ASN Bank N.V.

Update

Key Rating Drivers

Standalone Strength Drives Ratings: ASN Bank N.V.'s (formerly de Volksbank N.V.) ratings reflect its simple but concentrated business model, which results in structurally weaker earnings diversification than larger and higher-rated domestic peers'. The bank's sound asset quality and moderate risk profile, focusing on low-risk residential mortgage lending, are rating strengths. The ratings also capture improved earnings generation, satisfactory capitalisation and leverage, and robust funding underpinned by a granular and stable deposit base.

Straightforward Business Model: ASN Bank is the fourth-largest commercial bank in the Netherlands, although its market share is small at around 6% in residential mortgage loans. It operates almost exclusively in its home market, with a clear focus on retail banking, offering mainly residential mortgage loans, savings and payments products. The bank's focus on lending results in a high reliance on net interest income (NII), which accounted on average for 90% of revenue over the past four years, highlighting limited business diversification relative to peers.

Moderate Risk Profile: Fitch Ratings expects ASN Bank to maintain a conservative risk appetite given the bank's focus on low-risk residential mortgage lending in the Netherlands, which comprised 95% of its gross loans at end-2025. However, the bank's high reliance on NII exposes it to greater interest-rate risk than larger and more diversified Dutch peers.

Like some domestic peers, the bank's risk-control framework has revealed some deficiencies in recent years, including in its operational risk-management and anti-money-laundering obligations. These resulted in two fines imposed by the Dutch National Bank. We expect these to be addressed in the near term, but they will continue to weigh on the bank's profitability and consume management time.

Asset Quality Supports Ratings: The bank's sound and stable impaired loans ratio (end-2025: 0.9%) reflects its large and low-risk Dutch residential mortgage loan portfolio (around three-quarters of total assets). We expect ASN Bank's asset quality to remain supported by a resilient employment market and the bank's prudent underwriting. The rest of the balance sheet mainly comprises cash and high-quality securities.

Satisfactory Profitability: ASN Bank has satisfactory profitability for its simple and concentrated business model, which results in weaker earnings diversification than peers. We expect the operating profit/risk-weighted assets (RWAs) ratio (2025: 2.4%) to remain stable at around 2.5% in the near term, supported by ongoing cost reductions.

Capital Buffers Reflect Low-Risk Assets: The bank's strong common equity Tier 1 (CET1) ratio (end-2025: 19.8%) benefits from the low risk-weighting of its large residential mortgage loans portfolio. Fitch expects the CET1 ratio to be maintained well above the bank's medium-term minimum target of at least 17%, at about 19% by end-2026. ASN Bank's regulatory leverage ratio (end-2025: 5.1%) is adequate for a bank concentrated on low-risk assets.

Stable Funding, Ample Liquidity: Stable and granular retail and SME deposits form the bulk of ASN Bank's funding (end-2025: 81%). The bank has limited reliance on wholesale funding, and it is a less frequent issuer in debt capital markets than larger Dutch peers. Liquidity is strong and well managed, and comfortably covers short- and medium-term funding maturities.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

The bank has material headroom within its current rating. However, a downgrade could result from a significant loss of market share in mortgage lending, signalling a weakening in its business profile and profitability. A higher risk profile, for example due to rapid expansion in higher-risk lending causing the impaired loans ratio to durably increase above 2%, could also lead to a downgrade.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

An upgrade would require a broadened product and service offering that leads to more diversified revenue streams away from interest income. This would reduce earnings sensitivity to the interest-rate cycle and strengthen internal capital generation. An upgrade would in that case require the bank to maintain its conservative risk profile and stable funding and liquidity.

Other Debt and Issuer Ratings

Rating Level	Rating
Deposits (long term/short term)	A/F1
Senior preferred (long term/short term)	A/F1
Senior non-preferred	A-
Subordinated Tier 2	BBB

Source: Fitch Ratings

The ‘F1’ Short-Term Issuer Default Rating (IDR) is the higher of the two options mapping to an ‘A-’ Long-Term IDR, driven by the funding and liquidity score of ‘a’.

The bank’s long-term senior preferred debt, long-term deposits and Derivative Counterparty Rating, are rated one notch above its Long-Term IDR. This reflects Fitch’s expectation that ASN Bank will continue to meet its minimum requirement for own funds and eligible liabilities of 21.6% (excluding the combined buffer requirement) with only senior non-preferred and more junior debt and equity instruments. The senior non-preferred and junior debt buffer represented 23.5% of RWAs at end-2025. For the same reason, Fitch rates ASN Bank’s senior non-preferred debt at ‘A-’, in line with the bank’s Long-Term IDR.

The short-term senior preferred and deposit ratings of ‘F1’ are the lower of the two options mapping to their respective ‘A’ long-term ratings, reflecting our assessment of the bank’s funding and liquidity score at ‘a’.

The bank’s subordinated (Tier 2) debt is rated two notches below its Viability Rating, in line with the baseline notching for this type of debt and reflecting poor recovery prospects for these instruments.

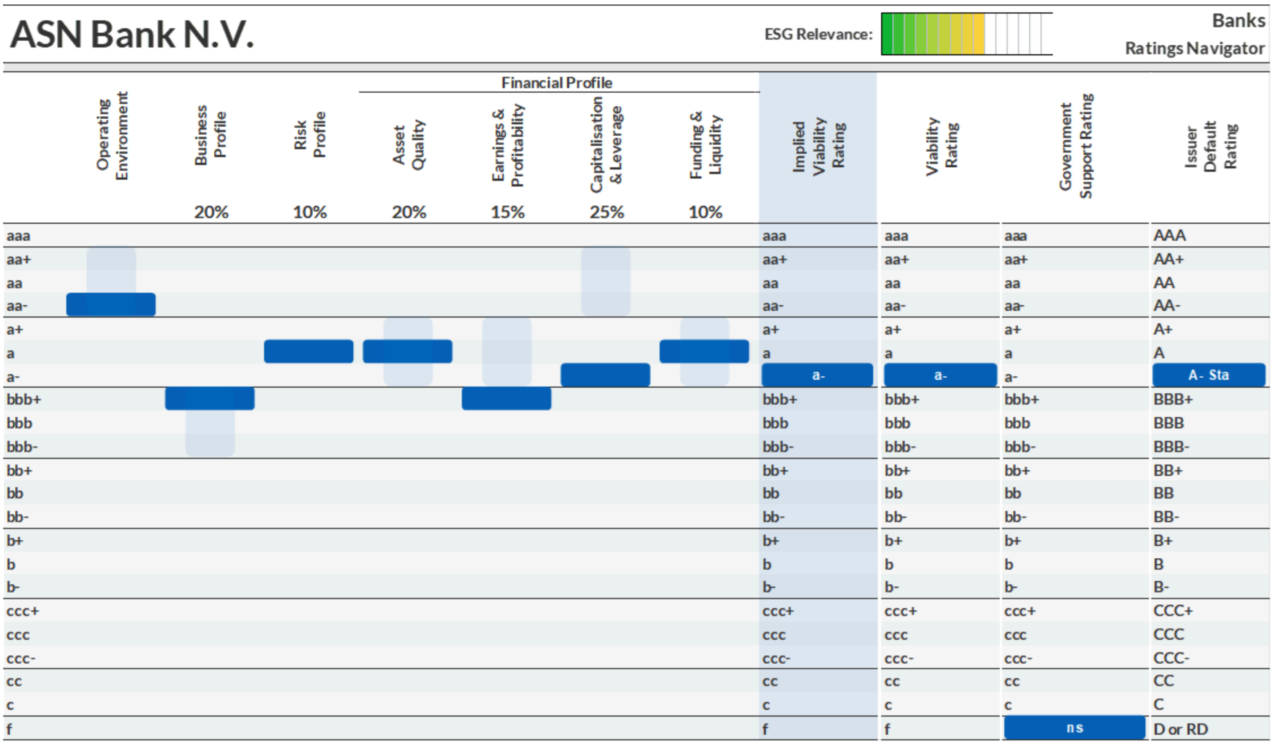
Significant Changes from Last Review

Resilient Profitability Amid Transformation Initiatives

ASN Bank maintained satisfactory profitability in 2025. NII declined by 10%, in line with our expectation, driven by lower interest rates. Solid loan growth of about 9% partially offset the pressure on NII.

Staff costs decreased by 12% in 2025, excluding non-recurring charges, reflecting the initial phase of the bank’s transformation programme. The bank announced a second phase of the programme, targeting additional annual cost savings of EUR80 million in addition to the EUR70 million already identified. Its focus on cost savings is in line with other Dutch banks. However, ASN Bank’s profitability is likely to remain moderate relative to Dutch and European bank peers, as it is constrained by limited revenue diversification outside of NII. ASN Bank aims for a cost/income ratio of 50%-55% by 2030. However, we expect the ratio to remain about 60% in the near term due to transformation programme implementation costs.

Ratings Navigator



The Key Rating Driver (KRD) weightings used to determine the implied VR are shown as percentages at the top. In cases where the implied VR is adjusted upwards or downwards to arrive at the VR, the KRD associated with the adjustment reason is highlighted in red. The shaded areas indicate the benchmark-implied scores for each KRD.

VR - Adjustments to Key Rating Drivers

The earnings and profitability score of 'bbb+' is below the 'a' category implied score due to the following adjustment reason: revenue diversification (negative).

The capitalisation and leverage score of 'a-' is below the 'aa' category implied score due to the following adjustment reason: risk profile and business model (negative).

Financials

Financial Statements

	31 Dec 22	31 Dec 23	31 Dec 24	31 Dec 25
	12 months	12 months	12 months	12 months
	(EURm)	(EURm)	(EURm)	(EURm)
Summary income statement				
Net interest and dividend income	851	1,303	1,240	1,122
Net fees and commissions	51	47	60	64
Other operating income	63	64	8	33
Total operating income	965	1,414	1,308	1,219
Operating costs	655	809	991	805
Pre-impairment operating profit	310	605	317	414
Loan and other impairment charges	52	14	-51	-32
Operating profit	258	591	368	446
Other non-operating items (net)	-	-	-149	-69
Tax	67	160	75	109
Net income	191	431	144	268
Other comprehensive income	-159	63	-1	36
Fitch comprehensive income	32	494	143	304
Summary balance sheet				
Assets				
Gross loans	49,120	51,029	54,636	59,257
– of which impaired	549	558	558	555
Loan loss allowances	154	182	142	85
Net loans	48,966	50,847	54,494	59,172
Interbank	6,884	4,671	6,192	6,782
Derivatives	3,302	2,544	2,141	1,789
Other securities and earning assets	5,591	6,733	7,199	6,809
Total earning assets	64,743	64,795	70,026	74,552
Cash and due from banks	8,011	5,891	3,352	1,719
Other assets	401	374	313	393
Total assets	73,155	71,060	73,691	76,664
Liabilities				
Customer deposits	56,859	54,557	55,852	57,653
Interbank and other short-term funding	2,690	1,947	2,494	4,304
Other long-term funding	8,450	8,787	9,527	9,338
Trading liabilities and derivatives	924	1,121	1,105	509
Total funding and derivatives	68,923	66,412	68,978	71,804
Other liabilities	524	557	665	529
Preference shares and hybrid capital	298	298	298	298

Financial Statements

	31 Dec 22	31 Dec 23	31 Dec 24	31 Dec 25
	12 months	12 months	12 months	12 months
	(EURm)	(EURm)	(EURm)	(EURm)
Total equity	3,410	3,793	3,750	4,033
Total liabilities and equity	73,155	71,060	73,691	76,664
Exchange rate	USD1 = EUR0.9376	USD1 = EUR0.9127	USD1 = EUR0.9622	USD1 = EUR0.8511

Source: Fitch Ratings, Fitch Solutions, ASN

Key Ratios

(%)	31 Dec 22	31 Dec 23	31 Dec 24	31 Dec 25
Profitability				
Operating profit/risk-weighted assets	1.7	3.6	2.2	2.4
Net interest income/average earning assets	1.3	2.0	1.8	1.5
Non-interest expense/gross revenue	67.9	57.2	75.8	66.0
Net income/average equity	5.6	12.0	3.8	6.9
Asset quality				
Impaired loans ratio	1.1	1.1	1.0	0.9
Growth in gross loans	-3.1	3.9	7.1	8.5
Loan loss allowances/impaired loans	28.1	32.6	25.5	15.3
Loan impairment charges/average gross loans	0.1	0.0	-0.1	-0.1
Capitalisation				
Common equity Tier 1 ratio	20.3	20.2	20.2	19.8
Fully loaded common equity Tier 1 ratio	20.2	21.1	-	-
Tangible common equity/tangible assets	4.6	5.3	5.1	5.3
Basel leverage ratio	4.7	5.1	5.1	5.1
Net impaired loans/common equity Tier 1	12.7	11.3	12.1	13.0
Funding and liquidity				
Gross loans/customer deposits	86.4	93.5	97.8	102.8
Gross loans/customer deposits + covered bonds	80.1	86.4	89.8	94.6
Liquidity coverage ratio	233.0	262.0	191.0	194.0
Customer deposits/total non-equity funding	83.3	83.2	81.9	80.5
Net stable funding ratio	174.0	165.7	159.8	142.0

Source: Fitch Ratings, Fitch Solutions, ASN

Support Assessment

Commercial Banks: Government Support	
Typical D-SIB GSR for sovereign's rating level (assuming high propensity)	a+ to a-
Actual jurisdiction D-SIB GSR	ns
Government Support Rating	ns
Government ability to support D-SIBs	
Sovereign Rating	AAA/ Stable
Size of banking system	Negative
Structure of banking system	Negative
Sovereign financial flexibility (for rating level)	Neutral
Government propensity to support D-SIBs	
Resolution legislation	Negative
Support stance	Negative
Government propensity to support bank	
Systemic importance	Neutral
Liability structure	Neutral
Ownership	Neutral

The colours indicate the weighting of each KRD in the assessment.
Influence: Red = higher; Dark blue = moderate; Light blue = lower

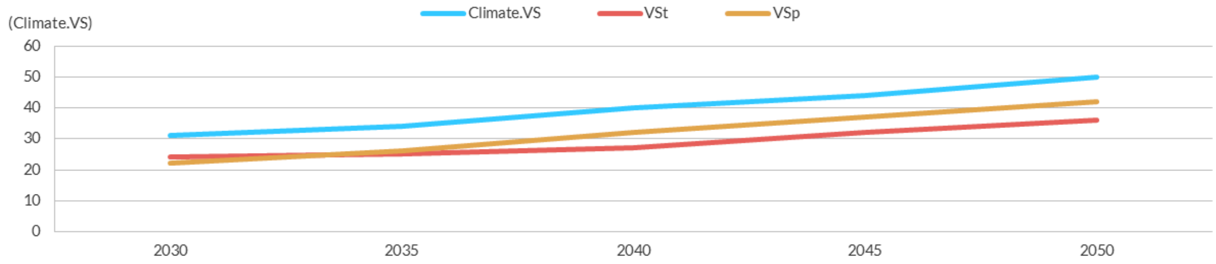
The Government Support Rating of 'no support' (ns) reflects Fitch's view that senior creditors cannot rely on receiving full extraordinary support from the sovereign in the event that ASN Bank becomes non-viable. The EU's Bank Recovery and Resolution Directive and the Single Resolution Mechanism for eurozone banks provide a framework for resolving banks that requires senior creditors participating in losses, if necessary, instead of, or ahead of, a bank receiving sovereign support. This is despite the Netherlands government's 100% ownership of ASN Bank, which Fitch views as non-strategic due to the government's ultimate aim of privatising the bank.

Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify issuers whose credit profiles have a higher potential exposure to climate-related risks, and to subject those ratings to additional analysis and consideration in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk).

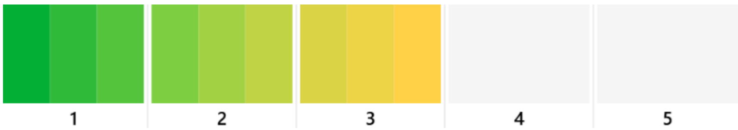
The Climate.VS for ASN Bank for 2035 is 34, which indicates that climate risk factors are not expected to materially affect the credit profile, but some adaptation may be needed. This reflects a physical risk (VSp) component signal of 26 and a transition risk (VSt) component signal of 25. Any potential effect on the rating may differ from the illustrative rating impact in the Climate.VS framework. For more information on Climate.VS, see Fitch's Financial Institutions Climate Vulnerability Rating Criteria.

Climate Vulnerability Signals for ASN Bank N.V.



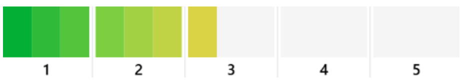
Source: Fitch Ratings

Environmental, Social and Governance Considerations



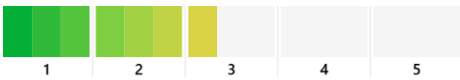
Environmental Relevance Scores

General issues	Score	Sector-specific issues	Reference
GHG Emissions and Air Quality	3	Regulatory risks, emissions fines or compliance costs related to owned, financed or managed assets, which could impact asset prices, profitability, etc.	Operating Environment; Business Profile; Risk Profile; Asset Quality
Energy Management	1	n.a.	n.a.
Water and Wastewater Management	1	n.a.	n.a.
Waste and Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.
Exposure to Environmental Impacts	2	Impact of extreme weather events on assets and/or operations and corresponding risk appetite & management; catastrophe risk; credit concentrations	Business Profile (incl. Management & governance); Risk Profile; Asset Quality



Social Relevance Scores

General issues	Score	Sector-specific issues	Reference
Human Rights, Community Relations, Access and Affordability	2	Services for underbanked and underserved communities: SME and community development programs; financial literacy programs	Business Profile (incl. Management & governance); Risk Profile
Customer Welfare - Fair Messaging, Privacy and Data Security	3	Compliance risks including fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security)	Operating Environment; Business Profile (incl. Management & governance); Risk Profile
Labour Relations and Practices	2	Impact of labour negotiations, including board/employee compensation and composition	Business Profile (incl. Management & governance)
Employee Wellbeing	1	n.a.	n.a.
Exposure to Social Impacts	2	Shift in social or consumer preferences as a result of an institution's social positions, or social and/or political disapproval of core banking practices	Business Profile (incl. Management & governance); Financial Profile



Governance Relevance Scores

General issues	Score	Sector-specific issues	Reference
Management Strategy	3	Operational implementation of strategy	Business Profile (including Management and Governance)
Governance Structure	3	Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal /compliance risks; business continuity; key person risk; related party transactions	Business Profile (including Management and Governance); Earnings and Profitability; Capitalisation and Leverage
Group Structure	3	Organisational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership	Business Profile (including Management and Governance)
Financial Transparency	3	Quality and frequency of financial reporting and auditing processes	Business Profile (including Management and Governance)

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

Ratings

Foreign Currency	
Long-Term IDR	A-
Short-Term IDR	F1
Derivative Counterparty Rating	A(dcr)
Viability Rating	a-
Government Support Rating	ns
Sovereign Risk (Netherlands)	
Long-Term Foreign-Currency IDR	AAA
Long-Term Local-Currency IDR	AAA
Country Ceiling	AAA
Outlooks	
Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

ESG and Climate

Highest ESG Relevance Scores	
Environmental	3
Social	3
Governance	3

Climate Vulnerability
2035 Climate Vulnerability Signal: 34
Transition (VSt): 25
Physical (VSp): 26

Applicable Criteria

Bank Rating Criteria (March 2025)
Financial Institutions Climate Vulnerability Rating Criteria (December 2025)

Related Research

Netherlands Mortgage Market Performance Monitor: 1H26 (April 2026)
Global Economic Outlook (March 2026)
Dutch Bank Cost Savings to Narrow Efficiency Gap to European Peers (January 2026)
Fitch Affirms the Netherlands at ‘AAA’; Outlook Stable (January 2026)

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