

Interim Pillar 3 report 2025

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Pillar 3-report

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1. Introduction

1.1 Introduction to Pillar 3

On 1 July 2025, the legal name of de Volksbank N.V. changed to ASN Bank N.V. (ASN Bank), marking the formal start of the new organisation. The rebranding brings together the retail brands of ASN Bank, SNS, RegioBank and BLG Wonen under one strong, future-oriented identity. As of this date, 2.3 million customers of ASN Bank and SNS have been successfully migrated to the new organisation, for a total of 3.3 million customers. RegioBank and BLG Wonen will follow at the latest in 2026.

ASN Bank's Pillar 3 report deals with capital adequacy and risk management and has been approved by the management body. It contains the bank's main financial ratios and provides insight into aspects such as our capital position, the size and composition of capital and how the capital is related to risks, as expressed in risk-weighted assets. These ratios can also be found in the 2025 interim financial report.

The Pillar 3 report allows us to be transparent and comply with the reporting requirements from the European Capital Requirements Regulation (CRR). It provides information on all the topics mentioned in the Regulation to the extent that they apply to ASN Bank.

The Pillar 3 report has been prepared in millions of euros (€) unless stated otherwise. The euro is the functional and reporting currency of ASN Bank. Small differences to figures in the interim financial report may occur due to rounding. Numbers presented throughout this report may not precisely add up to the totals due to rounding in some cases. Rows and columns in the templates can be omitted because ASN Bank does not have any exposure related to these rows or columns respectively.

As of 1 January 2025, we report our regulatory capital metrics and risk exposures in line with Capital Requirements Regulation 3 (CRR 3) instead of CRR 2. The European Banking Authority (EBA) has introduced new and amended Pillar 3 disclosure requirements to align with CRR3. As a result, some tables have been adjusted or removed and new tables have been introduced. Because these changes do not apply retrospectively, we do not restate prior year comparatives, unless stated otherwise. Where new line items have been introduced, no comparative figures are included. Furthermore, to improve readability and avoid misinterpretation of changes compared to prior year, we only include comparative figures in the templates where they are mandatory in this interim Pillar 3 report. An overview of the impact of CRR3 on the prior year figures has been included in section [1.2 Impact CRR 3 on capitalisation](#).

The mandatory Pillar 3 information of ASN Bank is disclosed every six months, which is the regular disclosure scheme of ASN Bank. These disclosures also include the mandatory quarterly tables.

If it is deemed necessary, interim updates on key issues are provided in ASN Bank's press releases or on its website.

The Pillar 3 disclosures have been subject to ASN Bank's internal controls and validation mechanisms, to provide assurance over the information disclosed in this report as well as with regards to compliance with laws and regulations.

The information in the Pillar 3 report has not been audited or reviewed by ASN Bank's external auditor.

Basis of disclosure

ASN Bank prepares the Pillar 3 disclosures in accordance with the Capital Requirements Regulation (EU) 575/2013 (CRR), the Capital Requirements Directive 2013/36/EU (CRD) and related legislation. The basis for preparation of the Pillar 3 disclosures are the consolidated financial statements in accordance with IFRS, as adopted within the European Union. The information in this report relates to ASN Bank N.V. and all of its subsidiaries. The prudential scope of consolidation for the purpose of calculating regulatory capital is the same as the IFRS scope of consolidation of ASN Bank. For more information about the accounting principles and basis for consolidation, please refer to the the 2025 interim financial report.

Pillar 3 process and Management statement

The Pillar 3 disclosures are predominantly based on information used in prudential, financial and management reporting. The data is obtained from several departments and aggregated within the Risk and Finance divisions in conjunction with information used in the management or annual reports. In addition, the Risk and Finance divisions check whether the information complies with the requirements noted in the CRD 6/CRR 3. The information has been presented to and approved by the Executive Board and the (respective committees of the) Supervisory Board. Together they form the Management Body of ASN Bank.

The Management Body thereby verifies that the Pillar 3 report conveys the risk profile of ASN Bank comprehensively to market participants. In addition, the Executive Board verifies that these Pillar 3 disclosures are made in accordance with the formal policies, and internal processes, systems and controls.

The Executive Board of ASN Bank is responsible for the set-up, presence and operation of the (risk) management and control system. This system is designed to manage risks, to ensure that ASN Bank is not prevented from achieving its strategic operational and financial objectives, that reporting on financial and non-financial performance indicators is reliable and that laws and regulations are complied with. The Management Body of ASN Bank confirms that the risk management systems of ASN Bank are adequate with regard to the risk profile and strategy of all of the identified risks.

Utrecht, 28 August 2025

EXECUTIVE BOARD

Roland Boekhout, Chief Executive Officer and Chairman

André Haag, Chief Financial Officer

Saskia Hoskens, Chief Risk Officer

Isold Heemstra, Chief Operations Officer

Gwendolyn van Tunen, Chief Financial Crime Officer

1.2 Impact CRR 3 on capitalisation

As of 1 January 2025, we report our regulatory capital metrics and risk exposures in line with Capital Requirements Regulation 3 (CRR 3) instead of CRR 2. In the table below the first time adoption effect on ASN Bank's capital and risk-weighted assets is included.

Capitalisation			
	30-6-2025	31-12-2024	31-12-2024
in € millions	CRR 3	CRR 3	CRR 2
Total equity	4,193	4,048	4,048
Non-eligible interim profits	-138	-139	-139
Additional Tier 1 capital	-298	-298	-298
Total regulatory and other adjustments to total equity	-172	-162	-169
CET1 capital	3,586	3,448	3,442
Additional Tier 1 capital	298	298	298
Tier 1 capital	3,883	3,746	3,740
Eligible Tier 2	1,015	997	997
Tier 2 capital	1,015	997	997
Total capital	4,898	4,743	4,736
Senior non-preferred (SNP) liabilities with remaining maturity >1 year	2,500	3,000	3,000
Total capital and eligible SNP liabilities (MREL)	7,398	7,743	7,736
Risk-weighted assets	17,931	16,931	17,059
Leverage ratio exposure (LRE)	75,394	73,112	73,383
Common Equity Tier 1 ratio¹	20.00%	20.37%	20.18%
Tier 1 capital ratio	21.66%	22.13%	21.92%
Total capital ratio	27.32%	28.01%	27.76%
MREL (Total capital and eligible SNP liabilities) (LRE)	9.81%	10.59%	10.54%
MREL (Total capital and eligible SNP liabilities) (RWA)	41.26%	45.73%	45.35%
Leverage ratio ²	5.15%	5.12%	5.10%

1. CET1 Capital / risk-weighted assets.

2. Tier 1 Capital / leverage ratio exposure (LRE)

approach was to a large extent offset by applying a 18% floor for the calculated residential mortgage-related IRB-based risk weight to include additional conservatism in agreement with prudential regulation. Besides, SA-based RWA slightly increased, mainly reflecting an increase of operational risk RWA.

In this Pillar 3 report, comparative figures up to and including 31 December 2024 are reported under CRR 2. Please note comparative figures in our Interim Financial Report have been adjusted to reflect the CRR 3 changes, and can therefore not be reconciled with this report.

The downward impact of CRR 3 on ASN Bank's IRB-based RWA due to the removal of a 1.06 scaling factor to determine residential mortgage-related RWA and the adjustment of the credit conversion factor for off-balance sheet items under the revised IRB

1.3 Tables that are out of scope for ASN Bank

The following tables are not applicable to ASN Bank and therefore not included in this report.

Table	Description	Reason of exclusion
EU CR7	AIRB approach – Effect on the RWAs	ASN Bank does not use credit derivatives as a form of security or as an instrument to hedge credit risk.
EU CR10	Specialised lending and equity exposures under the simple risk weighted approach	ASN Bank does not use the Internal Ratings Based approach for specialised lending and equity exposures.
EU CQ7	Collateral obtained by taking possession and execution processes	ASN Bank does not have collateral obtained by taking possession and execution processes.
EU MR2-A	Market risk under the Internal Model Approach (IMA)	ASN Bank does not use the Internal Model Approach to calculate own funds requirements for market risk.
EU MR2-B	RWA flow statements of market risk exposures under the IMA	ASN Bank does not use the Internal Model Approach to calculate own funds requirements for market risk.
EU MR3	IMA values for trading portfolio	ASN Bank does not use the Internal Model Approach to calculate own funds requirements for market risk.
EU MR4	Comparison of VaR estimates with gains/losses	ASN Bank does not use the Internal Model Approach to calculate own funds requirements for market risk.
EU CCR4	IRB approach – CCR exposures by portfolio and PD scale	ASN Bank does not use the Internal Ratings Based approach for counterparty credit risk exposures
EU CCR6	Credit derivative exposures	ASN Bank does not use credit derivatives as a form of security or as an instrument to hedge credit risk
EU CCR7	RWEA flow statements of credit exposures under the IMM	ASN Bank does not use the Internal Ratings Based approach for counterparty credit risk exposures
EU SEC2	Securitisation exposures in the Trading Book	ASN Bank does not have any Trading Book securitisation exposures.
EU SEC3	Securitisation exposures in the Non-Trading Book and associated regulatory capital requirements - institution acting as originator or as sponsor	Where ASN Bank is the originator institution of securitisation, own funds requirements are calculated on the securitised exposures instead of securitisation positions from the securitisations.
ESG Template 4	Banking Book - Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms	As a result of our sustainability policies we exclude almost all activities in the fossil fuel, mining, and iron, steel and coke production sector and therefore we have no exposure to the top 20 carbon-intensive firms.

The NPE ratio of ASN Bank is below the 5% threshold in accordance with Article 9 (2) of Regulation (EU) 2024/3172. Therefore the following tables are not included in this report.

Table	Description
EU CR2a	Changes in the stock of non-performing loans and advances and related accumulated recoveries
EU CQ2	Quality of forbearance
EU CQ6	Collateral valuation – loans and advances
EU CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown

In line with the latest regulatory developments as a result of the Omnibus I regulations, template 6 to 10 are excluded.

Table	Description
ESG Template 6	Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures
ESG Template 7	Mitigating actions: Assets for the calculation of GAR
ESG Template 8	GAR (%)
ESG Template 9.1	Mitigating actions: Assets for the calculation of BTAR
ESG Template 9.2	BTAR %
ESG Template 9.3	Summary table - BTAR %
ESG Template 10	Banking book - Other climate change mitigating actions that are not covered in the EU Taxonomy

2. Key metrics, overview of RWA and comparison of modelled and standardised RWA

2.1 Key metrics

EU KM1 - Key Metrics

in € millions ¹		a	b	c	d	e
		30-6-2025	31-3-2025	31-12-2024	30-9-2024	30-6-2024
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	3,586	3,587	3,442	3,550	3,446
2	Tier 1 capital	3,883	3,884	3,740	3,848	3,744
3	Total capital	4,898	4,887	4,736	4,354	4,248
Risk-weighted exposure amounts						
4	Total risk exposure amount	17,931	17,172	17,059	16,726	17,485
4a	Total risk exposure pre-floor	17,931	17,172			
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	20.00%	20.89%	20.18%	21.22%	19.71%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	20.00%	20.89%			
6	Tier 1 ratio (%)	21.66%	22.62%	21.92%	23.00%	21.41%
6b	Tier 1 ratio considering unfloored TREA (%)	21.66%	22.62%			
7	Total capital ratio (%)	27.32%	28.46%	27.76%	26.03%	24.30%
7b	Total capital ratio considering unfloored TREA (%)	27.32%	28.46%			
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU-7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.50%	3.50%	3.00%	3.00%	3.00%
EU-7e	of which: to be made up of CET1 capital (percentage points)	1.97%	1.97%	1.69%	1.69%	1.69%
EU-7f	of which: to be made up of Tier 1 capital (percentage points)	2.63%	2.63%	2.25%	2.25%	2.25%
EU-7g	Total SREP own funds requirements (%)	11.50%	11.50%	11.00%	11.00%	11.00%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU-8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	1.89%	1.89%	1.91%	1.91%	1.91%
EU-9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-10a	Other Systemically Important Institution buffer (%)	0.25%	0.25%	0.25%	0.25%	0.25%
11	Combined buffer requirement (%)	4.64%	4.64%	4.66%	4.66%	4.66%
EU-11a	Overall capital requirements (%)	16.14%	16.15%	15.66%	15.66%	15.66%

in € millions ¹		a	b	c	d	e
		30-6-2025	31-3-2025	31-12-2024	30-9-2024	30-6-2024
12	CET1 available after meeting the total SREP own funds requirements (%)	13.03%	14.0%	13.67%	14.75%	13.16%
Leverage ratio						
13	Total exposure measure	75,394	73,234	73,383	71,533	71,933
14	Leverage ratio (%)	5.15%	5.30%	5.10%	5.38%	5.20%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU-14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU-14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%

1. Figures up until 31 December 2024 in accordance with CRR 2. Figures from 31 March 2025 onwards in accordance with CRR 3.

As of 1 January 2025, we report our regulatory capital metrics and risk exposures in line with Capital Requirements Regulation 3 (CRR 3) instead of CRR 2. Comparative year-end 2024 figures included in the table above have not been adjusted and therefore represent the CRR 2 capital metrics and risk exposures. The first time adoption of CRR 3 had an effect of + 0.2 % on ASN Bank's Common Equity Tier 1 (CET1) ratio as per year-end 2024 as a result of slightly decreasing risk-weighted assets (RWA).

In the first half of 2025, ASN Bank's CET1 ratio slightly decreased to 20.0% (year-end 2024: 20.2% CRR 2, 20.4% CRR 3), well above our internal planning target of at least 17%. While our CET1 capital increased due to the addition of retained earnings for the year 2024, the amount of RWA increased relatively more in the first half of 2025 as the bank initiated additional asset growth, thus optimising our risk-return profile. The CET1 ratio target of at least 17% includes an ample management buffer above the current 11.1% CET1 Overall Capital Requirement (OCR), to withstand severe stress scenarios and to provide flexibility to absorb potentially higher capital requirements.

The leverage ratio went up to 5.2 %, from 5.1% at year-end 2024, as the € 144 million increase in CET1 capital outweighs the € 2.0 billion growth in leverage ratio exposure (LRE) to € 75.4 billion. The 5.2% leverage ratio is well above the regulatory requirement of 3.0%, and above our target of at least 4.5%.

EU KM1 - Key Metrics Liquidity

		a	b	c	d	e
		30-6-2025	31-3-2025	31-12-2024	30-9-2024	30-6-2024
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	7,765	8,077	8,620	9,102	10,535
EU-16a	Cash outflows - Total weighted value	6,442	6,330	6,190	6,080	6,030
EU-16b	Cash inflows - Total weighted value	1,633	1,543	1,411	1,494	1,595
16	Total net cash outflows (adjusted value)	4,809	4,787	4,779	4,586	4,435
17	Liquidity coverage ratio (%) ¹	162.85%	169.85%	180.87%	202.21%	245.62%
Net Stable Funding Ratio						
18	Total available stable funding	66,417	66,528	66,736	65,339	66,326
19	Total required stable funding	44,860	43,647	41,771	40,918	40,285
20	NSFR ratio (%)	148.05%	152.42%	159.76%	159.68%	164.64%

1. The LCR figures in this template are calculated using the reported supervisory values and figures for each of the four calendar quarters (January-March, April-June, July-September, October-December) preceding the disclosure date. The values and figures in the template are calculated as the simple averages of month-end observations over the twelve months preceding the end of each quarter. Following this approach, the LCR cannot be calculated using the figures in the template.

The Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) remained well above the regulatory minimum of 100%. As at 30 June 2025, the LCR stood at 149% (year-end 2024: 191%) and the NSFR at 148% (year-end 2024: 160%). The reduction of the LCR is mainly explained by the increased investments of available liquidity with several counterparties in the money market outside the 30-day LCR window, to optimise the return on our liquidity position. The reduction of the NSFR mainly follows from the implementation of CRR 3.

EU KM2: Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities 30-06-2025

		a
		Minimum requirement for own funds and eligible liabilities (MREL)
		30-6-2025
Own funds and eligible liabilities, ratios and components		
1	Own funds and eligible liabilities	7,466
EU-1a	Of which own funds and subordinated liabilities	7,398
2	Total risk exposure amount of the resolution group (TREA)	17,931
3	Own funds and eligible liabilities as a percentage of TREA	41.64%
EU-3a	Of which own funds and subordinated liabilities	41.26%
4	Total exposure measure (TEM) of the resolution group	75,394
5	Own funds and eligible liabilities as percentage of the TEM	9.90%
EU-5a	Of which own funds or subordinated liabilities	9.81%
6a	Does the subordination exemption in Article 72b(4) of the CRR apply? (5% exemption)	
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion in accordance with Article 72b(3) of Regulation (EU) No 575/2013 is applied (max 3.5% exemption)	
6c	If a capped subordination exemption applies in accordance with Article 72b (3) of Regulation (EU) No 575/2013, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised under row 1 if no cap was applied (%)	
Minimum requirement for own funds and eligible liabilities (MREL)		
EU-7	MREL expressed as a percentage of the TREA	25.80%
EU-8	Of which to be met with own funds or subordinated liabilities	21.16%
EU-9	MREL expressed as a percentage of the TEM	7.93%
EU-10	Of which to be met with own funds or subordinated liabilities	7.93%

On 29 January 2025, the National Resolution Authority (NRA) updated the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) requirements for ASN Bank. The MREL requirement based on the leverage ratio exposure (LRE) 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, i.e. 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 ASN Bank than the risk-weighted MREL requirements.

As at 30 June 2025, ASN Bank operates well above the MREL requirements.

In the first half of 2025 total capital and eligible SNP liabilities decreased by € 0.3 billion to € 7.5 billion due to an decrease in eligible liabilities.

On 21 July 2025, ASN Bank announced to call the outstanding € 0.5 billion Tier 2 capital instrument that was issued on 22 July 2020. This has already been anticipated in 2024 with the issuance of € 0.5 billion in a green Tier 2 capital instrument given favourable market circumstances at the time, combined with an uncertain outlook due to geopolitical unrest.

As at 30 June 2025, the non-risk-weighted MREL ratio based on the LRE stood at 9.9% (year-end 2024 10.6% CRR 2), including total capital and SNP liabilities eligible for MREL.

The risk-weighted MREL ratio, based on total capital and eligible SNP liabilities, stood at 41.6% (year-end 2024: 45.7% CRR 2).

ASN Bank is not a Globally Systemically Important Institution (G-SII). Therefore, columns b to f of table EU KM2 are not applicable.

2.2 Overview of RWA

EU OV1 – Overview of RWA

in € millions ¹	Total risk exposure amounts (TREA)			Total own funds requirements	
	a	b	c		
	30-6-2025	31-3-2025	31-12-2024	30-6-2025	31-3-2025
1 Credit risk (excluding CCR)²	15,177	14,353	14,664	1,214	1,148
2 Of which the standardised approach	5,298	4,689	4,726	424	375
3 Of which the Foundation IRB (F-IRB) approach	-	-	-	-	-
4 Of which slotting approach	-	-	-	-	-
EU-4a Of which equities under the simple riskweighted approach	-	-	-	-	-
5 Of which the advanced IRB (A-IRB) approach	7,908	7,611	9,938	633	609
6 Counterparty credit risk - CCR	150	179	192	12	14
7 Of which the standardised approach	142	171	184	11	14
8 Of which internal model method (IMM)	-	-	-	-	-
EU-8a Of which exposures to a CCP	7	8	9	1	1
9 Of which other CCR	1	-	-	0	-
10 Credit valuation adjustments risk - CVA risk	71	84	54	6	7
EU-10a Of which the standardised approach (SA)	-	-	-	-	-
EU-10b Of which the basic approach (F-BA and R-BA)	71	84	-	6	7
EU-10c Of which the simplified approach	-	-	-	-	-
15 Settlement risk	-	-	-	-	-
16 Securitisation exposures in the Non-Trading Book (after the cap)	26	24	28	2	2
17 Of which SEC-IRBA approach	-	-	-	-	-
18 Of which SEC-ERBA (including IAA)	-	-	2	-	-
19 Of which SEC-SA approach	26	24	27	2	2
EU-19a Of which 1250% / deduction	-	-	-	-	-
20 Position, foreign exchange and commodities risks (Market risk)	166	192	159	13	15
21 Of which the standardised approach ³	166	192	159	13	15
22 Of which IMA	-	-	-	-	-
EU-22a Large exposures	-	-	-	-	-
23 Reclassifications between trading and non-trading books	-	-	-	-	-
24 Operational risk	2,340	2,340	1,961	187	187
EU-24a Exposures to crypto-assets	-	-	-	-	-
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	-	-
26 Output floor applied (%)	50%	50%	-	-	-
27 Floor adjustment (before application of transitional cap)	-	-	-	-	-
28 Floor adjustment (after application of transitional cap)	-	-	-	-	-
29 Total	17,931	17,172	17,059	1,434	1,374

- Figures up until 31 December 2024 in accordance with CRR 2. Figures from 31 March 2025 onwards in accordance with CRR 3.
- This includes an Article 3 CRR add-on of € 1,971 million pending further refinements to be made in IRB modelling regarding non-NHG mortgages.
- Due to the delay of the application date of the Fundamental Review of the Trading Book (FRTB) rules, market risk capital requirements under CRR 3 are still calculated based on the Standardised Approach as applicable under CRR 2.

In the first half of 2025, total RWA rose by € 0.9 billion to € 17.9 billion, mainly due to a € 0.6 billion increase in RWA for credit risk calculated according to the Standardised Approach (SA), which was primarily caused by increased exposures to financial institutions, and a € 0.4 billion increase in operational risk as a result of CRR 3. Under CRR 3 the calculation of operational risk capital requirements is replaced by the reduced basic approach, increasing our relevant business indicator.

The downward impact of CRR 3 on ASN Bank's IRB-based RWA due to the removal of a 1.06 scaling factor to determine residential mortgage-related RWA and the adjustment of the credit conversion factor for off-balance sheet items under the revised IRB approach was to a large extent offset by applying a 18% floor for the calculated residential mortgage-related IRB-based risk weight to include additional conservatism in agreement with prudential regulation.

As of 1 January 2025, following CRR 3, the substitution approach is applied for the credit risk RWA calculation of NHG guaranteed mortgages. The application of the substitution approach results in a € 2 billion reduction of the reported IRB RWA for credit risk because NHG-guaranteed mortgages are effectively reported as 0% risk-weighted SA exposures to central government. Pending further refinements to be made in IRB modelling regarding non-NHG mortgages, currently the overall RWA impact is neutralised by applying an Article 3 CRR RWA add-on of equal size.

The RWA for market risk increased by € 7 million. The bank does not hold commodities and therefore no capital is required for commodity risk. The RWA for the Credit Valuation Adjustment and securitisation notes went up slightly to a total of € 15 million.

For all quarters as shown in Table EU OV1, the total net position in foreign currency is lower than the CRR threshold of 2% of total capital. Therefore no capital is required for foreign exchange risk.

2.3 Comparison of modelled and standardised RWA

EU CMS1 - Comparison of modelled and standardised risk weighted exposure amounts at risk level 30-6-2025

		a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
in € millions						
1	Credit risk (excluding counterparty credit risk)	7,908	5,298	13,206	18,048	18,048
2	Counterparty credit risk	-	150	150	150	150
3	Credit valuation adjustment		71	71	71	71
4	Securitisation exposures in the banking book	-	26	26	26	26
5	Market risk	-	166	166	112	112
6	Operational risk		2,340	2,340	2,340	2,340
7	Other risk weighted exposure amounts		1,971	1,971	-	-
8	Total	7,908	10,023	17,931	20,747	20,747

The total RWA would increase with € 2.8 billion if the standardised approach would be used on all exposures including the IRB exposures. Our total RWA exceeds the minimum capital requirement set by the output floor. Therefore, no adjustment is applicable from the application of the output floor.

EU CMS2 - Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level 30-6-2025

		a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
in € millions		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	-	-	-	-	
EU 1a	Regional governments or local authorities	-	-	11	11	11
EU 1b	Public sector entities	-	-	34	34	34
EU 1c	Categorised as Multilateral Development Banks in SA	-	-	-	-	-
EU 1d	Categorised as International organisations in SA	-	-	-	-	-
2	Institutions	-	-	2,053	2,053	2,053
3	Equity	-	-	39	39	39
5	Corporates	-	-	1,680	1,680	1,680
5.1	Of which: F-IRB is applied	-	-	-	-	-
5.2	Of which: A-IRB is applied	-	-	-	-	-
EU 5a	Of which: Corporates - General	-	-	851	851	851
EU 5b	Of which: Corporates - Specialised lending	-	-	829	829	829
EU 5c	Of which: Corporates - Purchased receivables	-	-	-	-	-
6	Retail	7,908	-	8,057	149	149
6.1	Of which: Retail - Qualifying revolving	-	-	-	-	-
EU 6.1a	Of which: Retail - Purchased receivables	-	-	-	-	-
EU 6.1b	Of which: Retail - Other	-	-	149	149	149
6.2	Of which: Retail - Secured by residential real estate	7,908	-	7,908	-	-
EU 7a	Of which: Retail - Categorised as secured by mortgages on immovable properties and ADC exposures in SA	-	12,346	767	13,113	13,113
EU 7b	Collective investment undertakings (CIU)	-	-	-	-	-
EU 7c	Categorised as exposures in default in SA	-	403	51	453	453
EU 7d	Categorised as subordinated debt exposures in SA	-	-	-	-	-
EU 7e	Categorised as covered bonds in SA	-	-	109	109	109
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	-	-	-	-	-
8	Others	-	-	406	406	406
9	Total	7,908	12,749	13,206	18,048	18,048

The total RWA on Credit Risk would increase with € 4.8 billion if the standardised approach would be used on all exposures including the IRB exposures.

3. Own funds

3.1 Own funds

Under the CRR 3/ CRD 6 rules, ASN Bank's own funds comprise a number of components that must comply to certain conditions. ASN Bank's capital base consists of Common Equity Tier 1 (CET1) capital, Additional Tier 1 (AT1) capital and Tier 2 (T2) capital. These capital components in relation to the capital structure are explained below. We also address the ability of capital items to absorb losses and the restrictions applicable.

EU CC1 - Composition of regulatory own funds 30-06-2025

in € millions		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
30-6-2025			
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	3,918	19, 20
	of which: Ordinary shares	381	19
	of which: Share premium	3,537	20
2	Retained earnings	-	24
3	Accumulated other comprehensive income (and other reserves)	-160	21, 22, 23
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	25
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	3,758	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-3	2, 3, 10
8	Intangible assets (net of related tax liability) (negative amount)	-5	6a
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	7a, 16a
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-12	2, 5, 10, 22
12	Negative amounts resulting from the calculation of expected loss amounts	-111	
27a	Other regulatory adjustments	-40	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-172	
29	Common Equity Tier 1 (CET1) capital	3,586	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	298	
31	of which: classified as equity under applicable accounting standards	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	298	
Additional Tier 1 (AT1) capital: regulatory adjustments			
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	298	26

in € millions		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
30-6-2025			
45	Tier 1 capital (T1 = CET1 + AT1)	3,883	
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	1,015	14
51	Tier 2 (T2) capital before regulatory adjustments	1,015	
Tier 2 (T2) capital: regulatory adjustments			
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	1,015	
59	Total capital (TC = T1 + T2)	4,898	
60	Total Risk exposure amount	17,931	
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	20.00%	
62	Tier 1 capital	21.66%	
63	Total capital	27.32%	
64	Institution CET1 overall capital requirements	11.11%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	1.89%	
67	of which: systemic risk buffer requirement	0.00%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.25%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.97%	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	13.03%	
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	13	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	-	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	68	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	47	

Total equity according to the Capital Requirements Directive (CRD) is determined by deducting non-eligible interim profits and the amount of Additional Tier 1 capital of € 298 million from total equity.

In the first half of 2025, total equity rose by € 146 million to € 4,193 million due to the first half-year net profit of € 138 million and a € 18 million increase in the fair value reserve and cash flow hedge reserve, offset by the semi-annual payment of AT1 coupons of € 11 million. Available distributable items (equaling the sum of share

premium, other reserves including retained earnings and net result for the period) amounted to € 3,563 million (year-end 2024: € 3,436 million).

The non-eligible interim profits as at the end of June 2025 of € 138 million relate to the net profit for the first half of 2025. The non-eligible interim profits of € 139 million as at year-end 2024, were added to CET1 capital after profit appropriation by the General Meeting of Shareholders (GMS) in April 2025.

CET1 capital is determined by subtracting multiple regulatory and other adjustments from total equity for CRD purposes. As at June 2025, these adjustments amounted to € 172 million negative (year-end 2024: € 169 million negative CRR 2), consisting mainly of a deduction of € 111 million related to the IRB shortfall (reported in row 12), and a deduction of € 40 million due to the Article 3 CRR deduction (reported in row 27-a).

The IRB shortfall is the result of our Advanced Internal Ratings Based (AIRB) model calculations. To determine the credit risk in our residential mortgage portfolio, ASN Bank avails itself of an AIRB model entitled Particuliere Hypotheken Interne Rating Model (PHIRM). This model is continuously redeveloped to comply with new rules and regulations.

As of 1 January 2025, following CRR 3, the substitution approach is applied for the expected loss calculation of NHG guaranteed mortgages. The application of the substitution approach results in a € 18 million reduction of expected losses because NHG-guaranteed mortgages are effectively reported as 0% risk-weighted SA exposures to central government. Pending further refinements to be made in IRB modelling regarding non-NHG mortgages, currently the overall impact on expected loss is neutralised by applying an Article 3 CRR CET1 deduction of an equal size.

On 21 July 2025, ASN Bank announced to call the outstanding € 0.5 billion Tier 2 capital instrument that was issued on 22 July 2020. This has already been anticipated in 2024 with the issuance of € 0.5 billion in a green Tier 2 capital instrument given favourable market circumstances at the time, combined with an uncertain outlook due to geopolitical unrest.

Column (b) in template EU CC1 is based on the reference numbers of the balance sheet under the regulatory scope of consolidation disclosed in template EU CC2.

EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements 30-06-2025

in € millions	a/b	c
	Balance sheet as in published financial statements / Under regulatory scope of consolidation 30-6-2025	Reference
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements		
1 Cash and balances at central banks	1,454	
2 Derivatives	1,924	7, 11
3 Investments	8,315	7
4 Loans and advances to banks ¹	7,347	
5 Loans and advances to customers	56,145	11, 50
6 Tangible and intangible assets	56	
6a of which: intangible assets	5	8
7 Tax assets	73	
7a of which: deferred tax assets	10	10
8 Other assets	371	
9 Total assets	75,685	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements		
10 Derivatives	850	7, 11
11 Amounts due to banks	2,253	
12 Amounts due to customers	57,378	
13 Debt certificates	9,389	
14 Subordinated debts	1,015	46
15 Provisions	323	
16 Tax liabilities	13	
16a of which: deferred tax liabilities	13	10
17 Other liabilities	271	
18 Total liabilities	71,492	
Shareholders' Equity		
19 Share capital	381	1
20 Share premium reserve	3,537	1
21 Accumulated other comprehensive income	-61	3
22 Fair value reserves related to gains on cash flow hedges	12	3, 11
23 Other reserves	-111	3
24 Retained earnings	-	2
25 Net result for the period	138	EUR-5a
26 AT1 capital securities	298	44
27 Shareholders' equity	4,193	

1. Including balances held with the Central Bank required as minimum reserve

Column c in template EU CC2 includes the reference numbers of the regulatory own funds breakdown disclosed in template EU CC1.

There is no difference between the regulatory scope of consolidation scope defined and the method for consolidation used for the balance sheet in the financial statements. Therefore column a and b are merged.

3.2 Macroprudential supervisory measures

EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer 30-06-2025

	a	b	c	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk	Securitisation exposures Exposure value for Non-Trading Book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the Non-Trading Book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
In € millions	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of Trading Book exposures for SA									
010 Breakdown by country:												
The Netherlands	3,535	42,980	-	262	46,776	808	-	2	810	10,121	90.61%	2.00%
France	547	1	-	-	548	14	-	-	14	170	1.53%	1.00%
Belgium	286	36	-	-	322	16	-	-	16	198	1.77%	1.00%
Germany	296	5	-	-	301	13	-	-	13	160	1.43%	0.75%
Luxembourg	253	1	-	-	253	18	-	-	18	230	2.06%	0.50%
United Kingdom	177	2	-	-	180	8	-	-	8	96	0.86%	2.00%
Norway	175	0	-	-	175	1	-	-	1	18	0.16%	2.50%
Austria	114	0	-	-	114	1	-	-	1	14	0.13%	0.00%
Denmark	57	0	-	-	58	2	-	-	2	21	0.18%	2.50%
Spain	52	1	-	-	53	5	-	-	5	60	0.54%	0.00%
Italy	43	1	-	-	44	3	-	-	3	37	0.33%	0.00%
United States	13	1	-	-	14	2	-	-	2	31	0.28%	0.00%
Sweden	12	1	-	-	13	1	-	-	1	9	0.08%	2.00%
Finland	12	-	-	-	12	0	-	-	0	1	0.01%	0.00%
Other	1	5	-	-	6	0	-	-	0	1.93	0.03%	0.00%
020 Total	5,572	43,034	-	262	48,868	891	-	2	894	11,170	100.00%	

This table contains an overview of the credit exposures relevant for the calculation of the countercyclical capital buffer of countries having an exposure value larger than € 1 million.

The institution specific countercyclical buffer rate for ASN bank is mainly driven by the countercyclical capital buffer for exposures to Dutch counterparties.

EU CCyB2 - Amount of institution specific countercyclical capital buffer 30-06-2025

in € millions		a
1	Total risk exposure amount	17,931
2	Institution specific countercyclical capital buffer rate	1.89%
3	Institution specific countercyclical capital buffer requirement	340

The purpose of the CCyB is to increase banks' resilience when cyclical risks build up, and to release the buffer as soon as these risks materialise.

Each quarter The Dutch Central Bank (DNB) sets the level of the buffer for the Netherlands, which, in principle, may vary from 0% to 2.5%. DNB has the discretion to set the countercyclical capital buffer above 2.5%.

On 31 May 2023, DNB announced an increase of the countercyclical capital buffer (CCyB) to 2%. Banks with loans in the Netherlands must meet this requirement since 31 May 2024. DNB considers the current level of the CCyB remains suitable in light of the current risk environment.

4. Leverage ratio

4.1 Leverage ratio quantitative disclosure

The risk exposure that is used in calculating the leverage ratio differs from the value of the assets as included in the financial statements. The template below presents the reconciliation of accounting assets and the leverage ratio exposure.

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures 2025

in € millions		a Applicable amount 30-6-2025
1	Total assets as per published financial statements	75,685
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-15
8	Adjustment for derivative financial instruments	-1,235
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,322
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-3
12	Other adjustments	-359
13	Total exposure measure	75,394

The leverage ratio exposure measure increased by € 2.0 billion to € 75.4 billion mainly due to a increase in total assets as per published financial statements.

The adjustment for derivative financial instruments relates to the difference between the accounting value of the derivatives recognised as assets and the leverage ratio exposure value as determined by the application of CRR. As the effects of master netting agreements are taken into account in the leverage ratio exposure value, this adjustment leads to a decrease in exposure.

Other adjustments includes the receivables for cash variation margin provided in derivative transactions (€ 190 million) and the asset amounts deducted in Tier 1 (€ 172 million) due to prudential filters, regulatory deductions, and additional deductions due to Article 3 CRR.

EU LR2 - LRCOM: Leverage ratio common disclosure 2025

in € millions	CRR leverage ratio exposures	
	a 30-6-2025	b 31-12-2024
On-balance sheet exposures (excluding derivatives and SFTs)		
1 On-balance sheet items (excluding derivatives, SFTs, but including collateral)	73,746	71,550
3 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-190	-152
6 (Asset amounts deducted in determining Tier 1 capital)	-172	-169
7 Total on-balance sheet exposures (excluding derivatives and SFTs)	73,383	71,229
Derivative exposures		
8 Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	23	24
9 Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	666	647
13 Total derivatives exposures	689	671
Other off-balance sheet exposures		
19 Off-balance sheet exposures at gross notional amount	3,315	3,038
20 (Adjustments for conversion to credit equivalent amounts)	-1,988	-1,548
21 (General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-6	-7
22 Off-balance sheet exposures	1,322	1,483
Capital and total exposure measure		
23 Tier 1 capital	3,883	3,740
24 Total exposure measure	75,394	73,383
Leverage ratio		
25 Leverage ratio (%)	5.15%	5.10%
EU-25 Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	5.15%	5.10%
25a Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	5.15%	5.10%
26 Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b of which: to be made up of CET1 capital	0.00%	0.00%
27 Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures		
EU-27b Choice on transitional arrangements for the definition of the capital measure	fully phased-in	fully phased-in

The leverage ratio went up to 5.2 %, from 5.1% at year-end 2024 (CRR 2), as the € 143 million increase in Tier 1 capital outweighs the € 2.0 billion growth in leverage ratio exposure (LRE) to € 75.4 billion.

The 5.2% leverage ratio is well above the regulatory requirement of 3.0%, and above our target of at least 4.5%.

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

in € millions	a	
	CRR leverage ratio exposures 30-6-2025	
EU-1 Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	73,555	
EU-2 Trading Book exposures	6	
EU-3 Banking Book exposures, of which:	73,549	
EU-4 Covered bonds	1,088	
EU-5 Exposures treated as sovereigns	6,616	
EU-6 Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	87	
EU-7 Institutions	8,157	
EU-8 Secured by mortgages of immovable properties	53,563	
EU-9 Retail exposures	82	
EU-10 Corporates	1,533	
EU-11 Exposures in default	520	
EU-12 Other exposures (eg equity, securitisations, and other non-credit obligation assets)	1,902	

The increase in on-balance sheet exposure is mainly the result of an increase in retail exposures secured by immovable property (€ 2.2 billion). The exposures to sovereigns decreased (€ 1.6 billion) due to a significant reduction in balances at central banks. This is largely explained by an increase in exposures to institutions (€ 2.0 billion) resulting from the increased investment of available liquidity to optimise the return on our liquidity position.

5. Liquidity requirements

5.1 Liquidity Coverage Ratio

QUALITATIVE INFORMATION ON LCR

In line with the EBA guidelines on LCR disclosure, information is provided below on:

- Funding strategy;
- Counterparty risk on derivative positions;
- Currency risk;
- A description of the degree of centralisation of liquidity management.

Funding strategy

Retail savings are ASN Bank's main source of funding. We attract funding by providing demand deposits, term deposits and current accounts to retail customers. We also attract funding by providing savings and current accounts to SME customers. In the first half of 2025, customer deposits increased to € 57.1 billion, from € 55.7 billion at year-end 2024.

The objective of our funding strategy is to optimise the bank's liquidity and funding profile and to ensure access to diversified funding sources to maintain the bank's short-term and long-term funding position.

Therefore, in addition to attracting customer deposits, we also attract long-term funding from capital markets. For regulatory purposes and funding diversification, this funding is attracted through various instruments with different terms and investor types spread over regions.

In addition to (subordinated) capital market funding to strengthen the bank's capital and MREL position, ASN Bank can issue capital market funding with maturities over one year through:

- senior (unsubordinated) unsecured debt;
- (mortgage) securitisations (RMBS);
- covered bonds.

The covered bond programme not only permits the issue of public covered bonds but also of private placements.

We issue short-term funding with a term of up to one year in the money markets via our Euro Commercial Paper (ECP) and Negotiable European Commercial Paper (NEUCP) programmes.

Counterparty risk on derivative positions

ASN Bank enters into money and capital market transactions with various financial institutions. This also includes derivative transactions for the hedging of interest rate and currency risks. Here, the bank runs the risk that the counterparty to a transaction defaults before the final settlement of the cash flows associated with the transaction has taken place. In line with common market practices, ASN Bank has several risk mitigating mechanisms in place, such as netting, margining and guarantees. ASN Bank clears derivative transactions as much as possible via central clearing counterparties to mitigate counterparty credit risk. See chapter [7 Counterparty credit risk](#) for more details.

Currency risk

The currency risk is minimised by effecting most of our foreign currency exposures through the Trading Book, where currency risk is managed on a day-to-day basis. As a result, the currency mismatch in the LCR is virtually zero.

Degree of centralisation of liquidity management

ASN Bank has centrally managed mid and back offices and staff departments. In addition, ASN Bank has a central liquidity management function.

Potential Collateral Deposit

In the event of a 3-notch downgrade of the bank's credit rating, ASN Bank is required to deposit additional collateral totalling € 71 million with counterparties (2024: € 56 million). We include this potential collateral deposit as an outflow in the LCR and the combined severe liquidity stress test.

Liquidity

In the first half of 2025, the liquidity position remained well above ASN Bank's own minimum target and regulatory minimum requirements. We consider the size and composition of our liquidity position sufficiently robust. In managing the liquidity position we prudently consider any possible impact from the strategic transformation. The liquidity position amounted to € 13.3 billion as at 30 June 2025 (year-end 2024: € 13.4 billion).

Liquidity position

in € millions	30-6-2025	31-12-2024	30-6-2024
Central bank reserves	1,902	3,281	4,075
Sovereigns	931	1,378	946
Regional/local governments and Supranationals	2,261	2,118	1,715
Eligible retained RMBS	4,692	4,549	5,291
Other liquid assets	3,508	2,029	1,665
Liquidity position	13,294	13,355	13,692

This template provides an overview of the instantly available liquidity position from an internal perspective which differs from the regulatory perspective for the liquidity buffer as laid down in Annex I of EU Regulation 2015/61. The liquidity position includes amongst others ECB-eligible retained RMBS that are registered in the DNB collateral pool, and which could be pledged to obtain central bank funding, thereby serving as additional counterbalancing capacity when necessary. As a result, the liquidity position differs from the liquidity buffer used in the LCR disclosure template.

The Liquidity Coverage Ratio (LCR) remained well above the regulatory minimum of 100%. As at 30 June 2025, the LCR stood at 149% (year-end 2024: 191%) and the NSFR at 148% (year-end 2024: 160%). The reduction of the LCR is mainly explained by the increased investment of available liquidity with several counterparties in the money market outside the 30-day LCR window, to optimise the return on our liquidity position.

The Loan-to-Deposit ratio, i.e. the ratio between the loans outstanding to and deposits attracted from retail and SME customers, stood at 99% as at 30 June 2025, equaling the ratio at year-end 2024. The limited change was due to € 1.9 billion loan growth being accompanied by a € 1.4 billion increase in deposits.

Apart from changes in loans and deposits, cashflows in the first half of 2025 mainly came from wholesale funding developments. Over the reporting period, cash outflows were comparable with cash inflows. Nonetheless, central bank reserves decreased from € 3.3 billion at year-end 2024 to € 1.9 billion as we invested more available liquidity in the money market. As at 30 June 2025, € 8.8 billion in assets had been invested for cash management purposes (year-end 2024: € 7.4 billion). Of this amount, € 3.8 billion was held at Swiss cantonal banks (year-end 2024: € 3.7 billion). Attracted short-term wholesale funding amounted to € 2.2 billion as at 30 June 2025 (year-end 2024: € 1.5 billion), mainly due to a higher amount of short-term secured funding.

Fundamental changes in the LCR are mainly driven by net cash flows resulting from loan growth, deposit changes, capital market funding developments and the net cash collateral position related to derivative positions. However, the resulting net cash

impact is not necessarily reflected in actual withdrawable central bank reserves as part of high-quality liquid assets, because ASN Bank invests part of its available liquidity with several counterparties in the money market and also attracts money market funding. These cash management choices affect the liquidity included in the scope of the 30-day LCR window via both high-quality liquid assets and cash inflows and outflows.

EU LIQ1 - Quantitative information of LCR

Consolidated in € millions		a		b		c		d		e		f		g		h	
		Total unweighted value (average)						Total weighted value (average)									
EU-1a	Quarter ending on	30-6-2025	31-3-2025	31-12-2024	30-9-2024	30-6-2025	31-3-2025	31-12-2024	30-9-2024	30-6-2025	31-3-2025	31-12-2024	30-9-2024	30-6-2025	31-3-2025	31-12-2024	30-9-2024
EU-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS																	
1	Total high-quality liquid assets (HQLA)							7,765	8,077	8,620	9,102						
CASH - OUTFLOWS																	
2	Retail deposits and deposits from small business customers, of which:	53,182	53,098	52,628	52,293	2,894	2,879	2,850	2,830								
3	Stable deposits	47,254	47,106	46,775	46,548	2,363	2,355	2,339	2,327								
4	Less stable deposits	4,781	4,711	4,596	4,511	531	523	511	502								
5	Unsecured wholesale funding	2,243	1,970	1,863	1,786	1,381	1,266	1,143	1,042								
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-								
7	Non-operational deposits (all counterparties)	1,496	1,308	1,361	1,417	634	604	641	673								
8	Unsecured debt	747	662	502	369	747	662	502	369								
9	Secured wholesale funding					9	9	8	8								
10	Additional requirements	1,919	1,859	1,809	1,810	1,082	1,117	1,163	1,211								
11	Outflows related to derivative exposures and other collateral requirements	1,007	1,045	1,097	1,149	1,007	1,045	1,097	1,149								
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-								
13	Credit and liquidity facilities	912	814	712	661	75	71	66	62								
14	Other contractual funding obligations	524	476	488	466	463	414	426	405								
15	Other contingent funding obligations	1,952	1,971	1,939	1,928	614	644	600	584								
16	Total cash outflows							6,442	6,330	6,190	6,080						
CASH - INFLOWS																	
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-								
18	Inflows from fully performing exposures	1,585	1,517	1,395	1,380	1,448	1,383	1,266	1,260								
19	Other cash inflows	186	160	145	234	186	160	145	234								
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)							-	-								
EU-19b	(Excess inflows from a related specialised credit institution)							-	-								
20	Total cash inflows	1,771	1,677	1,540	1,614	1,633	1,543	1,411	1,494								
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-								
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-								
EU-20c	Inflows subject to 75% cap	1,771	1,677	1,540	1,614	1,633	1,543	1,411	1,494								
TOTAL ADJUSTED VALUE																	
EU-21	Liquidity buffer							7,765	8,077	8,620	9,102						
22	Total net cash outflows							4,809	4,787	4,779	4,586						
23	Liquidity coverage ratio¹							162.85%	169.85%	180.87%	202.21%						

1. The figures in this template are calculated using the reported supervisory values and figures for each of the four calendar quarters (January-March, April-June, July-September, October-December) preceding the disclosure date. The values and figures in the template are calculated as the simple averages of month-end observations over the twelve months preceding the end of each quarter. Following this approach, the LCR cannot be calculated using the figures in the template.

5.2 Net Stable Funding Ratio

EU LIQ2 - Net Stable Funding Ratio 30-06-2025

In € millions		a	b	c	d	e
		No maturity	Unweighted value by residual maturity			Weighted value
			< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	4,056	506	-	509	4,565
2	Own funds	4,056	506	-	509	4,565
4	Retail deposits		51,175	44	616	49,043
5	Stable deposits		46,571	39	575	44,854
6	Less stable deposits		4,604	5	41	4,189
7	Wholesale funding:		5,339	1,565	7,933	10,466
9	Other wholesale funding		5,339	1,565	7,933	10,466
11	Other liabilities:	-	222	23	2,331	2,343
13	All other liabilities and capital instruments not included in the above categories		222	23	2,331	2,343
14	Total available stable funding (ASF)					66,417
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					507
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		37	38	4,871	4,205
17	Performing loans and securities:		7,515	1,973	50,720	38,451
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		4,701	1,089	978	1,992
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		1,011	334	3,273	3,479
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		336	281	1,254	1,230
22	Performing residential mortgages, of which:		427	452	46,036	31,872
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		370	394	39,798	26,671
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		1,375	98	434	1,107
26	Other assets:	-	1,007	5	1,483	1,641
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		202	0	395	507
29	NSFR derivative assets		11	0	-	11
30	NSFR derivative liabilities before deduction of variation margin posted		194	0	-	10
31	All other assets not included in the above categories		601	5	1,088	1,113
32	Off-balance sheet items		1,027	-	-	57
33	Total RSF					44,860
34	Net Stable Funding Ratio (%)					148.05%

The Net Stable Funding Ratio (NSFR) remained well above the regulatory minimum of 100%. Required stable funding increased mainly due to the implementation of CRR 3 and an increase in our residential mortgage portfolio, while available stable funding decreased mainly due to the maturity calendar of future capital market funding redemptions.

In the first half of 2025, ASN Bank did not conduct any capital market funding transactions as the outstanding funding volume was more than sufficient.

For more information on our funding strategy see paragraph Liquidity and funding from the interim financial report.

Required stable funding mainly stems from our residential mortgage portfolio. Part of our mortgage portfolio is encumbered mainly on account of outstanding covered bonds. ASN Bank has no interdependent assets and liabilities in accordance with Article 428f CRR.

6. Credit risk

6.1 Credit risk quality

EU CR1 - Performing and non-performing exposures and related provisions 30-06-2025

in € millions	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount/nominal amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions									
	Performing exposures		Non-performing exposures			Performing exposures - accumulated impairment and provisions		Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							
	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Accumulated partial write-off	On performing exposures	On non-performing exposures
005 Cash balances at central banks and other demand deposits ¹	1,942	1,942	-	-	-	-	-	-	-	-	-	-	-	-	-
010 Loans and advances ²	63,781	58,045	5,724	564	-	559	-62	-22	-40	-79	-	-78	-	57,703	457
020 <i>Central banks</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030 <i>General governments</i>	651	651	-	-	-	-	-0	-0	-	-	-	-	-	17	-
040 <i>Credit institutions</i>	6,835	6,835	-	-	-	-	-3	-3	-	-	-	-	-	2,702	-
050 <i>Other financial corporations</i>	321	321	-	-	-	-	-1	-1	-	-	-	-	-	-	-
060 <i>Non-financial corporations</i>	1,756	1,658	97	75	-	75	-7	-3	-4	-41	-	-41	-	920	7
070 <i>Of which SMEs</i>	729	690	39	10	-	10	-5	-2	-3	-2	-	-2	-	711	7
080 <i>Households</i>	54,218	48,579	5,627	489	-	485	-51	-15	-36	-37	-	-37	-	54,064	450
090 Debt securities	8,373	8,373	-	-	-	-	-7	-7	-	-	-	-	-	269	-
110 <i>General governments</i>	3,687	3,687	-	-	-	-	-2	-2	-	-	-	-	-	224	-
120 <i>Credit institutions</i>	3,476	3,476	-	-	-	-	-3	-3	-	-	-	-	-	44	-
130 <i>Other financial corporations</i>	536	536	-	-	-	-	-1	-1	-	-	-	-	-	-	-
140 <i>Non-financial corporations</i>	674	674	-	-	-	-	-1	-1	-	-	-	-	-	-	-
150 Off-balance-sheet exposures	3,310	3,220	90	8	-	8	-5	-2	-2	-2	-	-2		962	6
170 <i>General governments</i>	375	375	-	-	-	-	-	-	-	-	-	-		-	-
190 <i>Other financial corporations</i>	9	9	-	-	-	-	-	-	-	-	-	-		-	-
200 <i>Non-financial corporations</i>	266	264	3	0	-	0	-1	-0	-0	-0	-	-0		25	-
210 <i>Households</i>	2,660	2,572	87	8	-	8	-4	-2	-2	-2	-	-2		937	6
220 Total	77,406	71,580	5,814	572	-	567	-74	-31	-42	-81	-	-80	-	58,934	463

1. Including balances held with the Central Bank required as minimum reserve

2. Excluding fair value adjustments from hedge accounting

The coverage ratio for non-performing loans and advances is 13.9% as per 30 June 2025 (year-end 2024: 14.0%). The coverage ratio for non-performing loans and advances is calculated by dividing the provisions and if applicable, the negative fair value adjustments due to credit risk for non-performing loans and advances, by the total gross carrying amount for non-performing loans and advances.

Cash balances at central banks and other demand deposits decreased by € 1.4 billion in the first half-year of 2025 attributable to cash management activities.

The loans and advances increased by € 2.4 billion in the first half of 2025 mainly attributable to the increase of loans and advances to households (€ 1.9 billion) and credit institutions (€ 0.6 billion).

Loans and advances to customers increased by € 1.6 billion to € 56.3 billion in the first half of 2025. This includes the IFRS fair value adjustments from hedge accounting and amortisations of € 1.2 billion negative, which is part of residential mortgages. The fair value adjustments decreased by € 132 million due to increased (long term) interest rates. Excluding the fair value adjustments, the total gross growth amounted to € 1.7 billion, driven by an increase in residential mortgage loans.

Looking from a gross carrying amount on our mortgage portfolio and excluding the IFRS value adjustments, we achieved an increase of € 1.9 billion to € 53.9 billion (year-end 2024: € 52.0 billion). 77% of new mortgage production in the first half of 2025 consisted of mortgages with a 10-year fixed mortgage rate, in line with the first half of 2024 (78%). In a larger mortgage market size ASN Bank's new mortgage production increased to € 4.5 billion (first half of 2024: € 3.1 billion). The market share of new mortgages stood at 6.7%, up compared to the first half of 2024 (6.2%). Repayments amounted to € 2.6 billion (first half of 2024: € 2.1 billion) and interest rate renewals were € 1.0 billion, up € 0.5 billion compared to the first half of 2024.

Performing exposure stage 1 increased due to new originations and recoveries from stage 2 as a result of the availability of additional income information for use in the interest-only risk segmentation. However, the accumulated impairment and provisions for stage 1 exposures decreased to € 31 million (year-end 2024: € 43 million) mostly due to the staging alignment transferring the management overlay from stage 1 to stage 2. This was partly offset by an increase because of new originations. Although stage 2 interest-only mortgage exposure decreased, the modelled provisions for credit losses related to riskier customers increased. The stage 2 accumulated impairment and provisions increased by € 7 million to € 42 million, mainly due to the aforementioned management overlay transfer.

Performing exposures - accumulated impairment and provisions decreased by € 4 million mostly due to a decrease in the provisions for mortgages.

Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions virtually remains unchanged, despite the derecognitions and a lower stage 3 management overlay.

EU CR1-A - maturity of exposures 30-06-2025

		a	b	c	d	e	f
		Net exposure value					
In € millions		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	0	6,722	2,745	54,237	499	64,204
2	Debt securities	-	2,194	3,196	2,904	-	8,293
3	Total	0	8,916	5,941	57,141	499	72,497

In the first half of 2025, total loans and advances increased by € 2.4 billion. The increase is mainly due to increase in loans advances to credit institutions and households. The loans and advances granted from credit institutions are short-term of nature and will mature within a period less than 1 year.

Loans and advances bucket less than 1-year increased by € 0.4 billion.

EU CQ1 - Credit quality of forborne exposures 30-06-2025

in € millions	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Non-performing forborne				On performing forborne exposures	On non-performing forborne exposures		Of which Collateral and financial guarantees received on non-performing exposures with forbearance measures
	Performing forborne	Of which defaulted	Of which impaired					
005 Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010 Loans and advances	746	250	250	250	-9	-55	918	185
060 <i>Non-financial corporations</i>	13	47	47	47	-1	-35	14	4
070 <i>Households</i>	733	202	202	202	-9	-20	905	182
080 Debt securities	-	-	-	-	-	-	-	-
090 Loan commitments given	5	1	1	1	-0	-1	3	0
100 Total	751	251	251	251	-9	-55	921	185

The forborne exposures portfolio showed a decrease mainly due to mortgage repayments.

EU CQ4 - Quality of non-performing exposures by geography 30-06-2025

In € millions		a	c	e	f
		Gross carrying/Nominal amount		Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given
			of which: defaulted		
010	On balance sheet exposures	74,660	564	-148	
020	Netherlands	60,402	560	-137	
030	Switzerland	4,321	0	-2	
040	Germany	2,758	1	-2	
050	France	1,531	0	-1	
060	Belgium	1,385	3	-1	
070	Other countries total	809	0	-1	
080	Denmark	628	-	-1	
090	United Kingdom	454	0	-0	
100	Spain	443	0	-1	
110	Finland	411	-	-1	
120	Luxembourg	356	-	-1	
130	Austria	334	-	-0	
140	Japan	201	-	-0	
150	Canada	189	0	-0	
160	Norway	176	0	-0	
170	Liechtenstein	107	-	-0	
180	Ireland	47	-	-0	
190	Italy	44	0	-0	
200	Slovenia	30	0	-0	
210	Sweden	13	0	-0	
220	Australia	9	-	-0	
230	Czech Republic	4	-	-0	
240	United States	4	0	-0	
250	New Zealand	2	-	-0	
260	United Arab Emirates	1	0	-0	
270	Turkey	1	0	-0	
280	Curaçao	1	0	-0	
290	Off balance sheet exposures	3,317	8		6
300	Netherlands	3,244	8		6
310	Spain	36	-		0
320	Germany	20	0		0
330	Belgium	9	0		0
340	Italy	4	-		0
350	France	3	0		0
360	Other countries	1	0		0
370	Hungary	1	-		0
380	Total	77,978	572	-148	6

This table contains a breakdown of exposures (excluding cash balances at central banks and other demand deposits) in countries where the exposure value is larger than € 0.5 million.

ASN Bank is predominantly active in the Dutch market and especially the domestic mortgage market. The exposures outside the Netherlands are mostly caused by liquidity management activities (central government bonds, money market activities with financial institutions). Exposures to International Organisations and Multilateral Development Banks are included in Other countries.

The template is disclosed because the non-domestic exposures as on 30 June 2025 is 18.4%, which exceeds the required threshold of 10%.

ASN Bank does not have a NPE ratio equal to or higher than 5%. As a result, the reporting threshold of Article 8 (3) of Regulation (EU) 2021/637 is not met. Therefore, column b and d in the table above are not reported.

EU CQ5 - Credit quality of loans and advances by industry 30-06-2025

In € millions	a		e
	Gross carrying amount of which: defaulted		Accumulated impairment
010 Agriculture, forestry and fishing	2	0	-0
020 Mining and quarrying	-	-	-
030 Manufacturing	66	0	-0
040 Electricity, gas, steam and air conditioning supply	687	40	-33
050 Water supply	1	-	-0
060 Construction	49	1	-0
070 Wholesale and retail trade	84	1	-1
080 Transport and storage	9	0	-0
090 Accommodation and food service activities	7	0	-0
100 Information and communication	4	0	-0
110 Financial and insurance activities	292	3	-2
120 Real estate activities	284	2	-2
130 Professional, scientific and technical activities	207	21	-6
140 Administrative and support service activities	19	6	-4
150 Public administration and defense, compulsory social security	-	-	-
160 Education	2	-	-0
170 Human health services and social work activities	82	0	-0
180 Arts, entertainment and recreation	34	-	-0
190 Other services	3	1	-0
200 Total	1,830	75	-48

ASN Bank mainly focuses on retail customers. Therefore, the exposure to non-financial corporations is relatively small. The decrease of the total gross carrying amount are mainly due to the decrease in loans and advances in the financial and insurance activities and the electricity, gas, steam and air conditioning supply.

ASN Bank does not have a NPE ratio equal to or higher than 5%. As a result, the reporting threshold of Article 8 (3) of Regulation (EU) 2021/637 is not met. Therefore, column b and d in the table above are not reported.

EU CR2 - Changes in the stock of non-performing loans and advances 30-06-2025

In € millions	a	
	Gross carrying amount 30-6-2025	
010 Initial stock of non-performing loans and advances		557
020 Inflows to non-performing portfolios		164
030 Outflows from non-performing portfolios		-157
040 Outflows due to write-offs		-2
050 Outflow due to other situations		-156
060 Final stock of non-performing loans and advances		564

The stock of non-performing loans and advances decreased due to the lower outflow compared to inflow in the first half-year of 2025.

6.2 Use of Credit Risk Mitigation techniques

6.2.1 General quantitative information regarding credit risk mitigation

EU CR3 – CRM techniques – Overview 30-06-2025

	Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
In € millions	a	b	c	d	e
1 Loans and advances	7,986	58,160	55,229	2,931	-
2 Debt securities	8,097	269	-	269	-
3 Total	16,083	58,429	55,229	3,200	-
4 Of which non-performing exposures	28	457	457	0	-
EU-5 Of which defaulted	28	457			

The unsecured carrying amount of loans and advances decreased by € 1.0 billion and secured carrying amount of loans and advances increased by € 2.0 billion.

6.3 Use of the Standardised Approach

ASN Bank has divided its credit risk portfolio into several exposure classes. We use the Advanced Internal Ratings-Based approach to calculate the capital requirements for the residential mortgage portfolio. We use the Standardised Approach for all other portfolios. The credit risk portfolio is presented in the Pillar 3 report in accordance with regulations: Standardised Approach (SA) versus Advanced Internal Ratings-Based (AIRB) approach and then further specified within the exposure classes.

6.3.1 Quantitative information regarding the use of the Standardised Approach

EU CR4 – Standardised approach – Credit risk exposure and CRM effects 30-06-2025¹

in € millions	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and CRM		RWAs and RWA density	
		On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density (%)
		a	b	c	d	e	f
1	Central governments or central banks	3,578	-	15,618	190	-	0.00%
2	Non-central government public sector entities	2,324	375	2,310	150	45	1.84%
EU 2a	Regional government or local authorities	1,273	-	1,275	0	11	0.84%
EU 2b	Public sector entities	1,051	375	1,034	150	34	2.91%
3	Multilateral development banks	439	-	439	-	-	0.00%
EU 3a	International organisations	363	-	363	-	-	0.00%
4	Institutions	8,340	-	8,295	-	2,053	24.75%
5	Covered bonds	1,088	-	1,088	-	109	10.00%
6	Corporates	2,317	145	2,108	58	1,680	77.54%
6.1	Of which: Specialised Lending	777	133	777	53	829	99.89%
7	Subordinated debt exposures and equity	16	-	16	-	39	250.00%
EU 7a	Subordinated debt exposures	-	-	-	-	-	-
EU 7b	Equity	16	-	16	-	39	250.00%
8	Retail	82	374	82	149	149	64.52%
9	Secured by mortgages on immovable property and ADC exposures	1,457	140	1,457	56	767	50.67%
9.1	Secured by mortgages on residential immovable property - non IPRE	72	11	72	4	26	34.19%
9.2	Secured by mortgages on residential immovable property - IPRE	17	-	17	-	6	36.30%
9.3	Secured by mortgages on commercial immovable property - non IPRE	1,329	130	1,328	52	706	51.14%
9.4	Secured by mortgages on commercial immovable property - IPRE	39	0	39	0	28	73.00%
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-
10	Exposures in default	47	0	47	0	51	107.73%
EU 10b	Collective investment undertakings	-	-	-	-	-	-
EU 10c	Other items	442	-	442	-	406	91.97%
12	TOTAL	20,492	1,034	32,263	603	5,298	16.12%

1. This template excludes exposures subject to counterparty credit risk.

The total on-balance exposure before CCF and CRM increased to € 20.5 billion by end-June 2025, which is € 0.4 million more when compared with year-end 2024. The overall RWA increased with € 0.6 million to € 5.3 billion.

The decrease in exposures to Central governments or central banks is mainly due to the decrease in central bank reserves by € 2.0 billion compared to year-end 2024.

The increase in Exposures post CCF and post CRM to Central governments or central banks is mainly due to the inflow NHG guaranteed (€ 12.2 billion) residential mortgages for which the substitution approach is applied. For a further explanation on the application of the substitution approach, see section [2.2 Overview of RWA](#).

The increase in Institutions reflects a higher amount of new outstanding short term deposits with credit institutions compared to year-end 2024. Existing exposures on counterparties remained stable.

The aggregate exposure to shadow banking entities is € 327 million per end-June 2025.

EU CR5 – Standardised approach 30-06-2025

in € millions Exposure classes		Risk weight																		Total	Of which unrated
		0%	10%	20%	30%	35%	45%	50%	60%	75%	90%	100%	105%	110%	130%	150%	250%	Oth-ers			
		a	d	e	f	g	i	j	k	m	o	p	q	r	s	t	u	y	z		
1	Central governments or central banks	15,808	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	15,808	--	
2	Non-central government public sector entities	2,234	--	226	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2,460	--	
EU 2a	Regional governments or local authorities	1,222	--	53	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1,275	--	
EU 2b	Public sector entities	1,012	--	172	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1,184	4	
3	Multilateral development banks	439	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	439	--	
EU 3a	International organisations	363	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	363	--	
4	Institutions	--	--	4,454	3,792	--	--	49	--	--	--	--	--	--	--	0	--	--	8,295	944	
5	Covered bonds	--	1,088	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1,088	109	
6	Corporates	--	--	200	--	--	--	461	--	379	--	966	--	--	161	--	--	--	2,166	588	
6.1	Of which: Specialised Lending	--	--	--	--	--	--	--	--	--	--	668	--	--	161	--	--	--	830	--	
7	Subordinated debt exposures and equity	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	16	--	16	0	
EU 7a	Subordinated debt exposures	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
EU 7b	Equity	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	16	--	16	0	
8	Retail exposures	--	--	--	--	--	62	--	--	168	--	--	--	--	--	--	--	--	230	--	
9	Secured by mortgages on immovable property and ADC exposures	--	--	51	11	2	3	--	925	400	8	81	1	4	--	3	--	25	1,513	--	
9.1	Secured by mortgages on residential immovable property - non IPRE	--	--	51	--	--	--	--	--	17	--	9	--	--	--	--	--	--	77	--	
9.1.1	No loan splitting applied	--	--	--	--	--	--	--	--	2	--	9	--	--	--	--	--	--	12	--	
9.1.2	loan splitting applied (secured)	--	--	51	--	--	--	--	--	--	--	--	--	--	--	--	--	--	51	--	
9.1.3	loan splitting applied (unsecured)	--	--	--	--	--	--	--	--	14	--	--	--	--	--	--	--	--	14	--	
9.2	Secured by mortgages on residential immovable property - IPRE	--	--	--	11	2	3	--	0	--	--	--	1	--	--	1	--	--	17	--	
9.3	Secured by mortgages on commercial immovable property - non IPRE	--	--	--	--	--	--	--	925	383	--	72	--	--	--	--	--	--	1,380	--	
9.3.1	No loan splitting applied	--	--	--	--	--	--	--	--	200	--	39	--	--	--	--	--	--	239	--	
9.3.2	loan splitting applied (secured)	--	--	--	--	--	--	--	925	--	--	--	--	--	--	--	--	--	925	--	
9.3.3	loan splitting applied (unsecured)	--	--	--	--	--	--	--	--	183	--	33	--	--	--	--	--	--	216	--	
9.4	Secured by mortgages on commercial immovable property - IPRE	--	--	--	--	--	--	--	--	--	8	--	--	4	--	2	--	25	39	--	
9.5	Acquisition, Development and Construction (ADC)	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
10	Exposures in default	--	--	--	--	--	--	--	--	--	--	40	--	--	--	7	--	--	47	--	
EU 10b	Collective investment undertakings (CIU)	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
EU 10c	Other items	28	--	10	--	--	--	--	--	--	--	404	--	--	--	--	--	--	442	--	
EU 11c	TOTAL	18,871	1,088	4,941	3,803	2	65	509	925	946	8	1,491	1	4	161	10	16	25	32,867	1,646	

The table provides the breakdown of exposure after applying CCF and CRM, under the standardized approach, by exposure class and risk weight.

The exposure in the 0% risk weight bucket increased from € 8.5 billion at year-end 2024 to € 18.9 billion at the half year 2025, mainly due to the inflow of NHG guaranteed (€ 12.2 billion) residential mortgages for which the substitution approach is applied.

ASN Bank does not have exposures in the exposure class Institutions and corporates with a short term credit assessment.

6.4 Use of the AIRB approach to credit risk

6.4.1 Quantitative information regarding the use of the AIRB-approach

ASN Bank avails itself of an Advanced Internal Ratings Based (Advanced IRB or AIRB) model entitled Particuliere Hypotheken Interne Rating Model (PHIRM) to determine the credit risk in its residential mortgage portfolio. The model is regularly redeveloped to comply with new rules and regulations.

For more information regarding the (management of the) residential mortgage portfolio see also section [6.1 Credit risk quality](#).

The following template presents the breakdown of the residential mortgages portfolio by PD scale.

EU CR6 – AIRB approach – Credit risk exposures by exposure class and PD range 30-06-2025¹

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	i	j	k	l
Exposure class Retail - Secured by immovable property non-SME												
	0.00 to <0.15	23,102	324	1	17,506	0.13%	162,217	23.01%	1,263	7.21%	7	-2
	0.00 to <0.10	-	-	-	-	0.00%	-	0.00%	-	--	-	-
	0.10 to <0.15	23,102	324	1	17,506	0.13%	162,217	23.01%	1,263	7.21%	7	-2
	0.15 to <0.25	-	-	-	-	0.00%	-	0.00%	-	0.00%	-	-
	0.25 to <0.50	25,658	300	0	20,346	0.26%	88,643	25.36%	2,769	13.61%	18	-12
	0.50 to <0.75	1,521	38	0	1,496	0.61%	3,498	40.42%	592	39.59%	5	-4
	0.75 to <2.50	1,654	1,360	0	1,830	1.52%	12,104	29.56%	966	52.81%	11	-4
	0.75 to <1.75	1,566	1,360	0	1,753	1.49%	11,710	29.80%	923	52.67%	11	-3
	1.75 to <2.5	88	0	1	77	2.30%	394	24.00%	43	55.91%	1	-1
	2.50 to <10.00	1,130	213	0	1,103	8.03%	2,595	25.07%	1,239	112.36%	30	-14
	2.5 to <5	134	0	1	123	4.12%	494	25.36%	101	82.51%	2	-2
	5 to <10	995	213	0	980	8.52%	2,101	25.04%	1,138	116.10%	28	-11
	10.00 to <100.00	349	38	0	332	18.57%	774	29.58%	542	163.24%	25	-14
	10 to <20	293	35	0	283	13.92%	579	29.99%	472	166.57%	16	-11
	20 to <30	31	2	0	27	29.74%	98	25.14%	44	160.75%	3	-1
	30.00 to <100.00	26	1	0	21	66.10%	97	29.87%	26	122.16%	6	-2
	100.00 (Default)	468	6	1	423	100.00%	2,608	16.65%	537	127.02%	96	-30
	Subtotal (exposure class)	53,883	2,278	0	43,034	1.59%	272,439	25.04%	7,908	18.38%	192	-80
	Total (all exposures classes)	53,883	2,278	0	43,034		272,439		7,908	18.38%	192	-80

1. Including the Margin of Conservatism and Trim obligations.

The RWA for credit risk based on the AIRB approach decreased from € 9.9 billion at year-end 2024 (CRR 2) to € 7.9 billion at half year 2025. The lower RWA is mainly caused by applying the substitution approach for NHG guaranteed residential mortgages.

As of 1 January 2025, following CRR 3, the substitution approach is applied for the credit risk RWA calculation of NHG guaranteed mortgages. The application of the substitution approach results in a € 2 billion reduction of the reported IRB RWA

for credit risk because NHG-guaranteed mortgages are effectively reported as 0% risk-weighted SA exposures to central government. Pending further refinements to be made in IRB modelling regarding non-NHG mortgages, currently the overall RWA impact is neutralised by applying an Article 3 CRR RWA add-on of equal size.

As a result of the application of the substitution approach, the exposure post CCF and post CRM is € 12 billion lower compared to year-end 2024.

Total average PD increased in Q2 from 1.58% to 1.59%, and the average LGD increased from 24.84% to 25.04%. The RWA density of the mortgage portfolio increased from 18.00% to 18.38% after the application of the substitution approach for NHG guaranteed mortgages.

ASN Bank does not apply F-IRB to credit risk exposures. Therefore, template EU CR6 and EU CR7-A for F-IRB approach is not applicable and therefore not included in this report.

EU CR7-A – AIRB approach – Disclosure of the extent of the use of CRM techniques 30-06-2025

A-IRB	Total exposures	Credit risk Mitigation techniques						Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)		Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)		RWEA with substitution effects (both reduction and substitution effects)	
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)		
	a	b	c	d	g	j	k	m	n
6 Retail	43,034	4.08%	98.96%	98.96%	0.00%	0.00%	27.80%	9,879	7,908
6.2 Retail – secured by residential immovable property	43,034	4.08%	98.96%	98.96%	0.00%	0.00%	27.80%	9,879	7,908
7 Total	43,034	4.08%	98.96%	98.96%	0.00%	0.00%	27.80%	9,879	7,908

This table shows that the majority of our IRB exposures at 30 June 2025 was covered by eligible collateral consisting of mainly immovable property and guarantees. ASN Bank only uses collateral and guarantees as credit risk mitigation technique taken into account in LGD estimates for its IRB retail portfolio.

- Asset quality (+/-); due to an improvement in both PD and LGD, mainly due improvement in our customers' average credit quality given the more favourable macroeconomic conditions, and due to improved LTV's as a result of risen house prices.
- Methodology and policy (+/-); in the first quarter of 2025 the application of the substitution approach for NHG guaranteed exposures has led to a lower RWA under the IRB approach.

EU CR8 – RWEA flow statements of credit risk exposures under the AIRB approach 30-06-2025

in € million	Risk weighted exposure amount	
	a	a
	30-6-2025	31-3-2025
1 Risk weighted exposure amount as at the end of the previous reporting period¹	7,611	9,938
2 Asset size (+/-)	246	176
3 Asset quality (+/-)	51	-33
5 Methodology and policy (+/-)	-	-2,470
9 Risk weighted exposure amount as at the end of the reporting period	7,908	7,611

1. This template includes the RWEA flow statement per quarter.

In the first half of 2025, RWA for the credit risk of the residential mortgage portfolio, calculated according to the IRB approach, decreased by € 2.030 million compared to year-end 2024, mainly due to:

- Asset size (+/-); due to an increase in the size of the residential mortgage portfolio.

7. Counterparty credit risk

7.1 Quantitative disclosure regarding CCR

EU CCR1 – Analysis of CCR exposure by approach 30-06-2025¹

In € millions		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	41	288		1.4	716	460	460	142
4	Financial collateral comprehensive method (for SFTs)					3	4	4	1
6	Total					719	464	464	144

1. This template excludes all counterparty credit risk exposures cleared through a CCP. Counterparty credit risk exposures cleared through a CCP are included in EU CCR8.

ASN Bank uses the Standardised approach for counterparty credit risk. The simplified method for calculating the exposure value of derivatives according to Article 273a of CRR is not used.

EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights 30-06-2025

in € millions		b	c	e	f	i	k	l
Exposure classes		2%	4%	20%	50%	100%	Others	Total exposure value
6	Institutions	218	64	119	4	-	270	676
7	Corporates	-	-	-	67	2	-	70
11	Total exposure value	218	64	119	72	2	270	746

EU CCR5 – Composition of collateral for CCR exposures 30-06-2025

Collateral type		a	b	c	d	h
		Collateral used in derivative transactions				
		Fair value of collateral received		Fair value of posted collateral		
in € millions		Segregated	Unsegregated	Segregated	Unsegregated	Unsegregated
1	Cash – domestic currency	902	395	192	201	0
2	Cash – other currencies	-	-	-	7	-
3	Domestic sovereign debt	-	-	-	-	-
4	Other sovereign debt	-	-	394	35	-
9	Total	902	395	586	243	0

The net cash collateral position related to derivative positions increased slightly in the first half of 2025.

EU CCR8 – Exposures to CCPs 30-06-2025

in € millions		a	b
		Exposure value	RWEA
1	Exposures to QCCPs (total)		8
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	282	7
3	(i) OTC derivatives	282	7
7	Segregated initial margin	586	
8	Non-segregated initial margin	35	1
11	Exposures to non-QCCPs (total)		-

Where possible, the bank concludes derivative transactions with financial institutions using clearing via a central counterparty (CCP). In the first half of 2025 exposure to central clearing counterparties decreased slightly.

8. Securitisation

8.1 Securitisation exposures

The tables below show explanatory figures pertaining to the securitised residential mortgages. These are exposures in the Banking Book. ASN Bank does not hold any securitisation positions in the trading portfolio.

The tables present, if applicable, the outstanding nominal values of ASN Bank's own securitisation programmes plus the investment positions in third-party securitisations.

EU-SEC1 - Securitisation exposures in the Non-Trading Book 30-06-2025

[illegible]

Securitisation exposures consist mainly of securitisations where ASN Bank acts as originator. This exposure remained stable, and mainly consists of exposures relating the Lowland Mortgage Backed Securities (Lowland) 7.

EU-SEC4 - Securitisation exposures in the Non-Trading Book and associated regulatory capital requirements - institution acting as investor 30-06-2025

[illegible]

By the end of June 2025, there are no securitisations with a SEC-SA risk weight above 25%. Therefore, Article 254(2) CRR was not applicable. The total on-balance sheet securitisation exposure rose to € 262 million, from € 208 million at year-end 2024.

EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 30-06-2025

In € millions	a	b	c
	Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount	Of which exposures in default	Total amount of specific credit risk adjustments made during the period
1 Total exposures	8,258	4	0
2 Retail (total)	8,258	4	0
3 Residential mortgage	8,258	4	0
7 Wholesale (total)	-	-	-

Total exposures where ASN Bank acts as originator had no significant changes, and mainly consists of exposures relating the Lowland Mortgage Backed Securities (Lowland) 7.

9. Market risk

9.1 Market risk qualitative disclosure

Due to the delay of the application date of the Fundamental Review of the Trading Book (FRTB) rules, market risk capital requirements under CRR 3 are still calculated based on the Standardised Approach as applicable under CRR 2.

EU-MR1 - Market risk under the Standardised approach 30-06-2025

In € millions		a RWEAs 30-6-2025
Outright products		
1	Interest rate risk (general and specific)	166
9	Total	166

The model covers interest rate risk and currency risk and is based on fixed risk weights. At half year 2025 RWA for market risk stood at € 166 million (2024: € 159 million). Market risk from cash management activities, for which its interest rate risk is internally transferred to the trading book, has increased slightly compared to year-end 2024, resulting in a slightly higher RWA for market risk in the trading book.

9.2 Interest rate risk not included in the Trading Book

EU IRRBB1 - Interest rate risks of Non-Trading Book activities 30-06-2025

Supervisory shock scenarios		a	b	c	d
In € millions		Changes of the economic value of equity		Changes of the net interest income	
		Current period 30-6-2025	Last period 31-12-2024	Current period 30-6-2025	Last period 31-12-2024
1	Parallel up	-234	-141	90	101
2	Parallel down	114	-21	-113	-118
3	Steepener	-81	-63		
4	Flattener	38	38		
5	Short rates up	-18	8		
6	Short rates down	17	-9		

Table EU IRRBB1 contains the changes of Economic Value of Equity (EVE) and Net Interest Income (NII) under different instantaneous shock scenarios.

Economic Value of Equity

The scenario with the largest negative outcome is the parallel up scenario. This scenario has a negative impact on the economic value of equity of € 234 million (year-end 2024: € -141 million). This is mainly caused by the interest rate sensitivity of the mortgage portfolio, which is largely, but not fully hedged. During the first half of 2025, the EVE sensitivity has increased.

Net interest income

The scenario with the largest negative outcome is the parallel down scenario. This scenario has a negative impact of € 113 million (year-end 2024: € -118 million). The NII sensitivity to interest rate shocks is actively steered to mitigate negative NII effects from short-term repricings.

10. ESG risks and other sustainability disclosures

10.1 ESG qualitative disclosures

Sustainability governance

The internal organisation is responsible for the implementation of strategy, execution of sustainability policy, compliance with ESG legislation, and ensuring effective ESG risk management. ESG responsibilities are allocated within the organisation in accordance with the three-lines-of-defence model. The first line is responsible for implementing the strategy, ESG risk management, and ESG legislation insofar as it affects department-specific processes. The second line (Risk and Compliance) is responsible for monitoring that ESG risks are adequately controlled and that laws and regulations are implemented by the first line. Internal Audit, as the third line, is responsible for assessing whether the interaction between the first and second lines functions smoothly and providing an objective independent judgement on this.

The Executive Board (ExBo) is responsible for managing the overall sustainability objectives and ESG risks. The Supervisory Board exercises oversight over the exposures and responses relating to ESG risks, and sets the performance objectives for the ExBo, including performance objectives for our impact on society. These objectives are derived from ASN Bank's (long-term) strategic objectives, and in setting them the Supervisory Board takes into account ASN Bank's desired ESG related risk profile in the Supervisory Board ESG Committee. On 2 December 2024, the Supervisory Board established the Environmental, Social and Governance Committee (ESG Committee).

The ExBo and the Supervisory Board form the highest governing body for sustainability. The Supervisory Board ultimately approves the strategic direction and targets, oversees our performance on material sustainability impacts, risks and opportunities (IROs) on the short-, medium- and long-term, as well as policies, actions and targets, and approves the double materiality assessment (DMA) results annually. The ExBo is presented with a progress update annually across material IROs and strategic priorities and targets to further integrate the developments into its execution and oversight of the overall strategy.

The Chief Operating Officer is accountable for sustainability risk and is specifically responsible for identifying, monitoring and signalling developments in the exposures for sustainability risk. One or more ExBo members are responsible for supporting the accountable ExBo-member in the fulfilment of his/her tasks and vice versa. To increase

efficiency and allow greater focus in specific risk areas and/or business themes, the ExBo has established risk committees.

The ExBo established risk committees (ALCO, CC, NFRC, MGC and ESG IC), sub-risk committees and business committees with risk involvement, which are also concerned with assisting the ExBo in managing ESG risks. Specifically, the ESG Impact Committee (ESG IC) is a risk committee chaired by the Chief Risk Officer. The ESG IC steers and monitors the implementation of ASN Bank's ESG strategy, including approval of sustainability policies (inside-out) and monitors compliance with ESG aspects (sustainability risk) of the Risk Framework and regulations (outside-in). It also steers and monitors the balance between the two. Besides monitoring and steering the implementation of and compliance with policies on sustainability risk and ESG in the business strategy, governance and risk management framework, the committee oversees all ESG-related KRIs in the risk taxonomy. In particular, ESG risks that drive risk types are initially identified with the transmission channel framework and captured in the Risk Appetite Statement (RAS) Notes of the impacted risk type. These ESG related KRIs are monitored by the relevant risk committee (e.g. Credit Committee for credit) and oversight on all ESG related KRIs is ultimately done by ESG IC.

ASN Bank has monthly and quarterly risk reports in place, which include ESG risks. These monitoring reports consist of two levels:

- Level 1: Enterprise level (ASN Bank)
- Level 2: Business line level (i.e. department level)

Level 1 risk indicators are reported to the ExBo and Supervisory Board by the second line. Level 2 indicators are reported to specific risk committees by the first line or the second line. KRIs with an actual risk profile outside the ESG-related risk appetite must receive heightened management oversight and attention from the risk committee. The first line must define and execute actions to have these KRIs comply with the risk appetite again.

The ESG IC also regularly receives implementation progress reports on the fulfilment of ESG laws and regulations, such as the expectations of the EBA Guidelines on the management of ESG risks. The expected impact of decisions on our four stakeholder groups, i.e. customers, society, employees and the shareholder, is included in the decision-making in all ExBo and ESG IC meetings.

Sustainability-related performance in incentive schemes

ASN Bank has no variable remuneration scheme. Nevertheless, every year the Supervisory Board sets performance objectives for the ExBo, including performance objectives for our impact on society. These objectives are derived from ASN Bank's

(long term) strategic objectives, and in setting them the Supervisory Board takes into account ASN Bank's desired ESG risks-related risk profile.

Sustainability policies

The purpose of our sustainability policies is to minimise the negative impact and increase our positive impact we have through the investments and loans. We also use the sustainability policies for due diligence and to identify, monitor and mitigate ESG risks as much as possible.

Our sustainability policies cover all investments, financing to corporates and governments and our own operations and are applied at three levels, which are described below. As our sustainability policies are updated regularly, we still have some bond positions that do not adhere to our current sustainability criteria, but did at the time of purchase. These positions will remain in our portfolio until maturity. Besides our sustainability policies, we also have a Risk Management Policy Sustainability Risk and several business policies in place. Several components of our policies are related to how our counterparties deal with ESG risks.

Sustainability Policies and Specific Sustainability Policies

We distinguish three pillars in our Sustainability Policies (SPs): climate, biodiversity and human rights. We assess countries, organisations and businesses on the basis of these sustainability policies. The approach to our SPs consists of two elements: 1) a set of sustainability criteria to exclude or avoid investments that have a negative impact and 2) a set of criteria to assess how to support investments that contribute to sustainability. Below, we elaborate on the two elements of our approach for each pillar.

The SPs and Specific Sustainability Policies (SSPs) contain information on the sustainability of content, for instance, our investments in corporate and sustainable bonds. We update our SPs so that it incorporates recent developments. For certain SPs, we engage with stakeholders including NGOs, other financial institutions, academics, politicians and the media. In SSPs, we provide additional guidance and criteria for specific themes, such as animal welfare or plastics, sectors, such as financial services, or asset classes, such as ESG bonds.

Climate

Our sustainability criteria avoid involvement in entities that have a substantial negative impact on climate change and support investments that contribute to combating climate change. Activities we refuse to invest in are, for instance, the exploration, extraction and production of fossil resources and electricity generation by means of fossil resources.

Biodiversity

Before we invest, we analyse whether potential investments meet our sustainability criteria, since we aim to reduce the negative ecological impact from our investments. Our biodiversity criteria are in line with the main threats concerning loss of nature and biodiversity: land use change, overexploitation, climate change, invasive and exotic species, and pollution. At the same time, we invest in ways to protect nature and relieve the pressure society puts on nature, such as renewable energy and the circular economy leading to a reduction in the use of natural resources.

Human rights

We have a wide range of policies to avoid violations of human rights in our loan and investment portfolios. We do not want to invest in companies that engage in or profit from war or armed conflict. All listed companies are screened and then monitored periodically to ensure that they are not involved in the arms industry. For this purpose, we make use of external data providers specialised in this field.

Examples of criteria to support investments that uphold collective, human and labour rights are: equal treatment and anti-discrimination, no forced or child labour, safe and healthy working conditions, freedom of association and respect for the rights of local communities and indigenous people. This is in line with the Core Conventions of the International Labour Organization.

Our policy also addresses human rights in our own operations and has own workforce, consumers and end users in scope.

Human rights due diligence

Our human rights policy also prescribes how we conduct our human rights due diligence. In 2023, we completed a salience risk analysis to assess whether our activities could be linked to human rights risks in the international value chains to which we are connected. In conducting this analysis, we followed the United Nations Guiding Principles for Business and Human Rights. This analysis showed that the risks of forced labour and degradation of livelihoods in the mining and metals chain are the most salient human rights risks. For instance, our investments related to renewable energy could be related to potential human rights risks in the value chain, but this is not assessed as a material risk for ASN Bank.

We continue our efforts in exploring how we can influence these supply chains to address these forms of abuse in line with international guidelines. The first step we have taken is to join the IRBC covenant for the renewable energy sector. The purpose of this covenant is to jointly tackle and prevent risks in the area of human rights violations and environmental damage by collaborating with solar and wind energy

companies, industry associations, the Dutch government, knowledge institutes, NGOs and trade unions.

Applied sustainability policies

The Applied Sustainability Policies specify how our sustainability policies are implemented in various processes. The responsibility for implementing these operational policies lies with the relevant departments.

Foundation of our policies

Our sustainability policies are based on relevant and important global conventions, reports and initiatives that aim to ensure a bright and sustainable future for next the generations. ASN Bank regards the following international treaties and conventions as the fundamental starting points for its policies and their implementation. These international treaties and conventions are subject to change and do not constitute an exhaustive list. Several components of our policies are related to how our counterparties deal with social risks, such as their attitude towards human rights, the (local) community and society, employee relationships and labour standards, customer protection and product responsibility, healthcare, a living wage, privacy, housing, and social needs.

Implementation of the sustainability policies in relation to counterparties we invest in or finance

As we invest in several different asset classes, the way these policies are implemented varies. As described in this section, the sustainability policies also relate to the governance performance of our counterparties. The governance concerning the sustainability performance of these asset classes differs.

In general, ASN Bank has no specific governance body responsible for deciding whether or not to do business with a counterparty. Instead, we write our sustainability policies, and analyze and give advice on whether or not to invest. The ESG IC is responsible for the implementation of our sustainability policies. That advice is honored, and the departments responsible for buying/investing in those counterparties adhere to it. The policies are discussed with all relevant parties, who can give their input on all relevant policies. In addition, we do not systematically take into account the role of a counterparty's highest governing body in the approval of its non-financial reporting. This applies to all the categories listed below.

Corporate and green bonds

We conduct an assessment for corporate (green) bonds by analysing whether the activities or projects that are financed with the bond or loan involve activities we exclude or avoid. For corporate bonds we assess whether the company has policies

Foundation of our policies



CLIMATE

- Paris Agreement
- Intergovernmental Panel on Climate Change (IPCC) of the World Meteorological Organization (WMO)
- United Nations Environment Programme Finance Initiative (UNEP FI)
- Montreal Protocol

BIODIVERSITY

- Convention on Biological Diversity (CBD)
- The Kunming-Montreal Global Biodiversity Framework (GBF)
- Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) report
- Five Freedoms of the Farm Animal Welfare Committee
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- Convention on Wetlands (also known as the Ramsar Convention)
- UNESCO World Heritage Convention (WHC)



HUMAN RIGHTS

- United Nations' Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- Conventions of the International Labour Organization (ILO)
- Guidelines of the Organisation for Economic Co-operation and Development (OECD) for MNE
- UN Global Compact
- Conventions in relation to weapons



in place for sustainability risks and check if the company is not listed as an UN Global Compact violator. In addition, companies that fall within the investment universe of ASN Impact Investors are assessed in the onboarding process; for example, we check whether they have complex organisational structures, do business in and/or with sanctioned countries or carry other integrity-related risks. To monitor if companies are involved in ESG-related misconduct, we use a dataprovider (RepRisk). Where

a counterparty does not disclose sufficient information to enable a complete ESG assessment, we actively engage with the company to seek further clarification. We do the same if a company is involved in serious misconduct.

For those companies that fall outside of the investment universe of ASN Impact investors we apply a focused review limited to governance criteria for positions with elevated sustainability risk. This review covers aspects such as ethics, strategy and risk management, inclusiveness, transparency and management of conflict of interest. Within ASN Bank, the Sustainability team is responsible for assessing counterparties' policies on these topics.

For green bonds the framework is checked, but the highest governing body is not necessarily assessed (nor is for corporate bonds). What is more, we always include a second opinion in our assessment. If this opinion contains a recommendation, we may enquire whether the issuer has followed up on it or we may set the recommendation as a condition.

Government bonds and loans

Government bonds and loans must meet our exclusion criteria as described in our specific policy for government bonds. We base these criteria on the endorsement of relevant international conventions, through ratification or accession. After, the performance of non-excluded countries is assessed based on a number of relevant indexes, as democracy, LGBTIQ+ rights, level of corruption, forced labour, protected areas of nature, etc. In this way, considerations of ethics, strategy and risk management, inclusiveness, transparency and management of conflict of interest are taken into account in the assessment of the counterparty. Internal communication on critical concerns is not considered at the moment. In consequence, we select countries that meet the exclusion criteria based on sustainability criteria for climate, biodiversity and human rights. Some countries are therefore excluded from our investment portfolio.

ASN Bank sustainable loan portfolio

For project financings in the ASN Bank sustainable loan portfolio we have developed a tool which is used to determine whether a potential project meets our sustainability criteria or whether extra research is required. Under this portfolio, as we only invest in projects within the Netherlands or North-West Europe, local legislation is considered sufficient as governance screening criteria.

SME customers

We do not assess our SME customers on specific governance aspects, since these criteria are considered disproportionate for this customer group. But we do exclude

certain businesses. We base that on SBI-codes/ their core business. For example, we exclude businesses in fossil fuel.

Mortgage portfolio

For us, it is important that the collateral of our mortgage portfolio becomes more energy efficient. We have a Specific Sustainability Policy Housing in which we describe our ambitions and actions to directly or indirectly engage with customers to make their homes more energy efficient. In our mortgage products, we do not exclude (potential) homeowners because of low energy efficiency ratings. Furthermore, we proactively engage with our customers by offering products and services aimed at home energy efficiency improvement.

Monitoring sustainability matters of companies we invest in or finance

We have continuous monitoring and periodic assessments in place to ensure that our current and potential investments and loans remain within the limits of our sustainability criteria. We also monitor and actively engage with companies in case of observed controversies or misconduct. In case of misconduct, we approach the relevant stakeholder and engage in a conversation to set up a request for action. If the stakeholder cannot uphold this request, we may decide to withdraw as an investor or financier. We periodically update the countries that are eligible for our government bond portfolio, and analyse whether financial institutions comply with our sustainability policies.

Strategy, business model and value chain

With our Strategy 2021-2025, we aim to create benefits for our customers, give genuine attention to our employees, take responsibility for society and achieve returns for our shareholder. We are aware that we can only do so if we remain a sound and solid bank.

ASN Bank aims to have a positive impact on society and to reduce its negative impact. We achieve this by implementing our sustainability policies, through our investments, by developing and setting relevant KPIs and by offering socially responsible propositions. This approach, in turn, also contributes to the resilience of ASN Bank against sustainability-related transition and physical risks.

ASN Bank performs a strategy review on an annual basis. The aim of the strategy review process is to review, adjust and reconfirm agreed long-term targets and strategic decisions by taking into account internal and external events and/or factors and various plausible scenarios of marketplace developments (for example, changes in capital markets, customer demand, crisis implications, etc.) and their implication. ASN Bank carefully considers the interests of its stakeholders when formulating or

adapting its strategy and business model. The strategy review process is continuously assessed and the strategy and upcoming plans are updated in the short term (1 year) if necessary. The strategy review process is based on key inputs, such as (but not limited to) the double materiality assessment (DMA), the Strategic Risk Assessment (SRA) (including climate and environmental risk), ESG assessments, and other analyses such as risk appetite statements and financial business reports, as well as other key inputs such as sustainability scenarios, consultations with our stakeholders and stress tests. The annual SRA is an important tool to recalibrate the strategy against internal and external trends, including important developments in ESG risks. Some of our strategic sustainability objectives are listed below.

Adjustments are always aimed at strengthening stakeholder relationships, considering transparency, responsiveness and a commitment to aligning interests. Furthermore, adjustments arise from a reassessment of key strengths and weaknesses along with the current and anticipated opportunities, impacts and risks, and from a reassessment of strategic goals along with the definition of implications for our strategic and business model execution. In doing so, the bank aims to become more efficient and enhance its ability to adapt not only in response to regulatory requirements, but also to technological developments, shifting economic conditions and changing customer requirements.

In response to the 2015 Paris Agreement, the Dutch financial sector committed itself to the National Climate Agreement of the Netherlands (*het Klimaatakkoord*). In 2019, we endorsed the Climate Commitment Financial Sector, after which ASN Bank's Climate Action Plan (CAP) was developed in 2022. In our CAP, we provide a summarised overview regarding our goals, actions and targets of current significant products and services, and markets and customer groups that are based in the Netherlands, in relation to sustainability- and ESG-related goals. The majority of our sustainability- and ESG-related goals are based on significant areas such as initiatives that have a measurable positive impact on society, for example, our loan portfolio (sustainable housing and mortgages, SME loans, Project Finance), our bank's capital (SBTIs), investment funds, but also objectives to create a strong customer relationship.

To monitor the achievement and gain insight into the key challenges and solutions of the strategy's ESG-related objectives, we have set short-, medium- and long- term objectives and measure progress through performance indicators for each stakeholder group. We have implemented a set of performance indicators for monitoring purposes.

Entity-specific ESG metrics and targets	
Definition	Target
Climate-neutral balance sheet	75% climate-neutral balance sheet by 2025
Net zero	Net zero emissions by 2050
Genuine attention	>7.5 in 2025
Net promoter score	+7 in 2025
Number of active multi-customers	1.3 million in 2025

Sustainability risk

Sustainability risk is one of ASN Bank's strategic risks and is part of the bank's risk taxonomy as a stand-alone risk type with the aim of developing a holistic approach to the incorporation of ESG risk drivers into its overall business strategy, governance, risk management framework, organisational structure and reporting.

We define sustainability risk as the risk arising from Environmental, Social or Governance-related (ESG) factors over the short, medium or long-term that may have an (in)direct financial or reputational impact on ASN Bank - either directly or by acting as a driver for other risk types - as well as the risk arising from the value chain of ASN Bank that may have an (in)direct negative impact on the environment or society.



As shown in the diagram, we divide sustainability risk into the three ESG sub-risk types and define them as follows.

Environmental risk

Environmental risk is the risk of (in)direct financial or reputational damage to the bank due to acute or chronic physical environmental events (outside-in risk) or due to the bank's or third parties' role in the transition to an environmentally sustainable economy (inside-out risk), as well as the risk arising from the bank's value chain, which may have an (in)direct negative impact on the environment. Environmental risk encompasses

several risks, such as biodiversity loss and water scarcity, which may pose both a physical risk and a transition risk:

- Physical risk is the risk of a negative financial impact on the institution, including its counterparties or invested assets, stemming from the current or prospective impacts of the physical effects of environmental factors such as extreme weather events, climate change and environmental degradation. A distinction can be made between acute physical risks, such as floods, and chronic physical risks, such as rising sea levels.
- Transition risk is the risk of a negative financial impact on the institution stemming from current or prospective impacts of the transition to an environmentally sustainable economy on its counterparties or its invested assets. This risk can evolve over time by, among others, changes in policies, stakeholder preferences and technology. For example, if our emissions become relatively high, we might face higher transition risks as a result of stricter climate-related policy changes.

The occurrence of physical and transition risks is often inversely related. In response to the potential impact of physical risks, the government may rapidly introduce stringent and far-reaching policies, which may, in turn, lead to increased transition risks. Alternatively, physical risks may increase over time if the government fails to draw up and implement effective policies.

Social risk

Social risk is the risk of (in)direct financial or reputational damage to ASN Bank due to social events or to the bank's role in the transition to a sustainable economy, or of damage caused by parties with whom the bank may interact, as well as the risk arising from the bank's value chain that may have a negative impact on social topics such as human rights and privacy. Despite the development of social standards, preferences and policies, ASN Bank's ESG materiality assessment includes all relevant social risk drivers. These drivers may well be triggered by environmental risks; they may, for example, lead to pandemic outbreaks that could affect the social and mental wellbeing of our employees and customers. Social risk can evolve over time by, among others, changes in policies, stakeholder perspectives and technology.

Governance risk

Governance risk is the risk of (in)direct financial or reputational damage to the bank due to governance-related events or the bank's role in the transition to a sustainable economy. It is also the risk arising from the bank's value chain, that may have a negative impact on the environment or society due to inadequate corporate governance, ethical management or transparency. Governance risks may be driven by various risk drivers, such as inadequate management of environmental and social issues or a lack of action to combat money laundering. These examples may have a

negative impact on ASN Bank's reputation, and thus on its financial performance or solvency. Governance also plays an important role in ensuring the environmental and social inclusion of our counterparties, i.e. customers and suppliers.

Sustainability risk management refers to the management of all of the above-mentioned risk drivers that may affect our risk profile, the environment or society. In this respect, sustainability risk management concerns the control of outside-in risks, in particular those arising from negative inside-out impacts.

Risk profile

ASN Bank's Risk Appetite Statement (RAS) supports its strategy to be the bank with the strongest customer relationship in the Netherlands and to have a substantial and measurable positive impact on society. As such, we aim to minimise (the financing of) activities that lead to negative impacts on society or the environment and limit (the financing of) activities that may negatively affect our financial results as a consequence of ESG events or climate-related hazards. Therefore, ASN Bank has a low appetite for sustainability risk. Our business model and strategy are the main factors determining our sustainability risk profile. As a retail bank with a high concentration of residential mortgage loans in the Netherlands, our exposure to transition risk largely depends on the transition to a more sustainable housing sector. We actively encourage and help our customers to reduce energy costs by making their home more sustainable.

As far as physical risk is concerned, environmental and climate change will also have an impact on the housing sector in the Netherlands. The intensity and frequency of floods is increasing and houses will consequently be impacted by the deterioration of foundations and soil. To keep track of our risk profile, we closely monitor the likelihood and impact of these developments.

Management and control

Clear roles and responsibilities are preconditions for an effective risk governance framework. To manage sustainability risk appropriately, ASN Bank has implemented the three lines model. The roles and responsibilities of the different lines in the risk governance have been strengthened and clarified.

The ECB guide on climate-related and environmental risks came into force in 2025. To ensure timely compliance, ASN Bank appointed a special project team to realise the implementation. In 2025 the last notable points and the requirements from the EBA guidelines on the management of ESG risks which comes into force in 2026 are being implemented.

Integration of ESG risks in the risk framework

ASN Bank has integrated (short, medium and long-term) sustainability risk into its existing enterprise risk management framework. Sustainability risk is a standalone risk type as well as a risk driver for other existing risk types (e.g. credit risk). The risk management framework has the following components:

The Enterprise Risk Management Framework of ASN Bank includes policies, procedures, risk limits and risk controls to ensure adequate, timely and continuous identification, measurement or assessment, monitoring, management, mitigation and reporting of all (emerging) risks related to ASN Bank's activities, including sustainability risk. For more information on the risk limits, see paragraph about sustainability KRIs further below.

The Risk Management Policy Enterprise Risk Management (RMP ERM) is set at the highest level together with RMP Integrated Control Framework. These policies align all the risk management and control activities.

The RMP ERM describes elements of the Enterprise Risk Management Framework like the Risk Management Cycle, risk culture, the risk committee structure, governance, the risk inventory and taxonomy and the policy framework.

The RMP Integrated Control Framework (RMP ICF) outlines the control framework, including the culture, capabilities, practices, controls and code of conduct that are in place to achieve the strategic goals.

Both a specific Risk Management Policy (RMP) and a Risk Appetite Statement (RAS) for this risk type are in place. Our Sustainability Risk RMP covers climate-related risks, including physical risks and transition risks. The RMP is the overarching policy regarding sustainability risk and elaborates on the risk management cycle for managing this risk type, which includes the processes and instruments for risk identification, measurement, response, monitoring, incident management and issue and action management. The risk management cycle is the basis for identifying, assessing, prioritising and monitoring risks and opportunities and their financial impact. There are various methods to assess risks in the material risk assessment. Risks are typically expressed in euros as much as possible, and there is always a rationale behind prioritising risks. The RMP applies to ASN Bank N.V., including all underlying legal entities, Centers of Expertise, Hubs, staff departments and portfolios. The Chief Risk Officer is accountable for the implementation of the Sustainability Risk RMP.

Specific sustainability key risk indicators (KRIs) are included in the RAS for sustainability risk and in those for credit risk and reputational risk. Other KRIs are not specific

to sustainability risk, but do include the impact of sustainability as a risk driver, as the KRI regarding compliance with prudential laws and regulations, which includes ESG regulations.

To monitor sustainability risk, we have developed sustainability KRIs with defined thresholds (or limits). Where possible, these are quantitative indicators to monitor ESG risks. The determination of the indicators and thresholds is an annual process approved by the ExBo.

There are several KRIs as shown in the table 'Sustainability risk indicators'. A threshold has been set where possible.

- The sustainability risk KRIs related to environmental risks monitor the contribution to our long-term ambition to obtain a climate-neutral balance sheet and a net zero balance sheet, and our contribution to the Science Based Targets. Insufficient growth of the Sustainable Project Finance Portfolio and insufficient reduction in emissions from the mortgage portfolio could hamper ASN Bank's long-term environmental targets to achieve a climate-neutral balance sheet, to have a (net) positive impact on biodiversity by 2030 and to have a net zero balance sheet by 2050. Being a retail bank with a high concentration of residential mortgage loans in the Netherlands, it is important for ASN Bank to increase the average energy efficiency rating of its residential mortgage portfolio. Progress is currently being made on achieving the long-term ambitions, but additional measures need to be defined to ensure timely achievement.
- The credit risk KRIs related to environmental risk are based on the view that customers with a high LTI and LTV carry a potentially higher credit risk.
- The sustainability risk KRI related to social risk is intended to provide more insight into IT suppliers whose production takes place in countries where there is a greater risk of human rights violations. Not all locations are known at this time.
- The KRIs related to governance risk affect the existing compliance KRIs with regard to employee conduct and privacy. Progress still has to be made on these KRIs.
- The reputational risk KRI related to ESG monitors how stakeholders assess ASN Bank's ESG performance. This KRI is within the risk appetite.

The main KRIs for sustainability risk are integrated in the Integrated risk reports, which provides the ExBo on a monthly basis and the Supervisory Board's Risk & Compliance Committee on a quarterly basis with risk exposure information. All risk committees receive a quarterly risk report, which includes the KRIs that apply to their domain.

Areas of focus and activities

ESG materiality assessment

ASN Bank performs an annual ESG materiality assessment. The 2025 assessment is not finalized and therefore we report on the 2024 ESG materiality assessment. The ESG materiality assessment reveals institution-specific physical and transition risks, taking into account the specificities of the business model, operating environment as well as of the upstream and downstream value chain, i.e. all of ASN Bank's activities, including all underlying legal entities, Hubs, Centers of Expertise, staff departments and portfolios.

In assessing the risks, important considerations are ASN Bank's business model, products and services, geographical coverage and customers. In the identification and assessment process of ASN Bank's physical and transition risks, we identified and assessed climate-related hazards and transition events over several time horizons (see below) to determine whether and how our assets and business activities are exposed to these hazards and events. We considered the following time horizons:

- Short-term (< 1 year)
- Medium-term (1 –5 years)
- Long-term (> 5 years, including a time horizon of at least 10 years)

The ESG materiality assessment process started with a long list of potential material ESG and climate-related hazards, taking into consideration the ESRs hazards and the physical risks of the European Climate Adaptation Platform, Climate Adapt, enriched with expert insights and other available information.

A panel of experts, comprising first and second line staff members, assessed whether the ESG topics and climate-related hazards posed a risk to the bank (outside-in), and whether the risk factor constituted a risk for the environment or society (inside-out). The assessment was supported by data when available.

The aforementioned time horizons are aligned with the expected lifetime of our assets, strategic planning and capital allocation plans. As such, the medium-term time horizon (1-5 years) is in line with the (annual) business planning cycle and capital stress testing horizons of three years. The long-term time horizon is beyond five years due to the long-term nature of our assets: residential mortgages have an average maturity of around eight years. Our GHG emission reduction targets (SBTs) are aligned with the long-term time horizon.

To determine the exposure to climate-related hazards and transition events of our assets and business activities, as well as our supply chain, we considered the likelihood, financial impact (or magnitude) and duration of the hazards, supplemented

with the geospatial coordinates of the locations of our own offices and the locations of our mortgage portfolio collateral. When it comes to our own locations, we considered two data centres, our head office and the IT office, and assessed their exposure to floods, wildfires, (urban) heat islands, pole rot and subsidence. We plotted the property locations of our mortgage portfolio by means of the Climate Impact Atlas.

Sustainability risk indicators

Risk Appetite Statement	Risk indicator	Quantitative threshold
Sustainability risk – environmental risk	Growth of ASN Bank's Sustainable Finance portfolio - monitors the expected total volume of CO ₂ e compensated by sustainable projects financed	Yes
Sustainability risk – environmental risk	Average energy efficiency rating of the residential mortgage portfolio - monitored in kWh/m ²	Yes
Credit risk – environmental risk	Share of customers classified as high sustainability risk regarding drought	Yes
Credit risk – environmental risk	Share of customers classified as high sustainability risk regarding flooding	Yes
Sustainability risk – social risk	Percentage of IT contracts for which the production location is known	Yes
Compliance risk – governance risk	Conduct: number of observed incidents with employees	Yes
Compliance risk – governance risk	Privacy: non-compliance with GDPR	Yes
Reputational risk – E, S, G risks	A significant deterioration of the RepTrak – ESG score ¹ as opposed to the previous quarter and/or a lasting negative deviation from the long-term average	No

1. The RepTrak – ESG score is calculated through an assessment of what stakeholders think of the bank, specifically in relation to ESG, by means of nine indicators (three for Environmental, three for Social and three for Governance). As the quarterly RepTrakESG is provided (by an external party) with a delay, the data of the quarter before last is therefore included in the Risk Report (e.g. the Q2 score is included in the Q3 report).

In the process of identifying and assessing the transition risks and opportunities of ASN Bank, we identified and assessed transition events over the short, medium and long-terms to determine whether and how our assets and business activities are exposed to these events. Though we identified a transitional risk, our assessment did not reveal any transition opportunities. When identifying and assessing transition events, we did not consider the climate-related scenario analysis consistent with the Paris Agreement. For the identification of climate-related hazards, we considered high-emission climate scenarios, such as the high scenario of KNMI'14, which is in line with the IPCC SSP5 8.5 pathway (4 degree Celsius warming by 2100).

We identified which assets are compatible with the transition to a climate-neutral economy according to the requirements for EU Taxonomy alignment under Commission Delegated Regulation (EU) 2021/2139. The residential mortgage category is the largest on the balance sheet. For the part of the mortgage portfolio that is not Taxonomy aligned, we recognise the need for a significant effort, but the options to reduce the emissions in our mortgage portfolio are limited, as we can only engage with and enthuse homeowners to make their home more sustainable.

In 2024, we continued to improve our ESG materiality assessment. We paid special attention to the quantification of the ESG risks with available data. We analysed our assets on the balance sheet, including our residential mortgage and SME portfolio, liquidity portfolio and sustainable finance projects, and assessed the ESG risks related to those portfolios.

ESG materiality assessment – Results from 2024

ESG materiality assessment

Type	Environmental risk	Risk type	Transmission channel	Portfolio				Time horizon ¹		
				Residential mortgages	SME loans	ASN sustainable loans	Financial Markets loans ²	Short-term	Medium-term	Long-term
Physical risk	Pole rot following drought	Credit risk	Pole rot occurs when wooden poles under a foundation decay due to severe drought, harming the house's foundation. This can reduce collateral value (increasing LGD) and burden borrowers with repair costs, potentially lowering repayment ability and raising probability of default (PD).	•	•		•	•	•	•
	Subsidence following drought	Credit risk	Differential settlement refers to the uneven sinking of a building's foundation due to non-uniformly compacted soil. This can reduce collateral value (increasing LGD) and burden borrowers with repair costs that may impair repayment ability and raise probability of default (PD).	•	•		•	•	•	•
	Flooding	Credit risk	Flood damage risk (coastal, fluvial, groundwater, pluvial) can increase LGD through property devaluation and raise PD via repair costs and higher insurance premiums.	•	•	•	•	•	•	•
	Wind	Credit risk	The risk of damage to wind farms leading to repair costs or lower anticipated financial results for onshore and offshore wind farms potentially lowering repayment ability and raising probability of default (PD).			•		•	•	•
Transition risk	Changing market sentiment	Reputational risk	Risk of reputational consequences if the bank fails to align with shifting market sentiments towards ESG.	•					•	•
	Legal and regulatory changes - GHG emissions	Credit and business risk	The risk of legal and regulatory changes related to GHG emissions for the banking network. Lower energy labels reduce collateral values, increasing LGD, while adaptation costs strain borrowers' repayment capacity. Operationally, the bank may face challenges with suppliers unable or unwilling to meet sustainability reporting requirements.	•	•		•		•	•
	Not meeting GHG targets in time	Reputational, legal and compliance risk	The risk of reputational and legal consequences in case of failure to meet GHG targets, due to increased regulatory scrutiny and stakeholder expectations.	•					•	•
	New regulations related to managing physical climate risk	Reputational, legal and compliance risk ³	Failure to identify new legislation and regulations in a timely manner and the subsequent failure to implement them in a timely and/or correct manner can lead to reputational and legal consequences.	•	•	•	•	•	•	
	New regulations related to managing transition risk	Reputational, legal and compliance risk ³	Failure to identify new legislation and regulations in a timely manner and the subsequent failure to implement them in a timely and/or correct manner can lead to reputational and legal consequences.	•	•	•	•	•	•	
	Negative energy prices	Credit risk	The risk of negative prices for energy leading to lower than anticipated financial results for renewable energy projects which can result in lowering repayment ability and raising probability of default (PD).			•		•	•	•

1. Time horizons as determined during the workshops in May 2024. The quantitative assessment was focused on the long term only.

2. Pole rot, subsidence following drought and risk of flooding are considered material for the long term only as underlying assets of the securitisation portfolio.

3. Risk drivers determined at Group level and assigned to all portfolios for the purpose of this overview.

The findings of the 2024 ESG materiality assessment are shown in the table above. It reveals that the majority of risks stemming from ESG drivers are addressed as one

of the existing risk types. We assessed the impact of sustainability risk as a material risk driver for the following risk types: credit risk, business risk, reputational risk, legal

risk and compliance risk. The assessment is based partly on qualitative judgements, internal and external studies and the impact of upcoming regulations, and partly on quantitative information (where possible). The following risk drivers are considered material for the various risk types at ASN Bank:

- The risk of pole rot, drought and flooding as a potential credit risk arising from the loss of the collateral value of loans and mortgages provided.
- The risk of flooding and extreme winds as a potential credit risk for the sustainable finance portfolio arising from the potential loss of investment value, in particular of renewable energy projects (onshore and offshore wind farms).
- The risk of negative energy prices as a potential credit risk for the sustainable finance portfolio arising from the loss of revenue and the decrease in cashflows from impacted assets.
- The risk of legal and regulatory GHG emission changes is quantified by measuring the energy efficiency ratings as part of the residential real estate (RRE) and SME portfolio.

We conclude that for the following other financial risk types, the climate-related and environmental (C&E) risk drivers are not material:

- Liquidity risk: C&E risks potentially have a long-term impact and arise from the securitised portfolio. In the short term, they are not considered material.
- Credit spread and interest rate risk in the banking book: we did not identify any material C&E risk drivers. We developed a quantification method to enrich the analysis for credit spread risk.
- Market risk: for the trading book portfolio, we applied the concept of proportionality. This means that, due to the relatively small risk exposures of our trading book portfolio, we did not consider any risk quantification methods.
- Operational risk: all operational risk sub-types were in scope of the ESG materiality assessment and, except for legal risk (see the table above), all operational risk sub-types were assessed as not material.

These assessment results were then used to formulate specific actions to further assess the impact of the identified ESG risk drivers. In 2024, ASN Bank further enhanced the incorporation of sustainability risk into its Internal Capital Adequacy Assessment Process (ICAAP) framework. Quantification methods and risk appetite thresholds are in place to ensure adequate capital allocation for sustainability risks.

Methodology, materiality criteria and thresholds for our mortgage portfolio

Materiality criteria and thresholds

Risk type	Component	Materiality criteria	Threshold
Physical risks	Concentration risk	% of exposure at risk from an event	>15%
	Expected loss (EL)	Increase in portfolio-level EL (non-default)	<2.50%
	Capital impact	CET1 ratio change	<-0.50%
Transition risks	Concentration risk	% of exposure to EPC labels E, F & G	>15%
	Alignment with GHG emission targets	Improvement of average energy rating (A=1; G=7)	<0.12

To assess the exposure of the bank's mortgage portfolio to flood risk, the geographic distribution of the mortgage portfolio is mapped to the location-specific probabilities of three different flood depths (>20 cm, >50 cm and >200 cm) occurring by 2050. In our model to calculate economic capital for sustainability risk, the probabilities of flooding are classified into different risk categories. We also make a prudent choice by defining a cut-off at the flooding probability levels of 1/3,000 to 1/30,000 per year, which means that the residential mortgages with the flooding probability levels of 1/3,000 to 1/30,000 per year or less are deemed to be 'not at risk'.

Risk of flooding in 2050

High probability	>1/30 per year
Medium probability	1/30 to 1/300 per year
Low probability	1/300 to 1/3,000 per year
Very low probability	1/3,000 to 1/30,000 per year
Extremely low probability	<1/30,000 per year

Based on the assessment, the flood risks for the Dutch residential mortgage portfolio could be considered material under two scenarios, i.e. one scenario in which the flood depth exceeds 20 cm and one in which it exceeds 50 cm, both by 2050. Specifically, the percentage of exposure at risk in case of a flood depth exceeding 20 cm is above the threshold of 15%. Additionally, the Expected Loss (EL) at portfolio level in the event of a flood depth scenario exceeding 50 cm surpassed the materiality threshold of 2.50%.

To assess which exposures in our mortgage portfolio are sensitive to climate change events, we consulted the data from the Climate Impact Atlas. We categorised all

exposures in regions with a high or very high risk to pole rot and/or soil subsidence in the scenario '2050 Low'. As for pole rot, mortgages in areas of Moderate, High and Very high risk were identified as being at risk. Considering the potential impact of pole rot on our mortgage collateral, we established that the risk posed by this factor is insignificant. This analysis showed that none of the thresholds considered for the materiality assessment of physical risks are breached. As for soil subsidence, mortgages in areas of Moderate, High and Very high risk were identified as being at risk. This analysis was performed under two different climate change scenarios, namely 'low climate change by 2050' and 'high climate change by 2050'. Based on this, we determined that this risk is material under the 'high climate change by 2050' scenario and immaterial for the current rate of climate change by 2050.

Efforts to improve data availability, quality and accuracy

As ESG risk management is still evolving, we continue to analyse what internal and external data is required and what data sources are already available and may be used in risk analyses. It is worth noting that the Climate Impact Atlas data only consists of an address and a location, as a result of which properties on higher floors are considered just as vulnerable to flooding as ground-floor properties.

Stress testing and scenario analysis

ASN Bank conducts capital stress testing as part of its ICAAP. The test stresses the bank's material business areas. The stress scenarios comprise material risks that are expected to negatively affect capitalisation over the short, medium and long-terms. Many of these risks are macroeconomic in nature, but ASN Bank also takes into account the physical climate risks of floods and droughts on its residential mortgage portfolio. The possible impact from climate transition risk was included in a stress test performed by ASN Bank in 2022, and ASN Bank is currently investigating improvements to its climate transition risk framework for stress testing.

As part of its capital planning, ASN Bank assesses its capital adequacy under a credible baseline scenario and specific adverse scenarios. For the latter, ASN Bank assumes severe but plausible developments, expected to negatively affect capital ratios. In accordance with the ECB Guide with respect to ICAAP, the normative perspective covers a four-year forward-looking horizon. ASN Bank takes developments beyond this horizon into account in its strategic planning if they are expected to have a material impact. To capture the interaction of various types of risk, we use a holistic capital stress testing framework, incorporating climate-related risks.

The capital stress test outcomes are submitted to and discussed in the Asset and Liability Committee (ALCO) and the Credit Committee. The outcomes are also used to calibrate Risk Appetite Statement (RAS) thresholds for capital adequacy.

Climate risk is included as a material risk in the stress testing. The 2024 end-of-year capital stress test included a scenario that assumed the physical climate risks of floods and droughts on its residential mortgage portfolio. Data for flood and drought risks is sourced from the Climate Impact Atlas. We source data on property damage amounts from this external source for floods and droughts. We concluded from the stress test that the capital position of ASN Bank is resilient and can withstand severe climate stress.

Climate & Environmental (C&E) risks are integrated into the ICAAP through the economic perspective (Economic Capital Sustainability sub-model) and normative perspective (as part of the adverse scenario in the stress-test). ASN Bank has integrated C&E risks in Economic Capital through the Sustainability Risk sub model.

- C&E risks are considered in the stress-test as drivers for the following risk types: credit risk, market risk, liquidity risk, business risk, reputational risk.
- C&E factors are considered for integration into regulatory capital. In the short-term (as part of the material change package that will be submitted in 2025), a MoC is proposed for physical climate risks (flood & drought). In the long-term, C&E risks will be considered for the next model development.

Liquidity risk (ILAAP):

ASN Bank analysed the possible impact of ESG developments on all material risk types. It was concluded that the relevant ESG elements are included in the current liquidity stress testing framework and scenarios. Moreover, the impact of ESG risks on liquidity are expected to materialise on the medium to long run (>1 year). While their impact may rise over time, acute events are not expected to exceed current short-term stress impact. These risks are thus outside the scope of liquidity stress testing, which is and should remain focused on the short-term given the mostly short-term nature of liquidity risk.

Mitigating risk controls

When risks stemming from ESG events or climate-related hazards are assessed as material, we evaluate current risk control mechanisms and subsequently formulate additional risk responses. A significant transition risk in our mortgage portfolio is the risk that our customers are faced with high energy costs and a decreasing collateral value as energy efficiency standards for homes are raised. ASN Bank mitigates this risk by actively aiding its customers in their efforts to make their homes more sustainable. It does so by raising awareness of various financial products, such as the *Bespaarhypotheek*¹ and by promoting them. With regard to physical risks, we monitor our exposure to material physical risks at portfolio level.

Integration of ESG in the credit granting and credit monitoring process

The integration of ESG factors is a component of the credit granting process, which is aligned with our overarching strategy and risk appetite. This ensures that ESG criteria are incorporated in credit decisions, without constituting a definitive requirement for the granting of a mortgage. The process evaluates the ability of customers and counterparties to manage and absorb ESG-related costs, with tailored approaches for different business lines. The focus is on assessing physical and transition risks, as well as fostering sustainable lending practices through incentivised pricing and monitoring frameworks.

Due diligence

The due diligence process evaluates the exposure of customers and projects to physical and transition risks while assessing their financial ability to absorb these impacts. This first stage identifies and addresses potential climate and environmental vulnerabilities early in the credit granting process. The specific considerations within the due diligence process vary across portfolios.

Due diligence for the residential mortgages includes the mandatory assessment of physical climate risks of drought-related foundation issues, as well as transition risks associated with energy efficiency ratings. An indication of foundation risks is a mandatory part of the property valuation report. On occasion, this risk warrants additional due diligence. When there is a clear indication that the foundation-related damage cannot be borne by the customer in question, this might result in disapproval of the customer taking out a mortgage. We provide mortgages that offer an interest rate discount for homes with a higher or improved energy efficiency rating.

For commercial real estate (CRE), due diligence incorporates similar ESG considerations to residential mortgages. Physical risks are reviewed in conjunction with valuation reports to assess if there is an indication of high risks. Transition risks, particularly compliance with regulatory requirements for energy efficiency ratings, is assessed along with the borrower's financial capacity to implement the required retrofitting or upgrade. Loan-to-Value (LTV) limits are applied to reflect the impact of deviating energy efficiency rating levels, with stricter thresholds for properties having an energy efficiency rating of D or lower.

As far as ASN Bank's sustainable finance portfolio is concerned, our main aim is to ensure that financed projects align with sustainability goals at the sector level. Exclusion criteria are applied to exclude sectors and counterparties that do not meet the bank's sustainability criteria. For Financial Markets & Treasury (FMT), ESG due

diligence focuses on the evaluation of bond issuers with a credible credit rating that is partly based on an evaluation of their ESG-related risks.

Collateral valuation

As part of the credit granting process, collateral valuation complements the due diligence phase by assessing the financial value of the collateral while incorporating ESG factors. Collateral valuation encompasses both loan origination and the loan management process, with specific practices tailored to each portfolio.

For residential mortgages, collateral valuation during the mortgage process is conducted by independent property valuers. In the Netherlands, property valuers use the NRVT model property valuation report, which incorporates assessments of energy efficiency and drought-related foundation risks but does not include flood risks at this time. Loan management involves ongoing monitoring of collateral values, as improved energy efficiency ratings have an impact on the value. Non-performing loans are also periodically re-evaluated to ensure their values remain accurate and consistent with actual market values.

The property valuation report for SME loans also contains a section on the energy performance of the building and the physical climate risks. For SME loans, a property valuation is not mandatory for making a credit proposal to the customer, as we have the right to cancel the offer after we receive the property valuation. This is different for a mortgage offer for a residential home. However, for the purpose of climate and environmental (C&E) risks, we require a property valuation report before completing the credit assessment in case of a high physical risk indication.

For the ASN Bank sustainable finance portfolio and the liquidity portfolio, collateral valuation is not a primary requirement due to the nature of project-based and loan-based financing structures. Instead, material C&E risks are integrated into the broader credit assessment.

Loan pricing and provision

A C&E risk management overlay for flood and drought risks on current facilities follows the Economic Capital methodology, where this is quantified via the overlay and recalibrated on a semi-annual basis. The scaling factors for flood and drought risks are weighted by their exposure in the residential mortgage portfolio and incorporated into the Expected Credit Loss (ECL) cost price component of the portfolio at an aggregated level. In this way, the additional cost of risk is shared uniformly across all retail mortgage segments. The C&E risks are therefore incorporated into the cost pricing framework of loans through the ECL component. The scaling factors have

¹ A mortgage product providing an interest rate discount when homeowners implement energy-saving measures to obtain a higher energy efficiency rating

been embedded in the ECL pricing component in such a way that it will automatically feed into the pricing model when the impact on the SME portfolio reaches the materiality threshold.

The funding cost component does not differentiate between green and non-green assets on the bank's balance sheet and an equivalent liquidity spread curve applies to all assets, as the subordinated debt component fully consists of green instruments.

In addition to these core pricing components, the bank incorporates C&E risks into customer pricing incentives to promote sustainable practices. For the residential mortgage portfolio, products as the *Bespaarhypotheek* offer reduced interest rates for properties with high energy efficiency ratings (A or B). Customers who improve the energy efficiency of their property after origination automatically benefit from adjusted, lower pricing. Similarly, the ASN Sustainable Housing loan provides discounts to finance energy efficient improvements, such as installing solar panels or upgrading insulation. In the ASN Bank sustainable finance portfolio, the bank supports its sustainability objectives by setting a lower return-on-equity (RoE) target of 4% for sustainable projects, compared to the bank-wide target of 8%. This pricing strategy helps drive climate-neutral initiatives in the project finance portfolio.

Credit risk classification

Credit risk classification builds on insights from earlier evaluations in the due diligence and collateral valuation stage. These insights are transformed into a framework to segment customers, counterparties, and assets based on C&E risks and financial resilience for the purposes of ongoing credit risk management.

The classification process has been implemented by using a segmentation matrix that combines pure C&E risk scores with financial resilience metrics. This enables us to assess exposures to physical and transition risks, while evaluating the customer's capacity to absorb these risks. High-risk customers or assets are assigned to categories that may trigger stricter credit terms, targeted monitoring, or reduced exposure limits. Additionally, this segmentation provides granular information at customer and portfolio levels, offering insights into risk concentrations and potential vulnerabilities.

Credit risk monitoring

Credit risk monitoring ensures continuous tracking and management of ESG risks throughout the lifecycle of loans and investments. By using dashboards, key risk indicators (KRIs) and regular reporting, the bank ensures that the identified risks are addressed effectively.

Monitoring focuses on tracking geographic and sectoral concentrations of collateral exposed to high physical risks, such as flood-prone areas or properties with a low energy efficiency rating, as well as on identifying transition risk exposures across portfolios. For residential mortgages and SME loans, these concentrations are analysed along with customers' financial resilience, ensuring continuous alignment with credit classification criteria. For our sustainable loans and investments, we use C&E dashboards to monitor projects or counterparties with elevated risk profiles.

10.2 ESG risks quantitative disclosures

In line with the latest regulatory developments as a result of the Omnibus I regulations, template 6 to 10 are excluded. Consequently, the templates have been removed from our Interim Pillar 3 disclosures 2025.

For templates 1 to 5 each template has a different purpose for providing information and can be categorised as:

- Climate change transition risk (templates 1 to 4)
- Climate change physical risk (template 5).

The climate risk templates' purpose is to show how climate change may exacerbate other risks within banks' balance sheets, whether it be the risk of stranded carbon intensive assets or loans to property within a flood plain. The purpose of the qualitative disclosures in Section [10.1 ESG qualitative disclosures](#) is to describe ASN Bank's ESG strategies, governance and risk management arrangements with regard to ESG risks.

Template 1: Banking Book- Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 30-06-2025

Sector/subsector	a	b	d	e	f	g	h	i	j	k	l	m	n	o	p
In € millions	Gross carrying amount				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions ¹							
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks ³	Of which stage 2	Of which non-performing		Of which Stage 2	Of which non-performing		Of which Scope 3 financed emissions	% of the portfolio derived from company-specific reporting	<= 5 yrs	> 5 yr <= 10 yrs	> 10 yr <= 20 yrs	> 20 yrs	Average weighted maturity ²
1 Exposures towards sectors that highly contribute to climate change ⁴	1,697	1	55	44	-37	-2	-32	96,137	64,840	37.02%	485	471	726	16	10
2 A - Agriculture, forestry and fishing	2	-	0	0	-0	-0	-0	831	38	0.00%	-	1	1	0	14
9 C - Manufacturing	179	-	1	0	-1	-0	-0	44,080	38,601	63.35%	91	38	43	7	8
10 C.10 - Manufacture of food products	39		0		-0	-0		24,189	23,716	91.38%	29	5	2	3	6
11 C.11 - Manufacture of beverages	0							-		0.00%	-	-	-	0	21
13 C.13 - Manufacture of textiles	0				-0			27	23	0.00%	-	-	-	0	21
15 C.15 - Manufacture of leather and related products											-	-	-	-	-
16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	3		0	0	-0	-0	-0	223	100	0.00%	-	1	2	0	16
17 C.17 - Manufacture of pulp, paper and paperboard	1				-0			28		-	1	-	-	-	4
18 C.18 - Printing and service activities related to printing	0				-0			3		0.00%	-	-	0	0	14
20 C.20 - Production of chemicals	17				-0			5,417	4,961	99.96%	-	17	-	-	9
22 C.22 - Manufacture of rubber products	4				-0			1,007	2	0.00%	1	-	3	0	16
23 C.23 - Manufacture of other non-metallic mineral products	2				-0			1,943		0.00%	-	1	2	-	14
25 C.25 - Manufacture of fabricated metal products, except machinery and equipment	7		1	0	-0	-0	-0	574	234	0.00%	0	2	4	1	15
26 C.26 - Manufacture of computer, electronic and optical products	1				-0			35		0.00%	-	-	1	0	17
27 C.27 - Manufacture of electrical equipment	73				-0			9,629	9,503	82.83%	59	10	-	3	5
28 C.28 - Manufacture of machinery and equipment n.e.c.	20		0		-0	-0		350	26	0.00%	-	0	19	0	13
29 C.29 - Manufacture of motor vehicles, trailers and semi-trailers											-	-	-	-	-
30 C.30 - Manufacture of other transport equipment											-	-	-	-	-
31 C.31 - Manufacture of furniture	3				-0			68	2	0.00%	0	0	3	0	18
32 C.32 - Other manufacturing	1				-0					0.00%	-	1	-	0	9
33 C.33 - Repair and installation of machinery and equipment	6		0		-0	-0		186	34	0.00%	-	1	5	0	17
34 D - Electricity, gas, steam and air conditioning supply	800	-	33	40	-33	-0	-31	20,280	6,943	14.00%	155	215	430	1	10

Sector/subsector	a	b	d	e	f	g	h	i	j	k	l	m	n	o	p
In € millions	Gross carrying amount			Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				GHG financed emissions ¹			% of the portfolio derived from the company-specific reporting				
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks ³	Of which stage 2	Of which non-performing		Of which Stage 2	Of which non-performing	Of which Scope 3 financed emissions			<= 5 yrs	> 5 yr <= 10 yrs	> 10 yr <= 20 yrs	> 20 yrs	Average weighted maturity ²
35 D35.1 - Electric power generation, transmission and distribution	798		33	40	-33	-0	-31	20,280	6,943	14.03%	155	215	428	1	10
36 D35.11 - Production of electricity	604		3	40	-32	-0	-31	8,871		2.45%	89	178	337	0	11
38 D35.3 - Steam and air conditioning supply	2				-0			-		0.00%	-	-	2	-	12
39 E - Water supply; sewerage, waste management and remediation activities	1	-	0	-	-0	-0	-	28	4	0.00%	-	-	1	0	17
40 F - Construction	78	-	1	1	-0	-0	-0	3,018	1,801	36.79%	29	1	46	2	10
41 F.41 - Construction of buildings	11		0	0	-0	-0	-0	305	77	0.00%	-	0	11	0	17
42 F.42 - Civil engineering	3		0	-	-0	-0	-	88	29	0.00%	0	-	3	0	17
43 F.43 - Specialised construction activities	64		0	1	-0	-0	-0	2,625	1,695	44.74%	29	1	33	1	9
44 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	182	1	6	1	-1	-0	-0	11,322	5,522	46.24%	69	39	69	5	10
45 H - Transportation and storage	119	0	1	0	-0	-0	-0	7,363	5,054	85.28%	38	73	7	0	8
46 H.49 - Land transport and transport via pipelines	89		0	0	-0	-0	-0	4,906	3,198	86.54%	38	49	3	-	7
47 H.50 - Water transport	0	0	0	-	-0	-0	-	20	11	0.00%	0	-	-	0	20
49 H.52 - Warehousing and support activities for transportation	26		-	-	-0	-	-	2,423	1,845	91.86%	-	24	2	-	10
50 H.53 - Postal and courier activities	3		1	-	-0	-0	-	14		0.00%	-	0	3	0	16
51 I - Accommodation and food service activities	7	-	1	0	-0	-0	-0	62	11	0.00%	1	1	5	0	15
52 L - Real estate activities	330	-	12	2	-2	-1	-0	9,153	6,866	7.06%	102	103	124	1	10
53 Exposures towards sectors other than those that highly contribute to climate change ⁴	11,846	632	42	31	-20	-2	-9				9,429	942	474	1,000	4
54 K - Financial and insurance activities	11,344	631	9	3	-9	-1	-0				9,260	835	251	998	4
55 Exposures to other sectors (NACE codes J, M - U)	502	1	33	28	-11	-1	-9				169	108	224	2	10
56 TOTAL	13,543	633	97	75	-57	-4	-41	96,137	64,840	37.02%	9,913	1,414	1,200	1,016	5

1. Scope 1, scope 2 and scope 3 emissions of the counterparty (in tons of CO2 equivalent)

2. In years.

3. in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818

4. In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Template 1

As shown in the table above, we have excluded column c 'Of which environmentally sustainable (CCM)' from this template, in line with the latest regulatory developments as part of the Omnibus I package.

We have included our exposures along with GHG financed emissions and residual maturity for non-financial corporations, disaggregated in the related sectors. Our

greatest exposure for non-financial corporations is due to renewable energy projects, which are included in sector D - Electricity, gas, steam and air conditioning supply. As this exposure mainly concerns renewable energy projects such as solar, wind parks and biomass, and does not include any clients in the (fossil) gas sector, this leads to a relatively small number of financed emissions, and we assess our exposure to transition risk in sectors that highly contribute to climate change to be low.

We see a decrease in our financed emissions, which is caused by several positions that matured in sectors C and D.

Exposures towards companies excluded from EU Paris-Aligned Benchmarks

To report exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1, we assessed the NACE code, activity and trade name of our exposures. When there was a clear indication or if there was no or limited information, the company was regarded subject to Article 12.1 (d-g). Companies in sector H - Transportation and storage were considered subject to Article 12.1 (d-g) if there was an indication of them developing an activity that could fall under these criteria. Due to the exclusion criteria in our sustainability policies, we have minimal SME exposures subject to Article 12.1, which are primarily related to automotive operations.

To identify exposures subject to Article 12.2, we used an external data provider to assess our counterparties' involvement over the past two years in significant risk incidents associated with one or more of the environmental UNGC Principles. In 2025 we reassessed the application of the exclusion criteria for EU Paris-aligned Benchmarks. We apply the criteria at our direct counterparty when this is an independent legal entity instead of the consolidated group level. This includes exposures to an automotive company and to multiple credit institutions. The exposure towards the automotive company concerns green bonds. For the credit institutions, the exposures concern commercial paper, covered bonds collateralised by a dedicated pool of mortgages, and derivatives. The increase is mainly due to additional exposure to a Dutch credit institution by means of commercial paper.

GHG financed emissions

We apply the Global GHG Accounting and Reporting Standard by PCAF to attribute financed emissions of relevant exposures. We use this methodology to calculate our

financed scope 1, 2 and 3 emissions expressed in CO₂ equivalents. According to the PCAF methodology, company reported emissions form the best source for emissions calculations, which are collected from borrower or investee company reports. Using the company reported emissions and the value of the total assets of the company, we can calculate our proportionate share in the financed scope 1, 2 and 3 emissions.

Specific to our project finance portfolio we apply physical activity-based emission factors to calculate scope 1, 2 and 3 emissions. For the renewable energy projects we generally have annual energy production data available, either predicted or actual values, on which we can calculate emissions related to energy generated by the project. The emissions are attributed based on our outstanding loan compared to the total project value.

In other cases, if company reported data is not available, we use specific economic activity-based emission factors on a best effort basis. These factors are either derived from sector specific reports (for instance for water boards or housing corporations) or from the PCAF database and provide averages based on total assets of a specific sector within a specific country. Using these factors we can calculate our financed scope 1, 2 and 3 emissions based on the exposure we have against a counterparty in a specific sector and country. Using these factors we can come to full coverage of our financed emissions related to our relevant exposures.

We assessed the impact of sustainability risk as a material risk driver for the following risk types: credit risk, business risk, reputational risk, legal risk and compliance risk. The assessment is based partly on qualitative judgements, internal and external studies and the impact of upcoming regulation, and partly on quantitative information (when possible). The changes in exposures compared to the previous disclosure period did not lead to any additional implications for our credit, market, operational, reputational, or liquidity risks.

Template 2: Banking Book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 30-06-2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Level of energy efficiency (EP score in kWh/m ² of collateral)							Total gross carrying amount							Without EPC label of collateral	
In € millions	0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500		A	B	C	D	E	F	G		Of which EP score estimated
1 Total EU area	55,343	3,225	18,611	19,375	8,445	5,497	190	9,140	4,303	7,398	3,269	2,217	1,674	1,738	25,603	100%
2 Of which Loans collateralised by commercial immovable property	1,389	443	552	223	83	59	29	320	65	79	24	24	17	29	831	100%
3 Of which Loans collateralised by residential immovable property	53,953	2,782	18,059	19,152	8,362	5,438	161	8,820	4,238	7,319	3,246	2,192	1,657	1,710	24,772	100%
5 Of which Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	43,474	1,101	14,453	15,535	7,145	5,187	53								25,603	100%
6 Total non-EU area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template 2

We use the database from the Netherlands Enterprise Agency (RVO) to source definitive EPC labels and, if available, EP score of loans collateralised by immovable property. We estimate the EP score if there is no information available on the EP score from the RVO database. Definitive, preliminary or expired EPC label without EP scores are classified in the following manner:

- A+ and higher are mapped to column b “0; <= 100” kWh/m².
- A and B is mapped to column c “> 100; <= 200” kWh/m².
- C and D is mapped to column d “> 200; <= 300” kWh/m².
- E is mapped to column e “> 300; <= 400” kWh/m².
- F is mapped to column e “> 300; <= 400” kWh/m².
- G is mapped to column f “> 400; <= 500” kWh/m².

In case there is no EPC label known to map the EP score, we use an alternative approach as described below.

Loans collateralised by residential immovable property without definitive, preliminary or expired EPC label

The estimation of energy performance of residential immovable property without definitive, preliminary or expired EPC labels is based on energy consumption data received from Partners in Energie, a collaboration of Dutch grid operators. We receive averages of energy consumption per specified cluster, to avoid sharing privacy-sensitive data. These clusters are composed of collateral based on characteristics, specific to the portfolio of ASN Bank, such as brand, type of EPC label (definitive, preliminary, expired) and EPC score (G till A++++). There is an additional cluster for property without an EPC labels. We use the average energy consumption from this cluster, divided by the surface area of the property to derive an estimation energy performance.

Loans collateralised by commercial immovable property without definitive, preliminary or expired EPC label

For loans collateralised by commercial immovable property we estimate the levels of energy efficiency based on average scope 1 and 2 emission factors per NACE sector, available via PCAF. These emission factors (tCO₂/ million euros) are calculated to (kWh/ euro) using CBS emission factor data (scope 2) and CO₂emissiefactoren.nl (scope 1). The sector specific energy factors are multiplied by the gross carrying amount and divided by the surface (square meters) of the collateral.

The total gross carrying amount increased in 2025 compared to year end 2024. Loans collateralised by immovable property with relatively better levels of energy efficiency increased.

Alignment metrics

Template 3: Banking Book - Indicators of potential climate change transition risk:
Alignment metrics 30-06-2025

a	b	c	d	e	f	g
Sector	NACE Sectors	Portfolio gross carrying amount (in € millions)	Alignment metric	Year of reference	Distance to IEA NZE2050 in % ¹	Target ²
1 Power	35.11	604	0,010 tCO2/MWh	2024	-92%	0,228 tCO2/MWh
1 Power	35.11	604	0% Average share of high carbon technologies (oil, gas, coal)	2024	-100%	36,50% Average share of high carbon technologies (oil, gas, coal)
9 Residential and commercial mortgages	N.A.	55,343	20,499 kgCO2e/m2	2024	52%	19,373 kgCO2e/m2

1. PIT distance to 2030 NZE2050 scenario in % (for each metric)
2. Year of reference + 3 years

Template 3

ASN Bank is the first bank in the Netherlands with validated [Science Based Targets](#) (SBTs) by the Science Based Targets initiative (SBTi). Targets were set for or a range of core activities in line with the Paris Agreement, based on the International Energy Agency Net Zero Emissions by 2050 Scenario (IEA NZE 2050). This includes an SBT on our residential and commercial mortgage portfolio and an SBT on Electricity Generation Project Finance (Power). We have included these targets in this template.

We will not set SBTs for other sectors, as the other sectors are not our core activities or are excluded via our sustainability policies. As such, we have insignificant exposures in the sectors of fossil fuel combustion, automotive (with the exception that we can finance electric vehicles), aviation, cement clinker and lime production, and chemicals and have not identified specific targets in this template. Furthermore, we have limited SME exposures in the sectors maritime transport, iron and steel, coke, and metal ore production. Please find below more information per sector for which we have set an SBT.

Power (SBT)

ASN Bank commits to continue only financing renewable electricity through 2030. The SBTi methodology applies a maintenance target for companies who are already at 100% renewable electricity financing. Since ASN Bank already complies with this SBT it was not required to set alignment metrics. In order to show our progress in this template, we have calculated two types of alignment metrics with the corresponding targets for 2030 based on the IEA NZE 2050 scenario.

1. Alignment metric in tCO2/MWh

For the calculation of our alignment metric, we looked at all our exposures to the power sector. Due to our sustainability policies, almost all of our exposures concern renewable energy projects. Our alignment metric in tCO2/MWh is based on total emissions caused by our financed renewable energy projects per generated MWh. We compare this alignment metric with the targets as stated in Table A.5 of the IEA (2021) in the Net Zero Emissions by 2050: A Roadmap for the Global Energy Sector.

Here we used the target of the NZE 2050 scenario of the electricity sector for the world expressed in CO2-intensity of electricity generation to establish our distance to this respective target. We used trend analysis to determine the target in three years.

2. Alignment metric in Average share (%) of high carbon technologies (oil, gas, coal)

Our alignment metric with reference year 2024 is calculated on: 0% Average share of high carbon technologies (oil, gas, coal). We included all our exposures in the power sector to calculate the alignment metric. Due to our sustainability policies, we do not have exposures in high carbon technologies (oil, gas, coal) in the power sector. We compare this alignment metric with the targets as stated in Table A.3 of the IEA (2021) Net Zero Emissions by 2050: A Roadmap for the Global Energy Sector. Here we used the target of the NZE 2050 scenario of the electricity sector for the world expressed in average share of high carbon technologies (oil, gas, coal), to establish our distance to this respective target. We used trend analysis to determine the target in three years.

As our project finance portfolio solely consists of renewable energy companies within that sector and does not include any clients in the (fossil) gas sector, we assess our exposure to transition risk in sectors that highly contribute to climate change to be low.

Residential and commercial immovable property

ASN Bank commits to reduce mortgage portfolio GHG emissions with 59% per square meter by 2030 from a 2020 base year. The SBT has been set on all mortgage exposures including commercial and residential.

Alignment metric in: kgCO2e/m2

The alignment metric is applicable to the entire mortgage portfolio, which is comprised of residential and commercial mortgages.

The emission intensity (kgCO2e/m2) for residential mortgages has been calculated using gas- and electricity consumption data specific to ASN Bank’s residential

mortgage portfolio (2023 EOY portfolio composition). The energy consumption data have reference data 1-1-2024 and are retrieved from Partners in Energie, a collaboration of the Dutch grid operators. The gas- and electricity consumption is converted to CO₂-equivalents using emission factors applicable to the Dutch energy grid based on the energy mix of the Netherlands. The CO₂-equivalents are divided by the total surface area of the mortgage portfolio (sourced from BAGLV) to obtain the carbon intensity metric kgCO₂e/m².

The emissions for the commercial mortgages are calculated using PCAF emission factors based on asset value per sector. The emissions for commercial mortgages are also converted to a carbon intensity metric by dividing the emissions by total surface area. Both residential and commercial mortgage portfolios are represented in one metric, as the Science Based Target is set for the whole mortgage portfolio.

The alignment metric has been updated with new energy consumption data for residential mortgages. In this update, the reduced energy demand in our customer

base can be seen as a result of the energy crisis during 2022 and 2023. Furthermore, these years were relatively warm, leading to a further reduced gas consumption. As a result, the distance to the 2030 target of the NZE 2050 scenario has improved significantly: 52% compared to 116% over 2023.

Template 4: Banking Book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

ASN Bank has chosen the Carbon Majors Database launch report as a source for the top 20 carbon-intensive firms, based on emissions after the Paris Agreement. When assessing the exposures to the top 20 carbon-intensive firms, we apply a look through approach for special purpose vehicles on best effort basis. If there is a majority shareholder from a top 20 carbon-intensive firm, the exposure is included. As a result of our sustainability policies, we exclude almost all activities in the fossil fuel, mining, and iron, steel and coke production sector and therefore we have no exposure to the top 20 carbon-intensive firms. Therefore Template 4 - Banking Book - Climate change transition risk: Exposures to top 20 carbon-intensive firms is not included in this report.

Template 5: Banking Book - Indicators of potential climate change physical risk: Exposures subject to physical risk 30-06-2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount														
	of which exposures sensitive to impact from climate change physical events														
	Breakdown by maturity bucket												Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
In € millions		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity ¹	of which chronic climate change events	of which acute climate change events	of which chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	of which Stage 2 exposures	Of which non-performing exposures		
1	A - Agriculture, forestry and fishing	2	-	-	-	-	-	-	-	-	-	-	-	-	
3	C - Manufacturing	179	0	0	1	-	15	1	-	0	-	-	-0	-	
4	D - Electricity, gas, steam and air conditioning supply	800	-	-	-	-	-	-	-	-	-	-	-	-	
5	E - Water supply; sewerage, waste management and remediation activities	1	-	-	-	-	-	-	-	-	-	-	-	-	
6	F - Construction	78	-	-	1	-	18	1	-	-	-	-	-0	-	
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	182	-	0	0	-	19	1	-	-	-	-	-0	-	
8	H - Transportation and storage	119	-	-	0	-	34	0	-	-	-	-	-0	-	
9	L - Real estate activities	330	-	-	5	-	18	4	-	1	1	-	-0	-0	
10	Loans collateralised by residential immovable property	53,953	78	193	473	1,672	22	2,278	-	139	244	18	-3	-2	
11	Loans collateralised by commercial immovable property	1,389	2	5	53	0	18	55	-	4	4	0	-0	-0	

1. In years.

Template 5

Given the concentration of activities of ASN Bank in the Netherlands, the only material geographic area for the assessment of potential climate change physical risk is the Netherlands. The vast majority of activities in the Netherlands is related to loans collateralised by residential and commercial immovable property.

ASN Bank has developed a methodology and assessed the physical climate risks on its liquidity portfolio. Overall, the exposure to the high-risk category is limited. There are no exposures classified as high risk on a net level, indicating strong portfolio resilience against significant financial threats due to climate events. The used methodology is based on sector information and not on location, as this data was not available. The results of the assessments have therefore not been included in the table.

The location of the collateral is used for residential and commercial immovable property. For other loans, the residence of the counterparty is used for the assessment. ASN Bank consulted the data from the [Climate Impact Atlas](#) (link only available in Dutch). The categorisation for all maps is available on the level of the coordinates of the collateral. We mapped the coordinates of the underlying collateral in our data to the categorisation of the maps in the Climate Impact Atlas regardless of the (loan) portfolio.

For chronic climate change events, ASN Bank categorised all exposures in regions with a high or very high risk to pole rot and/ or soil subsidence according to the maps in the Climate Impact Atlas, with the scenario 2050 Low. For acute and chronic climate change events, ASN Bank categorised all exposures in regions with a flood of 50 cm or higher and a probability of 1/300 and higher to the maps of the Climate Impact Atlas. The Climate Impact Atlas does not differentiate between sea level rise (chronic physical climate risk) and flood (acute physical climate risk). Therefore, we included exposures sensitive to flood in the column with both chronic and acute climate change events.

The 2050 Low scenario has been chosen for chronic climate change events in order to ensure that all consulted maps have the same reference point. The flood risk map used for acute and chronic climate change events has a 2050 reference point.