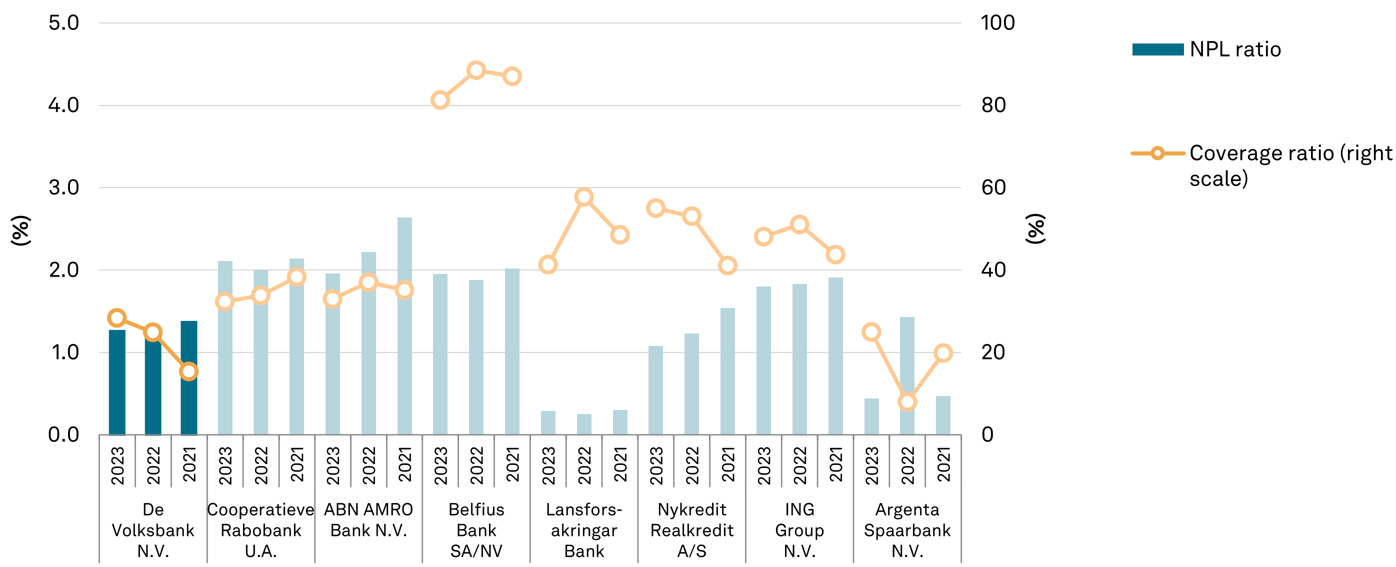
We expect Dutch banks to experience some asset quality deterioration in the medium term, however, it will not be material. We forecast DVB to remain broadly resilient over the next 18-24 months. The bank's resiliency is underpinned by the fact that mortgages represent a significant portion of the loan portfolio. Despite DVB's expansion into the domestic SME sector, we do not expect a major deterioration to result from this portfolio as we expect it to remain relatively small. At end-2023, ~2.4% of the bank's total loans was comprised of SMEs and of the total SME exposure ~3% of the loans were classified as stage 3. Overall, we expect that DVB's non-performing asset ratio will remain broadly stable at 1.2%-1.3% over the forecast horizon.

We believe that the intrinsic risk profile of DVB's mortgage book has benefitted from the regulatory reform of Dutch mortgages. This is evident from the growing share of annuity loans compared with the historical interest-only mortgage profile of the Dutch market, and the falling number of loans in negative equity. In 2023, 79% of the new mortgages that DVB granted consisted of annuity loans, the only mortgages that benefit from tax deductibility. At the same time, about 17% of new residential mortgages consisted of interest-only mortgages due to the refinancing of loans originated before 2013.

DVB's average loan-to-value mortgage book increased to 54% at end-2023, from 51% at end-2022, primarily due to a decline in house prices. Furthermore, about 26% of the portfolio benefits from the Dutch national mortgage guarantee scheme (Nationale Hypotheek Garantie or NHG), which supports house ownership. In our RAC framework, we treat the scheme as a Dutch sovereign guarantee, although we apply a haircut to the guaranteed amount to reflect the fact that the originator remains accountable for 10% of any loss.

Chart 4

De Volksbank's asset quality is driven by its mortgage-heavy loan book
NPL ratio and loan loss reserves/ gross NPAs



NPL--Non-performing loans. NPA--Non-performing assets. Source: S&P Global Ratings.

Funding And Liquidity: A Sticky Deposit Base And Comfortable Liquidity Buffers

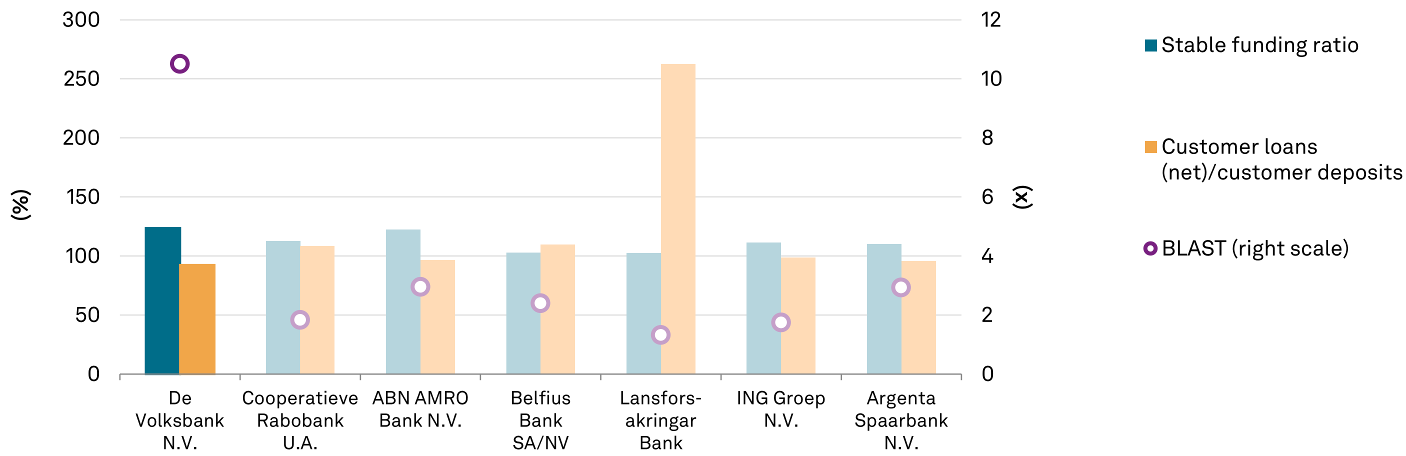
DVB primarily relies on retail funding, with core deposits accounting for 84% of its funding base. Over recent years, the bank has been diversifying the sources of funding it has raised on the capital markets and through private placements. It has been a regular issuer of covered bonds and senior unsecured notes, along with senior non-preferred bonds for minimum requirement for own funds and eligible liabilities purposes.

DVB's granular and stable retail deposit base underpins its funding profile. In 2023, the core customer deposits of the bank declined by €2.2 billion to €54.9 billion, as a reflection of the higher interest rate environment and DVB's choice to discontinue some of its existing saving products. Still, DVB's stable funding ratio stood at 124% at end-2023. We don't expect any major outflow in the foreseeable future.

In our view, the bank's liquidity position remains very comfortable, reflecting its low reliance on short-term wholesale funding. Broad liquid assets covered short-term wholesale funding by more than 10x at year-end 2023 according to our calculations, which is stronger than peers' ratios.

Chart 5

De Volksbank's F&L matrix compared to peers'
SFR, loan to deposit ratio, and BLAST



Note: Data as of financial year-end 2023. Source: S&P Global Ratings.

Support: Two Notches Of Uplift For ALAC Support

Since 2022, we have not seen DVB's preferred strategy of a sale of the business as implying additional risks for senior creditors in a resolution scenario versus an open bank bail-in. Although the bank could contemplate a partial sale in a resolution scenario, we consider a sale of the whole business as more likely. This reflects the noncomplex nature of the business itself--with its focus on mortgages--and the existence of banking players, particularly domestic banking groups, that would be willing to complete a deal and capable of doing so.

Furthermore, the substantial amount of subordinated bail-inable liabilities would facilitate both the bank's loss-absorption and recapitalization, reducing the risk of senior creditors facing losses in a resolution scenario. In this regard, we understand that the current minimum requirement for own funds and eligible liabilities, expressed as a percentage of leverage exposure, must meet 7.78% of total liabilities and own funds and should be fully subordinated as of Jan. 1, 2024. Therefore, we give full credit (two notches of support) to the bank's ALAC buffer, which stood at 15.9% as of end-2023, and we expect that it will remain comfortably above 8% of S&P Global Ratings' estimated RWAs in 2024-2026.

Environmental, Social, And Governance

We do not view ESG credit factors as having a material influence on DVB's credit quality. Since DVB's franchise largely focuses on retail customers, DVB is structurally exposed to conduct risks. However, we now believe that this risk is similar to that for other retail banking peers, as we believe that DVB has solved the governance-related issues that led to the departure of several executives in 2020.

Group Structure, Rated Subsidiaries, And Hybrids

We notch down our ratings on DVB's hybrid debt from the stand-alone credit profile because we expect these instruments to be written down or converted into equity in a bail-in resolution scenario. Therefore, they do not benefit from the bank's ALAC buffer.

Resolution Counterparty Ratings (RCRs)

DVB's RCR stands at 'A+/A-1'. An RCR is a forward-looking opinion of the relative default risk of certain senior liabilities that may be protected from default through an effective bail-in resolution process for the issuing financial institution. RCRs apply to issuers in jurisdictions where we assess the resolution regime to be effective and the issuer is likely to be subject to a resolution that entails a bail-in if it reaches nonviability. We typically position the long-term RCR up to one notch above the long-term issuer credit rating when the latter ranges from 'BBB-' to 'A+'.

Key Statistics

Table 1

De Volksbank N.V. Key Figures

	--Year-ended Dec. 31--				
(Mil. €)	**2023**	**2022**	**2021**	**2020**	**2019**
Adjusted assets	71,055	73,162	72,075	67,484	62,839
Customer loans (gross)	51,029	49,120	50,834	50,708	50,580
Adjusted common equity	3,690	3,436	3,353	3,293	3,217
Operating revenues	1,414	965	827	923	929
Noninterest expenses	808	655	689	607	574
Core earnings	431	191	146	208	275

Table 2

De Volksbank N.V. Business Position

	--Year-ended Dec. 31--				
(%)	**2023**	**2022**	**2021**	**2020**	**2019**
Total revenues from business line (currency in millions)	1,414.0	965.0	849.0	923.0	929.0
Retail banking/total revenues from business line	100.0	100.0	100.0	100.0	100.0
Commercial & retail banking/total revenues from business line	100.0	100.0	100.0	100.0	100.0
Return on average common equity	12.0	5.5	4.7	5.1	7.9

Table 3

De Volksbank N.V. Capital And Earnings

	--Year-ended Dec. 31--				
(%)	**2023**	**2022**	**2021**	**2020**	**2019**
Tier 1 capital ratio	22.0	22.2	22.7	31.2	32.6
S&P Global Ratings' RAC ratio before diversification	N/A	21.0	20.8	22.8	22.6
S&P Global Ratings' RAC ratio after diversification	N/A	16.9	16.5	16.1	16.4
Adjusted common equity/total adjusted capital	92.5	92.0	100.0	100.0	100.0
Net interest income/operating revenues	92.1	88.2	93.7	92.1	94.2
Fee income/operating revenues	4.5	5.3	4.7	5.0	5.5
Market-sensitive income/operating revenues	3.3	6.4	1.6	2.8	0.2
Cost to income ratio	57.1	67.9	83.3	65.8	61.8
Preprovision operating income/average assets	0.8	0.4	0.2	0.5	0.6
Core earnings/average managed assets	0.5	0.2	0.2	0.3	0.4

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Table 4

De Volksbank N.V. RACF [Risk-Adjusted Capital Framework] Data

(Mil. €)	**Exposure***	**Basel III RWA**	**Average Basel III RW(%)**	**Standard & Poor's RWA**	**Average Standard & Poor's RW (%)**
Credit risk					
Government & central banks	11,940	113	1	245	2
Of which regional governments and local authorities	866	75	9	33	4
Institutions and CCPs	6,120	1,363	22	988	16
Corporate	2,166	1,800	83	1,553	72
Retail	52,335	10,850	21	12,789	24
Of which mortgage	52,228	10,775	21	12,709	24
Securitization§	117	13	11	23	20
Other assets†	382	363	95	429	112
Total credit risk	73,060	14,500	20	16,028	22
Credit valuation adjustment					
Total credit valuation adjustment	'--	60	'--	234	'--
Market Risk					
Equity in the banking book	14	21	146	121	862
Trading book market risk	'--	188	'--	281	'--
Total market risk	'--	208	'--	402	'--
Operational risk					
Total operational risk	'--	1,700	'--	2,121	'--
(Mil. €)	**Exposure**	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global RWA**	**% of S&P Global RWA**
Diversification adjustments					
RWA before diversification	'--	16,468	'--	18,785	100

Table 4

De Volksbank N.V. RACF [Risk-Adjusted Capital Framework] Data (cont.)				
Total Diversification/ Concentration Adjustments	'--	'--	'--	3,887	21
RWA after diversification	'--	16,468	'--	22,673	121

(Mil. €)	Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global RAC ratio (%)
Capital ratio	Standard & Poor's RWA	Standard & Poor's RWA	Standard & Poor's RWA	Standard & Poor's RWA
Capital ratio before adjustments	3,616	22.0	3,988	21.2
Capital ratio after adjustments‡	3,616	22.0	3,988	17.6

*Exposure at default. §Securitization Exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of 'Dec. 31 2023', S&P Global Ratings.

Table 5

De Volksbank N.V. Risk Position

	--Year-ended Dec. 31--				
(%)	2023	2022	2021	2020	2019
Growth in customer loans	3.9	(3.4)	0.2	0.3	(0.2)
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	23.8	26.2	41.2	37.9
Total managed assets/adjusted common equity (x)	24.6	23.9	25.3	24.4	23.5
New loan loss provisions/average customer loans	0.0	0.1	(0.1)	0.1	(0.0)
Net charge-offs/average customer loans	(0.0)	(0.0)	(0.0)	(0.0)	0.0
Gross nonperforming assets/customer loans + other real estate owned	1.3	1.3	1.4	1.3	1.3
Loan loss reserves/gross nonperforming assets	28.3	24.8	15.4	24.5	18.4

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Table 6

De Volksbank N.V. Funding And Liquidity

	--Year-ended Dec. 31--				
(%)	2023	2022	2021	2020	2019
Core deposits/funding base	84.0	84.0	86.6	87.6	85.9
Customer loans (net)/customer deposits	92.6	85.7	87.3	94.2	102.9
Long-term funding ratio	98.0	98.3	97.6	98.0	95.3
Stable funding ratio	123.8	134.4	127.4	117.3	106.6
Short-term wholesale funding/funding base	2.1	1.8	2.6	2.1	5.0
Regulatory net stable funding ratio	166.0	174.0	176.0	N/A	N/A
Broad liquid assets/short-term wholesale funding (x)	10.5	14.6	10.6	10.2	3.1
Broad liquid assets/total assets	20.6	24.6	25.3	19.7	14.0
Broad liquid assets/customer deposits	26.7	31.5	31.3	24.8	17.9
Net broad liquid assets/short-term customer deposits	25.6	31.3	30.6	24.5	14.1
Regulatory liquidity coverage ratio (LCR) (%)	262.0	233.0	324.0	N/A	N/A
Short-term wholesale funding/total wholesale funding	13.0	11.0	19.1	17.0	35.6

Table 6

De Volksbank N.V. Funding And Liquidity (cont.)					
	--Year-ended Dec. 31--				
(%)	2023	2022	2021	2020	2019
Narrow liquid assets/3-month wholesale funding (x)	22.2	25.7	50.0	49.8	13.8

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

De Volksbank N.V.--Rating Component Scores	
Issuer Credit Rating	**A/Stable/A-1**
SACP	bbb+
Anchor	bbb+
Economic risk	3
Industry risk	3
Business position	Moderate
Capital and earnings	Very strong
Risk position	Moderate
Funding	Adequate
Liquidity	Adequate
Comparable ratings analysis	0
Support	+2
ALAC support	+2
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

ALAC--Additional loss-absorbing capacity. GRE--Government-related entity. SACP--Stand-alone credit profile.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions , March 2, 2022
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology , July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings , Feb. 16, 2011

Ratings Detail (As Of August 7, 2024)*	
De Volksbank N.V.	
Issuer Credit Rating	A/Stable/A-1
Resolution Counterparty Rating	A+/--/A-1
Senior Unsecured	A/A-1
Issuer Credit Ratings History	
26-Oct-2022	A/Stable/A-1
23-Apr-2020	A-/Stable/A-2
15-Sep-2017	A-/Positive/A-2
Sovereign Rating	
Netherlands	AAA/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.