

Results for the first half of 2023

Progress in our strategy to strengthen customer relationship and increase social impact

- **Strong customer relationship:** increase in the number of active multi-customers to 1,126,000 (year-end 2022: 1,087,000); customer-weighted Net Promoter Score higher at 0 (year-end 2022: -1)
- **Positive impact on society:** improvement of climate-neutral balance sheet to 66% (year-end 2022: 62%), mainly due to an increase in purchased climate bonds and investments in renewable energy projects

Growth in residential mortgages, SME loans and AuM; retail savings stable

- Increase in residential mortgage portfolio to € 48.5 billion (year-end 2022: € 48.3 billion). Decrease in new mortgage production to € 2.2 billion (1H22: € 4.3 billion) in a shrinking market due to higher interest rates
- Solid growth in SME loans of € 78 million (1H22: € 145 million) to € 1,163 million
- Retail savings stable at € 44.5 billion, reflecting our steady and diversified customer base
- Assets under management (AuM) up by € 0.3 billion at € 4.2 billion, mainly due to a rebound of stock market prices

Sharp increase in net profit due to higher total income in a favourable interest rate environment

- Net profit € 153 million higher at € 248 million; return on equity amounted to 13.6% (1H22: 5.5%)
- Total income 59% higher at € 735 million. Net interest income up 78% benefitting from rising interest rates with a positive impact on our liability margins. Net fee and commission income 38% higher; other income 40% lower as the first half of 2022 included a substantial gain on swaptions
- Operating expenses 20% higher at € 389 million, mainly driven by investments in customer integrity, banking regulations and the IT foundation, supporting our objective to become operationally a more robust and resilient organisation
- Impairment charges lower at € 8 million (1H22: € 11 million); credit quality of our loan portfolio remained sound

Capital position remains robust with capital ratios above our minimum targets

- CET1 capital ratio virtually stable at 20.4% (year-end 2022: 20.3%), as the impact of higher risk-weighted assets was offset by an increase in CET1 capital
- Leverage ratio higher at 4.8% (year-end 2022: 4.7%), reflecting the increase in CET1 capital

Based on a supervisory review, De Nederlandsche Bank (DNB) concluded that de Volksbank has not sufficiently identified and assessed its risks of money laundering and terrorist financing

- DNB concluded that de Volksbank is in violation of the Anti-Money Laundering and Anti-terrorism Financing Act (Wwft) and imposed an instruction to improve our Systematic Integrity Risk Analysis by 1 April 2024
- DNB also announced its intention to start a procedure for imposing an administrative fine

Statement of Martijn Gribnau, Chair of the Executive Committee of de Volksbank

“In the first half of 2023, we continued to execute our strategy ‘2021-2025’. The customer relationships of our retail brands remained strong, as evidenced by a further increase in the number of active multi-customers and slightly higher customer satisfaction rates. In May 2023, for the second year in a row, ASN Bank, RegioBank and SNS ranked 1, 2 and 3 in the survey ‘most customer-friendly banks’ in the Netherlands. BLG Wonen continued to focus on expanding its distribution reach and its services to independent financial advisers. And in the most recent survey of the Fair Bank Guide de Volksbank came out on top, with a score of nine out of ten on seven ESG themes.

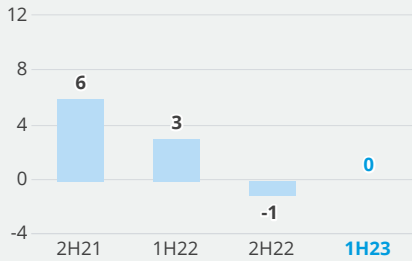
We recorded strong results over the first half, benefitting from the rapid increase in ECB interest rates, while the first half of 2022 was still impacted by negative rates. As a result, our net interest income rose sharply. Furthermore, the introduction in 2022 of a fee for basic banking services contributed to a continued increase in fee and commission income. At the same time, higher staff costs and initiatives to improve the robustness of our operations, most notably in the field of customer integrity and our IT foundation, led to a strong increase in operating expenses. Despite the generally lower house prices, the quality of our mortgage portfolio continued to be high, which was reflected in low impairment charges. Bottom line, this resulted in a sharp increase in net profit.

We regret that we were unable to fulfill all our gatekeeper responsibilities with regard to customer integrity and that we are at this moment in violation of certain legal requirements of the Anti-Money Laundering and Anti-terrorism Financing Act. We are fully committed to remedy the shortcomings within the timeframe imposed by DNB.

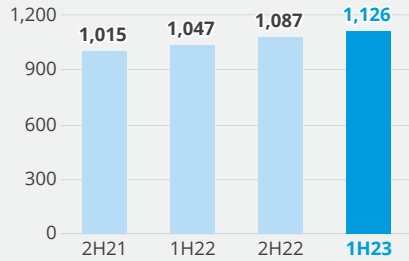
Continuous improvement of our operations is a key enabler of creating the impact we want to make and will remain a key focus in the periods ahead. Consequently, our operating expenses will remain at elevated levels in the foreseeable future, partially offsetting the positive impact of higher market interest rates on our total income. Overall, we expect a substantially higher profit for 2023 as a whole. I am confident that we will successfully execute our strategy, aimed at adding value for all our stakeholders.”

Key figures

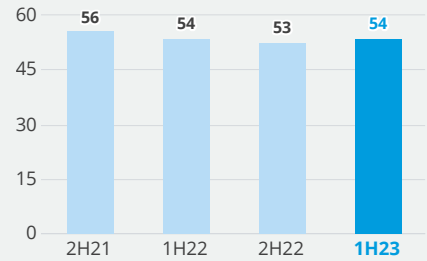
Net Promoter Score¹



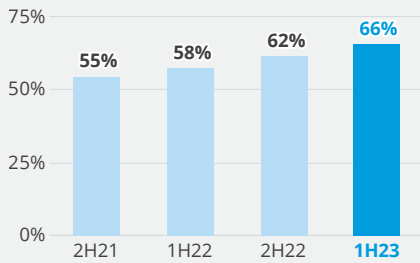
Active multi-customers



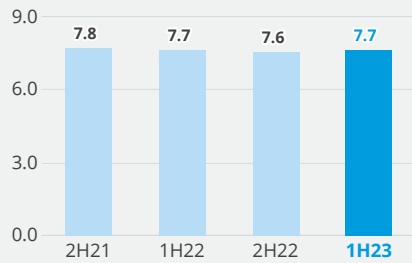
Customer Relationship Score



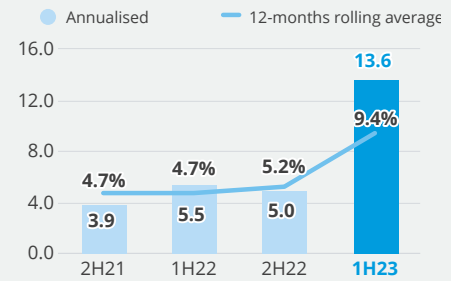
Climate-neutral balance sheet



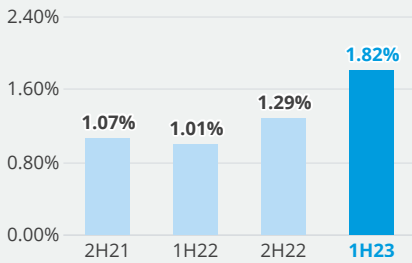
Genuine attention for employees



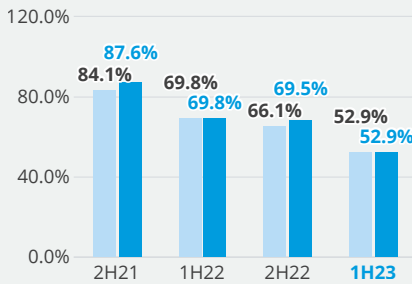
Return on equity



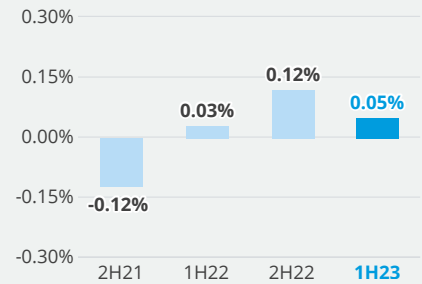
Net interest margin



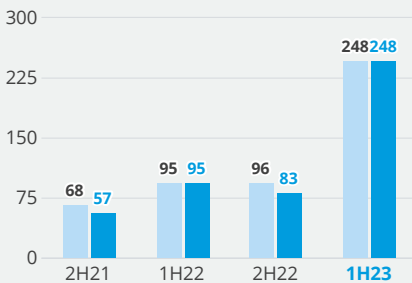
C/I ratio & adjusted C/I ratio



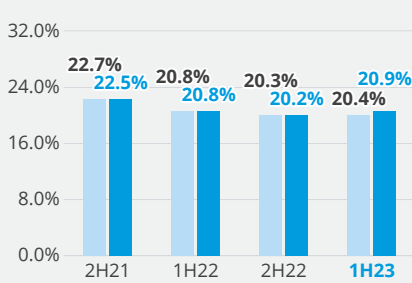
Cost of risk total loans



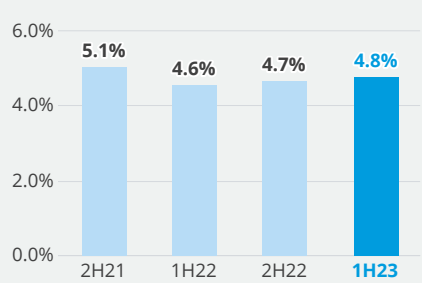
Net result/Adjusted net result



CET1 ratio Basel III / IV²



Leverage ratio



1 The customer-weighted average NPS of all brands is calculated by subtracting the percentage of detractors from the percentage of promoters, leading to a NPS of 0 in the first half of 2023. Source: market research company Miles Research.

2 CET1 ratio based on Basel IV is an estimate.

For a detailed explanation of its 2023 interim financial performance, please see the 2023 Interim Financial Report on the [website of de Volksbank](#).

FOR MORE INFORMATION, PLEASE CONTACT:

Corporate Communications

Harmen van der Schoor
harmen.vanderschoor@devolksbank.nl
+31 (0)6 - 10 11 73 63

Daphne Andriesse
daphne.andriesse@devolksbank.nl
+31 (0)6 - 30 21 49 52

Investor Relations

Jacob Bosscha
jacob.bosscha@devolksbank.nl
+31 (0)6 - 41 47 03 06

Davey Hak
davey.hak@devolksbank.nl
+31 (0)6 - 53 92 64 58

ABOUT DE VOLKSBANK N.V.

De Volksbank is the organisation behind ASN Bank, BLG Wonen, RegioBank and SNS. By banking with a human touch, we contribute to a financially healthy life for everyone in the Netherlands. ASN Bank encourages sustainable progress, BLG Wonen makes good housing accessible to everyone, RegioBank is committed to the quality of life in communities, and SNS has a focus on people. De Volksbank is located in Utrecht, the Netherlands and is the driving force in the background that develops banking products, processes and systems based on human needs. For more information, please visit www.devolksbank.nl.

DISCLAIMER

This press release contains factual information only and should not be regarded as an opinion or recommendation concerning the purchase or sale of securities issued by de Volksbank N.V. This press release does not contain any value judgement or predictions with respect to the financial performance of de Volksbank N.V. If you do not want to receive any press releases from de Volksbank N.V., please send an email to communicatie@devolksbank.nl.