Utrecht, the Netherlands, 9 August 2024

2024 Interim Results

Investor Presentation
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André Haag, CFO

de volksbank

SNS asn bank RegioBank BLGwonen

Key points first half of 2024

Steady improvement in customer relationship and social impact scores

- **Strong customer relationship**: increase in the number of active multi-customers to 1.204m (YE23: 1.164m); customer-weighted NPS improved to +5 (YE23: -1) and Customer Relationship Score to 56 (YE23: 53)
- **Positive impact on society**: improvement in climate-neutral balance sheet[1] to 76% (YE23: 75%)

Strong commercial growth due to resilient economy despite global geopolitical tensions

- Growth in **residential mortgage portfolio** to €50.5bn (YE23: €49.2bn). Increase in new mortgage production to €3.1bn (1H23: €2.2bn)
- Increase in **SME loans** of €83m (1H23: €78m) to €1,318m
- **Retail savings** increased by €1.5bn to €45.1bn
- **Assets under management** (AuM) stable at €4.2bn

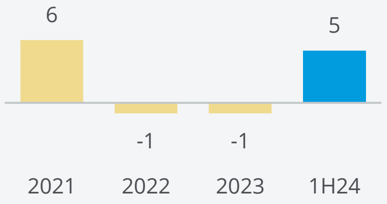
Sound net profit in a changing interest rate environment

- **Net profit** 7% lower at €231m (1H23: €248m), due to a decrease in total income, partly compensated by lower total operating expenses and a swing in impairment charges
- **CET1 capital ratio** lower at 19.7% (YE23: 20.2%); **leverage ratio** higher at 5.2% (YE23: 5.1%)

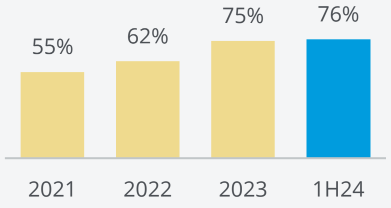
De Nederlandsche Bank (DNB) started two administrative fine procedures

- In August 2023, we announced that DNB had concluded that de Volksbank does not adequately identify and assess its risks related to money laundering, the financing of terrorism and customer integrity. In the meantime, DNB has started the procedure to impose this fine
- Furthermore, DNB informed us following the outcome of a supervisory review on sound operational management, it also intends to impose an administrative fine for alleged shortcomings that relate to risk management in previous years
- The timing of the final outcome of both procedures is still unclear and the potential financial impact, which may be significant, cannot be estimated reliably at present

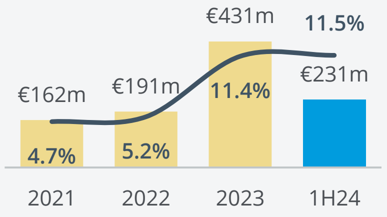
Customer-weighted Net Promoter Score



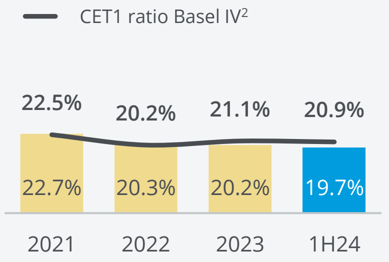
Climate-neutral balance sheet



Net result and RoE



CET1 capital ratio



[1] Measured using the PCAF methodology [2] Based on our balance sheet position as at 30 June 2024 and the political agreement reached on CRR III and CRD VI

01.
Update on strategy

Strategy 2021-2025:
'Better for each other - from promise to impact'

Our mission

We bank with a human touch by creating value for customers, society, employees and shareholder

We aim for optimum total value rather than maximisation of a single value

How we stand out: two pillars

Strong customer relationship
Personal customer approach, seamless & pleasant interaction, suitable propositions

Social impact
De Volksbank creates social impact on the climate and good housing by integrating these themes into its services

Four growth priorities

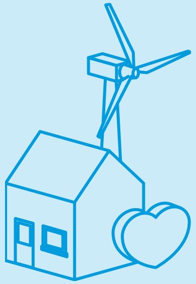
- Accelerating ASN Bank's growth as a digital, sustainable bank
- Attracting a younger target audience and strengthening business model with fee income
- Strengthening local presence with broadening propositions
- Expanding BLG Wonen by improving its distribution reach and service

Necessary transformations, capabilities and preconditions

- Digital and omnichannel dialogue
- Relevant product range, new propositions, small businesses as a new target group
- IT-based customer bank
- Capabilities
- Comply with laws & regulations

de volksbank

Progress on strategy: two pillars

How we stand out	Highlights first half of 2024
Strong customer relationship 	• Our customer-weighted Customer Relationship Score increased by 3 percentage points to 56 and our customer-weighted NPS rose to +5, from -1 at year-end 2023 • The number of active multi-customers increased further by 40,000 to 1.204 million • In May 2024, for the third year in a row, RegioBank, ASN Bank, and SNS ranked 1, 2 and 3 in the survey 'most customer-friendly bank' in the Netherlands
Social impact 	• Our climate-neutral balance sheet increased by 1 percentage point to 76%, which shows that we are on track to meet our target of at least 75% by 2025. The increase was the result of purchasing additional green bonds with a strong focus on renewable energy projects • In January, de Volksbank has been included in Sustainalytics' 2024 list of Top rated ESG companies, based on our 2023 ESG Risk Rating Score, which underlines that we attach great importance to our role as a social and sustainable bank

Progress on strategy: four growth priorities

Growth priority	Highlights first half of 2024
asn bank **Accelerating ASN Bank's growth as a digital, sustainable bank**	✓ Improved its digital customer services by launching a new mobile app for business banking customers ✓ Expanding its product portfolio to include a pension investment product ✓ The ASN Bank mortgage is available from 250 new financial advisers through service provider *Huismerk*
SNS **Attracting a younger target audience and strengthening business model with fee income**	✓ Received multiple prestigious industry awards affirming the success of our strategic initiatives and market positioning ✓ Development of new services related to our social position and currently conducting a pilot with a new fee service to assist customers to apply for government allowances
RegioBank **Strengthening local presence with broadening propositions**	✓ Organised the first debate with European Parliament candidates in which regional issues that affect the European Union were discussed ✓ Organised the fourth National Village Summit, an event for everyone involved in regional developments and initiatives
BLGwonen **Expanding BLG Wonen by improving its distribution reach and service**	✓ Introduced the combination of our *Bespaarhypotheek* with the *Energiebespaarplan Plus*. This plan informs customers in detail what they can do to improve the energy efficiency label of their home, with a guarantee provided by our partner Susteen

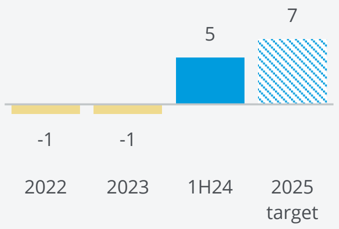
De Nederlandsche Bank started two administrative fine procedures

- In August 2023, we announced that De Nederlandsche Bank (DNB) had concluded that de Volksbank does not adequately identify and assess its risks related to money laundering, the financing of terrorism and customer integrity and intended to start an internal procedure to impose an administrative fine. In the meantime, DNB has in fact started the procedure. DNB also imposed an instruction to improve our Systematic Integrity Risk Analysis (SIRA). In response, we have substantially scaled up our efforts to remedy the identified shortcomings and have submitted an improved SIRA
- Furthermore, at the request of the ECB, DNB conducted a supervisory review on sound operational management at de Volksbank. Following this review, DNB informed us about alleged shortcomings that relate to risk management in previous years and hence their intent to impose an administrative fine
- The timing of the final outcome of both procedures is still unclear and the potential financial impact, which may be significant, cannot be estimated reliably at present. As such no provision is recognised as at 30 June 2024

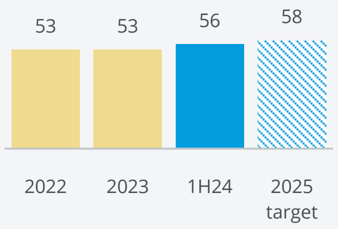
2025 long-term objectives

Customers

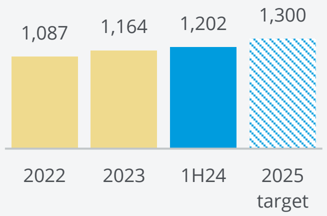
Customer-weighted average NPS



Customer Relationship Score

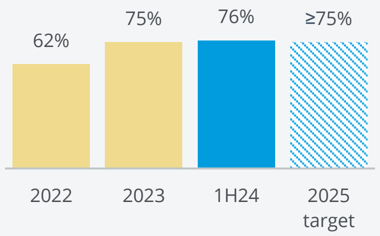


Active multi-customers (in thousands)



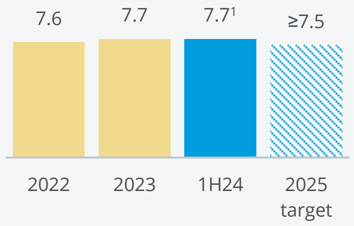
Society

Climate-neutral balance sheet



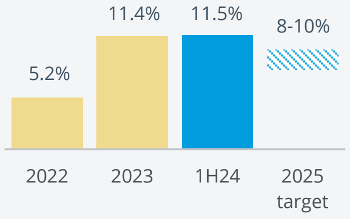
Employees

Genuine attention for employees



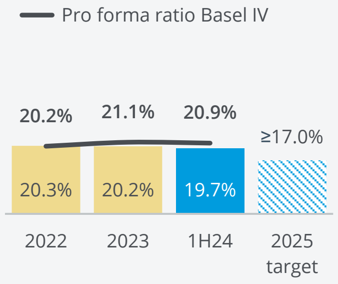
Shareholder

Return on Equity

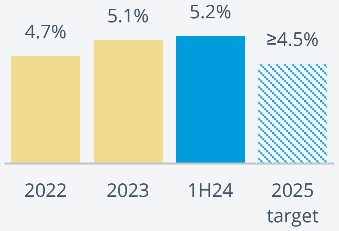


Other objectives

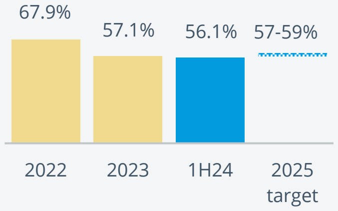
CET1 capital ratio



Leverage ratio



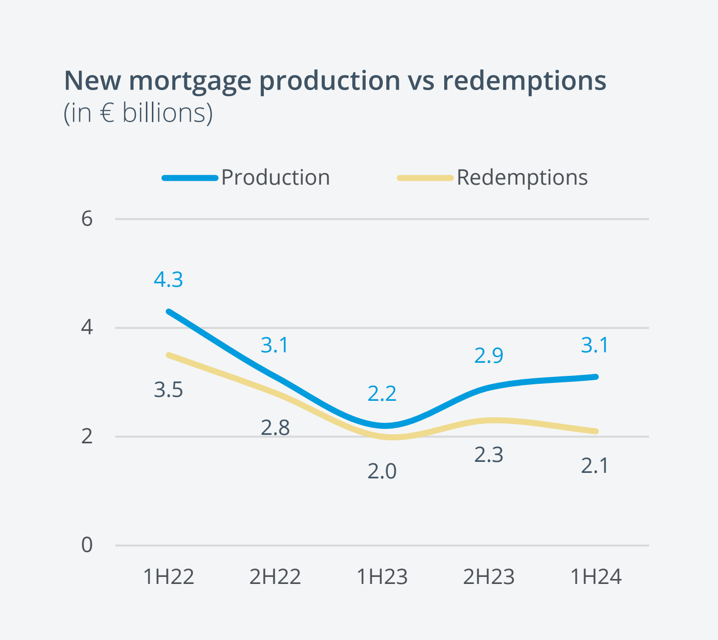
Cost/income ratio

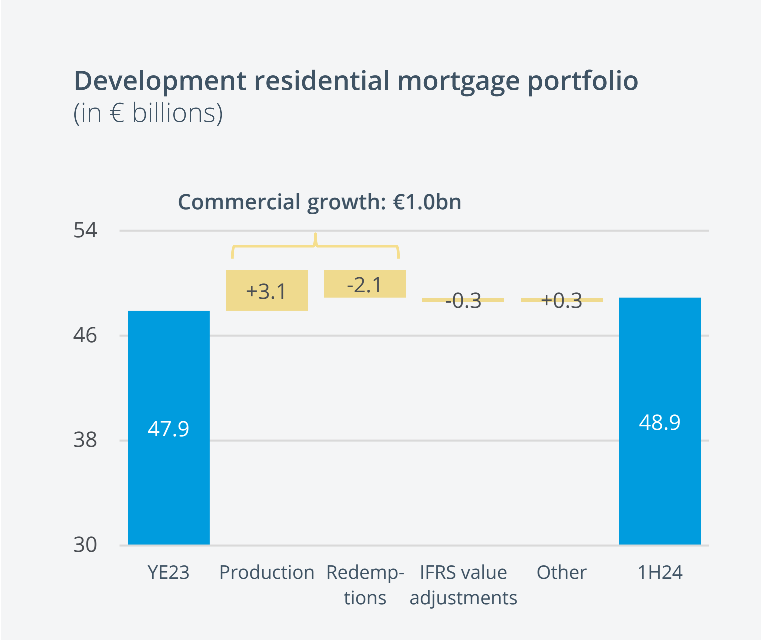


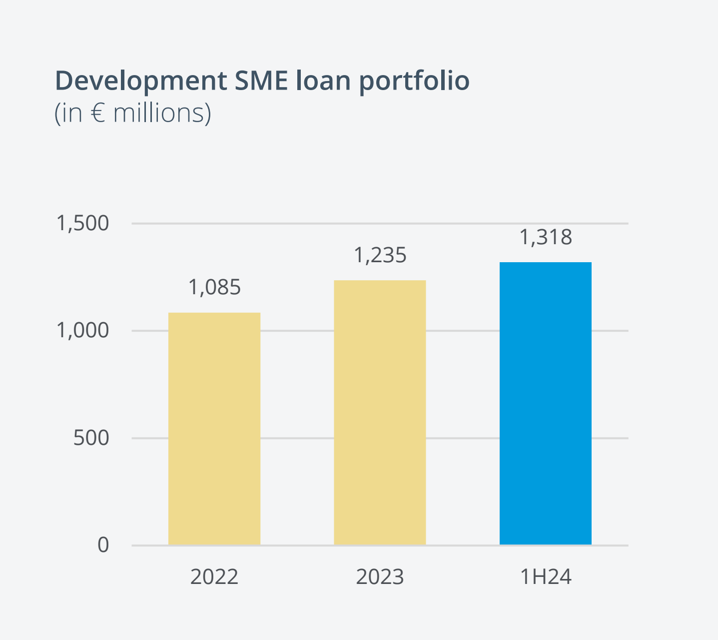
[1] Score as per YE23, as we monitor this KPI in our employee survey, which we conduct annually instead of semiannually as from 2024

In 1H24, the CRS target for 2025 has been revised from 60 to 58, the NPS target from +13 to +7, and the RoE target from 8% to a range of 8-10%. All adjustments are related to changing market circumstances and expectations since 2020 when the strategic plan 2021-2025 was initially developed

Commercial growth in residential mortgages and SME loans







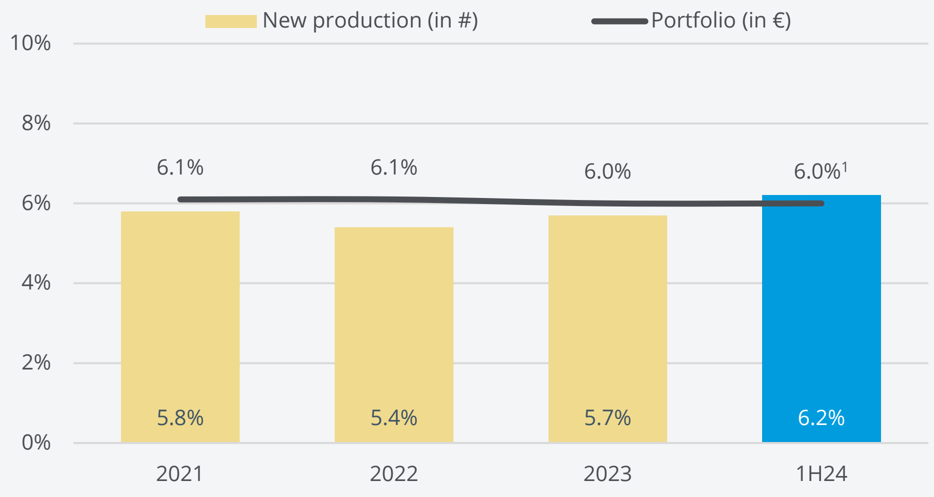
- In 1H24, new residential mortgage production increased to €3.1bn (1H23: €2.2bn)
- Mortgage redemptions increased by €0.1bn to €2.1bn

- The residential mortgage portfolio, including IFRS value adjustments, went up by €1.0bn to €48.9bn, reflecting €1.0bn commercial growth and a €0.3bn increase resulting from an existing repurchase agreement
- Interest rate renewals increased to €0.5bn (1H23: €0.4bn); the share of early renewals decreased to ~12% (1H23: ~32%)

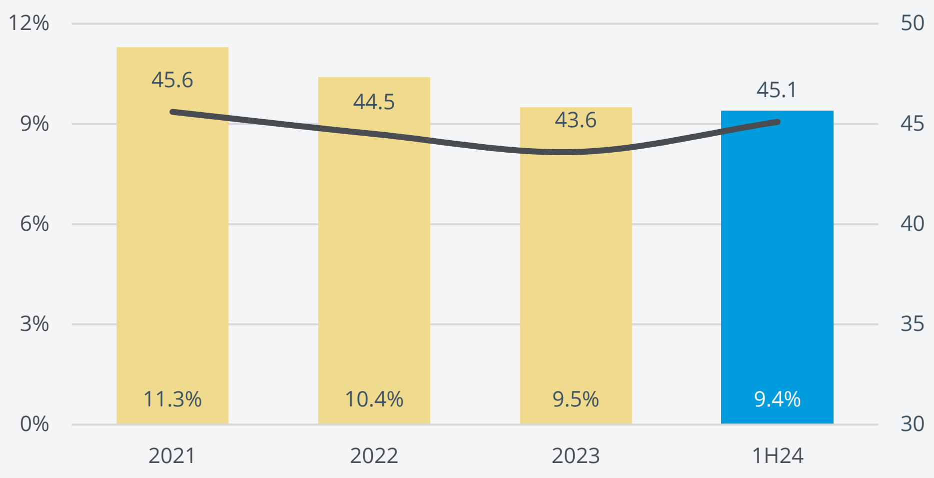
- Our SME loan portfolio grew by €83m to €1,318m
- In 1H24, we originated €153m in SME loans, compared to €105m in 1H23

Increase in market share of new residential mortgage production; decrease in market share of retail savings

Market share of residential mortgage loans



Market share and portfolio of retail savings (RHS in € bn)

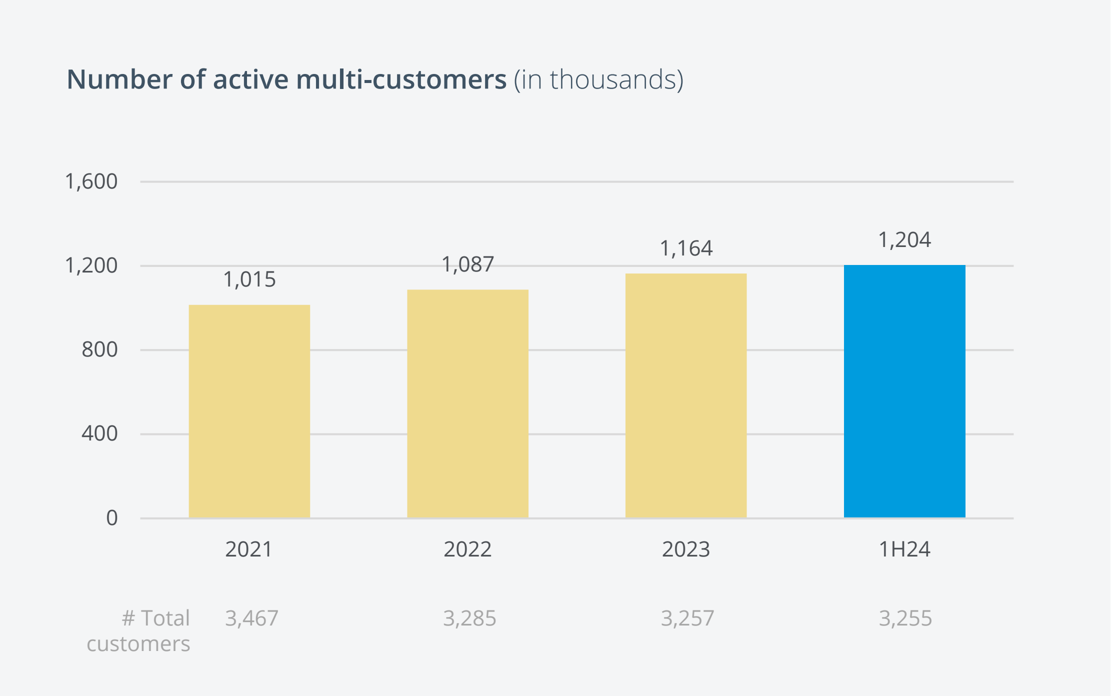


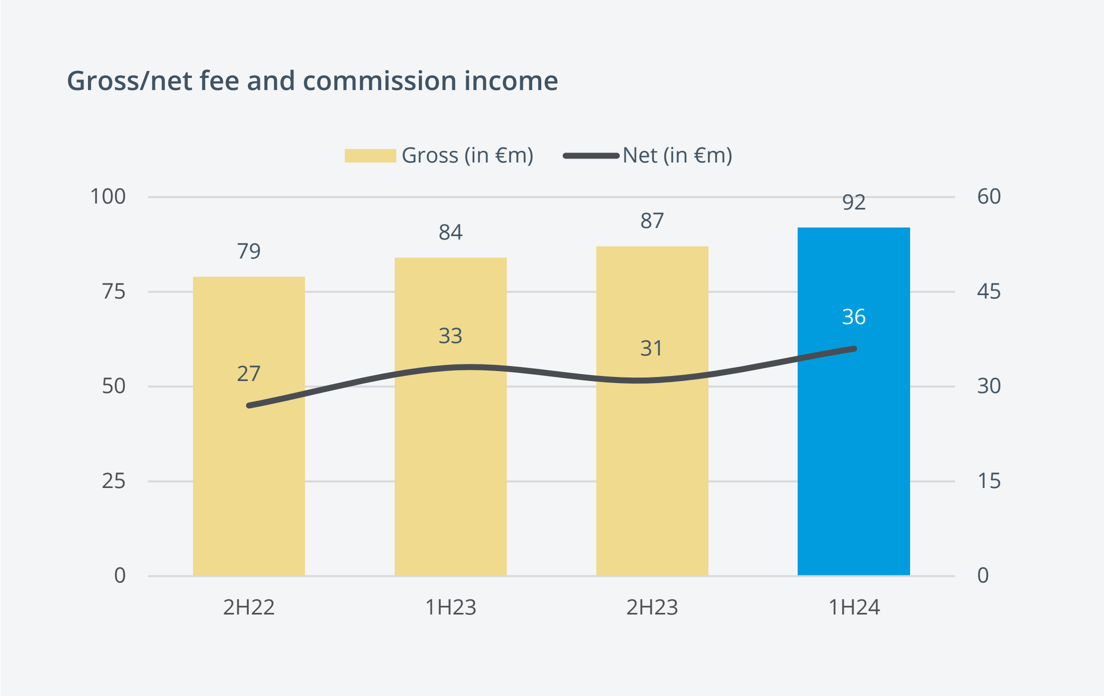
- Our market share of new residential mortgage production increased to 6.2% (1H23: 5.1%)
- Mortgage rates remained broadly stable in 1H24. The shift towards 10-year fixed mortgages rates continued; in 1H24, 78% of new mortgage production consisted of mortgages with a 10-year fixed mortgage rate (1H23: 63%)

- Our retail savings balances increased to €45.1bn (+€1.5bn). Our market share declined to 9.4% (2023: 9.5%)

[1] Market share as per Q1, as Q2 number is not yet available

Increase in number of active multi-customers and fee and commission income





- In 1H24, the number of active multi-customers rose by 40,000 to 1.204m, well on track to achieve our target of 1.3m by the end of 2025
- The total customer base decreased by 2,000, mainly due to the outflow of mono-savers and a decrease in the number of customers with an insurance policy

- Gross and net fee income and commission income rose by 10% and 9% respectively, mainly due to higher fees for basic banking services

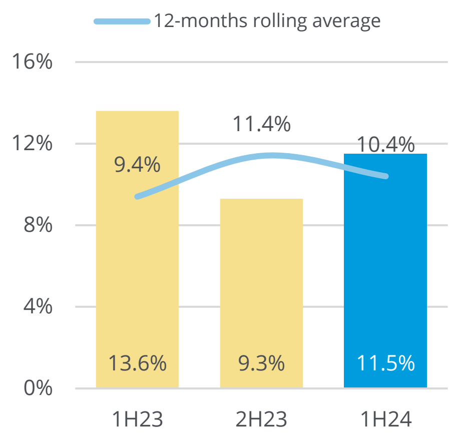
02.
Financial results & outlook

Sound net profit of €231m in a changing interest rate environment

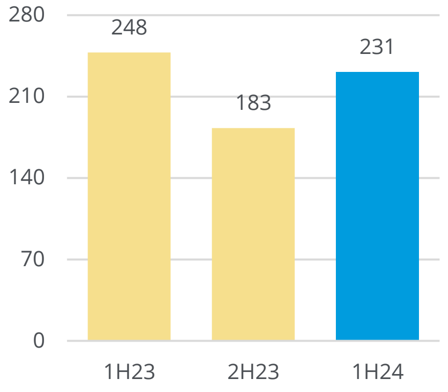
Result (in € millions)

	1H23	1H24	Δ	2H23
Total income	735	661	*-10%*	679
Total operating expenses	389	371	*-5%*	419
Impairment charges	8	-30	--	7
Result before tax	**338**	**320**	***-5%***	**253**
Taxation	90	89	*-1%*	70
Net result	**248**	**231**	***-7%***	**183**
Return on equity	13.6%	11.5%		9.3%

Return on equity



Net result
(in € millions)

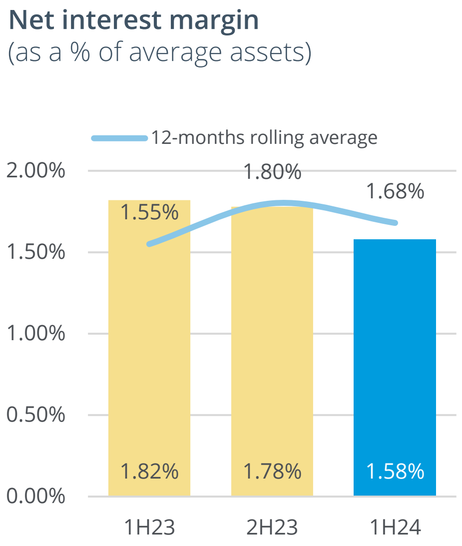


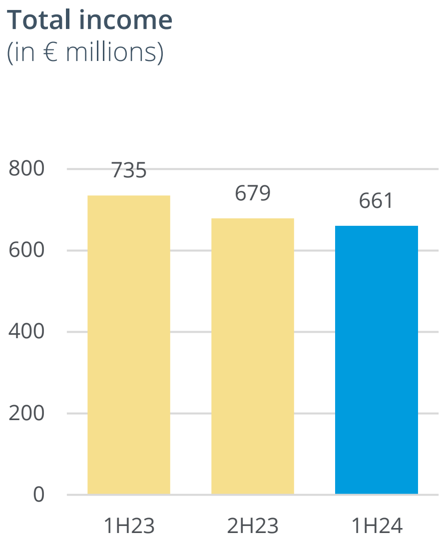
- Global economy has proven resilient in 1H24, and the outlook for 2024 has improved as major economies avoided a severe downturn and inflation was reduced without increasing unemployment
- Net profit decreased by €17m to €231m in 1H24, attributable to €74m lower total income, partly offset by €18m lower operating expenses and a €38m swing in impairment charges
- Return on equity stood at 11.5%, lower compared to 1H23 (13.6%), driven by a lower net profit and an increase in shareholders' equity

Total income declined by 10%, impacted by lower net interest income

Income (in € millions)

	1H23	1H24	Δ	2H23
Net interest income	662	564	*-15%*	641
Net fee and commission income	33	36	*+9%*	31
Investment income	-5	-4	*-20%*	-49
Other results on financial instruments	44	65	*+48%*	57
Other operating income	1	--	--	-1
Total income	**735**	**661**	***-10%***	**679**





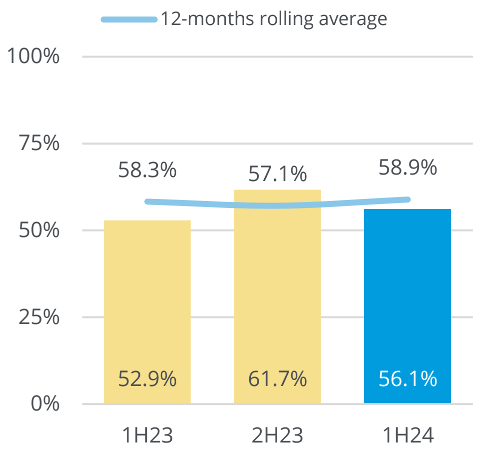
- Net interest income decreased by €98m to €564m (-15%), due to lower margins on savings following higher customer rates. In addition, ALM-related net interest income decreased due to the repricing of liabilities at higher rates, and money market-related interest income decreased. The latter was compensated by a positive impact reflecting favourable FX swap interest rate differentials, recognized in other results on financial instruments. The margin on residential mortgages showed an increase
- Net fee and commission income showed a €3m increase to €36m (+9%), mainly due to higher banking fees, supported by customer base growth and pricing. Management fees were broadly in line with 1H23
- Investment income amounted to -€4m (1H23: -€5m), and consisted of realised results on fixed-income investments, used for asset and liability management
- Other results on financial instruments increased to €65m (1H23: €44m), mainly driven by the realised results of FX swaps used for hedging the exposure of foreign currency deposits. In addition, 1H23 had included a loss on interest rate swaptions used for hedging purposes

Total operating expenses 5% lower, mainly driven by lower regulatory levies

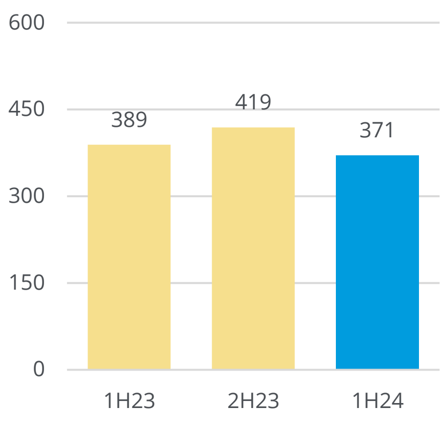
Operating expenses (in € millions)

	1H23	1H24	Δ	2H23
Total operating expenses	**389**	**371**	***-5%***	**419**
- of which staff costs	*234*	*253*	*+8%*	*253*
- of which other operating expenses[1]	*155*	*128*	*-17%*	*166*
Total FTEs	**4,166**	**4,326**	***+4%***	**4,407**
Internal FTEs	3,262	3,515	*+8%*	3,449
External FTEs	904	811	*-10%*	958

Cost/income ratio



Operating expenses (in € millions)



- Total operating expenses decreased by €18m to €371m (-5%), driven by €16m lower regulatory levies and a €16m non-recurring tax refund. These elements compensated for the impact from higher staff expenses and increased anti-financial crime (AFC) costs, from €48m in 1H23 to €62m (+29%)
- Regulatory levies were €16m lower at €8m. In 1H24, levies were entirely linked to the ex-ante DGS contribution (1H23: €14m), while 1H23 also included a €10m contribution to the Single Resolution Fund (SRF). 1H24 did not include such a contribution as the target level of this fund was reached in 2023, marking the end of the build-up phase
- The total number of FTEs went down by 81 to 4,326 compared to YE23. However, an increase was visible in the AFC, IT and Risk domains

[1] Including depreciation of (in)tangible assets

Impairment reversal of €30m, mainly reflecting an improved macroeconomic outlook

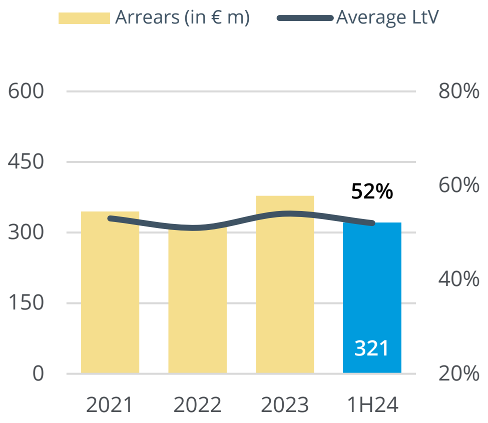
Impairment charges of financial assets (in € millions)

	1H23	1H24	2H23
Residential mortgages	9	-28	--
SME loans	-2	-2	1
Consumer loans	-1	--	-1
Other corporate and government loans	6	1	4
Loans and advances to banks	-3	--	1
Investments	-1	-1	2
Total impairment charges	**8**	**-30**	**7**
Cost of risk residential mortgages	0.04%	-0.11%	0.00%
Cost of risk total loans	0.05%	-0.11%	0.02%

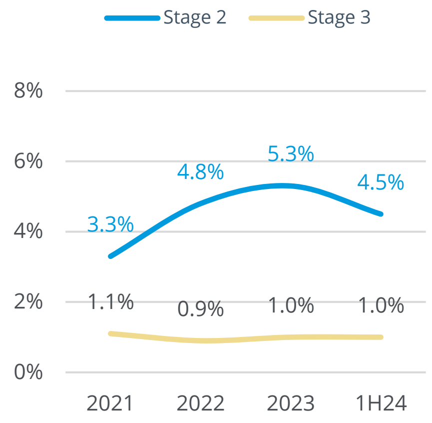
Base scenario macroeconomic parameters

Scenarios as at	31 December 2023		30 June 2024	
	2024	2025	2024	2025
Relative change in house price index (HPI)	1.4%	2.6%	5.5%	6.2%
Unemployment rate	4.2%	4.5%	3.9%	4.0%
Number of bankruptcies (monthly)	443	486	366	455

Residential mortgages in arrears; average LtV



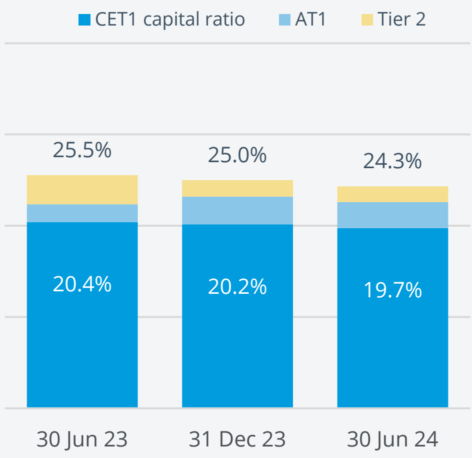
Residential mortgage portfolio - stage 2 & 3 ratios



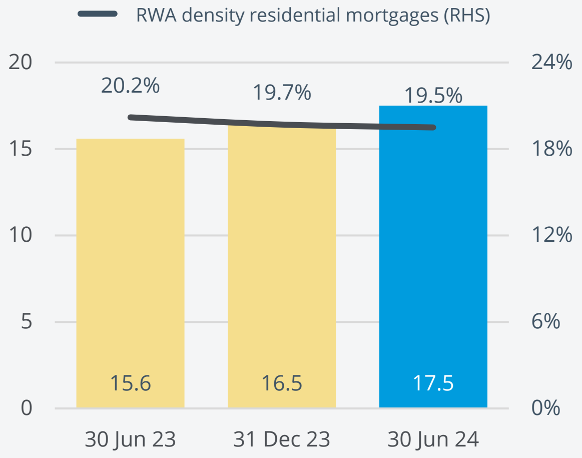
- Impairment charges showed a €38 swing to a reversal of €30m, largely driven by a €28m reversal of loan impairments for residential mortgages, reflecting increased house prices and an improved macroeconomic outlook
- The average LtV of residential mortgages declined to 52% (YE23: 54%) as a result of increased house prices

Capital position robust with capital ratios above our minimum targets

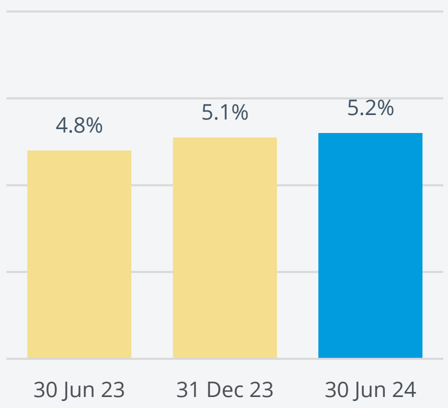
Total capital ratio



Risk-weighted assets (in € billions; LHS)



Leverage ratio



- In 1H24, the CET1 capital ratio was lower at 19.7% (YE23: 20.2%) as an increase in CET1 capital was offset by higher risk-weighted assets (RWA)
  - CET1 capital increased by €128m, mainly due to €168m net profit retention (adjusted for dividend pay-out), partly offset by an €11m decrease of the fair value reserve, paid interest on AT1 securities (€11m) and an increase in the IRB shortfall (€21m)
  - RWA increased by €1.0bn, of which €0.9bn caused by an increase in exposures to financial institutions. In addition, RWA related to residential mortgages increased as a result of portfolio growth. This was partly offset by a decrease of the average risk weighting of residential mortgages, following from an improvement in our customers' average credit quality, given more favourable macroeconomic conditions
- As at 30 June 2024, we estimate that our total RWA according to the fully phased-in Basel IV standards would be below our total RWA under current regulations, mainly due to the removal of a 1.06 scaling factor to determine residential mortgage-related RWA under the revised IRB approach. The pro-forma Basel IV CET1 ratio stood at 20.9%
- Compared to YE23, the leverage ratio increased to 5.2%, due to an increase in CET1 capital

Outlook

- Looking forward, we expect stable and gradually improving prospects for the global economy in the second half of 2024. Nevertheless, we expect that the ECB will take further interest rate cutting steps

- Against this background, we expect that net interest income in the second half of 2024 will be slightly below that of the first half of the year, depending on the number and the size of the ECB's interest rate cuts

- Operating expenses are expected to be higher in the second half of 2024 due to the impact from wage inflation, additional costs related to anti-financial crime and risk model improvements and the absence of positive non-recurring cost items. Impairment charges are expected to remain at a low level in the second half of 2024

- For the full year 2024, we expect net profit will be lower compared to 2023

Questions & answers

Appendix

Summary P&L

In € millions	2022	2023	2H19	1H20	2H20	1H21	2H21	1H22	2H22	1H23	2H23	1H24
Net interest income	851	1,303	433	436	414	392	383	372	479	662	641	564
Net fee and commission income	51	64	26	29	17	20	19	24	27	33	31	36
Other income	63	47	-1	15	12	5	8	67	-4	40	7	61
Total income	**965**	**1,414**	**458**	**480**	**443**	**417**	**410**	**463**	**502**	**735**	**679**	**661**
Total operating expenses	655	808	296	292	360	322	345	323	332	389	419	371
Impairment charges	52	15	6	45	-7	-31	-27	11	41	8	7	-30
Total expenses	**707**	**823**	**302**	**337**	**353**	**291**	**318**	**334**	**373**	**397**	**426**	**341**
Result before tax	**258**	**591**	**156**	**143**	**90**	**126**	**92**	**129**	**129**	**338**	**253**	**320**
Taxation	67	160	35	37	22	32	24	34	33	90	70	89
Net result	**191**	**431**	**121**	**106**	**68**	**94**	**68**	**95**	**96**	**248**	**183**	**231**
Incidental items	17	--	--	--	34	6	11	4	13	--	--	--
Adjusted net result	**174**	**431**	**121**	**106**	**102**	**88**	**57**	**91**	**83**	**248**	**183**	**231**
Attributable to owners of the parent company	180	410	121	106	102	88	57	94	86	238	172	221
Attributable to holders of AT1 notes	11	21	--	--	--	--	--	1	10	10	11	10

Ratios	2022	2023	2H19	1H20	2H20	1H21	2H21	1H22	2H22	1H23	2H23	1H24
Cost/income ratio	67.9%	57.1%	64.6%	60.8%	81.3%	77.2%	84.1%	69.8%	66.1%	52.9%	61.7%	56.1%
Adjusted cost/income ratio	70.3%	57.1%	64.6%	60.8%	71.1%	79.1%	87.6%	71.1%	69.5%	52.9%	61.7%	56.1%
Cost/asset ratio	0.79%	1.06%	0.86%	0.83%	1.01%	0.82%	0.86%	0.77%	0.82%	1.00%	1.11%	1.02%
Net interest margin	1.15%	1.80%	1.34%	1.35%	1.25%	1.14%	1.07%	1.01%	1.29%	1.82%	1.78%	1.58%
Cost of risk residential mortgages	0.04%	0.02%	0.04%	0.14%	-0.02%	-0.09%	-0.11%	-0.01%	0.08%	0.04%	0.00%	-0.11%
RoE	5.2%	11.4%	6.7%	6.2%	4.0%	5.5%	3.9%	5.5%	5.0%	13.6%	9.3%	11.5%
Adjusted RoE	4.7%	11.4%	6.7%	6.2%	5.9%	5.1%	3.3%	5.2%	4.3%	13.6%	9.3%	11.5%

Summary balance sheet

In € millions	31 Dec 2020	30 Jun 2021	31 Dec 2021	30 Jun 2022	31 Dec 2022	30 Jun 2023	31 Dec 2023	30 Jun 2024
Total assets	**67,484**	**70,473**	**72,081**	**74,857**	**73,168**	**73,028**	**71,060**	**72,520**
Cash and cash equivalents	4,672	8,036	10,305	9,111	8,011	10,291	5,891	3,632
Loans and advances to banks	5,990	5,759	4,527	7,444	6,884	3,872	4,671	7,666
Loans and advances to customers	50,542	50,127	50,570	49,363	48,966	49,419	50,847	52,234
Derivatives	864	588	591	2,839	3,302	3,118	2,544	2,398
Investments	5,114	5,494	5,638	5,427	5,591	5,916	6,733	6,161
Tangible and intangible assets	110	90	93	87	85	85	77	68
Tax assets	42	64	39	82	80	63	14	53
Other assets	150	314	318	504	249	264	283	308
Total liabilities and equity	**67,484**	**70,473**	**72,081**	**74,857**	**73,168**	**73,028**	**71,060**	**72,520**
Savings	*42,111*	*44,689*	*45,646*	*45,744*	*44,501*	*44,507*	*43,623*	*45,087*
Other amounts due to customers	*11,541*	*11,757*	*12,482*	*12,978*	*12,649*	*12,083*	*11,287*	*10,819*
Amounts due to customers	**53,652**	**56,446**	**58,128**	**58,722**	**57,150**	**56,590**	**54,910**	**55,906**
Amounts due to banks	945	1,175	1,059	2,711	2,805	2,669	1,947	1,844
Debt certificates	6,119	6,885	7,402	7,588	7,544	8,019	7,935	8,885
Derivatives	2,163	1,256	1,013	1,037	924	951	1,121	793
Tax liabilities	17	12	9	7	19	41	82	14
Other liabilities	558	694	382	529	452	334	430	403
Other provisions	80	77	102	84	66	56	44	34
Participation certificates and subordinated debt	500	504	500	504	500	504	500	505
Shareholders’ equity	3,450	3,424	3,486	3,675	3,708	3,864	4,091	4,136

Key balance sheet items

Key balance sheet items (in € millions)

	31 Dec 23	30 Jun 24	Δ YoY
Total assets	**71,060**	**72,520**	*+2%*
Cash and cash equivalents	5,891	3,632	*-38%*
Loans and advances to customers	**50,847**	**52,234**	*+3%*
- of which residential mortgages	47,767	48,888	*+2%*
- of which consumer loans	51	50	*-2%*
- of which SME loans	1,213	1,299	*+7%*
- of which other, including (semi-) public sector loans	1,816	1,997	*+10%*
Loans and advances to banks	4,671	7,666	*+64%*
Investments	6,733	6,161	*-8%*
Amounts due to customers	**54,910**	**55,906**	*+2%*
- of which retail savings	43,623	45,087	*+3%*
- of which other amounts due to customers	11,287	10,819	*-4%*
Amounts due to banks	1,947	1,844	*-5%*
Debt certificates	7,935	8,885	*+12%*
Shareholders' equity	4,091	4,136	*+1%*

Comments

- In 1H24, the balance sheet total increased by €1.5bn to €72.5bn, as a result of growth in amounts due to customers. On the asset side, this was reflected in growth of the loan portfolio
- Cash and cash equivalents decreased by €2.3bn, driven by a shift to loans and advances to banks
- Loans and advances to customers increased by €1.4bn, mainly reflecting a €1.1bn rise in residential mortgages, of which €1.0bn of commercial growth. In addition, both SME loans and other corporate and government loans grew, by €0.1bn and €0.2bn respectively
- Investments were €0.6bn lower, reflecting cash management transactions
- The €1.0bn increase in amounts due to customers consisted of a €1.5bn increase in savings, partly offset by a €0.5bn decrease in other amounts due to customers, driven by an outflow of SME savings and current account balances
- Debt certificates increased by €1.0bn, due to the issuance of €0.5bn in covered bonds and a €500m issuance of commercial paper
- Shareholders' equity rose by €45m to ~€4.1bn, due to the addition of net profit (€231m), partly offset by a decrease of the fair value reserve (-€11m), the dividend payment for 2023 (€164m) and semi-annual payment of AT1 coupon (€11m)

Breakdown of loans and advances to customers

in € millions	30 June 2023 Gross amount	30 June 2023 Loan loss provision	30 June 2023 Coverage ratio	31 December 2023 Gross amount	31 December 2023 Loan loss provision	31 December 2023 Coverage ratio	30 June 2024 Gross amount	30 June 2024 Loan loss provision	30 June 2024 Coverage ratio
Stage 1	**47,979**	**41**	**0.1%**	**48,971**	**44**	**0.1%**	**50,955**	**31**	**0.1%**
- of which residential mortgages	45,213	33	0.1%	46,138	37	0.1%	47,789	26	0.1%
- of which consumer loans	20	--	0.0%	18	--	0.0%	38	--	0.0%
- of which SME loans	1,017	6	0.6%	1,069	5	0.5%	1,177	3	0.3%
- of which other commercial loans and loans to public sector	1,729	2	0.1%	1,746	2	0.1%	1,951	2	0.1%
Stage 2	**2,941**	**46**	**1.6%**	**2,816**	**50**	**1.7%**	**2,427**	**37**	**1.5%**
- of which residential mortgages	2,785	39	1.4%	2,590	39	1.5%	2,266	28	1.2%
- of which consumer loans	28	--	0.0%	33	1	3.0%	12	--	0.0%
- of which SME loans	105	7	6.7%	127	9	7.1%	105	8	7.6%
- of which other commercial loans and loans to public sector	23	--	0.0%	66	1	1.5%	44	1	2.3%
Stage 3	**557**	**87**	**15.6%**	**558**	**88**	**15.8%**	**578**	**91**	**15.7%**
- of which residential mortgages	469	42	9.0%	473	42	8.9%	496	42	8.5%
- of which consumer loans	9	8	88.9%	8	7	87.5%	8	8	100.0%
- of which SME loans	41	9	22.0%	39	8	20.5%	36	8	22.2%
- of which other commercial loans and loans to public sector	38	28	73.7%	38	31	81.6%	38	33	86.8%
Total stage 1, 2, 3	**51,477**	**174**	**0.3%**	**52,345**	**182**	**0.3%**	**53,960**	**159**	**0.3%**
- of which residential mortgages	48,467	114	0.2%	49,201	118	0.2%	50,551	96	0.2%
- of which consumer loans	57	8	14.0%	59	8	13.6%	58	8	13.8%
- of which SME loans[1]	1,163	22	1.9%	1,235	22	1.8%	1,318	19	1.4%
- of which other commercial loans and loans to public sector	1,790	30	1.7%	1,850	34	1.8%	2,033	36	1.8%
IFRS value adjustments[2]	-1,884	--	--	-1,316	--	--	-1,567	--	--
Total loans and advances to customers	**49,593**	**174**	**0.4%**	**51,029**	**182**	**0.4%**	**52,393**	**159**	**0.3%**
Off-balance sheet items[3]	2,837	11	0.4%	2,862	11	0.4%	2,815	7	0.2%
Total on and off-balance sheet	**52,430**	**185**	**0.4%**	**53,891**	**193**	**0.4%**	**55,208**	**166**	**0.3%**

[1] Gross SME loans include mortgage-backed loans for a gross amount of € 1,286 million
[2] Consisting of fair value adjustments from hedge accounting and amortisations
[3] Off-balance sheet: liabilities from irrevocable facilities, guarantees and repurchase commitments

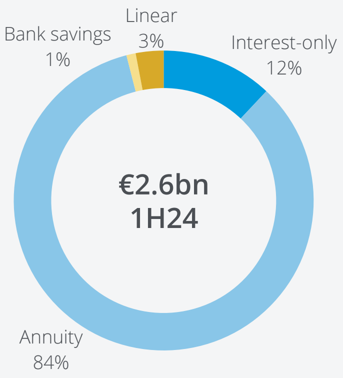
Quality of residential mortgages

in € millions	30 Jun 2020	31 Dec 2020	30 Jun 2021	31 Dec 2021	30 Jun 2022	31 Dec 2022	30 Jun 2023	31 Dec 2023	30 Jun 2024
Gross loans	**46,664**	**46,236**	**46,278**	**47,208**	**47,991**	**48,272**	**48,467**	**49,201**	**50,551**
- *of which stage 1*	43,166	43,154	43,638	45,102	46,105	45,499	45,213	46,138	47,789
- *of which stage 2*	2,949	2,539	2,149	1,575	1,462	2,320	2,785	2,590	2,266
- *of which stage 3*	549	543	491	531	424	453	469	473	496
Loan loss provisions	**110**	**111**	**97**	**73**	**73**	**98**	**114**	**118**	**96**
- *of which stage 1*	24	24	30	32	43	38	33	37	26
- *of which stage 2*	35	52	30	24	16	31	39	39	28
- *of which stage 3*	51	35	37	17	14	29	42	42	42
Stage 2 as a % of gross loans	6.3%	5.5%	4.6%	3.3%	3.0%	4.8%	5.7%	5.3%	4.5%
Stage 2 coverage ratio[1]	1.2%	2.0%	1.4%	1.5%	1.1%	1.3%	1.4%	1.5%	1.2%
Stage 3 as a % of gross loans	1.2%	1.2%	1.1%	1.1%	0.9%	0.9%	1.0%	1.0%	1.0%
Stage 3 coverage ratio[1]	9.3%	6.4%	7.5%	3.2%	3.3%	6.4%	9.0%	8.9%	8.5%
Net loans excluding IFRS adjustments	**46,554**	**46,125**	**46,181**	**47,135**	**47,918**	**48,174**	**48,353**	**49,083**	**50,455**
IFRS adjustments	1,597	1,572	1,098	810	-1.353	-2,040	-1,884	-1,316	-1,567
Total net loans	**48,151**	**47,697**	**47,279**	**47,945**	**46,565**	**46,134**	**46,469**	**47,767**	**48,888**
Irrevocable loan commitments and financial guarantee contracts	2,021	1,924	2,293	2,329	2,059	1,940	1,826	1,852	1,797
Provision off-balance sheet items	1	1	1	7	8	8	6	6	4
Coverage ratio off-balance sheet items	0.0%	0.1%	0.0%	0.3%	0.4%	0.4%	0.3%	0.3%	0.2%
Total gross on and off-balance sheet exposure	**48,685**	**48,160**	**48,571**	**49,537**	**50,050**	**50,212**	**50,293**	**51,053**	**52,348**
Impairment charges	33	29	-21	-58	-2	17	9	9	-28
Provision as a % of gross loans	0.24%	0.24%	0.21%	0.15%	0.15%	0.20%	0.24%	0.24%	0.19%
Cost of risk[2]	0.14%	0.06%	-0.09%	-0.10%	-0.01%	0.04%	0.04%	0.02%	-0.11%

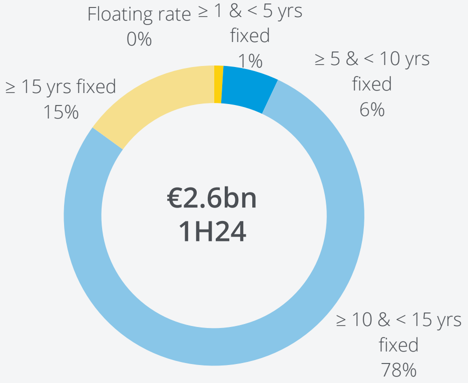
[1] Stage 2/3 loan loss provision as a % of gross exposure to stage 2/3
[2] Impairment charges as a % of average gross exposure -/- IFRS adjustments

Residential mortgage production

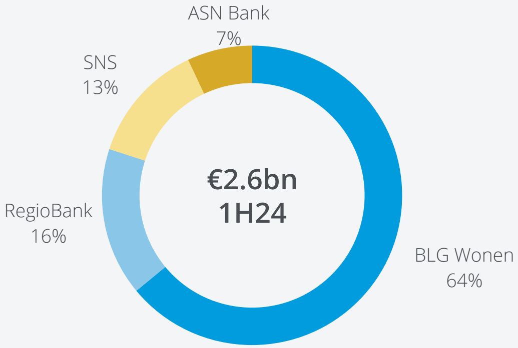
Residential mortgage production by redemption type[1]



Residential mortgage production by interest type[1]



Residential mortgage production by brand on own book[1]

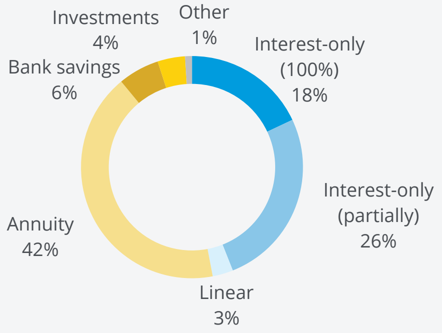


[1] Excluding bridge loans, and '*extra ruimte*' mortgages

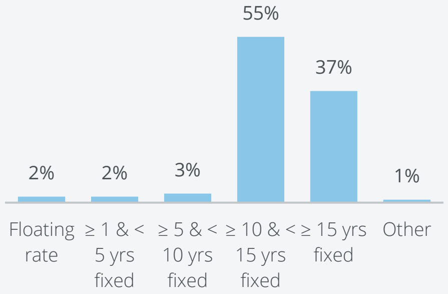
- The share of interest-only mortgages of the new residential mortgage production declined to 12% (1H23: 21%), mainly as a result of decreased mortgage refinancing volumes, which largely consisted of interest-only mortgages originated before 2013
- 84% of new residential mortgages production consisted of annuity mortgages. Only new annuity or linear mortgages benefit from tax deductibility
- The shift towards 10-years fixed mortgages rates continued in 1H24. The share of new mortgages with a 15-year fixed interest rate or longer declined to 15%, compared to 31% in the first half of 2023

Residential mortgage portfolio

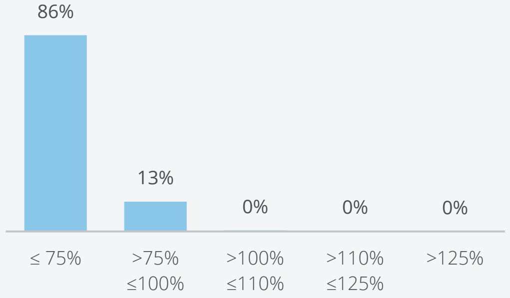
Residential mortgages by redemption type



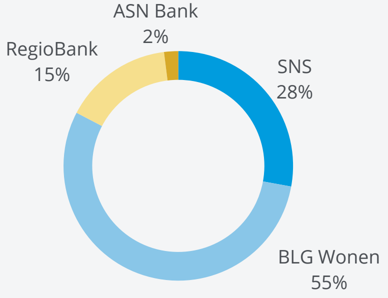
Residential mortgages by fixed-term maturity



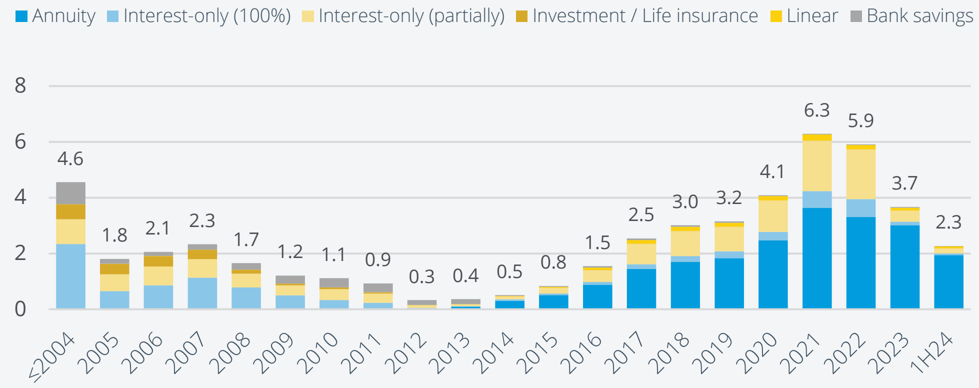
Residential mortgages by LtV bucket



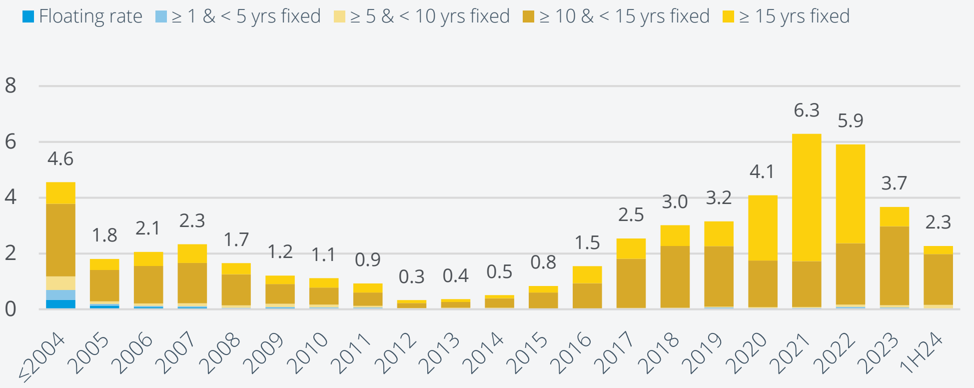
Residential mortgages by brand



Residential mortgages by year of origination and redemption type (in € billions)



Residential mortgages by year of origination and fixed-rate term (in € billions)



Quality of SME loans

in € millions	30 Jun 2020	31 Dec 2020	30 Jun 2021	31 Dec 2021	30 Jun 2022	31 Dec 2022	30 Jun 2023	31 Dec 2023	30 Jun 2024
Gross loans	**690**	**724**	**768**	**841**	**975**	**1,085**	**1,163**	**1,235**	**1,318**
- *of which stage 1*	506	558	600	663	838	933	1,017	1,069	1,177
- *of which stage 2*	96	86	104	112	90	106	105	127	105
- *of which stage 3*	89	80	64	66	47	46	41	39	36
Loan loss provisions	**36**	**38**	**29**	**23**	**21**	**24**	**22**	**22**	**19**
- *of which stage 1*	1	6	7	6	3	6	6	5	3
- *of which stage 2*	9	5	4	4	6	7	7	9	8
- *of which stage 3*	26	27	18	13	12	11	9	8	8
Stage 2 as a % of gross loans	13.9%	11.9%	13.5%	13.3%	9.2%	9.8%	9.0%	10.3%	8.0%
Stage 2 coverage ratio[1]	9.4%	5.8%	3.8%	3.6%	6.7%	6.6%	6.7%	7.1%	7.6%
Stage 3 as a % of gross loans	12.8%	11.0%	8.3%	7.8%	4.8%	4.2%	3.5%	3.2%	2.7%
Stage 3 coverage ratio[1]	29.2%	33.8%	28.1%	19.7%	25.5%	23.9%	22.0%	20.5%	22.2%
Total net loans	**654**	**686**	**739**	**818**	**954**	**1,061**	**1,141**	**1,213**	**1,299**
Irrevocable loan commitments and financial guarantee contracts	46	45	85	123	126	139	120	141	168
Provision off-balance sheet items	0	1	1	1	1	1	1	1	1
Coverage ratio off-balance sheet items	0.0%	2.2%	1.2%	0.8%	0.8%	0.7%	0.8%	0.7%	0.6%
Total gross on and off-balance sheet exposure	**740**	**769**	**853**	**864**	**1,101**	**1,224**	**1,283**	**1,376**	**1,486**
Impairment charges	5	8	-7	-12	-2	2	-2	-1	-2
Provision as a % of gross loans	5.2%	5.2%	3.8%	2.7%	2.2%	2.2%	1.9%	1.8%	1.4%
Cost of risk[2]	1.56%	1.16%	-1.98%	-1.56%	-0.32%	0.21%	-0.41%	-0.09%	-0.33%

[1] Stage 2/3 loan loss provision as a % of gross exposure stage 2/3
[2] Impairment charges as % of average gross exposure -/- IFRS adjustments

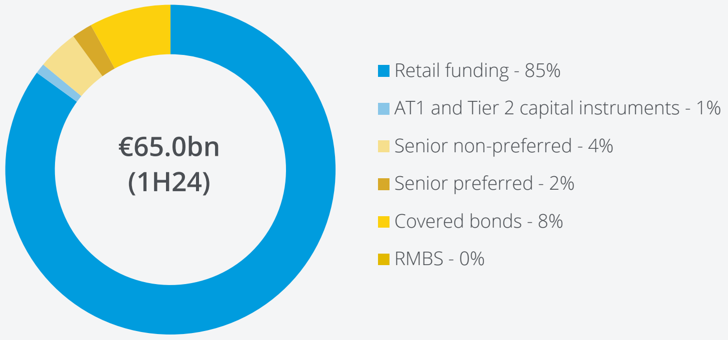
Quality of consumer loans

in € millions	30 Jun 2020	31 Dec 2020	30 Jun 2021	31 Dec 2021	30 Jun 2022	31 Dec 2022	30 Jun 2023	31 Dec 2023	30 Jun 2024
Gross loans	**70**	**63**	**54**	**52**	**52**	**54**	**57**	**59**	**58**
- *of which stage 1*	49	38	32	28	24	22	20	18	38
- *of which stage 2*	9	13	12	14	19	23	28	33	12
- *of which stage 3*	12	12	10	10	9	9	9	8	8
Loan loss provisions	**13**	**13**	**10**	**10**	**10**	**9**	**8**	**8**	**8**
- *of which stage 1*	0	0	0	0	0	0	0	0	0
- *of which stage 2*	1	1	1	0	1	1	0	1	0
- *of which stage 3*	12	12	9	10	9	8	8	7	8
Stage 2 as a % of gross loans	12.9%	20.6%	22.2.%	26.9%	36.5%	42.6%	49.1%	55.9%	20.7%
Stage 2 coverage ratio[1]	11.1%	7.7%	8.3%	0.0%	5.3%	4.3%	0.0%	3.0%	0.0%
Stage 3 as a % of gross loans	17.1%	19.0%	18.5%	19.2%	17.3%	16.7%	15.8%	13.6%	13.8%
Stage 3 coverage ratio[1]	100.0%	91.7%	90.0%	100.0%	100.0%	88.9%	88.9%	87.5%	100.0%
Total net loans	**58**	**51**	**44**	**42**	**42**	**45**	**49**	**51**	**50**
Irrevocable loan commitments and financial guarantee contracts	440	431	430	415	408	398	386	369	363
Provision off-balance sheet items	4	2	2	5	4	5	4	3	2
Coverage ratio off-balance sheet items	0.9%	0.5%	0.5%	1.2%	1.0%	1.3%	1.0%	0.8%	0.6%
Total gross on and off-balance sheet exposure	**510**	**494**	**484**	**467**	**460**	**452**	**443**	**428**	**421**
Impairment charges	1	-1	-1	3	-2	-3	-1	-2	--
Provision as a % of gross loans	18.6%	19.0%	18.5%	19.7%	19.2%	16.7%	14.0%	13.6%	13.8%
Cost of risk[2]	0.60%	-0.16%	-0.36%	0.65%	-0.85%	-0.65%	-0.45%	-0.45%	-0.28%

[1] Stage 2/3 loan loss provision as a % of gross exposure stage 2/3
[2] Impairment charges as % of average gross exposure -/- IFRS adjustments

Funding & liquidity

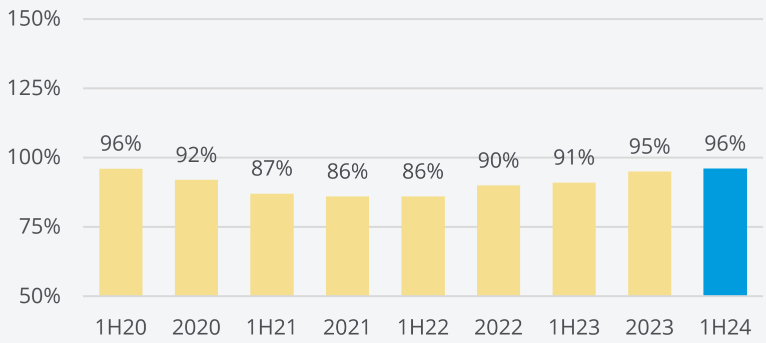
Funding mix



Liquidity position (in € millions)

	1H23	2023	1H24
Central bank reserves	10,730	6,334	4,075
Sovereigns	724	473	946
Regional/local governments & Supranationals	1,727	1,758	1,715
Eligible retained RMBS	7,231	5,545	5,291
Other liquid assets	1,219	1,490	1,665
Total liquidity position	**21,630**	**15,600**	**13,692**

Loan-to-Deposit ratio



Key liquidity indicators

	1H23	2023	1H24
LCR	297%	262%	158%
NSFR	179%	166%	165%
Loan-to-Deposit ratio	91%	95%	96%

- The share of retail funding was marginally lower at 85% (YE23: 86%)
- The Loan-to-Deposit ratio increased to 96% driven by €1.5bn loan growth. Deposits increased by €1.2bn
- The liquidity position decreased to €13.7bn, mainly driven by a decrease in central bank reserves, as a result of investing more available liquidity in the money market
- The LCR and NSFR remained well above 100%

Investment portfolio

Breakdown by sector (in € billions)

	2023	%	1H24	%
Sovereigns	4.2	63%	3.5	58%
Financials	1.7	25%	1.7	28%
Corporates	0.8	12%	0.9	14%
Other	0.0	0%	0.0	0%
Total	**6.7**	**100%**	**6.1**	**100%**

Breakdown by maturity (in € billions)

	2023	%	1H24	%
< 3 months	0.8	17%	0.2	3%
< 1 year	0.8	8%	0.5	8%
< 3 years	1.1	14%	1.4	23%
< 5 years	1.4	23%	1.3	22%
< 10 years	2.3	35%	2.3	38%
< 15 years	0.2	3%	0.2	3%
> 15 years	0.1	2%	0.2	3%
Total	**6.7**	**100%**	**6.1**	**100%**

Breakdown by rating (in € billions)

	2023	%	1H24	%
AAA	3.3	49%	3.4	56%
AA	1.6	25%	1.4	24%
A	1.3	20%	0.9	14%
BBB	0.4	6%	0.4	6%
< BBB	0.0	0%	0.0	0%
No rating	0.0	0%	0.0	0%
Total	**6.7**	**100%**	**6.1**	**100%**

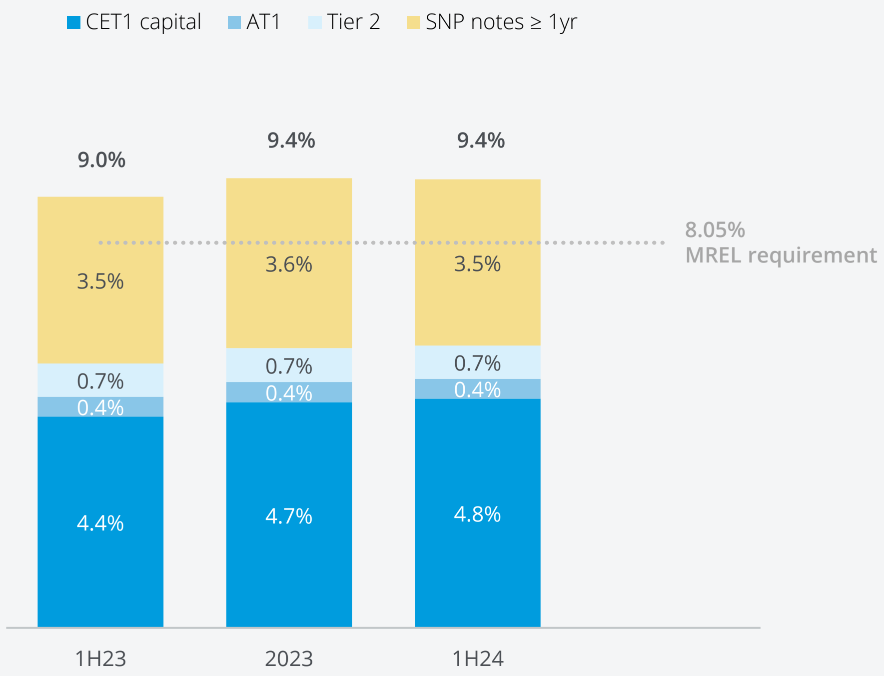
Breakdown by country (in € millions)

	2023	%	1H24	%
Netherlands	1,322	20%	1,438	23%
Germany	1,679	25%	1,588	26%
Other[1]	1,000	15%	1,005	17%
Japan	667	10%	14	0%
France	759	11%	797	13%
Belgium	673	10%	656	11%
Austria	189	3%	199	3%
Spain	379	6%	385	6%
Ireland	29	0%	44	1%
Italy	22	0%	22	0%
Total	**6,719**	**100%**	**6,148**	**100%**

[1] Other mainly consists of Finland, Luxembourg, Norway and Canada

De Volksbank meets its MREL requirements

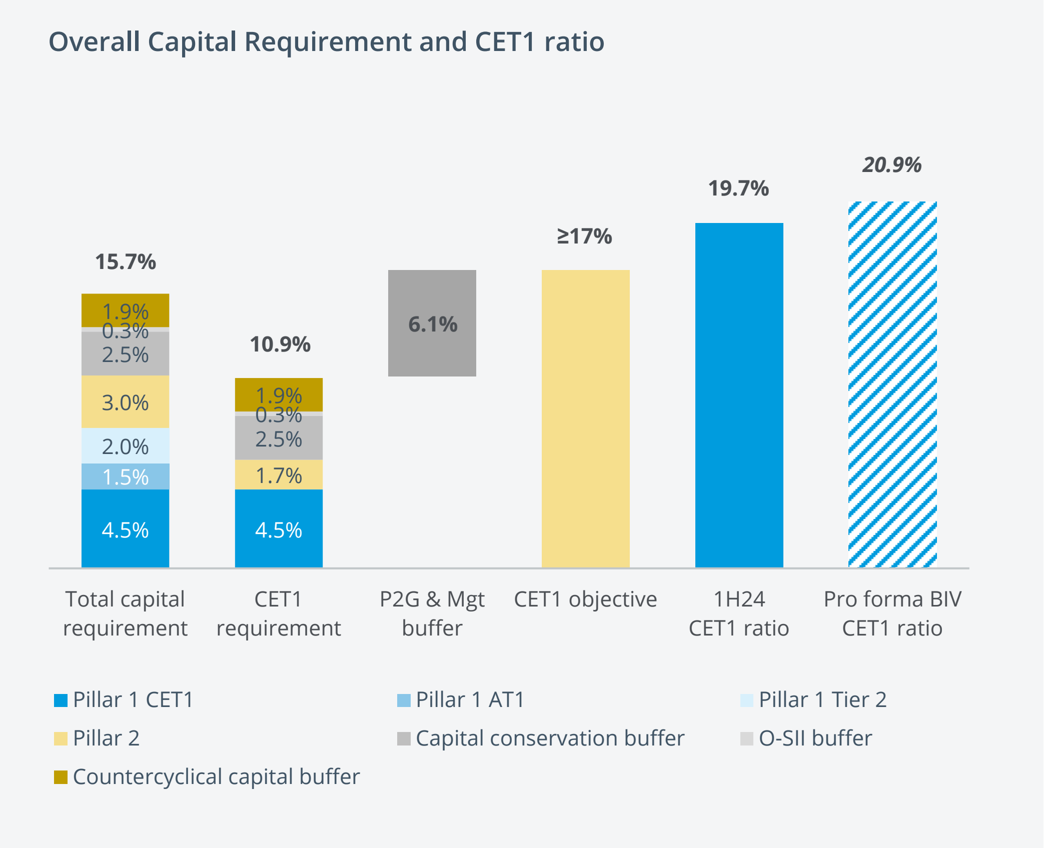
MREL ratio (as a % of leverage ratio exposure; LRE)



- On 26 March 2024, the National Resolution Authority (NRA) updated the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) requirements for de Volksbank as from 1 January 2024
- The MREL requirement based on the leverage ratio exposure (LRE) amounts to 8.05% and the MREL requirement based on RWA to 21.68%, excluding the Combined Buffer Requirement. Both the LRE and RWA MREL requirements are to be fully met with subordinated instruments (Tier 1 capital, Tier 2 capital and senior non-preferred (SNP) notes with a residual contractual maturity of at least 1 year)
- The non-risk-weighted MREL requirements are more restrictive for de Volksbank than the risk-weighted MREL requirements
- As at 30 June 2024, de Volksbank meets its MREL requirements

- In 1H24, total capital and eligible liabilities rose by €0.1bn to €6.7bn, due to an increase in CET1 capital
- As at 30 June 2024, the non-risk-weighted MREL ratio based on the LRE stood at 9.4%, the same as at year-end 2023, including total capital and SNP liabilities eligible for MREL
- The risk-weighted MREL ratio, based on total capital and eligible SNP liabilities, stood at 38.6% (year-end 2023: 40.2%)

De Volksbank meets its Overall Capital Requirement



- De Volksbank is currently required to meet a minimum total capital ratio of 15.7% (Overall Capital Requirement, OCR), of which at least 10.9% is required to be composed of CET1 capital, including the raised CCyB and reduced O-SII buffer. This obligation stems from the Supervisory Review and Evaluation Process (SREP) as performed by the ECB in 2023
  - On 31 May 2024, the CCyB for Dutch exposures increased from 1% to 2%, as announced by DNB on 31 May 2023
- The Maximum Distributable Amount (MDA) trigger level amounts to 11.2% of CET1 capital per 30 June 2024, including a 0.4% Additional Tier 1 (AT1) shortfall
  - In case of a breach of the MDA trigger level, the maximum amount available for dividend payments and/or AT1 coupon distributions would be restricted
- As at 30 June 2024, de Volksbank's CET1 ratio stood at 19.7% and we estimate that our Basel IV fully phased-in CET1 capital ratio amounts to 20.9%

2025 long-term objectives

Customers

2025 objectives

Net Promoter Score[2]

+7

Active multi-customers[1]

1,3 million

Customer Relationship Score[2]

58

Society

2025 objectives

Climate-neutral balance sheet

>75%
2030: 100%

Employees

Objectives

Genuine attention

≥ 7.5

Shareholder

Objectives

Return on equity[2]

2025: 8-10%

Dividend pay-out ratio

40-60% of net profit attributable to the shareholder

Other objectives

CET1 ratio[3]

≥ 17%

Basel IV fully phased-in

Leverage ratio

≥ 4.5%

Cost/Income ratio[4]

2025: 57-59%

Including regulatory levies

[1] Active multi-customer: a customer with a current account and at least one product from another product group, who has made at least ten customer-initiated transactions on his or her current account for three months in a row

[2] As from 2024, we have lowered the long-term objective for our CET1 capital ratio from ≥19% to ≥17%

[3] In 1H24, the CRS target for 2025 has been revised from 60 to 58, the NPS target from +13 to +7, and the RoE target from 8% to a range of 8-10%. All adjustments are related to changing market circumstances and expectations since 2020 when the strategic plan '2021-2025' was initially set up

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