Utrecht, the Netherlands, 14 February 2025

# 2024 Results

**Investor Presentation**

Roland Boekhout, CEO
André Haag, CFO

# Key points 2024

## Steady improvement in customer relationship and social impact scores

- **Strong customer relationship**: increase in the number of active multi-customers to 1.233m (YE23: 1.164m); customer-weighted NPS improved to +4 (YE23: -1)
- **Positive impact on society**: we have reached our KPI climate-neutral balance sheet target (YE23: 75%)

## Strong commercial performance underpinned by resilient economy despite global geopolitical tensions

- Growth in **residential mortgage portfolio** to €52.0bn (YE23: €49.2bn). Increase in new mortgage production to €7.1bn (2023: €5.1bn)
- Increase in **SME loans** of €158m (2023: €150m) to €1,393m
- **Retail savings** increased by €2.0bn to €45.6bn

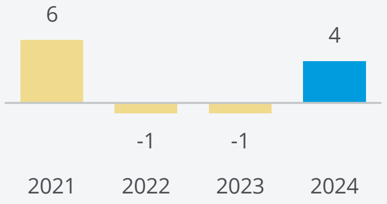
## Sound net profit excluding major incidental items

- **Net profit** excluding incidentals of €427m (2023: €431m)
- Incidental items of €283m, consisting of charges related to the Transformation programme (€96m), the Anti-financial crime remediation programme (€145m), the settlement of legal proceedings (€22m) and two administrative fines imposed by DNB (€20m)
- **Net profit** including incidental items of €144m (2023: €431m)
- **CET1 capital ratio** stable at 20.2%; **leverage ratio** stable at 5.1%

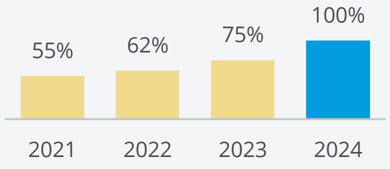
## Launch Transformation programme to prepare de Volksbank for the future

- Our current brands will continue to operate under the banner of **ASN Bank**
- **Reduction in the number of SNS and RegioBank branches** from more than 600 to 320 – 360
- Rightsizing the organisation to its core business value chain, allowing us to effectively and swiftly react to market and regulatory developments
- The simpler organisational structure is expected to lead to **an FTE reduction of 700-750** by 1 July 2025, corresponding to an annual cost saving of approximately € 70 million

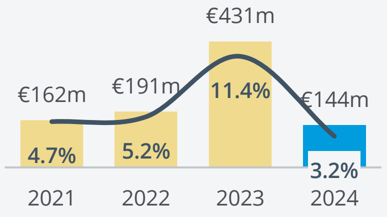
### Customer-weighted Net Promoter Score



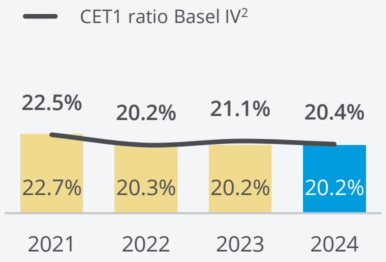

### Climate-neutral balance sheet




### Net result and RoE




### CET1 capital ratio




[1] Measured using the PCAF methodology [2] Based on our balance sheet position as at 31 December 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

asn bank
Accelerating ASN Bank's growth as a digital, sustainable bank

SNS
Attracting a younger target audience and strengthening business model with fee income

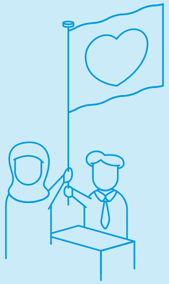
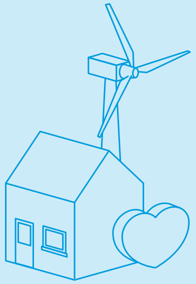
RegioBank
Strengthening local presence with broadening propositions

BLGwonen
Expanding BLG Wonen by improving its distribution reach and service

## Five necessary 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

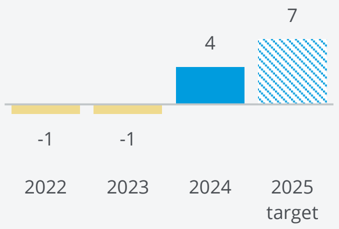
# Progress on strategy: two pillars

| How we stand out | | Highlights 2024 |
|---|---|---|
| **Strong customer relationship** |  | The customer-weighted average NPS of all our brands rose to +4 (year-end 2023: -1). Both the continued increase in active multi-customers, who inherently give a higher score, and the outflow of mono-customers, usually with a low NPS score, contributed positively to the overall NPS score<br>The number of active multi-customers rose by 69 thousand to 1.23 million (year-end 2023: 1.16 million), mainly as a result of current account and savings account customers<br>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** |  | At the end of 2024 we have reached our 100% KPI climate-neutral balance sheet target for 2030. (year-end 2023 this was 75%). The progress compared to the 75% per year-end 2023 was largely driven by a reduction in energy consumption of the customers in our mortgage portfolio as the result of higher temperatures, changes in heating behaviour, and energy saving measurements to reduce natural gas use<br>In January 2024, 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 |

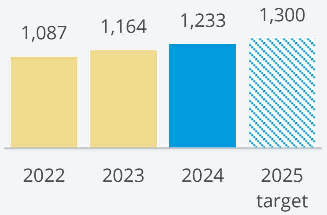
# 2025 long-term objectives

## Customers

### Customer-weighted average NPS

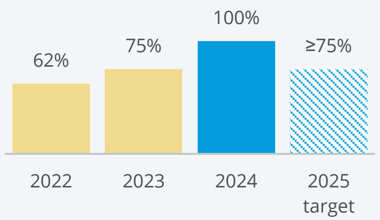



### Active multi-customers (in thousands)



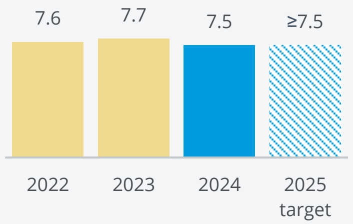

## Society

### Climate-neutral balance sheet



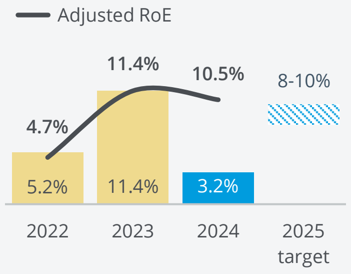

## Employees

### Genuine attention for employees



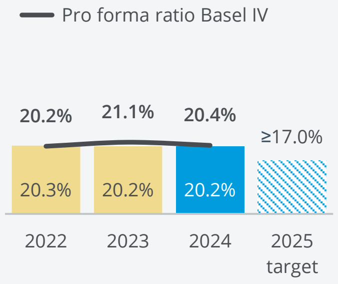

## Shareholder

### Return on Equity

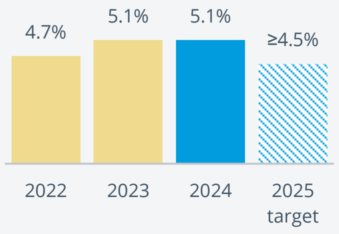



## Other objectives

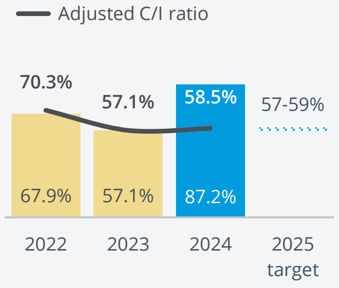
### CET1 capital ratio




### Leverage ratio




### Cost/income ratio

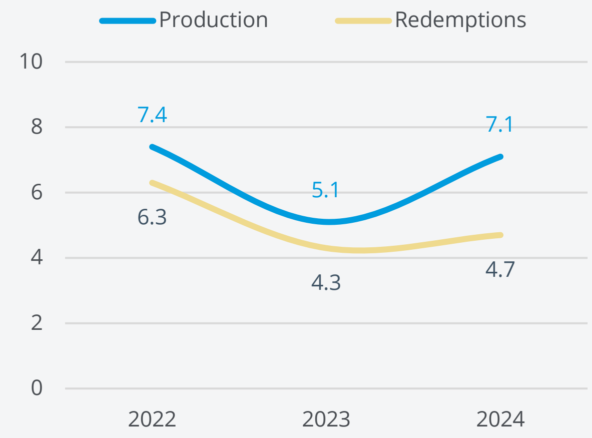



From 2H24, the former KPI Customer Relationship Score (CRS) is no longer a strategic KPI

In 1H24, the NPS target has been adjusted 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 Strategy 2021-2025 was initially developed

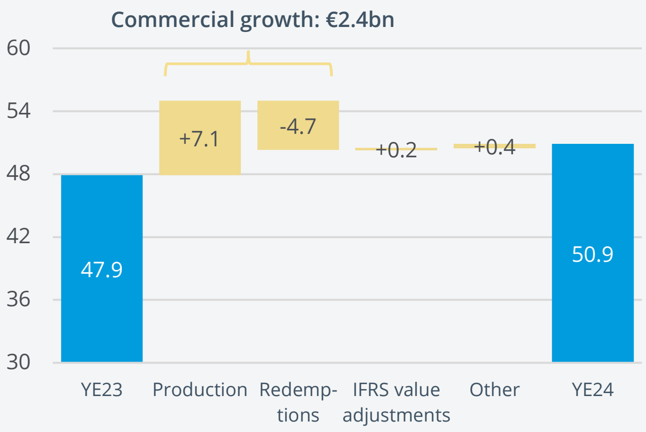
# Strong commercial performance in residential mortgages

### New mortgage production vs redemptions
(in € billions)



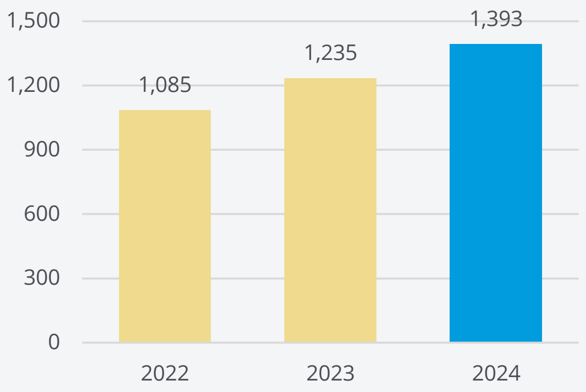

- In 2024, new residential mortgage production increased to €7.1bn (2023: €5.1bn)
- Mortgage redemptions increased by €0.4bn to €4.7bn

### Development residential mortgage portfolio
(in € billions)



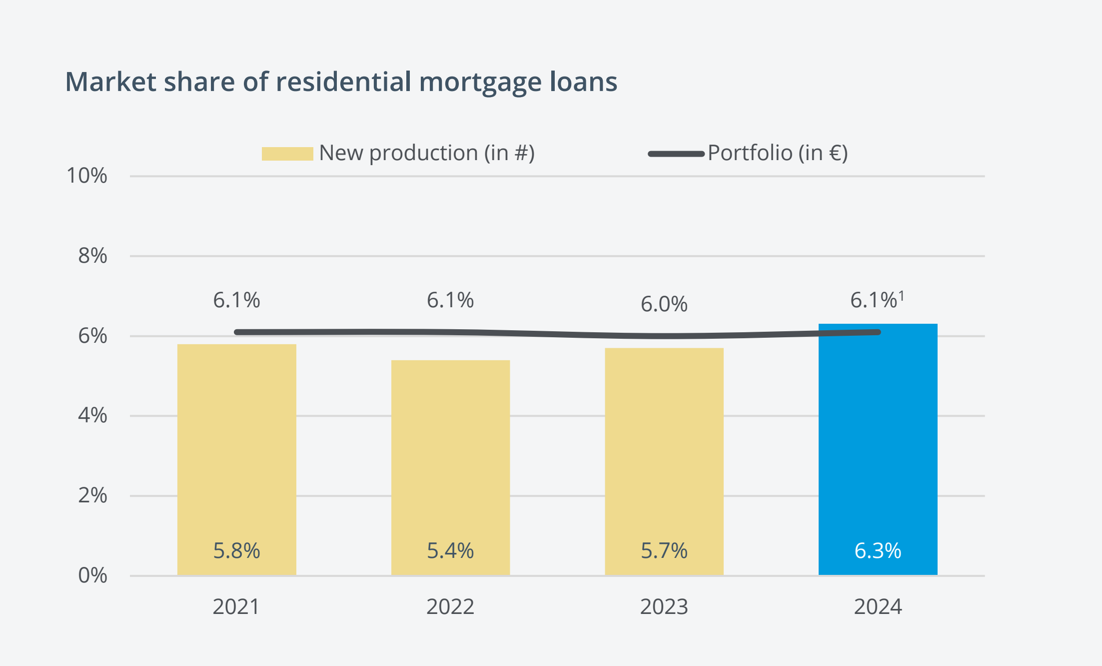

- The residential mortgage portfolio, including IFRS value adjustments, went up by €3.0bn to €50.9bn, mainly reflecting €2.4bn commercial growth and a €0.4bn increase resulting from an existing repurchase agreement
- Interest rate renewals rose to €1.2bn (2023: €0.9bn); the share of early renewals decreased to ~7% (2023: ~32%)

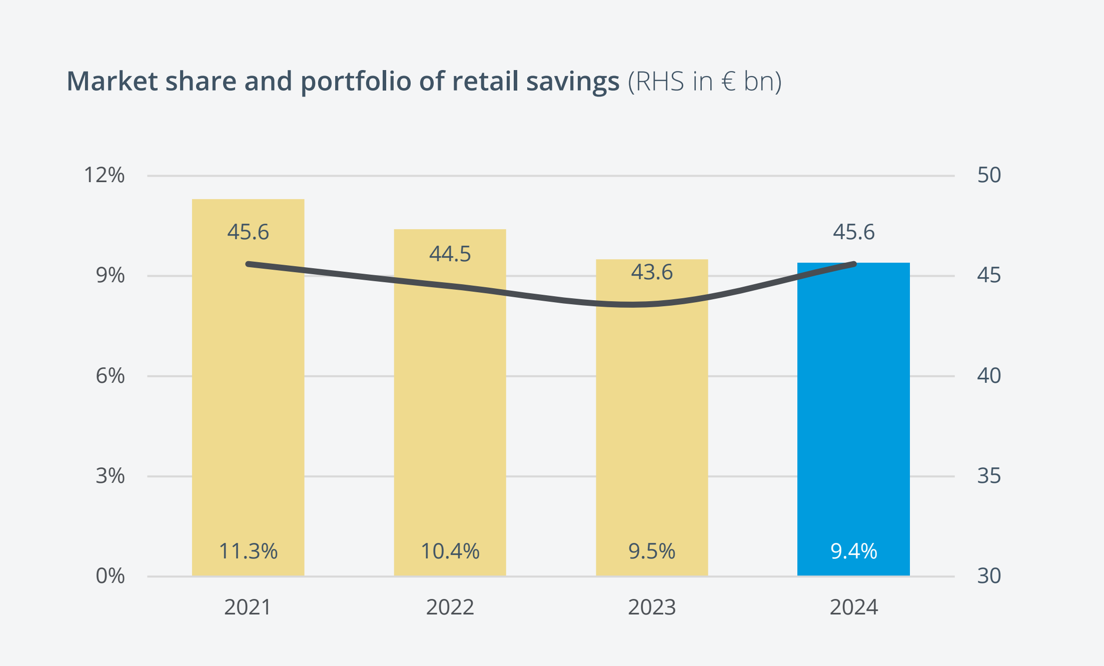
### Development SME loan portfolio
(in € millions)




- Our SME loan portfolio grew by €158m to €1,393m
- In 2024, we originated €286m in SME loans, compared to €260m in 2023

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



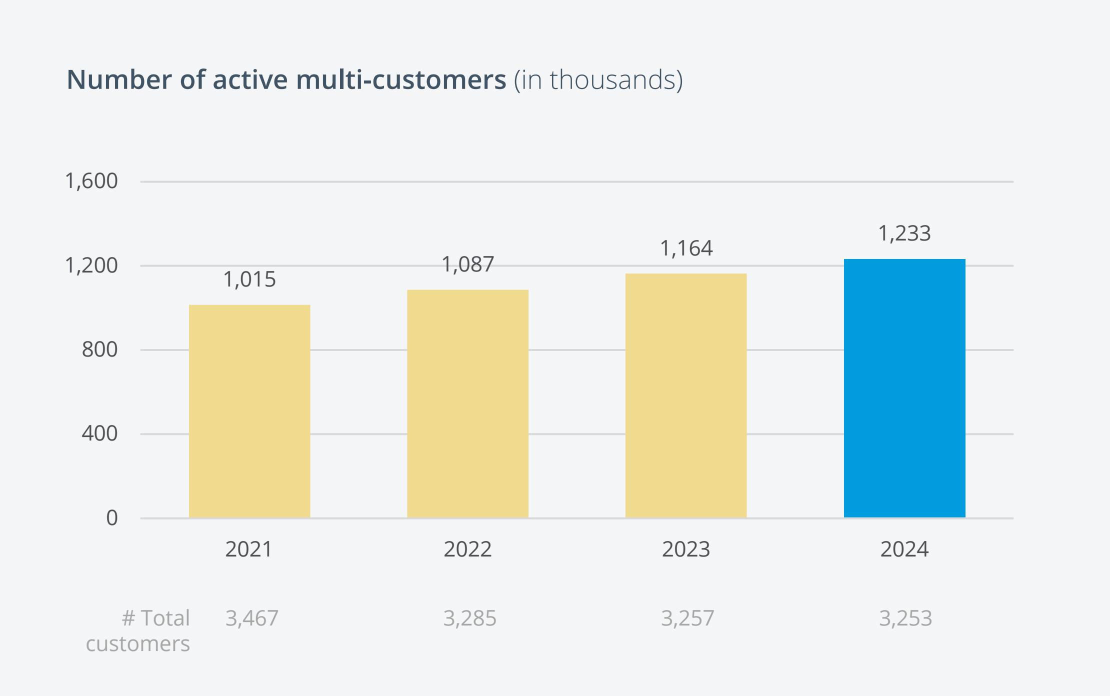



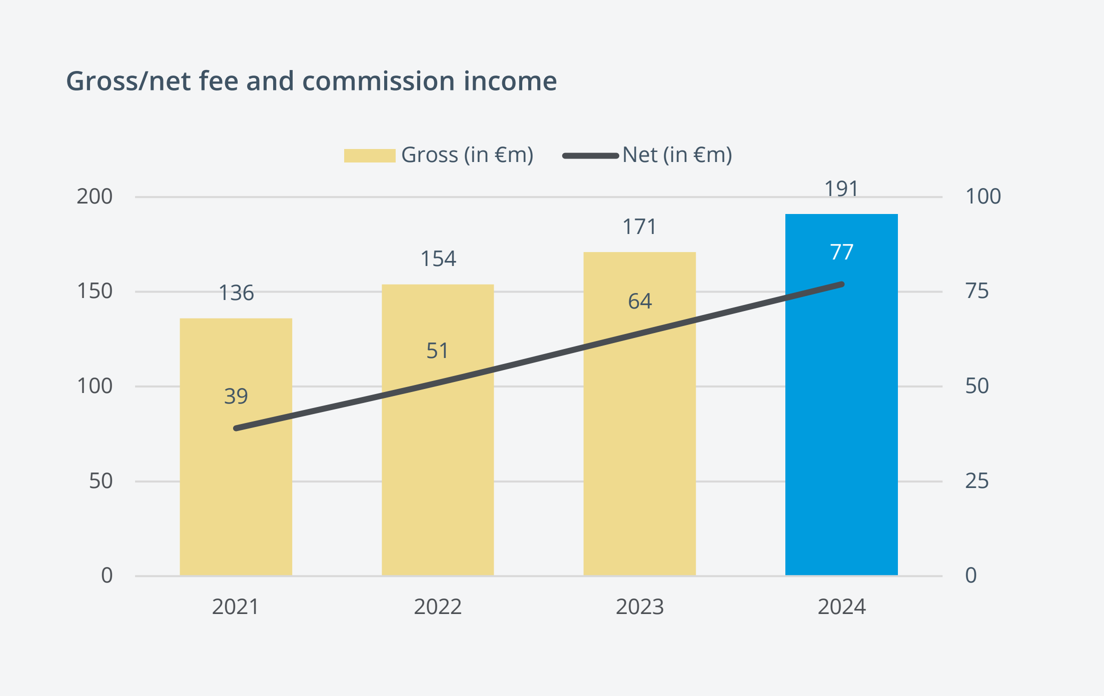

- Our market share of new residential mortgage production increased to 6.3% (2023: 5.7%)
- Average mortgage rates decreased in the second half of 2024, after broadly stabilising in the first half. In 2024, 77% of new mortgage production consisted of mortgages with a 10-year fixed mortgage rate (2023: 70%)

- Our retail savings balances increased to €45.6bn (+€2.0bn). Our market share declined to 9.4% (2023: 9.5%)

[1] Market share as at Q3, as Q4 number is not yet available

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




- In 2024, the number of active multi-customers rose by 69,000 to 1.233m, well on track to achieve our target of 1.3m by the end of 2025
- The total customer base decreased by 4,000, 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 12% and 20% respectively, mainly due to higher fees for basic banking services

# De Nederlandsche Bank imposed two administrative fines

## Role of gatekeeper (*Wwft*)

Fine of € 5 million for deficiencies under the Anti-Money Laundering and Anti-Terrorist Financing Act (*Wwft*) in the period from 2020 up to and including 2023

### Remediation progamme

- June 2024: Gwendolyn van Tunen took up the position of Chief Financial Crime Officer (CFCO) in the Executive Committee
- August 2024: Systematic Integrity Risk Assessment (SIRA) was submitted. DNB determined that this SIRA complies with the minimum regulatory requirements
- End of 2024: submitted a remediation programme to combat financial crime and started implementation of the plan
- End of 2024: identified backlogs for transaction monitoring alerts were largely eliminated
- New Anti-Financial Crime (AFC) organisation started with effect from 1 February 2025

**We have taken a charge of € 196 million for the execution of our AFC remediation programme**

## Sound business operations (*Wft*)

Fine of € 15 million for risk management-related deficiencies: de Volksbank failed to meet the requirements that follow from the Financial Supervision Act (*Wft*) to ensure sound business operations in the period from 2018 up to and including 2023

### Remediation plan

- April 2024: Saska Hoskens was appointed as Chief Risk Officer (CRO)
- Autumn of 2024: started a large-scale Transformation programme to simplify organisational structure
- Taking important steps to meet the supervisory authority’s requirements
- Additional investments are being made in, for example, data and data modeling experts

# Key points of the Transformation programme

**The transformation focuses on:**

## Rationalisation of the brand portfolio

- Movement towards one strong retail brand

## Optimisation of the distribution model

- Reduction in the number of branches, while maintaining nationwide coverage

## Simplifying the organisation structure

- Rightsizing the organisation to its core business value chain, allowing us to effectively and swiftly react to market and regulatory developments
- Reduction in the number of jobs by 700 - 750 FTEs by 1 July 2025
- To comply with increasing laws and regulations, additional running costs are incurred to combat financial crime and in the area of risk management. This also includes temporary hiring of external staff. These costs partially offset the above-mentioned FTE cost saving

**We have taken a restructuring charge of € 129 million for our Transformation programme**

# Rationalisation of the brand portfolio

## Moving towards one retail brand in stages

Our current brands differentiate themselves in the Dutch banking landscape through strong customer relations and by making social impact

SNS asn bank RegioBank BLGwonen → asn bank

## By combining these forces, we are creating one recognisable, strong bank brand that:

- has a distinctive social profile that makes banking easy and accessible for its 3 million customers
- contributes to solutions for challenges in Dutch society, such as sustainability, financial well-being and housing accessibility

## The convergence to one retail brand will be implemented with due care and in stages:

- In the first stage, our current retail brands ASN Bank, RegioBank and SNS will continue to operate under the banner of ASN Bank
- For now, we will continue to distribute mortgages under the current brand name BLG Wonen, but over time this brand name will also be changed to ASN Bank. The same goes for the name of the parent company, i.e. de Volksbank
- Implementation will start in 2025 and is expected to be completed within 3 years

# Optimisation of the distribution model

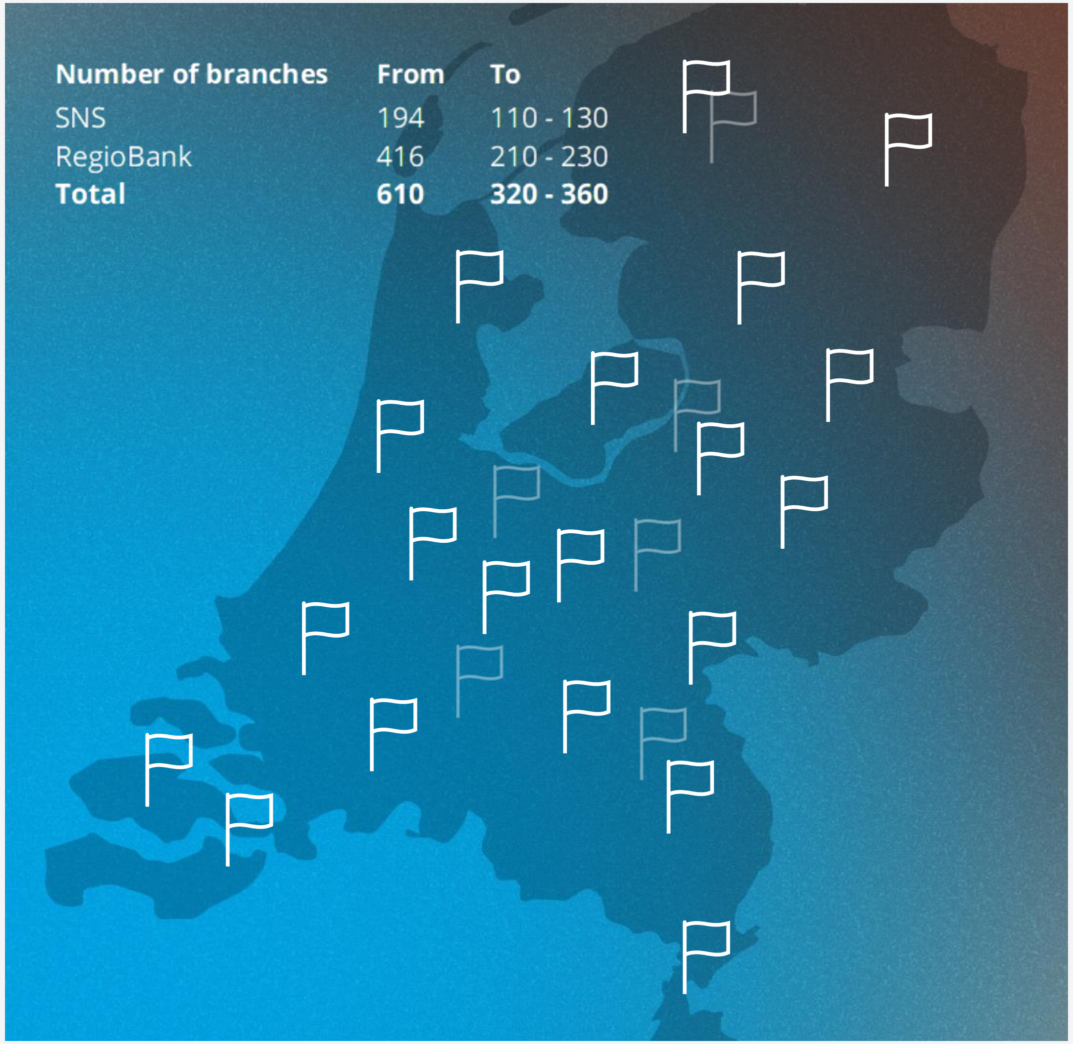
**The combination of mobile banking and a nationwide network of local branches remains distinctive in the customer proposition:**

- Daily digital convenience
- A branch nearby for moments that matter to customers

**Existing SNS Shops and RegioBank branches will be optimised:**

- Reduction in the number of branches, while maintaining nationwide coverage
- We will work out the reorganisation in consultation with our franchise partners and the Works Council
- A healthy and sustainable return for both the franchisee and franchiser
- We will also introduce three contemporary accessible flagship stores for financial advice for both retail and business customers

**The intermediary channel remains crucial for our distribution model**



# Simplifying the organisational structure

**The movement to one brand, the optimisation of the distribution model and associated simpler organisational structure leads to a reduction in the number of jobs**

**It is expected that between 700 - 750 full-time jobs disappear by 1 July 2025, of the total of ~4,500 jobs as at 30 June 2025:**

- We cannot rule out compulsory redundancies. A Social Plan is available for employees affected by this

**We expect to achieve an annual structural cost saving of approximately € 70 million through this staff reduction**

- This cost saving will be partially offset by additional running costs to comply with increasing laws and regulations (to combat financial crime and in the area of risk management). This also includes temporary hiring of external staff

**Simplifying the organisational structure:**

700 - 750 full-time jobs disappear by 1 July 2025

Structural cost saving of approximately € 70 million

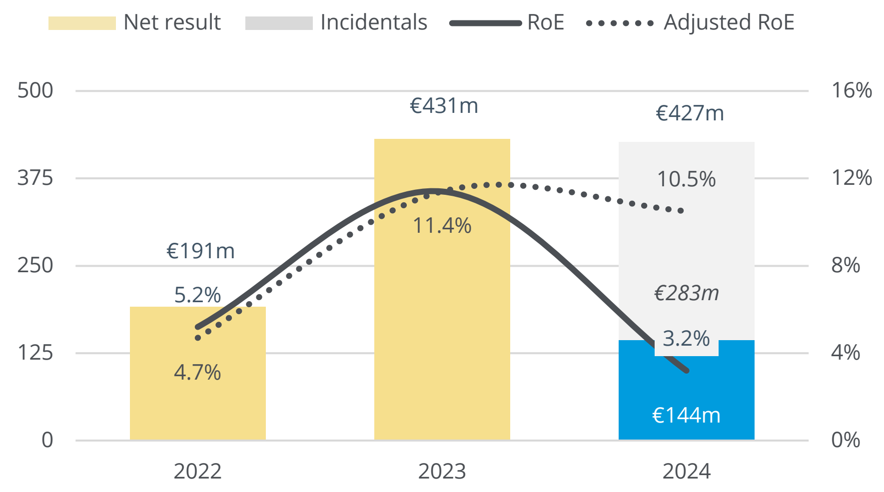
# 02.
# Financial results & outlook

# Sound net profit excluding major incidental items

**Result** (in € millions)

| | 2023 | 2024 | Δ | 1H24 | 2H24 |
|---|---|---|---|---|---|
| Total income | 1,414 | 1,308 | *-7%* | 661 | 647 |
| Total operating expenses | 808 | 1,140 | *+41%* | 371 | 769 |
| Impairment charges | 15 | -51 | -- | -30 | -21 |
| **Result before taxation** | **591** | **219** | *-63%* | **320** | **-101** |
| Taxation | 160 | 75 | | 89 | -14 |
| **Net result** | **431** | **144** | *-67%* | **231** | **-87** |
| Incidental items | -- | 283 | | -- | 283 |
| **Adjusted net result** | **431** | **427** | *-1%* | **231** | **196** |
| Return on equity | 11.4% | 3.2% | | 11.5% | -5.0% |
| Adjusted Return on equity | 11.4% | 10.5% | | 11.5% | 9.5% |

**(Adjusted) Net result and Return on Equity**



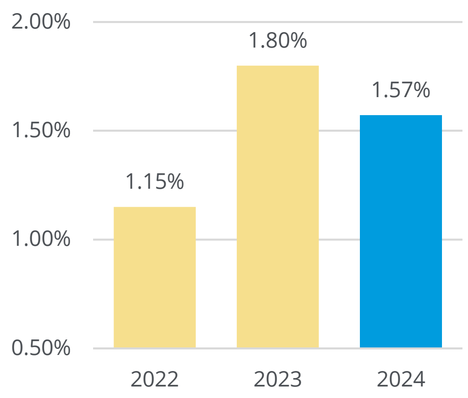

- Net profit excluding incidental items of €427m (2023: €431m); including incidental items, net profit amounted to €144m
- Incidental items of €283m, consisting of charges related to the Transformation programme (€96m), the AFC remediation programme (€145m), the settlement of legal proceedings (€22m) and two administrative fines imposed by DNB (€20m)
- Return on equity stood at 3.2%; adjusted for incidental items, return on equity stood at 10.5%, lower compared to 2023 (11.4%), mainly driven by higher average equity

# Total income declined by 7%, impacted by lower net interest income

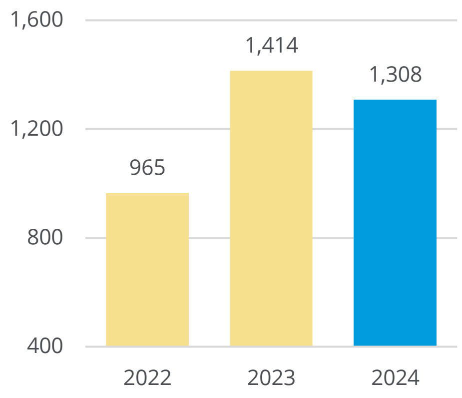
**Income** (in € millions)

| | 2023 | 2024 | Δ | 1H24 | 2H24 |
|---|---|---|---|---|---|
| Net interest income | 1,303 | 1,127 | *-14%* | 564 | 563 |
| Net fee and commission income | 64 | 77 | *+20%* | 36 | 41 |
| Investment income | -54 | -14 | *+74%* | -4 | -10 |
| Other results on financial instruments | 101 | 118 | *+17%* | 65 | 53 |
| **Total income** | **1,414** | **1,308** | *-7%* | **661** | **647** |

**Net interest margin**
(as a % of average assets)




**Total income**
(in € millions)



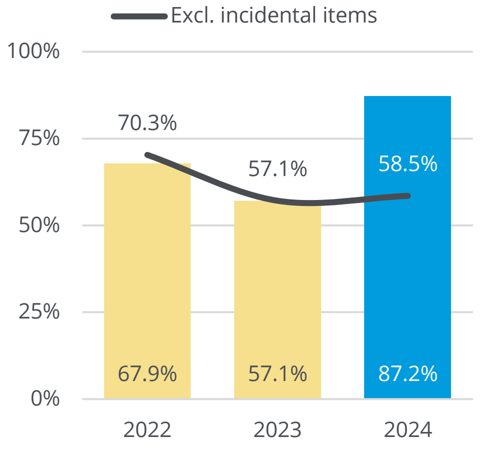

- Net interest income decreased by €176m to €1,127m (-14%), mainly due to lower margins on savings as a result of higher customer rates. In addition, and money market-related interest income decreased. The latter was compensated by a positive impact reflecting favourable FX swap interest rate differentials, recognised in other results on financial instruments. The margin on residential mortgages showed an increase
- Net fee and commission income showed a €13m increase to €77m (+20%), mainly due to higher fees for basic banking services as a result of the customer base growth and pricing. Management fees were up compared to 2023
- Investment income amounted to -€14m (2023: -€54m), and consisted of realised results on fixed-income investments, used for asset and liability management
- Other results on financial instruments increased to €118m (2023: €101m), mainly consisting of higher realised results of FX swaps used for hedging the exposure of foreign currency money market deposits. In addition, 2023 had included a loss on interest rate swaptions used for hedging purposes

# Total operating expenses 41% higher, driven by incidental items

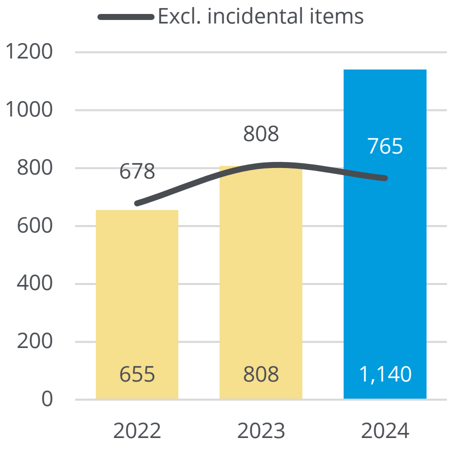
**Operating expenses** (in € millions)

| | 2023 | 2024 | Δ | 1H24 | 2H24 |
|---|---|---|---|---|---|
| **Total operating expenses** | **808** | **1,140** | *+41%* | **371** | **769** |
| Incidental items | -- | 375 | -- | -- | 375 |
| **Adjusted operating expenses** | **808** | **765** | *-5%* | **371** | **394** |
| Regulatory levies | 42 | 11 | *-74%* | 8 | 3 |
| **Operating expenses excl. levies** | **765** | **754** | *-2%* | **363** | **391** |
| Non-credit risk related provisions | 17 | 5 | *-71%* | -- | 5 |
| **Operating expenses excl. levies & non-credit risk related provisions** | **749** | **749** | *0%* | **363** | **386** |
| **Total FTEs** | **4,407** | **4,357** | *-1%* | **4,326** | **4,357** |

**Cost/income ratio**




**Operating expenses** (in € millions)




- Total operating expenses increased by €332m to €1,140m (+41%). Operating expenses were negatively impacted by incidental items of €375m, consisting of charges related to the transformation programme (€129m), and provisions related to the AFC remediation programme (€196m), the settlement of legal proceedings (€30m) and two administrative fines imposed by DNB (€20m)
- Adjusted for incidental items, operating expenses decreased by €43m to €765m (-5%), mainly driven by €31m lower regulatory levies and a €16m non-recurring tax refund. Marketing costs and other non-credit risk related provision charges were also lower. These elements compensated for the impact from higher staff expenses and increased anti-financial crime (AFC) costs, from €98m in 2023 to €121m (excluding the provision for the AFC remediation programme)
- Regulatory levies were €31m lower at €11m. In 2024, levies were entirely linked to the ex-ante DGS contribution (2023: €32m), while 2023 also included a €10m contribution to the Single Resolution Fund (SRF). 2024 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
- Although the total number of FTEs went down by 50 to 4,357 compared to YE23, the average number went up, reflecting the gradual increase during 2023 in the AFC and IT domains

# Impairment reversal of €51m, mainly reflecting increased house prices

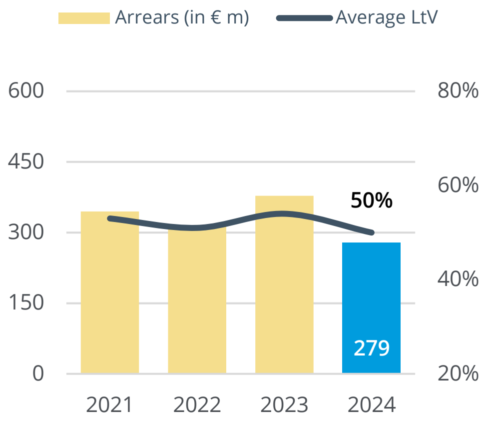
### Impairment charges (in € millions)

| | 2023 | 2024 | 1H24 | 2H24 |
|---|---|---|---|---|
| Residential mortgages | 9 | -48 | -28 | -20 |
| SME loans | -1 | -7 | -2 | -5 |
| Consumer loans | -2 | -- | -- | -- |
| Other corporate and government loans | 10 | 5 | 1 | 4 |
| Loans and advances to banks | -2 | -1 | -- | -1 |
| Investments | 1 | -- | -1 | 1 |
| **Total impairment charges** | **15** | **-51** | **-30** | **-21** |
| Cost of risk residential mortgages | 0.02% | -0.09% | -0.11% | -0.08% |
| Cost of risk total loans | 0.03% | -0.09% | -0.11% | -0.08% |

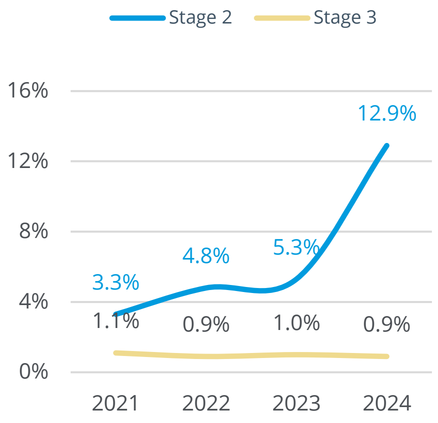
### Base scenario macroeconomic parameters

| Scenarios as at | 31 Dec 2023 | | 31 Dec 2024 | |
|---|---|---|---|---|
| | 2025 | 2026 | 2025 | 2026 |
| Relative change in house price index (HPI) | 2.6% | 3.6% | 3.3% | 1.4% |
| Unemployment rate | 4.5% | 4.5% | 4.2% | 4.4% |
| Number of bankruptcies (monthly) | 486 | 486 | 454 | 490 |

### Residential mortgages in arrears; average LtV

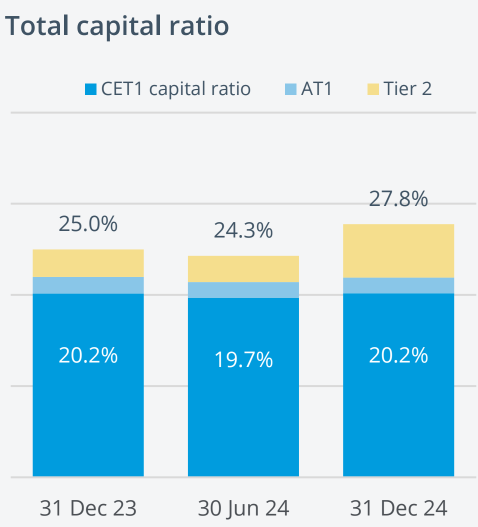


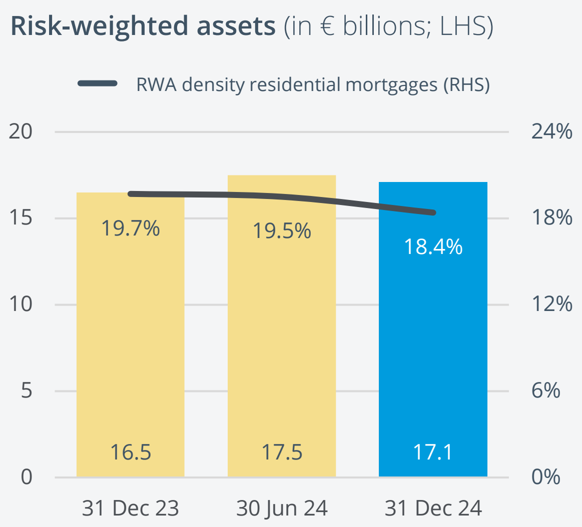

### Residential mortgage portfolio - stage 2 & 3 ratios

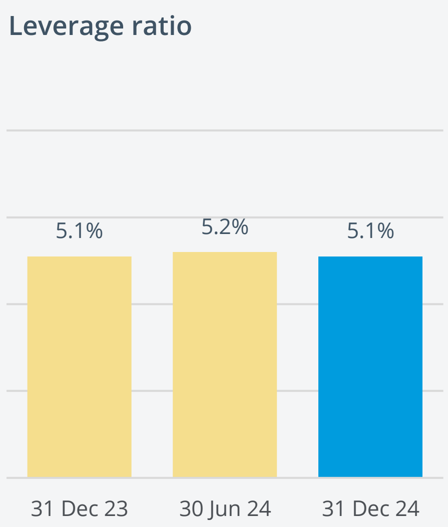



- Impairment charges showed a €66m swing to a reversal of €51m, largely driven by a €48m reversal of loan impairments for residential mortgages, reflecting increased house prices and an improved macroeconomic outlook
- In 2024, the stage 2 ratio for residential mortgages increased, mainly reflecting the transfer of exposures of a specific group of interest-only mortgages from stage 1 to stage 2
- The average LtV of residential mortgages declined to 50% (YE23: 54%) as a result of increased house prices

# Capital position robust with capital ratios above our minimum targets




- Compared to YE23, the CET1 capital ratio remained unchanged at 20.2%, as an increase in CET1 capital was offset by higher risk-weighted assets (RWA)
  - CET1 capital increased by €124m, as a result of net profit retention (adjusted for dividend pay-out), partly offset by paid interest on AT1 securities (€21m), an increase in the IRB shortfall (€27m) and a decrease of other items (€2m)
  - RWA increased by €0.6bn, of which €0.4bn caused by an increase in exposures to financial institutions. RWA related to residential mortgages decreased since the impact of portfolio growth was offset by a lower average risk weighting of residential mortgages, following from an improvement in our customers' average credit quality given more favourable macroeconomic conditions
- As at 31 December 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 20.4%
- Compared to YE23, the leverage ratio was stable at 5.1%
- Proposal to retain 2024 net profit, taking into account the implementation of remediation programmes to address the shortcomings identified by the supervisor

# Outlook

- We expect net interest income in 2025 to decline compared to 2024, mainly as a result of lower expected short-term capital market interest rates. Net interest income will remain highly sensitive to changes in the ECB interest rate policy
- The simpler organisational structure in this phase of the transformation leads to an expected reduction in the number of jobs by 700 - 750 FTEs, both internal and external, by 1 July 2025. This is expected to lead to an annual structural cost saving of around € 70 million, of which approximately half is expected to be realised in 2025. At the same time, to comply with increasing laws and regulations, we will incur additional running costs to combat financial crime and to remediate risk management-related deficiencies, such as the temporary hiring of external staff. The temporary costs and temporary investments required to implement the transformation will offset the structural cost saving in 2025. We, therefore, expect operating expenses in 2025, adjusted for incidental items, to be higher than in 2024
- The effect of macroeconomic developments on our customers and their financial resilience is uncertain and may, therefore, impact our loan loss provisioning levels. Based on the current economic outlook and sound credit quality of our loan portfolio, we expect the level of impairment charges on loans and advances to be moderate in 2025
- Taking into account the aforementioned factors, we anticipate the net result for 2025 to be lower compared to the 2024 net result, adjusted for incidental items

# Questions & answers

# Appendix

# Summary P&L

| In € millions | 2023 | 2024 | 1H20 | 2H20 | 1H21 | 2H21 | 1H22 | 2H22 | 1H23 | 2H23 | 1H24 | 2H24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Net interest income | 1,303 | 1,127 | 436 | 414 | 392 | 383 | 372 | 479 | 662 | 641 | 564 | 563 |
| Net fee and commission income | 64 | 77 | 29 | 17 | 20 | 19 | 24 | 27 | 33 | 31 | 36 | 41 |
| Other income | 47 | 104 | 15 | 12 | 5 | 8 | 67 | -4 | 40 | 7 | 61 | 43 |
| **Total income** | **1,414** | **1,308** | **480** | **443** | **417** | **410** | **463** | **502** | **735** | **679** | **661** | **647** |
| Total operating expenses | 808 | 1,140 | 292 | 360 | 322 | 345 | 323 | 332 | 389 | 419 | 371 | 769 |
| Impairment charges | 15 | -51 | 45 | -7 | -31 | -27 | 11 | 41 | 8 | 7 | -30 | -21 |
| **Total expenses** | **823** | **1,089** | **337** | **353** | **291** | **318** | **334** | **373** | **397** | **426** | **341** | **748** |
| **Result before tax** | **591** | **219** | **143** | **90** | **126** | **92** | **129** | **129** | **338** | **253** | **320** | **-101** |
| Taxation | 160 | 75 | 37 | 22 | 32 | 24 | 34 | 33 | 90 | 70 | 89 | -14 |
| **Net result** | **431** | **144** | **106** | **68** | **94** | **68** | **95** | **96** | **248** | **183** | **231** | **-87** |
| Incidental items | -- | -283 | -- | -34 | 6 | 11 | 4 | 13 | -- | -- | -- | -283 |
| **Adjusted net result** | **431** | **427** | **106** | **102** | **88** | **57** | **91** | **83** | **248** | **183** | **231** | **196** |
| Attributable to owners of the parent company | 410 | 406 | 106 | 102 | 88 | 57 | 94 | 86 | 238 | 172 | 221 | 185 |
| Attributable to holders of AT1 notes | 21 | 21 | -- | -- | -- | -- | 1 | 10 | 10 | 11 | 10 | 11 |
| **Ratios** | | | | | | | | | | | | |
| Cost/income ratio | 57.1% | 87.2% | 60.8% | 81.3% | 77.2% | 84.1% | 69.8% | 66.1% | 52.9% | 61.7% | 56.1% | 118.9% |
| Adjusted cost/income ratio | 57.1% | 58.5% | 60.8% | 71.1% | 79.1% | 87.6% | 71.1% | 69.5% | 52.9% | 61.7% | 56.1% | 61.0% |
| Cost/asset ratio | 1.06% | 1.57% | 0.83% | 1.01% | 0.82% | 0.86% | 0.77% | 0.82% | 1.00% | 1.11% | 1.02% | 2.11% |
| Net interest margin | 1.80% | 1.57% | 1.35% | 1.25% | 1.14% | 1.07% | 1.01% | 1.29% | 1.82% | 1.78% | 1.58% | 1.55% |
| Cost of risk residential mortgages | 0.02% | -0.09% | 0.14% | -0.02% | -0.09% | -0.11% | -0.01% | 0.08% | 0.04% | 0.00% | -0.11% | -0.08% |
| Return on Equity | 11.4% | 3.2% | 6.2% | 4.0% | 5.5% | 3.9% | 5.5% | 5.0% | 13.6% | 9.3% | 11.5% | -5.0% |
| Adjusted Return on Equity | 11.4% | 10.5% | 6.2% | 5.9% | 5.1% | 3.3% | 5.2% | 4.3% | 13.6% | 9.3% | 11.5% | 9.5% |

# Summary balance sheet

| In € millions | 30 Jun 2021 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2022 | 30 Jun 2023 | 31 Dec 2023 | 30 Jun 2024 | 31 Dec 2024 |
|---|---|---|---|---|---|---|---|---|
| **Total assets** | **70,473** | **72,081** | **74,857** | **73,168** | **73,028** | **71,060** | **72,520** | **73,691** |
| Cash and cash equivalents | 8,036 | 10,305 | 9,111 | 8,011 | 10,291 | 5,891 | 3,632 | 2,834 |
| Loans and advances to banks | 5,759 | 4,527 | 7,444 | 6,884 | 3,872 | 4,671 | 7,666 | 6,710 |
| Loans and advances to customers | 50,127 | 50,570 | 49,363 | 48,966 | 49,419 | 50,847 | 52,234 | 54,494 |
| Derivatives | 588 | 591 | 2,839 | 3,302 | 3,118 | 2,544 | 2,398 | 2,141 |
| Investments | 5,494 | 5,638 | 5,427 | 5,591 | 5,916 | 6,733 | 6,161 | 7,199 |
| Tangible and intangible assets | 90 | 93 | 87 | 85 | 85 | 77 | 68 | 55 |
| Tax assets | 64 | 39 | 82 | 80 | 63 | 14 | 53 | 11 |
| Other assets | 314 | 318 | 504 | 249 | 264 | 283 | 308 | 247 |
| | | | | | | | | |
| **Total liabilities and equity** | **70,473** | **72,081** | **74,857** | **73,168** | **73,028** | **71,060** | **72,520** | **73,691** |
| *Savings* | *44,689* | *45,646* | *45,744* | *44,501* | *44,507* | *43,623* | *45,087* | *45,639* |
| *Other amounts due to customers* | *11,757* | *12,482* | *12,978* | *12,649* | *12,083* | *11,287* | *10,819* | *10,514* |
| **Amounts due to customers** | **56,446** | **58,128** | **58,722** | **57,150** | **56,590** | **54,910** | **55,906** | **56,153** |
| Amounts due to banks | 1,175 | 1,059 | 2,711 | 2,805 | 2,669 | 1,947 | 1,844 | 1,401 |
| Debt certificates | 6,885 | 7,402 | 7,588 | 7,544 | 8,019 | 7,935 | 8,885 | 9,322 |
| Derivatives | 1,256 | 1,013 | 1,037 | 924 | 951 | 1,121 | 793 | 1,105 |
| Tax liabilities | 12 | 9 | 7 | 19 | 41 | 82 | 14 | 20 |
| Other liabilities | 694 | 382 | 529 | 452 | 334 | 430 | 403 | 240 |
| Other provisions | 77 | 102 | 84 | 66 | 56 | 44 | 34 | 405 |
| Participation certificates and subordinated debt | 504 | 500 | 504 | 500 | 504 | 500 | 505 | 997 |
| Shareholders' equity | 3,424 | 3,486 | 3,675 | 3,708 | 3,864 | 4,091 | 4,136 | 4,048 |

# Key balance sheet items

## Key balance sheet items (in € millions)

| | 31 Dec 23 | 31 Dec 24 | Δ YoY |
|---|---|---|---|
| **Total assets** | **71,060** | **73,691** | *+4%* |
| Cash and cash equivalents | 5,891 | 2,834 | *-52%* |
| **Loans and advances to customers** | **50,847** | **54,494** | *+7%* |
| - of which residential mortgages | 47,767 | 50,835 | *+6%* |
| - of which consumer loans | 51 | 60 | *+18%* |
| - of which SME loans | 1,213 | 1,378 | *+14%* |
| - of which other, including (semi-) public sector loans | 1,816 | 2,221 | *+22%* |
| Loans and advances to banks | 4,671 | 6,710 | *+44%* |
| Investments | 6,733 | 7,199 | *+7%* |
| **Amounts due to customers** | **54,910** | **56,153** | *+2%* |
| - of which retail savings | 43,623 | 45,639 | *+5%* |
| - of which other amounts due to customers | 11,287 | 10,514 | *-7%* |
| Amounts due to banks | 1,947 | 1,401 | *-28%* |
| Debt certificates | 7,935 | 9,322 | *+17%* |
| Shareholders’ equity | 4,091 | 4,048 | *-1%* |

## Comments

- In 2024, the balance sheet total increased by €2.6bn to €73.7bn as a result of growth in amounts due to customers and the issuance of debt certficates. On the asset side, this was reflected in the growth of the loan portfolio
- Cash and cash equivalents decreased by €3.1bn, driven by a shift to loans and advances to banks
- Loans and advances to customers increased by €3.6bn, mainly reflecting a €3.0bn rise in residential mortgages, of which €2.4bn due to commercial growth. In addition, SME loans grew by €165m and other corporate and government loans by €0.4bn
- The €1.2bn increase in amounts due to customers consisted of a €2.0bn increase in retail savings, partly offset by a €0.8bn decrease in other amounts due to customers, driven by an outflow of SME savings and current account balances
- Debt certificates increased by €1.4bn, due to the issuance of €0.5bn in covered bonds, €1bn of issuances in commercial paper and €0.5bn in SNP notes. This was partly offset by redemption of a green bond
- Shareholders’ equity decreased by €43m to ~€4.0bn, due to the dividend payment for 2023 (€164m), the payment of the AT1 coupon (€21m) and a decrease in the fair value reserve (€2m). This was partly offset by the addition of the 2024 net profit (€144m)

# Breakdown of loans and advances to customers

| in € millions | 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 | 31 December 2024 Gross amount | 31 December 2024 Loan loss provision | 31 December 2024 Coverage ratio |
|---|---|---|---|---|---|---|---|---|---|
| **Stage 1** | **48,971** | **44** | **0.1%** | **50,955** | **31** | **0.1%** | **48,276** | **31** | **0.1%** |
| *- of which residential mortgages* | 46,138 | 37 | 0.1% | 47,789 | 26 | 0.1% | 44,807 | 25 | 0.1% |
| *- of which consumer loans* | 18 | -- | 0.0% | 38 | -- | 0.0% | 44 | -- | 0.0% |
| *- of which SME loans* | 1,069 | 5 | 0.5% | 1,177 | 3 | 0.3% | 1,257 | 3 | 0.2% |
| *- of which other corporate and government loans* | 1,746 | 2 | 0.1% | 1,951 | 2 | 0.1% | 2,168 | 3 | 0.1% |
| **Stage 2** | **2,816** | **50** | **1.7%** | **2,427** | **37** | **1.5%** | **6,890** | **32** | **0.5%** |
| *- of which residential mortgages* | 2,590 | 39 | 1.5% | 2,266 | 28 | 1.2% | 6,723 | 24 | 0.4% |
| *- of which consumer loans* | 33 | 1 | 3.0% | 12 | -- | 0.0% | 15 | -- | 0.0% |
| *- of which SME loans* | 127 | 9 | 7.1% | 105 | 8 | 7.6% | 104 | 8 | 7.7% |
| *- of which other corporate and government loans* | 66 | 1 | 1.5% | 44 | 1 | 2.3% | 48 | -- | 0.0% |
| **Stage 3** | **558** | **88** | **15.8%** | **578** | **91** | **15.7%** | **558** | **79** | **14.2%** |
| *- of which residential mortgages* | 473 | 42 | 8.9% | 496 | 42 | 8.5% | 473 | 31 | 6.6% |
| *- of which consumer loans* | 8 | 7 | 87.5% | 8 | 8 | 100.0% | 8 | 7 | 87.5% |
| *- of which SME loans* | 39 | 8 | 20.5% | 36 | 8 | 22.2% | 32 | 4 | 12.5% |
| *- of which other corporate and government loans* | 38 | 31 | 81.6% | 38 | 33 | 86.8% | 45 | 37 | 82.2% |
| **Total stage 1, 2, 3** | **52,345** | **182** | **0.3%** | **53,960** | **159** | **0.3%** | **55,724** | **142** | **0.3%** |
| *- of which residential mortgages* | 49,201 | 118 | 0.2% | 50,551 | 96 | 0.2% | 52,003 | 80 | 0.2% |
| *- of which consumer loans* | 59 | 8 | 13.6% | 58 | 8 | 13.8% | 67 | 7 | 10.4% |
| *- of which SME loans*[1] | 1,235 | 22 | 1.8% | 1,318 | 19 | 1.4% | 1,393 | 15 | 1.1% |
| *- of which other corporate and government loans* | 1,850 | 34 | 1.8% | 2,033 | 36 | 1.8% | 2,261 | 40 | 1.8% |
| IFRS value adjustments[2] | -1,316 | -- | -- | -1,567 | -- | -- | -1,088 | -- | -- |
| **Total loans and advances to customers** | **51,029** | **182** | **0.4%** | **52,393** | **159** | **0.3%** | **54,636** | **142** | **0.3%** |
| Off-balance sheet items[3] | 2,862 | 11 | 0.4% | 2,815 | 7 | 0.2% | 3,044 | 8 | 0.3% |
| **Total on and off-balance sheet** | **53,891** | **193** | **0.4%** | **55,208** | **166** | **0.3%** | **57,680** | **150** | **0.3%** |

[1] Gross SME loans include mortgage-backed loans for a gross amount of € 1,361 million
[2] Consisting of fair value adjustments from hedge accounting and amortisations
[3] Off-balance sheet items: liabilities from irrevocable facilities, guarantees and repurchase commitments

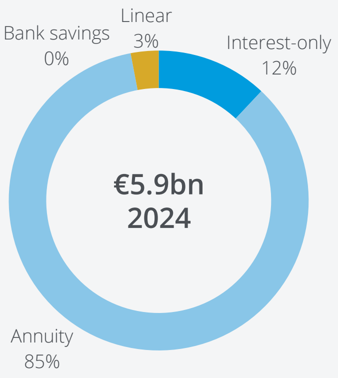
# Quality of residential mortgages

| 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 | 31 Dec 2024 |
|---|---|---|---|---|---|---|---|---|---|
| **Gross loans** | **46,236** | **46,278** | **47,208** | **47,991** | **48,272** | **48,467** | **49,201** | **50,551** | **52,003** |
| *- of which stage 1* | 43,154 | 43,638 | 45,102 | 46,105 | 45,499 | 45,213 | 46,138 | 47,789 | 44,807 |
| *- of which stage 2* | 2,539 | 2,149 | 1,575 | 1,462 | 2,320 | 2,785 | 2,590 | 2,266 | 6,723 |
| *- of which stage 3* | 543 | 491 | 531 | 424 | 453 | 469 | 473 | 496 | 473 |
| **Loan loss provisions** | **111** | **97** | **73** | **73** | **98** | **114** | **118** | **96** | **80** |
| *- of which stage 1* | 24 | 30 | 32 | 43 | 38 | 33 | 37 | 26 | 25 |
| *- of which stage 2* | 52 | 30 | 24 | 16 | 31 | 39 | 39 | 28 | 24 |
| *- of which stage 3* | 35 | 37 | 17 | 14 | 29 | 42 | 42 | 42 | 31 |
| Stage 2 as a % of gross loans | 5.5% | 4.6% | 3.3% | 3.0% | 4.8% | 5.7% | 5.3% | 4.5% | 12.9% |
| Stage 2 coverage ratio[1] | 2.0% | 1.4% | 1.5% | 1.1% | 1.3% | 1.4% | 1.5% | 1.2% | 0.4% |
| Stage 3 as a % of gross loans | 1.2% | 1.1% | 1.1% | 0.9% | 0.9% | 1.0% | 1.0% | 1.0% | 0.9% |
| Stage 3 coverage ratio[1] | 6.4% | 7.5% | 3.2% | 3.3% | 6.4% | 9.0% | 8.9% | 8.5% | 6.6% |
| **Net loans excluding IFRS adjustments** | **46,125** | **46,181** | **47,135** | **47,918** | **48,174** | **48,353** | **49,083** | **50,455** | **51,923** |
| IFRS adjustments | 1,572 | 1,098 | 810 | -1.353 | -2,040 | -1,884 | -1,316 | -1,567 | -1,088 |
| **Total net loans** | **47,697** | **47,279** | **47,945** | **46,565** | **46,134** | **46,469** | **47,767** | **48,888** | **50,835** |
| Irrevocable loan commitments and financial guarantee contracts | 1,924 | 2,293 | 2,329 | 2,059 | 1,940 | 1,826 | 1,852 | 1,797 | 1,971 |
| Provision off-balance sheet items | 1 | 1 | 7 | 8 | 8 | 6 | 6 | 4 | 5 |
| Coverage ratio off-balance sheet items | 0.1% | 0.0% | 0.3% | 0.4% | 0.4% | 0.3% | 0.3% | 0.2% | 0.3% |
| **Total gross on and off-balance sheet exposure** | **48,160** | **48,571** | **49,537** | **50,050** | **50,212** | **50,293** | **51,053** | **52,348** | **53,974** |
| Impairment charges | 29 | -21 | -58 | -2 | 17 | 9 | 9 | -28 | -48 |
| Provision as a % of gross loans | 0.24% | 0.21% | 0.15% | 0.15% | 0.20% | 0.24% | 0.24% | 0.19% | 0.15% |
| Cost of risk[2] | 0.06% | -0.09% | -0.10% | -0.01% | 0.04% | 0.04% | 0.02% | -0.11% | -0.09% |

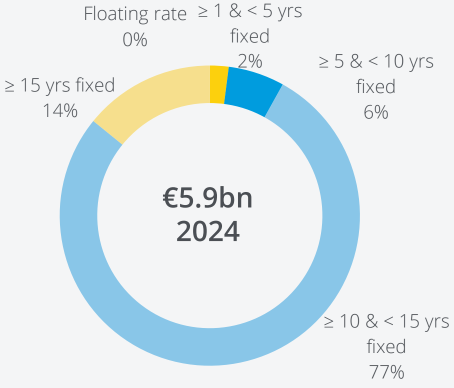
[1] Stage 2/3 loan loss provision as a % of stage 2/3 gross exposure
[2] Impairment charges as a % of average gross exposure -/- IFRS adjustments

# Residential mortgage production

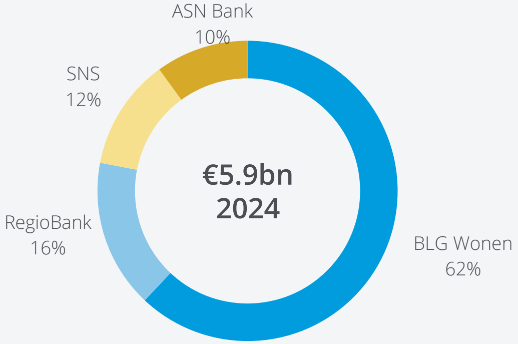
**Residential mortgage production by redemption type[1]**




**Residential mortgage production by interest type[1]**




**Residential mortgage production by brand on own book[1]**

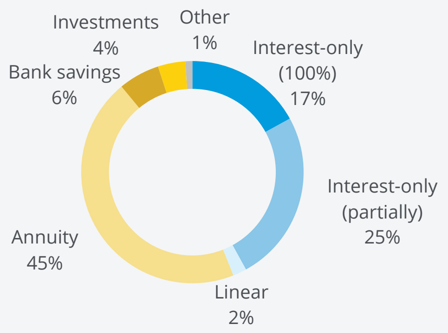



[1] Excluding bridge loans, and '*extra ruimte*' mortgages

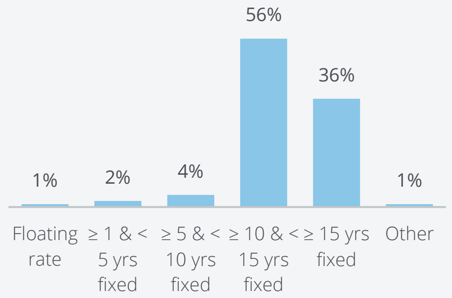
- The share of interest-only mortgages of the new residential mortgage production declined to 12% (2023: 17%), mainly as a result of decreased mortgage refinancing volumes, which largely consisted of interest-only mortgages originated before 2013
- 85% of new residential mortgages production consisted of annuity mortgages. Only new annuity or linear mortgages benefit from tax deductibility
- The shift towards 10-year fixed-rate mortgages continued in 2024. The share of new mortgages with a 15-year fixed rate or longer declined to 14%, compared to 25% in 2023

# Residential mortgage portfolio

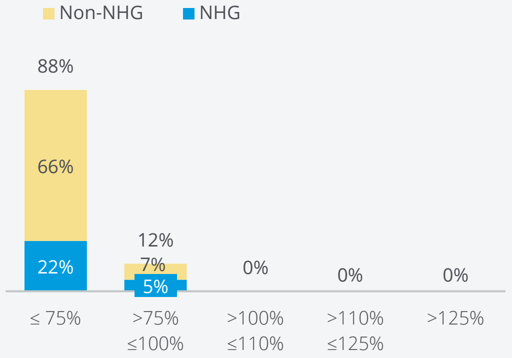
### Residential mortgages by redemption type



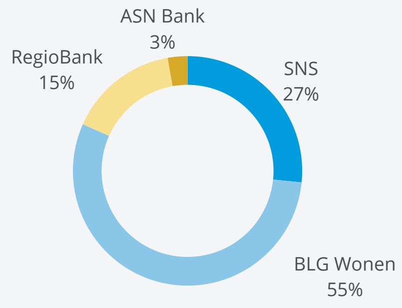

### Residential mortgages by fixed-term maturity



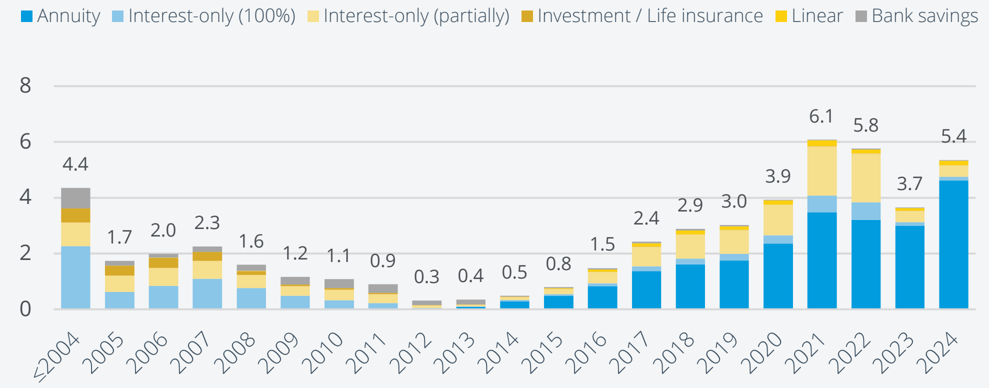

### Residential mortgages by LtV bucket



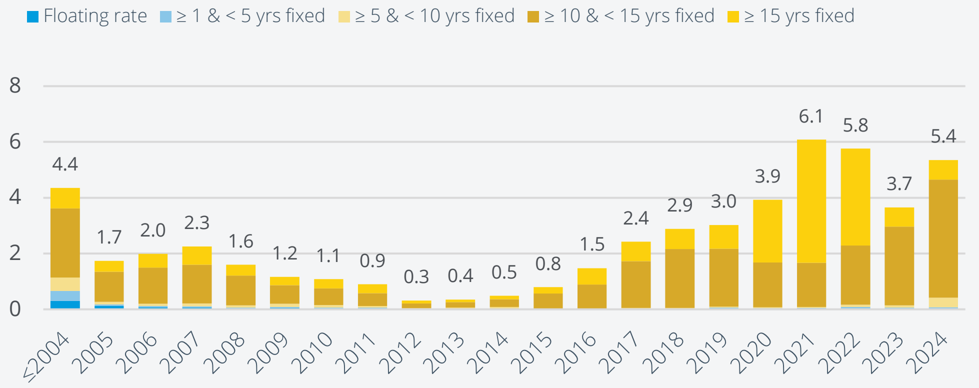

### Residential mortgages by brand




### 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 | 31 Dec 2020 | 30 Jun 2021 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2022 | 30 Jun 2023 | 31 Dec 2023 | 30 Jun 2024 | 31 Dec 2024 |
|---|---|---|---|---|---|---|---|---|---|
| **Gross loans** | **724** | **768** | **841** | **975** | **1,085** | **1,163** | **1,235** | **1,318** | **1,393** |
| - *of which stage 1* | 558 | 600 | 663 | 838 | 933 | 1,017 | 1,069 | 1,177 | 1,257 |
| - *of which stage 2* | 86 | 104 | 112 | 90 | 106 | 105 | 127 | 105 | 104 |
| - *of which stage 3* | 80 | 64 | 66 | 47 | 46 | 41 | 39 | 36 | 32 |
| **Loan loss provisions** | **38** | **29** | **23** | **21** | **24** | **22** | **22** | **19** | **15** |
| - *of which stage 1* | 6 | 7 | 6 | 3 | 6 | 6 | 5 | 3 | 3 |
| - *of which stage 2* | 5 | 4 | 4 | 6 | 7 | 7 | 9 | 8 | 8 |
| - *of which stage 3* | 27 | 18 | 13 | 12 | 11 | 9 | 8 | 8 | 4 |
| Stage 2 as a % of gross loans | 11.9% | 13.5% | 13.3% | 9.2% | 9.8% | 9.0% | 10.3% | 8.0% | 7.5% |
| Stage 2 coverage ratio[1] | 5.8% | 3.8% | 3.6% | 6.7% | 6.6% | 6.7% | 7.1% | 7.6% | 7.7% |
| Stage 3 as a % of gross loans | 11.0% | 8.3% | 7.8% | 4.8% | 4.2% | 3.5% | 3.2% | 2.7% | 2.3% |
| Stage 3 coverage ratio[1] | 33.8% | 28.1% | 19.7% | 25.5% | 23.9% | 22.0% | 20.5% | 22.2% | 12.5% |
| **Total net loans** | **686** | **739** | **818** | **954** | **1,061** | **1,141** | **1,213** | **1,299** | **1,378** |
| Irrevocable loan commitments and financial guarantee contracts | 45 | 85 | 123 | 126 | 139 | 120 | 141 | 168 | 180 |
| Provision off-balance sheet items | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Coverage ratio off-balance sheet items | 2.2% | 1.2% | 0.8% | 0.8% | 0.7% | 0.8% | 0.7% | 0.6% | 0.6% |
| **Total gross on and off-balance sheet exposure** | **769** | **853** | **864** | **1,101** | **1,224** | **1,283** | **1,376** | **1,486** | **1,577** |
| Impairment charges | 8 | -7 | -12 | -2 | 2 | -2 | -1 | -2 | -7 |
| Provision as a % of gross loans | 5.2% | 3.8% | 2.7% | 2.2% | 2.2% | 1.9% | 1.8% | 1.4% | 1.1% |
| Cost of risk[2] | 1.16% | -1.98% | -1.56% | -0.32% | 0.21% | -0.41% | -0.09% | -0.33% | -0.50% |

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

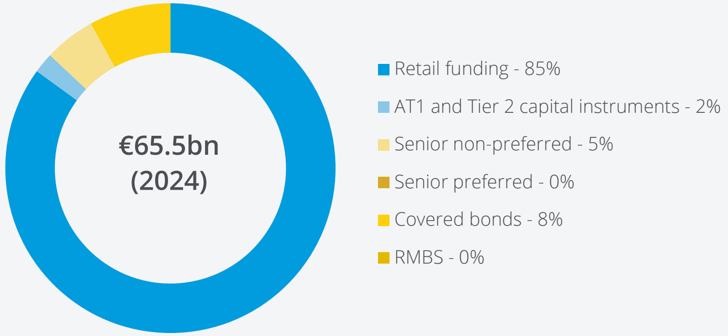
# Quality of consumer loans

| 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 | 31 Dec 2024 |
|---|---|---|---|---|---|---|---|---|---|
| **Gross loans** | **63** | **54** | **52** | **52** | **54** | **57** | **59** | **58** | **67** |
| *- of which stage 1* | 38 | 32 | 28 | 24 | 22 | 20 | 18 | 38 | 44 |
| *- of which stage 2* | 13 | 12 | 14 | 19 | 23 | 28 | 33 | 12 | 15 |
| *- of which stage 3* | 12 | 10 | 10 | 9 | 9 | 9 | 8 | 8 | 8 |
| **Loan loss provisions** | **13** | **10** | **10** | **10** | **9** | **8** | **8** | **8** | **7** |
| *- of which stage 1* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *- of which stage 2* | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 0 | 0 |
| *- of which stage 3* | 12 | 9 | 10 | 9 | 8 | 8 | 7 | 8 | 7 |
| Stage 2 as a % of gross loans | 20.6% | 22.2.% | 26.9% | 36.5% | 42.6% | 49.1% | 55.9% | 20.7% | 22.4% |
| Stage 2 coverage ratio[1] | 7.7% | 8.3% | 0.0% | 5.3% | 4.3% | 0.0% | 3.0% | 0.0% | 0.0% |
| Stage 3 as a % of gross loans | 19.0% | 18.5% | 19.2% | 17.3% | 16.7% | 15.8% | 13.6% | 13.8% | 11.9% |
| Stage 3 coverage ratio[1] | 91.7% | 90.0% | 100.0% | 100.0% | 88.9% | 88.9% | 87.5% | 100.0% | 87.5% |
| **Total net loans** | **51** | **44** | **42** | **42** | **45** | **49** | **51** | **50** | **60** |
| Irrevocable loan commitments and financial guarantee contracts | 431 | 430 | 415 | 408 | 398 | 386 | 369 | 363 | 356 |
| Provision off-balance sheet items | 2 | 2 | 5 | 4 | 5 | 4 | 3 | 2 | 2 |
| Coverage ratio off-balance sheet items | 0.5% | 0.5% | 1.2% | 1.0% | 1.3% | 1.0% | 0.8% | 0.6% | 0.6% |
| **Total gross on and off-balance sheet exposure** | **494** | **484** | **467** | **460** | **452** | **443** | **428** | **421** | **423** |
| Impairment charges | -1 | -1 | 3 | -2 | -3 | -1 | -2 | -- | -- |
| Provision as a % of gross loans | 19.0% | 18.5% | 19.7% | 19.2% | 16.7% | 14.0% | 13.6% | 13.8% | 10.4% |
| Cost of risk[2] | -0.16% | -0.36% | 0.65% | -0.85% | -0.65% | -0.45% | -0.45% | -0.28% | -0.06% |

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

# Funding & liquidity

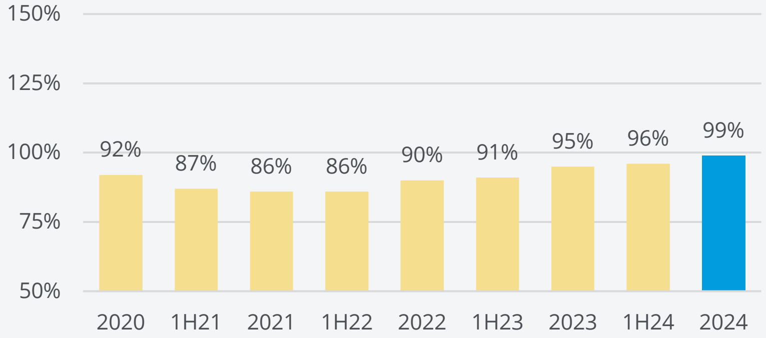
## Funding mix




## Liquidity position (in € millions)

| | 2023 | 1H24 | 2024 |
|---|---|---|---|
| Central bank reserves | 6,334 | 4,075 | 3,281 |
| Sovereigns | 473 | 946 | 1,378 |
| Regional/local governments & Supranationals | 1,758 | 1,715 | 2,118 |
| Eligible retained RMBS | 5,545 | 5,291 | 4,549 |
| Other liquid assets | 1,490 | 1,665 | 2,029 |
| **Total liquidity position** | **15,600** | **13,692** | **13,355** |

## Loan-to-Deposit ratio




## Key liquidity indicators

| | 2023 | 1H24 | 2024 |
|---|---|---|---|
| LCR | 262% | 158% | 191% |
| NSFR | 166% | 165% | 160% |
| Loan-to-Deposit ratio | 95% | 96% | 99% |

- The share of retail funding was marginally lower at 85% (YE23: 86%)
- The Loan-to-Deposit ratio increased to 99% driven by €3.0bn loan growth. Deposits increased by €1.4bn
- The liquidity position decreased to €13.4bn, mainly driven by a decrease in central bank reserves as a result of investing more available liquidity in the money market to optimise the return on our liquidity position
- The LCR and NSFR remained well above 100%

# Investment portfolio

## Breakdown by sector (in € billions)

| | 2023 | % | 2024 | % |
|---|---|---|---|---|
| Sovereigns | 4.2 | 63% | 4.3 | 59% |
| Financials | 1.7 | 25% | 1.8 | 26% |
| Corporates | 0.8 | 12% | 1.1 | 15% |
| Other | 0.0 | 0% | 0.0 | 0% |
| **Total** | **6.7** | **100%** | **7.2** | **100%** |

## Breakdown by maturity (in € billions)

| | 2023 | % | 2024 | % |
|---|---|---|---|---|
| < 3 months | 0.8 | 17% | 0.5 | 7% |
| < 1 year | 0.8 | 8% | 0.8 | 11% |
| < 3 years | 1.1 | 14% | 1.5 | 21% |
| < 5 years | 1.4 | 23% | 1.4 | 19% |
| < 10 years | 2.3 | 35% | 2.6 | 36% |
| < 15 years | 0.2 | 3% | 0.2 | 3% |
| > 15 years | 0.1 | 2% | 0.2 | 3% |
| **Total** | **6.7** | **100%** | **7.2** | **100%** |

## Breakdown by rating (in € billions)

| | 2023 | % | 2024 | % |
|---|---|---|---|---|
| AAA | 3.3 | 49% | 3.6 | 50% |
| AA | 1.6 | 25% | 1.5 | 21% |
| A | 1.3 | 20% | 1.3 | 18% |
| BBB | 0.4 | 6% | 0.4 | 6% |
| < BBB | 0.0 | 0% | 0.0 | 0% |
| No rating | 0.0 | 0% | 0.3 | 5% |
| **Total** | **6.7** | **100%** | **7.2** | **100%** |

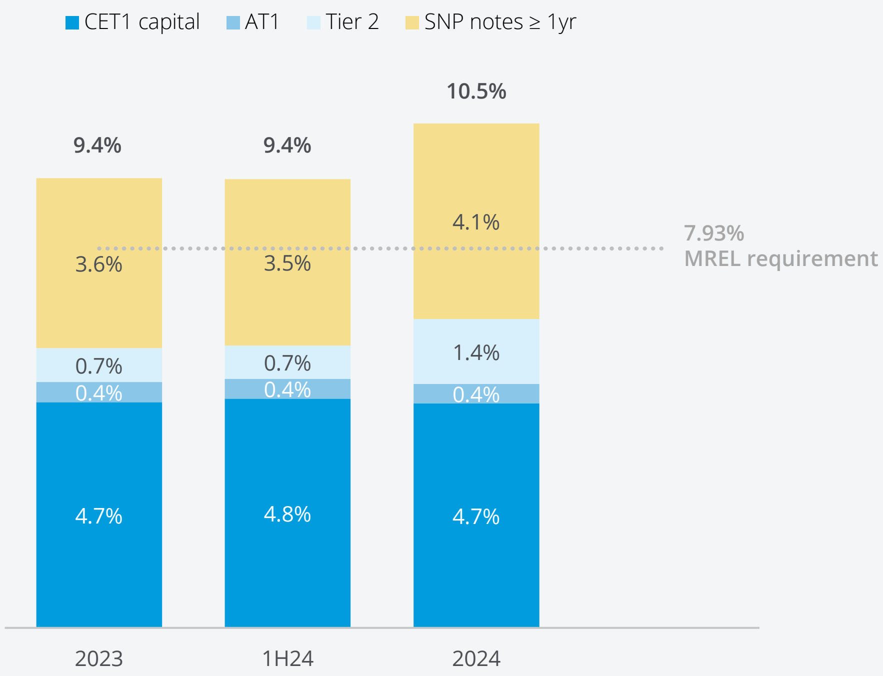
## Breakdown by country (in € millions)

| | 2023 | % | 2024 | % |
|---|---|---|---|---|
| Netherlands | 1,322 | 20% | 1,359 | 19% |
| Germany | 1,679 | 25% | 1,610 | 23% |
| Other[1] | 1,000 | 15% | 1,465 | 20% |
| Japan | 667 | 10% | 323 | 5% |
| France | 759 | 11% | 949 | 13% |
| Belgium | 673 | 10% | 820 | 11% |
| Austria | 189 | 3% | 227 | 3% |
| Spain | 379 | 6% | 362 | 5% |
| Ireland | 29 | 0% | 45 | 1% |
| Italy | 22 | 0% | 23 | 0% |
| **Total** | **6,719** | **100%** | **7,183** | **100%** |

[1] Other mainly consists of Czech republic,, Norway and Canada

# De Volksbank meets its MREL requirements

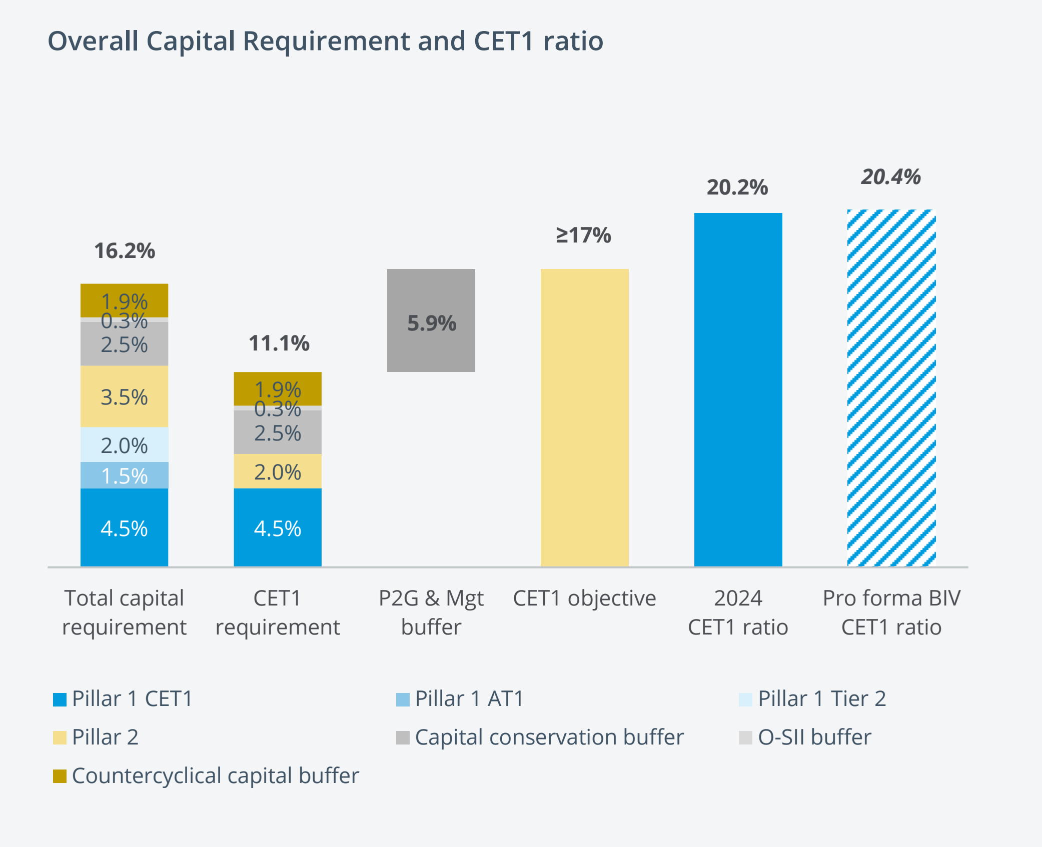
**MREL ratio** (as a % of leverage ratio exposure; LRE)




- On 29 January 2025, the National Resolution Authority (NRA) updated the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) requirements for de Volksbank with effect from 29 January 2025
- The MREL requirement based on the leverage ratio exposure (LRE) now amounts to 7.93% and the MREL requirement based on RWA to 21.16%, 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 requirement is more restrictive for de Volksbank than the risk-weighted MREL requirement

- As at 31 December 2024, de Volksbank meets its MREL requirements
- In 2024, total capital and eligible liabilities rose by €1.1bn to €7.7bn, due to the issuances of €0.5bn in SNP notes and €0.5bn of Tier 2 notes, and an increase in CET1 capital
- As at 31 December 2024, the non-risk-weighted MREL ratio based on the LRE stood at 10.5% (year-end 2023: 9.4%), including total capital and SNP liabilities eligible for MREL
- The risk-weighted MREL ratio, based on total capital and eligible SNP liabilities, stood at 45.4% (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 16.2% (Overall Capital Requirement, OCR), of which at least 11.1% is required to be composed of CET1 capital. This obligation stems from the Supervisory Review and Evaluation Process (SREP) as performed by the ECB in 2024 and reflects the following developments
  - On 31 May 2024, the CCyB for Dutch exposures increased from 1% to 2%, as announced by DNB on 31 May 2023
  - Also on 31 May 2024, de Volksbank's O-SII buffer was reduced from 1% to 0.25%
- Based on the current capital requirements and the capital position at year-end 2024, the Maximum Distributable Amount (MDA) trigger level amounts to 11.5% of CET1 capital, 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 31 December 2024, de Volksbank's CET1 ratio stood at 20.2% and we estimate that our Basel IV fully phased-in CET1 capital ratio amounts to 20.4%

# 2025 long-term objectives

## Customers

**2025 objectives**

Net Promoter Score[2]

+7

# Active multi-customers[1]

1.3 million

## 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 NPS target was revised from +13 to +7, and the RoE target from 8% to a range of 8-10%. All adjustments were related to changing market circumstances and expectations since 2020 when the Strategy 2021-2025 was initially drawn up. Additionally, as from 2H24, the former KPI Customer Relationship Score (CRS) is no longer a strategic KPI

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