



de Volksbank N.V.

*(incorporated under Dutch law as a public limited liability company
and having its corporate seat in Utrecht, the Netherlands)*

€ 25,000,000,000 Debt Issuance Programme

This Base Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. This Base Prospectus will be published in electronic form on the website of the Issuer at <https://www.devолksbank.nl/investor-relations/debt-informatie/unsecured-funding/euro-medium-term-notes>. This Base Prospectus is issued in replacement of the base prospectus dated 14 October 2022 and any supplements thereto and accordingly supersedes any earlier base prospectus, which does not affect any notes issued prior to the date of this Base Prospectus.

The Issuer has requested the AFM to provide the competent authority in Luxembourg, the Commission de Surveillance du Secteur Financier, with a Notification. The Issuer may request the AFM to provide competent authorities in additional Member States within the EEA with a Notification.

This Base Prospectus shall be valid for a period of up to twelve (12) months from the date of its approval by the AFM and shall expire on 12 October 2024, at the latest. The obligation to supplement this Base Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Base Prospectus.

Under this Programme the Issuer may from time to time issue Senior Preferred Notes, Senior Preferred MREL Notes, Senior Non-Preferred Notes or Subordinated Notes denominated in any currency agreed between the Issuer and the relevant Dealer, if any. As set out herein, the maximum aggregate nominal amount of the Notes from time to time outstanding under the Programme will not exceed € 25,000,000,000 (or its equivalent in any other currency calculated as described herein).

The Notes may be issued on a continuing basis to the Dealer specified below and any additional Dealer appointed in respect of Notes under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis. The Dealer or Dealers with whom the Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as the "relevant Dealer" in respect of those Notes. Notes may be distributed by way of public offers or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each relevant Series or Tranche, will be specified in the applicable Final Terms.

The full terms and conditions of each Tranche of Notes issued by the Issuer are constituted by the Terms and Conditions as set out in full in section 2.1 (*TERMS AND CONDITIONS*) of this Base Prospectus, which terms and conditions constitute the basis of all Notes to be offered under the Programme, together with the Final Terms applicable to the relevant issue of Notes, which complete the Terms and Conditions in the manner required to reflect the particular terms and conditions applicable to the relevant Series or Tranche.

The Notes of each Tranche will (unless otherwise specified in the applicable Final Terms) initially be represented by a Temporary Global Note which will be deposited on the issue date thereof either (i) with a common depositary or common safekeeper on behalf of Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system or (ii) with Euroclear Nederland. See section 0 (*Form of the Notes*).

The Issuer may agree with the relevant Dealer that Notes will be issued in a form not contemplated by the Terms and Conditions, in which case a supplementary prospectus, a new base prospectus or a drawdown prospectus, if required, will be made available which will describe the effect of the agreement reached in relation to such Notes and which will be subject to the prior approval of the AFM.

Application may be made for the Notes to be listed and admitted to trading on the Luxembourg Stock Exchange, as the case may be, during the period of twelve (12) months from the date of this Base Prospectus and which listing will apply if so indicated in the Final Terms. In addition, Notes issued under the Programme may be listed and admitted to trading on any other EEA stock exchange or regulated market specified in the applicable Final Terms. The Issuer may also issue unlisted Notes under the Programme. The applicable Final Terms will state whether or not the relevant Notes are to be listed, quoted and/or traded and, if so, on or by which competent listing authority(ies) or stock exchange(s) and/or quotation system(s).

Ratings in relation to the Issuer and the Notes are described in section 1.3 (*The Issuer*) under '*Rating Agencies*'.

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Fitch, S&P and Moody's are established in the EU and each of them is registered under the CRA Regulation.

The rating of a certain Series or Tranche of Notes, if applicable, will be specified in the applicable Final Terms. Whether or not a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the EU and registered under the CRA Regulation or established in the UK and registered under the UK CRA Regulation, will in each case be disclosed in the applicable Final Terms.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and include Notes in bearer form that are subject to United States tax law requirements. Except in certain transactions exempt from the registration requirements of the Securities Act, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, United States persons.

An investment in the Notes involves certain risks. Prospective investors should have regard to the risk factors described in section 1.1 (*Risk Factors*) of this Base Prospectus.

Prohibition of sales to EEA retail investors: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Prohibition of sales to UK retail investors: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU MiFID II product governance / target market: The Final Terms in respect of any Notes will include a legend entitled "*EU MiFID II Product Governance*" which will outline the manufacturer('s/s') target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (an "**EU distributor**") should take into consideration the manufacturer('s/s') target market assessment; however, an EU distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer('s/s') target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the EU MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealer(s) nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

UK MiFIR product governance / target market: The Final Terms in respect of any Notes may include a legend entitled "*UK MiFIR Product Governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**UK distributor**") should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Arranger and/or any Dealer subscribing for any Notes is a manufacturer under the UK MiFIR Product Governance Rules in respect of such Notes, but otherwise neither the Arranger nor the Dealer(s) nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Benchmarks Regulation: Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark under Regulation (EU) 2016/1011 ("**Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Not every reference rate will fall within the scope of the Benchmarks Regulation. Furthermore, transitional provisions in the Benchmarks Regulation may have the result that an administrator and/or a benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator or benchmark under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Final Terms to reflect any change in the registration status of the administrator.

This Base Prospectus must be read and construed together with any supplements hereto and with the documents incorporated by reference herein (which can be found on the website of the Issuer, <https://www.devолksbank.nl/en/investor-relations/debt-information/unsecured-funding/euro-medium-term-notes>, and may be obtained by contacting the Issuer by telephone (+31 302914246/ +31 302914807) or by e-mail: jacob.bosscha@devолksbank.nl and davey.hak@devолksbank.nl) and together with the applicable Final Terms relating to the specific Tranches.

The information on the websites to which a hyperlink has been included in this Base Prospectus (other than the hyperlinks contained in section 1.10 (*Documents Incorporated by Reference*)) does not form part of this Base Prospectus and has not been scrutinised or approved by the AFM.

Capitalised terms used herein have the meaning ascribed thereto in chapter CHAPTER 3 GLOSSARY OF DEFINED TERMS (*Glossary of Defined Terms*).

The date of this Base Prospectus is 12 October 2023.

ARRANGER

Coöperatieve Rabobank U.A.

DEALER

Coöperatieve Rabobank U.A.

TABLE OF CONTENTS

OVERVIEW OF THE PARTIES AND PRINCIPAL FEATURES OF THE PROGRAMME	6
CHAPTER 1 INFORMATION RELATING TO THE PROGRAMME AND THE ISSUER.....	19
1.1. RISK FACTORS	19
1.2. CERTAIN NOTICES TO INVESTORS	52
1.3. THE ISSUER	56
1.4. SELECTED FINANCIAL INFORMATION	69
1.5. FORM OF THE NOTES	75
1.6. USE OF PROCEEDS	77
1.7. TAXATION	80
1.8. SUBSCRIPTION AND SALE	84
1.9. GENERAL INFORMATION.....	88
1.10. DOCUMENTS INCORPORATED BY REFERENCE	90
CHAPTER 2 NOTES ISSUED BY THE ISSUER	92
2.1. TERMS AND CONDITIONS	92
2.2. FORM OF FINAL TERMS.....	143
CHAPTER 3 GLOSSARY OF DEFINED TERMS.....	157

OVERVIEW OF THE PARTIES AND PRINCIPAL FEATURES OF THE PROGRAMME

This overview constitutes a general description of the parties and of the principal features of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) 2019/980 and must be read as an introduction to this Base Prospectus. This overview is not a summary within the meaning of Article 7 of the Prospectus Regulation. Any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including any amendment and/or supplement hereto and the documents incorporated by reference herein. The following overview does not purport to be complete and is taken from, and is qualified by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes and the applicable Final Terms. Words and expressions defined in the Terms and Conditions or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. Prospective investors should consider, among other things, the following.

PARTIES

Issuer:	de Volksbank N.V., incorporated under Dutch law as a public limited liability company (<i>naamloze vennootschap</i>), having its corporate seat in Utrecht, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 16062338. The Legal Entity Identifier of the Issuer is 724500A1FNICHSDF2I11.
Arranger:	Coöperatieve Rabobank U.A., a cooperative with excluded liability (<i>coöperatie met uitgesloten aansprakelijkheid</i>) incorporated under the laws of the Netherlands.
Dealer(s):	Rabobank, and any additional Dealers appointed to the Programme or for a particular Tranche of Notes by the Issuer from time to time.
Agent:	Banque Internationale à Luxembourg SA.
Paying Agents:	The Agent and Rabobank.
Amsterdam Paying Agent:	Rabobank.

THE NOTES

Description:	Programme of the Issuer.
Programme size:	Subject as set out herein, the maximum aggregate nominal amount of the Notes from time to time outstanding under the Programme issued by the Issuer will not exceed € 25,000,000,000 (or its equivalent in any other currency calculated as described herein). The Issuer may increase the amount of the Programme in accordance with the terms of the Dealership Agreement.
Regulatory Matters:	Notes in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see section 1.8 (<i>Subscription and Sale</i>)).
Distribution:	Notes may be distributed by way of public offers or private placements and in each case on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be specified in the applicable Final Terms.
Currencies:	Subject to any applicable legal or regulatory restrictions, the Notes may be issued in euros and such other currencies as may be agreed between the

Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Danish kroner, Hong Kong dollars, pound sterling, Swiss francs, United States dollars and Japanese yen.

Maturities:

Any maturity, subject to applicable laws, regulations and restrictions and subject, in the case of Subordinated Notes qualifying as Tier 2 Notes, to a minimum maturity of five (5) years.

Issue Price:

Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Form of Notes:

Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) initially be represented by a Global Note.

Each Global Note which is not intended to be issued in NGN-form or in the form of a classic Global Note as specified in the applicable Final Terms, will be deposited on or around the relevant Issue Date either (i) with a common depository for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system or (ii) with Euroclear Nederland, and each Global Note which is intended to be issued in NGN-form, as specified in the applicable Final Terms, will be deposited on or around the relevant Issue Date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

The Temporary Global Note will be exchangeable as described therein for, as specified in the applicable Final Terms, either a Permanent Global Note or definitive Notes upon satisfaction of certain conditions, including, in the case of a Temporary Global Note where the issue is subject to TEFRA D selling restrictions, upon certification of non-United States beneficial ownership as required by United States Treasury regulations.

A permanent Global Note (other than a Permanent Global Note deposited with Euroclear Nederland) is exchangeable for definitive Notes only upon the occurrence of an Exchange Event as described in section 1.5 (*Form of the Notes*). Delivery (*utilevering*) of definitive Notes represented by a Global Note deposited with Euroclear Nederland shall only be possible in the limited circumstances as described in the Wge and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Nederland (as amended from time to time). Any interest in a Global Note will be transferable only in accordance with the rules and procedures for the time being of either (i) Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system or (ii) Euroclear Nederland, as appropriate.

Fixed Rate Notes:

Fixed Rate Notes means Notes which will bear interest at a fixed rate, payable on such date or dates specified in the applicable Final Terms and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as specified in the applicable Final Terms).

Floating Rate Notes:

Floating Rate Notes means Notes which will bear interest either at:

- (i) a rate determined on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by ISDA) and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) as specified in the applicable Final Terms; or
- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service or on such other basis as may be agreed between the Issuer and the relevant Dealer, being EURIBOR, €STR, Compounded Daily SOFR, Weighted Average SOFR, SONIA, or by the use of Mid Swap Rate (as defined in the applicable Final Terms), Rate of Exchange or another benchmark.

If the Reference Rate has been discontinued or, *inter alia*, a Benchmark Event, an €STR Index Cessation Event or SOFR Index Cessation Event has occurred, the Rate of Interest on the Notes may be determined for the relevant period by reference to a substitute, alternative or successor rate, in accordance with the applicable fallback provision set out in Condition (c)7(b)(ii) (*Rate of Interest*) or Condition (c)7(d) (*Replacement Reference Rate*). If the Issuer is unable to or otherwise does not determine a substitute, alternative or successor rate, the rate of interest may ultimately be determined as at the last preceding Interest Determination Date before, *inter alia*, the Benchmark Event, the €STR Index Cessation Event or the SOFR Index Cessation Event occurred, which may ultimately result in the effective application of a fixed rate to what was previously a Floating Rate Note.

Margin:

The Margin (if any) relating to such floating rate will be specified in the applicable Final Terms.

**Specified Interest Period(s)
or Specified Interest Payment
Date(s) for Floating Rate Notes:**

Such period(s) or date(s) as may be specified in the applicable Final Terms.

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the applicable Final Terms.

**Other provisions in relation
to Floating Rate Notes:**

Floating Rate Notes may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both. Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer (if any) (as specified in the applicable Final Terms).

Zero Coupon Notes:

Zero coupon notes means Notes which will be offered and sold at a discount or at a premium to their nominal amount or at par and will not bear interest other than in the case of late payment.

Redemption:

The applicable Final Terms will indicate either that (a) the Notes cannot be redeemed prior to their stated maturity (other than in specific instalments, if applicable, or for tax reasons as described in Condition (c)9(b) (*Redemption for tax reasons*) or following an Event of Default) or (b) such Notes will be redeemable at the option of the Issuer on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice (or such other notice period, if any, as is specified in the applicable Final Terms) to the Noteholders on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are specified in the applicable Final Terms.

Redemption may be subject to prior (written) permission of the Competent Authority and certain other conditions, as set out further in Condition 9 (*REDEMPTION AND PURCHASE*).

Redemption for regulatory purposes:

If "Regulatory Call" is specified in the applicable Final Terms, the Issuer may upon the occurrence of a Capital Event redeem the Subordinated Notes qualifying as Tier 2 Notes, in whole but not in part, at any time, if the Issuer has notified the relevant Subordinated Noteholders on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice, or such other period of notice as is specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*). Additionally, redemption of the Subordinated Notes is subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78 CRR, which may include requiring the replacement of the Subordinated Notes qualifying as Tier 2 Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time. The Issuer will redeem the Subordinated Notes in accordance with the Terms and Conditions at the Optional Redemption Amount specified in the applicable Final Terms together with accrued interest (if any) to but excluding the date of redemption.

If "Regulatory Call" is specified in the applicable Final Terms, the Issuer may upon the occurrence of an MREL Event redeem the Notes qualifying as MREL Eligible Liabilities, respectively, in whole but not in part, at any time, on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice to the holder of Notes qualifying as MREL Eligible Liabilities, or such other period of notice as is specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*). Additionally, redemption of the Notes qualifying as MREL Eligible Liabilities, respectively, is subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions set out in Article 78a CRR, which may include requiring the replacement of the Notes qualifying as MREL Eligible Liabilities with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or the MREL Regulations at such time.

Variation or Substitution:

If "Variation or Substitution" is specified in the applicable Final Terms of the Subordinated Notes and if a Capital Event and/or a CRD Capital Event and/or (if specified in the applicable Final Terms as being applicable), an ALAC Event has occurred and is continuing, then the Issuer may, subject

to (i) the prior (written) permission of the Competent Authority provided that at the relevant time such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such variation or substitution as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time (but without any requirement for the permission of the Subordinated Noteholders) and on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice in accordance with Condition 16 (*NOTICES*) to the Subordinated Noteholders, either substitute all, but not some only, of the Subordinated Notes or vary the terms of the Subordinated Notes so that they remain or, as appropriate, become compliant with CRD or such other regulatory capital rules applicable to the Issuer at the relevant time and/or (if the ALAC Event is specified in the applicable Final Terms as being applicable) are eligible under the ALAC of the Issuer. Upon the expiry of the notice referred to above, the Issuer shall either vary the terms of, or substitute, the Subordinated Notes in accordance with Condition (c)9(d) (*Redemption, substitution and variation for regulatory purposes*), as the case may be, provided that such substitution or variation shall not result in terms that are materially less favourable to the Subordinated Noteholders.

If "Variation or Substitution" is specified in the applicable Final Terms, the Issuer may upon the occurrence of an MREL Event and/or in respect of any Notes other than the Senior Preferred MREL Notes (if ALAC Event is specified in the applicable Final Terms as being applicable), an ALAC Event, at its option and at any time substitute the Notes qualifying as MREL Eligible Liabilities, respectively, in whole but not in part, or vary the terms of all (but not some only) of such Notes qualifying as MREL Eligible Liabilities, respectively, subject to (i) the prior (written) permission of the Competent Authority provided that at the relevant time such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such variation or substitution as may be required by the Competent Authority or the MREL Regulations at such time (but without any requirement for the consent or approval of the holders of such Notes qualifying as MREL Eligible Liabilities) in such a way that they are eligible for the purposes of the MREL Requirement and/or in respect of any Notes other than the Senior Preferred MREL Notes (if ALAC Event is specified in the applicable Final Terms as being applicable), are eligible under the ALAC of the Issuer on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice to the holders of the Notes qualifying as MREL Eligible Liabilities or such other period of notice as is specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*).

Such variation or substitution shall not result in terms that are materially less favourable to the interests of holders of Notes that qualify as MREL Eligible Liabilities. Following such variation or substitution, the resulting securities shall: (1) have a ranking at least equal to that of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes that qualify as MREL Eligible Liabilities, (2) have at least the same interest rate and the same interest payment dates as those from time to time applying to the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes that qualify as MREL Eligible Liabilities, (3) have the same Maturity Date and redemption rights as the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes that qualify as MREL Eligible Liabilities, (4) preserve any existing rights under the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes that qualify as MREL Eligible Liabilities to any accrued

interest which has not been paid in respect of the period from (and including) the interest payment date last preceding the date of variation or substitution, (5) have assigned (or maintain) the same credit ratings as were assigned to the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes that qualify as MREL Eligible Liabilities immediately prior to such variation or substitution and (6) be listed on a recognised stock exchange if the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes that qualify as MREL Eligible Liabilities were listed immediately prior to such variation or substitution.

Effectuating a "Regulatory Call" and/or "Variation or Substitution" as described in the previous paragraphs is subject to (i) the prior (written) permission of the Competent Authority provided that at the relevant time such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such redemption, variation or substitution as may be required by the Competent Authority or the MREL Regulations at such time.

Instalments: The applicable Final Terms may specify that Notes may be repayable in two or more instalments of such amounts and on such dates as specified in it.

Denomination of Notes: Notes will be issued in such denominations as set forth in the applicable Final Terms save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank or regulatory authority (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination (and in respect of Notes issued at a discount to their nominal amount, the minimum issue price) of each Note admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation will be € 100,000 (or if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation: Payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges, unless required by applicable law. The applicable Final Terms will specify whether or not the Issuer will be required to pay certain additional amounts in accordance with and subject to certain exceptions as provided in Condition 10 (*TAXATION*). If the applicable Final Terms specify that payments are to be made subject to withholding of applicable taxes in accordance with Condition 10 (*TAXATION*) first paragraph under a), it will also specify that Condition (c)9(b) (*Redemption for tax reasons*) will not apply to the Notes.

Negative Pledge: None.

Cross Default: None.

Types of Notes: The following Notes can be issued under the Programme:

- a. Senior Preferred Notes;
- b. Senior Preferred MREL Notes;
- c. Senior Non-Preferred Notes;
- d. Subordinated Notes not qualifying as Tier 2 Notes; and
- e. Subordinated Notes qualifying as Tier 2 Notes.

Status and Characteristics relating to Senior Preferred Notes:

The Senior Preferred Notes and the related Receipts and Coupons constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among the Senior Preferred Notes themselves and the related Receipts and Coupons with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred MREL Notes), save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes. The Senior Preferred Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes. In the case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions.

Although the Senior Preferred Notes rank *pari passu* to the Senior Preferred MREL Notes, the Senior Preferred Notes differ from the Senior Preferred MREL Notes as to certain of their characteristics. This is, because the Senior Preferred MREL Notes are intended to qualify as MREL Eligible Liabilities for the purposes of the MREL Regulations applicable to the Issuer from time to time and which MREL Regulations impose restrictions on those characteristics, while the Senior Preferred Notes are not intended to qualify as such and are thus not subject to such restrictions.

Status and Characteristics relating to Senior Preferred MREL Notes:

The Senior Preferred MREL Notes and the related Receipts and Coupons constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among the Senior Preferred MREL Notes themselves and the related Receipts and Coupons with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred Notes), save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes. The Senior Preferred MREL Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes. In the case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions.

No Senior Preferred MREL Noteholder, Receiptholder or Couponholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Preferred MREL Notes or the related Receipts or Coupons. To the extent that any Senior Preferred MREL Noteholder, Receiptholder or Couponholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Senior Preferred MREL Noteholder, Receiptholder or Couponholder is required to immediately exercise a Set-off Repayment and no rights can be derived from the relevant Senior Preferred MREL Notes or the related Receipts or Coupons until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting

by a Senior Preferred MREL Noteholder, Receiptholder or Couponholder shall be exclusively governed by Dutch law.

Events of Default of Senior Preferred MREL Notes are restricted to bankruptcy and liquidation and repayment following an Event of Default may be subject to the prior (written) permission of the Competent Authority.

The Senior Preferred MREL Notes may qualify as MREL Eligible Liabilities for the purposes of the MREL Regulations applicable to the Issuer from time to time.

Although the Senior Preferred MREL Notes rank *pari passu* to the Senior Preferred Notes, the Senior Preferred MREL Notes differ from the Senior Preferred Notes as to certain of their characteristics. This is, because the Senior Preferred MREL Notes are intended to qualify as MREL Eligible Liabilities for the purposes of the MREL Regulations applicable to the Issuer from time to time and which MREL Regulations impose restrictions on those characteristics, while the Senior Preferred Notes are not intended to qualify as such and are thus not subject to such restrictions.

Status and Characteristics relating to Senior Non-Preferred Notes:

The Senior Non-Preferred Notes and the related Receipts and Coupons constitute any present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) and shall at all times rank (i) *pari passu* without any preference among the Senior Non-Preferred Notes themselves and the related Receipts and Coupons and with all other present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) (other than those obligations that in accordance with or by operation of law rank either in priority or junior to the Senior Non-Preferred Notes), (ii) senior to (a) the Issuer's ordinary shares and any other obligations or capital instruments of the Issuer that rank or are expressed to rank junior to the Senior Non-Preferred Notes, including any obligations or capital instruments of the Issuer which constitute Additional Tier 1 Capital or Tier 2 Capital and (b) the Subordinated Notes, and (iii) in the event of bankruptcy (*faillissement*) of the Issuer, junior to the Senior Preferred Notes and the Senior Preferred MREL Notes and unsubordinated obligations ranking *pari passu* to the Senior Preferred Notes and Senior Preferred MREL Notes (and those obligations that in accordance with or by operation of applicable law rank in priority to the Senior Preferred Notes and the Senior Preferred MREL Notes) and (other) excluded liabilities within the meaning of Article 72a(2) of the CRR.

As a result, in the event of the bankruptcy of the Issuer, the claims of holders of Senior Non-Preferred Notes against the Issuer are subordinated to, (a) the claims of depositors (other than in respect of those whose deposits that in accordance with or by operation of applicable law rank equally to or lower than the Senior Non-Preferred Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) the Senior Preferred Notes and the Senior Preferred MREL Notes and (d) all other present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer (including those that in accordance with or by

operation of applicable law rank in priority to the Senior Non-Preferred Notes).

Other than in the event of the bankruptcy of the Issuer (or, as mentioned further below, in case of resolution proceedings in respect of the Issuer), the claims of holders of Senior Non-Preferred Notes of each Series and the related Receipts and Coupons against the Issuer rank *pari passu* to the Senior Preferred Notes and the Senior Preferred MREL Notes and other unsubordinated obligations ranking *pari passu* to the Senior Preferred Notes and the Senior Preferred MREL Notes.

In the case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions.

No Senior Non-Preferred Noteholder, Receiptholder or Couponholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes or the related Receipts or Coupons. To the extent that any Senior Non-Preferred Noteholder, Receiptholder or Couponholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Senior Non-Preferred Noteholder, Receiptholder or Couponholder is required to immediately exercise a Set-off Repayment and no rights can be derived from the relevant Senior Non-Preferred Notes or the related Receipts or Coupons until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Senior Non-Preferred Noteholder, Receiptholder or Couponholder shall be exclusively governed by Dutch law.

Events of Default of Senior Non-Preferred Notes are restricted to bankruptcy and liquidation and repayment following an Event of Default may be subject to the prior (written) permission of the Competent Authority.

The Senior Non-Preferred Notes may qualify as MREL Eligible Liabilities for the purposes of the MREL Regulations applicable to the Issuer from time to time.

Status and Characteristics relating to Subordinated Notes:

Subordinated Notes that do not qualify as Tier 2 Notes

The principal amount and interest due under Subordinated Notes that do not qualify as Tier 2 Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank (i) *pari passu* without any preference among the principal amount and interest due under the Subordinated Notes that do not qualify as Tier 2 Notes themselves and with the interest due under Subordinated Notes that qualify as Tier 2 Notes and all other present and future unsecured, unguaranteed and subordinated obligations of the Issuer (other than those subordinated obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Subordinated Notes) and (ii) senior to the principal amount due under Subordinated Notes that qualify as Tier 2 Notes and any other own funds instruments within the meaning of Article 212rf of the Dutch Bankruptcy Act (or any other provision implementing Article 48(7) of Directive 2014/59/EU in the Netherlands) and (iii) junior to those

subordinated obligations that in accordance with or by operation of applicable law rank in priority to the Subordinated Notes that do not qualify as Tier 2 Notes.

Subordinated Notes that qualify as Tier 2 Notes

The principal amount due under Subordinated Notes that qualify as Tier 2 Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank (i) *pari passu* without any preference among the principal amount due under the Subordinated Notes that qualify as Tier 2 Notes themselves (other than those subordinated obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Subordinated Notes that qualify as Tier 2 Notes) and (ii) junior to the principal amount and interest due under the Subordinated Notes that do not qualify as Tier 2 Notes and the interest due under the Subordinated Notes that qualify as Tier 2 Notes.

The interest due under the Subordinated Notes that qualify as Tier 2 Notes rank (i) *pari passu* without any preference among the interest due under the Subordinated Notes that qualify as Tier 2 Notes themselves and with the principal amount and interest due under Subordinated Notes that do not qualify as Tier 2 Notes and all other present and future unsecured, unguaranteed and subordinated obligations of the Issuer (other than those subordinated obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Subordinated Notes) and (ii) senior to the principal amount due under the Subordinated Notes that qualify as Tier 2 Notes and any other own funds instruments within the meaning of Article 212rf of the Dutch Bankruptcy Act (or any other provision implementing Article 48(7) of Directive 2014/59/EU in the Netherlands) and (iii) junior to those subordinated obligations that in accordance with or by operation of applicable law rank in priority to the interest due under the Subordinated Notes that qualify as Tier 2 Notes.

All Subordinated Notes

As a result, in the event of liquidation or bankruptcy of the Issuer, the claims of Subordinated Noteholders against the Issuer are subordinated to Senior Claims.

By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of liquidation or bankruptcy of the Issuer, only be made after all obligations of the Issuer resulting from Senior Claims have been satisfied and payments to a holder of Subordinated Notes qualifying as Tier 2 Notes in respect of principal amount thereof will in such case only be made after all obligations of the Issuer resulting from (i) the Subordinated Notes that do not qualify as Tier 2 Notes, (ii) the interest due under the Subordinated Notes that qualify as Tier 2 Notes and (iii) other unsecured, unguaranteed and subordinated obligations of the Issuer that are not own funds instruments have been satisfied.

No Subordinated Noteholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes. To the extent that any Subordinated Noteholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Subordinated Noteholder is required to immediately exercise a Set-off Repayment and no rights can be derived from the principal amount

and interest due under the relevant Subordinated Notes until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Subordinated Noteholder shall be exclusively governed by Dutch law.

Events of Default of Subordinated Notes are restricted to bankruptcy and liquidation and repayment following an Event of Default may be subject to the prior (written) permission of the Competent Authority.

The Subordinated Notes may qualify as Tier 2 Capital for the purposes of the regulatory capital rules applicable to the Issuer from time to time and/or may qualify as MREL Eligible Liabilities for the purposes of the MREL Regulations applicable to the Issuer from time to time.

Indicative overview of the ranking of Senior Preferred Notes, Senior Preferred MREL Notes, Senior Non-Preferred Notes and Subordinated Notes in bankruptcy and resolution:

For illustration purposes only, below is a non-exhaustive tabular overview of the ranking of the Notes among each other and relative to possible obligations of the Issuer that may rank senior or junior to the Notes. This overview does not address differences in ranking within classes, contractual or non-contractual deviations and other exceptions. The fact that reference is made to certain types of notes in the overview below does not necessarily entail that such notes have been issued by the Issuer and are currently outstanding.

Ranking in bankruptcy¹	
Obligations preferred in accordance with or by operation of applicable law ²	
Senior debt (such as Senior Preferred Notes and Senior Preferred MREL Notes)	
Senior non-preferred debt (such as Senior Non-Preferred Notes)	
Subordinated debt (such as principal amount and interest due under Subordinated Notes not being Tier 2 Notes)	Tier 2 (interest due under Tier 2 Notes)
Tier 2 (principal amount of Tier 2 Notes)	
AT1	
CET1	

Ranking in resolution³	
CET1	
AT1	

¹ Subject to certain exceptions, see section 1.1 (*Risk Factors*) – *Write-down and conversion of capital instruments and Resolution Event in respect of the Issuer could adversely affect the rights and effective remedies of Noteholders*".

² For example, including DGS-deposit obligations and obligations to tax authorities and secured creditors.

³ Subject to certain exceptions, see section 1.1 (*Risk Factors*) – *Write-down and conversion of capital instruments and Resolution Event in respect of the Issuer could adversely affect the rights and effective remedies of Noteholders*".

Tier 2 (principal amount of Tier 2 Notes)	
Subordinated debt (such as principal amount and interest due under Subordinated Notes not being Tier 2 Notes)	Tier 2 (interest due under Tier 2 Notes)
Senior non-preferred debt (such as Senior Non-Preferred Notes)	
Senior debt (such as Senior Preferred Notes and Senior Preferred MREL Notes)	
Obligations preferred in accordance with or by operation of applicable law ⁴	

Statutory Loss Absorption or Recapitalisation:

The Notes may become subject to Statutory Loss Absorption or Recapitalisation, all as prescribed by the Applicable Resolution Framework. Upon any such determination (i) the relevant proportion of the outstanding nominal amount of the Notes subject to Statutory Loss Absorption or Recapitalisation shall be written down, reduced or converted into (claims which may give rights to) Common Equity Tier 1 instruments or otherwise be applied to absorb losses, subject to write-up by the Resolution Authority, as prescribed by the Applicable Resolution Framework, (ii) such Statutory Loss Absorption or Recapitalisation shall not constitute an Event of Default and (iii) Noteholders will have no further claims in respect of the amount so written down or the amount subject to conversion or otherwise as a result of such Statutory Loss Absorption or Recapitalisation.

The Notes will not be subject to Statutory Loss Absorption or Recapitalisation if and to the extent the Applicable Resolution Framework is not deemed to apply retrospectively with respect to such Notes and/or the Issuer.

In addition, subject to the determination by the Resolution Authority and without the consent of the Noteholders, the Notes may be subject to other resolution measures as envisaged under the Applicable Resolution Framework.

Ratings:

Ratings in relation to the Issuer and certain Notes are described in the section 1.3 (*The Issuer*), under '*Rating Agencies*'.

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, its expected rating will be specified in the applicable Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

Listing:

Application may be made for Notes to be listed and admitted to trading on the Luxembourg Stock Exchange or other EEA stock exchanges. Unlisted Notes may also be issued. The Final Terms relating to each issue will state whether or not the Notes are to be listed and, if so, on which exchange(s).

⁴For example, including DGS-deposit obligations and obligations to tax authorities and secured creditors.

Governing Law: The Notes will be governed by, and construed in accordance with, Dutch law.

Selling Restrictions: There are selling restrictions in relation to the EEA, UK, Japan and the United States, Zero Coupon Notes and there may be other selling restrictions in connection with the offering and sale of a particular Series or Tranche of Notes. See section 1.8 (*Subscription and Sale*).

Risk Factors: There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes, that are specific to the Issuer and/or the Notes and which are material for taking an informed investment decision. These are set out in section 1.1 (*Risk Factors*) and include, amongst others, the fact that the Issuer's results and the performance of the Notes can be adversely affected by (i) general economic conditions, (ii) competition, (iii) regulatory change, (iv) changes in fiscal laws, (v) standard banking risks including changes in interest and foreign exchange rates, (vi) operational, credit, market, liquidity, legal risk and (vii) certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme, which include the following categories of risk factors:

Risk factors regarding the Issuer

- A. Risks related to the issuer's financial situation;
- B. Risks related to the issuer's business activities and industry;
- C. Legal and regulatory risks;
- D. Internal control risk; and
- E. ESG risks.

Risk factors regarding the Notes

- A. Risks related to the nature, structure and issuance of the Notes;
- B. Risks related to Notes generally; and
- C. Risks related to the admission of the securities to trading on a regulated market.

CHAPTER 1 INFORMATION RELATING TO THE PROGRAMME AND THE ISSUER

1.1. RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these risk factors and events are contingencies which may or may not occur. In addition, factors which are material for the purpose of assessing the market risks associated with the Issuer and the Notes are also described below.

Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's business, financial condition, results of operations and prospects. The Issuer may face a number of these risks described below simultaneously. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section. Where a risk factor could belong in more than one category, such risk factor is included in the category that is deemed the most appropriate by the Issuer.

The Issuer believes that the factors described below represent the material risks inherent to investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks investing in any Notes are exhaustive. Other risks, events, facts or circumstances not included in this Base Prospectus, not presently known to the Issuer, or that the Issuer currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Issuer's group business, financial condition, results of operations and prospects. Prospective investors should carefully read and review the entire Base Prospectus and should form their own views before making an investment decision with respect to the Notes.

Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances.

RISK FACTORS REGARDING THE ISSUER

A. RISKS RELATED TO THE ISSUER'S FINANCIAL SITUATION

1. The Issuer faces substantial funding and liquidity risk

The Issuer's primary sources of funding are customer deposits and wholesale funding. Customer deposits are currently the main funding source of the Issuer. The amount of such deposits can be volatile and future amounts cannot be predicted with complete certainty. Since the COVID-19 crisis, the Issuer has disposed a structurally higher amount of customer deposits. The amount of mortgage loans on the Issuer's balance sheet is therefore currently lower than the amount of customer deposits attracted. The amount of these deposits is sensitive to the savings rates the Issuer pays. This has resulted in a certain dependency on wholesale funding in the money markets and capital markets including the use of securitisation of the mortgage loan portfolio and the issuance of covered bonds. This leads to the diversification of funding through longer fixed maturities, which facilitates liquidity and funding planning. The equity and liability mix of the Issuer consisted of 14% debt instruments and equity, amounting to a total of EUR 9.2 billion in wholesale funding, whereas the percentage of customer deposits taken was 86% (being an amount of EUR 56.1 billion) as per 30 June 2023. This leads to the loan-to-deposit ratio of 91%.

Good access to the money markets and capital markets may be necessary to finance the growth of the Issuer's mortgage loan portfolio and to refinance all its outstanding loans with a shorter maturity than the mortgage loans in which the money is invested. Access to wholesale funding may be negatively affected by concerns about the credit strength of the Issuer or a downgrade of any of the ratings of the Issuer (for whatever reason), but may also be influenced, *inter alia*, by concerns about the market segments in which the Issuer is active, or by a general market disruption. Any such factors may result in higher funding and refinancing costs for the Issuer in the money markets and capital markets and may also affect or effectively limit access to these markets. Although in addition to customer deposits and wholesale funding the Issuer may have access to the ECB facilities, the sensitivity of the Issuer to a liquidity risk is substantial. Liquidity risk is the risk that the Issuer has insufficient liquid assets available in the short

or long term to meet its financial obligations, under normal circumstances or in times of stress, without incurring unacceptable costs or losses. The majority of the Issuer's customer deposits are non-maturing liabilities, meaning that such deposits can be freely withdrawn by the customers at any time, which may lead to the Issuer having insufficient liquid assets available if all such deposits are withdrawn in a short period of time. The customer deposits that can be freely withdrawn make up an amount of EUR 42,608 million on a total of EUR 44,501 million in customers' savings at year-end 2022. In the first half of 2023, the liquidity position of the Issuer remained substantially higher than its internal targets and regulatory requirements (as at 30 June 2023, the Liquidity Coverage Ratio (LCR) of the Issuer stood at 297%). The Issuer may however have difficulties in meeting its financial obligations if the liquidity risk described above materialises and its balance sheet structure may develop in such a way that the Issuer is excessively exposed to disruptions in its funding sources.

2. The Issuer is exposed to the risk of a downgrade of any of its credit ratings

Ratings in relation to the Issuer are described in section 1.3 (*The Issuer*) under '*Rating Agencies*'. A downgrade of any of the Issuer's ratings would result in higher funding and refinancing costs for the Issuer in the capital markets. Such downgrade may also affect or effectively limit access to the capital markets, because investing in the Issuer will in such case likely be considered less attractive (also because of the Issuer's possible reputational damage) and/or will no longer be allowed for certain investors. In addition, a downgrade of any of the Issuer's ratings may limit its opportunities to operate in certain business areas. For example, the Issuer may hedge its positions in the derivatives market to manage its trading or investment risks in this market, also in relation to issuances under this Programme. When rating triggers are present, a decline in the rating of the Issuer below a certain level can alter the obligations of parties to an agreement, such as providing a counterparty to a derivatives contract with the right to demand collateral or lenders the right to demand repayment of a loan. Additionally, a lower rating may result in the Issuer having to post (additional) collateral, counterparties being unwilling to trade with the Issuer and/or a credit rating event being triggered which could potentially result in trades being terminated early.

3. The Issuer's participation in the Deposit Guarantee Scheme may have a material adverse effect on its results of operations and financial condition

The Issuer is a participant in the Deposit Guarantee Scheme (*Depositgarantiestelsel*). As a result, the Issuer and other financial institutions are required to quarterly pay risk-weighted contributions into a fund to cover future drawings under the Deposit Guarantee Scheme. The fund, in which the Issuer participates, is expected to grow to a target size of at least 0.8% of all deposits guaranteed under the Deposit Guarantee Scheme, which should be reached by 2024. This quick growth could have a material effect on the Issuer's financial condition. The ultimate costs involved with making compensation payments under the Deposit Guarantee Scheme are allocated among the participating banks by DNB, based on an allocation key related to their market shares with respect to the deposits protected by the Deposit Guarantee Scheme. Additionally, the Issuer may be faced with extra costs for coverage if any claims are made under the Deposit Guarantee Scheme as a result of any financial institution participating in the Deposit Guarantee Scheme failing to pay claims against it. Consequently, the ultimate costs to the industry of payments which may become due under the Deposit Guarantee Scheme remain uncertain although they may be significant and the associated costs borne by the Issuer under the Deposit Guarantee Scheme may have a material adverse effect on its results of operations and financial condition.

In November 2015, the European Commission proposed to set up a European deposit insurance scheme ("**EDIS**") for bank deposits in the euro area. EDIS is considered to be the third pillar of and would complete the EU's banking union. The EDIS proposal builds on the system of national deposit guarantee schemes governed by Directive 2014/49/EU (as amended, "**DGS Directive**"). The scheme would develop in different stages and the contributions of EDIS will progressively increase over time. The new model intends to achieve 'cost-neutrality' for the banking sector when switching to EDIS. At this time, however, it is not yet clear if, when and in what form EDIS will come into effect and how this may affect the Issuer's costs in having to contribute to compensation schemes like EDIS.

4. The Issuer has issued 403-guarantees and the enforcement thereof could have an adverse effect on its financial position

The Issuer has provided 403-guarantees as referred to in Article 2:403 of the Dutch Civil Code (exemption from filing and publishing financial statements).

As at the date hereof, the Issuer has issued 403-guarantees for the following subsidiaries: ASN Duurzame Deelnemingen N.V., Pettelaar Effectenbewaarbeprijf N.V. and SNS Global Custody B.V. In the 403-guarantee the Issuer declares itself to be jointly and severally liable for the obligations of the relevant subsidiary resulting from legal

acts executed by it. See also section 1.3 (*The Issuer*) under '*Guarantees pursuant to Article 2:403 of the Dutch Civil Code for Propertize*'.

If enforced in accordance with its terms, the Issuer may be held liable under these 403-guarantees and therefore may incur payment obligations towards creditor(s) of the relevant subsidiary for which it issued a 403-guarantee. At the date of this Base Prospectus, the Issuer is not held liable under any of the 403-guarantees issued by it. However, any enforcement of a 403-guarantee issued by the Issuer could have an adverse effect on the financial position of the Issuer.

B. RISKS RELATED TO THE ISSUER'S BUSINESS ACTIVITIES AND INDUSTRY

1. The business of the Issuer is primarily concentrated in the Netherlands

The Issuer generates most of its income in the Netherlands and therefore is particularly exposed to the economic, political and social conditions in the Netherlands. Economic conditions in the Netherlands may be negatively influenced by conditions in the global financial markets and economy. The Dutch economy grew by 4.4% in 2022, after a 6.2% growth in 2021. Growth stalled in the first half of 2023 with economic developments varying quite strongly between sectors. The industrial sector went in recession after a period of growth due to a strong increase in consumption and production of goods during the pandemic. The services sector, however, profited from the revival of consumer spending after COVID-19 lockdown measures were lifted. Despite the lacklustre development of the economy, the labour market remained robust with ongoing growth in employment, albeit at a much slower rate than during 2022. The unemployment rate remained fairly stable around the very low level 3.5%. Since mid-2022, the war in Ukraine has affected the Dutch economy causing prices for commodities (mainly energy and food) to increase rapidly, leading to high inflation. Any deterioration or merely a long-term persistence of a difficult economic environment in the Netherlands could negatively affect the demand for products and services of the Issuer and lead to an increase of defaults on its loan portfolio due to a deterioration of the financial position of its customers and therefore may have a negative impact on the profitability of its business. For the Issuer in particular this may result in a decrease in the demand for mortgage loans, lower margins on mortgage loans, a change in the rate of repayment of and an increase in defaults under mortgage loans (which mortgage loans constitute a major part of the Issuer's assets, see also the risk factor '*A significant portion of the results of the Issuer relates to its mortgage loan products which is exposed to the risk of any material change affecting residential mortgage loans generally and/or of the Issuer specifically*'). The same may apply to the other loan portfolios of the Issuer in the Netherlands. Therefore, the profitability and financial position of the Issuer is materially dependent on the economic, political and social conditions in the Netherlands.

2. A significant portion of the results of the Issuer relates to its mortgage loan products which is exposed to the risk of any material change affecting residential mortgage loans generally and/or of the Issuer specifically

Residential mortgage loans constitute 63.0% of the Issuer's total assets at year-end 2022. Any material change affecting residential mortgage loans generally and/or of the Issuer specifically will likely have a material impact on the Issuer. Mortgage loans are subject to financial risks, such as credit, liquidity and interest rate risks. Increased interest rates, a significant downturn in the economy, stagnation or drop in property values, changes to the fiscal treatment of interest payments on residential mortgage loans in the Netherlands, high inflation, the financial standing of borrowers or a combination thereof and other similar factors, could lead to a decrease in the production of new mortgage loans and/or increased default rates on existing mortgage loans and/or a reduction of the margins on the mortgage loans and a change in prepayment rates, see also the risk factor '*The business of the Issuer is primarily concentrated in the Netherlands*' and the risk factor '*Risk of high prices for commodities and high inflation on Issuer's loan portfolio*'.

The higher the loan to income ratio, the larger the proportion of the earnings of a borrower that will be needed to pay interest and principal under mortgage loans, especially when confronted with unexpected costs or expenses, or, in respect of an interest-only mortgage loan, the repayment of principal. This loan to income ratio and other factors such as loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcy filings by borrowers and could ultimately have an adverse impact on the ability of borrowers to repay their mortgage loans.

Considering that mortgage loans represent a high percentage of the loan portfolio of the Issuer, any material change to its existing and new mortgage loan portfolio is material for the Issuer and may have an adverse effect on the interest margins of the Issuer (if the Issuer is not able to (fully) translate these into higher mortgage rates, which will be the case in circumstances other than newly offered mortgages and existing mortgages on the date of the interest

rate review) and may result in a decrease of its portfolio and/or in the production and an increase in defaults. This could negatively affect the profitability and financial position of the Issuer.

In the second half of 2022 a slight decrease of collateral values has been noted, a decrease that continued early 2023. This was caused by the interest rate climate, as ECB was increasing the interest rates to prevent a recession in Europe. The decrease of collateral values is as of the date of this Base Prospectus not causing issues, because in the Netherlands there is a significant shortage of houses and demand remains much higher than supply. Over the past years many clients had an interest rate revision with respect to their mortgage loans, and they overall selected long term periods given the low interest climate. These clients face low mortgage interest payments for the mid-term, which is good from a credit risk perspective, but could put pressure on the interest income and the profitability of the bank. Unemployment rate in the Netherlands remains low, which limits the number of default situations.

3. Risk of high prices for commodities and high inflation on Issuer's loan portfolio

Since mid-2022 prices for commodities (mainly energy and food) have increased rapidly, leading to a high level of inflation. If persistent, high prices for commodities and high inflation in general could, amongst others, lead to financial difficulties for low and medium income households and enterprises in the (near) future. An increasingly mitigating factor, however, is the rise in wages following the inflation spike. Although the Dutch government has taken mitigating measures for households, it is uncertain for how long they will remain in place, what the impact will be, and it is unlikely that these measures will fully offset the negative impact of the high commodity prices and inflation. The financial difficulties of the Issuer's customers could, amongst others, adversely affect the Issuer's return on its mortgage loans and other loans. Temporary measures to support household incomes will end in 2024 leading to, without further additional government policy, a potential decrease in purchasing power of especially the lower income households.

4. Change to Dutch tax treatment of interest on mortgage loans may impose various risks

The Dutch tax system allows borrowers to deduct, subject to certain limitations, mortgage interest payments for owner-occupied residences from their taxable income. The deduction period allowed is restricted to a term of thirty (30) years. Furthermore, the maximum tax rate against which mortgage interest may be deducted for Dutch tax purposes (the maximum deductibility rate) is set at 36.93% in 2023. This maximum deductibility rate could ultimately have an adverse impact on the ability of borrowers to pay interest and principal on their mortgage loans and may lead to different prepayment behaviour by borrowers on their mortgage loans, and may thus result in higher or lower prepayment rates of such loans and may adversely affect the Issuer's return on the mortgage loans. Temporary measures to support household incomes will end in 2024 leading to, without further additional government policy, a potential decrease in purchasing power of especially the lower income households.

5. The Issuer's business and results of operations may be adversely affected by a weakening of economic conditions in Europe

Global markets and economic conditions have been negatively impacted in recent years by the banking and sovereign debt crisis in the EU and globally. In particular, concerns have been raised with respect to continuing economic, monetary and political conditions in the Member States in the Eurozone. The potential impact of a sovereign default on the Eurozone countries and the risk that some Member States could leave the Eurozone (either voluntarily or involuntarily), continues to raise concerns about the ongoing viability of the euro currency and the EMU. Despite several measures, amongst which on the level of the ECB, there remains considerable uncertainty as to whether such measures will sustain the economic recovery or avert the threat of sovereign default.

In addition, the business operations of the Issuer, its third party service providers and clients are vulnerable to epidemics or pandemics, outbreaks of infectious diseases or any other serious public health concerns such as the COVID-19 outbreak, which could cause imposition of quarantines and prolonged closures of workplaces, the impact of which will depend on future developments which are highly uncertain and cannot be predicted or other forms of natural disasters and other disasters beyond its control such as war and heightened geopolitical tension, including the war in Ukraine and the sanctions issued against Russia and Belarus in response thereto, although the Issuer does not have direct exposure in Ukraine, Russia or Belarus nor does the Issuer have a material indirect exposure to these countries. The inflation in the Euro zone was 5.5% in June 2023 according to Eurostat. Potentially, additional inflation might be driven by, inter alia, a renewed rise of energy prices caused by the Russia/Ukraine war and accelerating wage growth. The impact of inflationary developments on the Issuer's balance sheet depends on inflation itself, but also on how other market factors move, amongst others driven by the response of central banks to rising inflation and market expectations of investors.

These factors may create economic and political uncertainties, which may have a material adverse effect on the global economy in general or on the economic conditions in the regions in which the Issuer operates and have in the past resulted in, or may in the future result in, a reduced demand for financial products and services, a deterioration in asset quality of the Issuer, a delay in receipt of interest income and/or repayment of principal and increases in loan impairment charges.

Furthermore, the full impact of a renewed rise of financial market tensions, like those among the Eurozone during the sovereign debt crisis, may lead to renewed stress in sovereign and bank funding markets. Market conditions remain vulnerable to disruption and risks remain. Deterioration of the economic environment, including as a result of an increase in unemployment rates, a market downturn or a weakening of the Dutch, European or global economies or other new economic shocks which could lead to a more severe economic downturn, the COVID-19 outbreak and other disasters, ESG events, any developments concerning the situation in Ukraine and sanctions against Russia and Belarus, elections held or to be held in Europe, an exit of one or more additional Member States from the EMU, or a potential dissolution of the EMU and a consequential re-introduction of individual currencies in one or more EMU Member States is impossible to predict.

If any such event were to occur, the critical issues are that it may likely:

- a) disrupt and adversely affect the economic activity of the Dutch and other European markets the Issuer is active on;
- b) result in significant market dislocation, decreased liquidity, high volatility in the securities markets and significant volatility in the value of the euro against other currencies, which may negatively impact the appetite to invest in the Notes and subsequently may affect the Issuer's financial position;
- c) significantly heighten counterparty risk, which may result in one or more of the Issuer's counterparties to default on its obligations to the Issuer which arise from lending or other financial transactions;
- d) result in downgrades of credit ratings for European borrowers, such as the Issuer, giving rise to significant increases in credit spreads and decreases in security values;
- e) adversely affect the management of market risk and in particular asset and liability management due, in part, to the redenomination of financial assets and liabilities and the potential for mismatch;
- f) significantly threaten the quality of the Issuer's loan portfolio, in particular for retail clients; and/or
- g) have a material adverse effect on the value of the Issuer's assets, the Issuer's fee and commission income and/or interest income, the ability of its clients to meet financial obligations and could cause the Issuer's loan impairment charges to rise or cause the Issuer to incur further market-to-market losses.

In addition, developments like the failure of Silicon Valley Bank, Signature Bank, the seizure of First Republic and the distressed acquisition of Credit Suisse Group AG by UBS AG's created volatility and unrest in the global banking sector especially during the first quarter of 2023. Although the impact seems limited so far, such events could adversely affect bank's funding spreads and general economic conditions and thereby the profitability of the Issuer. The Issuer may have to incur significant costs to store or mitigate the effects of the foregoing. The Issuer's prospects, financial condition and results of operations in particular may be materially affected by the above factors, events and developments.

6. Changes in customer behaviour may impact financial position and result of operations negatively

Customer behaviour may change among others as a result of changes on financial markets or regulations. For example, the amount of prepayments of mortgages and the duration of non-maturing deposits will vary depending on the interest rate environment. A decrease in the general level of interest rates could affect the Issuer through, among other things, increased prepayments on the loan and mortgage portfolio for instance as a result of low interest rates on saving accounts. On the other hand, any period of rapidly increasing interest rates may result in a decrease in the demand for mortgage loans. This may affect the composition of the Issuer's assets and liabilities and any gap position resulting from that and therefore the effectiveness of the Issuer's interest rate risk management. Changes in behaviour of customers, including small and medium enterprises in the Netherlands, may have an adverse effect on the Issuer's financial condition and/or results of operations, especially in highly volatile financial markets.

7. The Issuer faces substantial competitive pressures which could adversely affect its results of operations

Technology giants, (start-up) fintech companies, payment specialists, retailers, telecommunication companies, crowd-funding initiatives and aggregators are all encroaching on traditional banking services and from traditional bank competitors who team up with such new players. The Issuer also faces competition from traditional banking parties and from non-banking parties, such as pension funds and insurance companies, with relatively new parties providing

more segmented offers to its customers and clients in the field of mortgage loans. In particular, the Issuer's funding capabilities for offering long-term mortgages may not be sufficient, therefore the Issuer is not able to offer long-term mortgages against a competitive interest rate. There is a risk that the several measures of the Issuer in relation to long-term mortgages, such as continuously streamlining of the mortgage process and aiming for cost control, may not be enough to become sufficiently competitive. The clients of the Issuer, in turn, are willing to consider alternative offers, as a result of which the Issuer may lose these clients to competitors. If the Issuer is unable to offer competing and attractive products and services that are profitable, it may lose market share or incur losses on some or all of its activities. Competition in the financial services industry is furthered by the high level of consolidation in the Netherlands in the markets where the Issuer operates. Competitive pressures could result in increased pricing pressures, particularly as competitors seek to win market share, and may harm the ability of the Issuer to maintain or increase its market share and profitability.

8. The Issuer is exposed to risks of damage to its reputation

The Issuer is the fourth-largest retail bank in the Dutch market, offering products such as mortgages, payments and savings, making its trustworthy reputation essential for its business. Any damage to the reputation of the Issuer, in particular with a view to its focus on retail and SME customers, social impact and the concentration of its business in the Netherlands, could cause disproportionate damage to its business, regardless of whether or not the negative publicity is factually accurate.

The Issuer is, for example, exposed to the risk that, among other things, litigation, employee misconduct, operational failures, or products or services developed or recommended by it, which are not performing as expected, whether or not founded, will harm its reputation. The Issuer is exposed to changing public sentiment regarding climate change. If the Issuer does not meet society's expectations to contribute sufficiently to the mitigation of climate change, the Issuer's reputation will be harmed. Furthermore, negative publicity could be based on allegations that the Issuer does not or does not fully comply with regulatory requirements or anti-money laundering or anti-bribery rules, or result from negative publicity about a third party linked to the Issuer (e.g. resulting from misconduct or malpractice relating to intermediaries, independent advisers, partners, business promoters or third party managers) or about politically exposed persons in the customer base of the Issuer (being topics for which the Dutch banking sector is exposed to increased scrutiny and public attention over recent years).

Furthermore, negative publicity could also result from the fact that certain of the financial products and services of the Issuer and its subsidiaries are distributed through third parties or form part of broader products and services sold by third parties. Any negative publicity in respect of such third parties or such broader products and services could also have negative consequences for the Issuer. Furthermore, negative publicity could result from insufficient response to public expectations to ESG events, failures in the information technology systems of the Issuer, loss of customer data or confidential information, or failure in risk management procedures.

Any damage to the reputation of the Issuer could cause existing customers to withdraw their business from the Issuer and potential customers to be reluctant or elect not to do business with the Issuer. Furthermore, negative publicity could result in greater regulatory scrutiny and influence market or rating agency perception of the Issuer, which may make it more difficult for the Issuer to maintain its credit ratings. See also the risk factor '*Litigation, other proceedings, or significant claims may adversely affect the business, financial condition and results of operations of the Issuer*'.

9. The performance of the Issuer depends on its ability to accurately price its products and services

The results of operations and the financial condition of the Issuer depends, among other things, on its ability to set rates and prices accurately. Rate adequacy is necessary to generate sufficient premiums to pay losses and expenses and to earn profits on income. The ability of the Issuer to price its products and services accurately is subject to a number of uncertainties.

One of these uncertainties lies in the fact that interest rates or price of products of the Issuer (such as derivatives, floating rate notes, floating rate covered bonds and mortgages) may be determined by reference to various benchmarks (including interest rate benchmarks such as EURIBOR, €STR, SOFR and SONIA) which are subject to the Benchmarks Regulation. Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences, including those which cannot be predicted. Any changes to a benchmark due to these reforms may have the effect of reducing or increasing the rate or level, or affecting the volatility of, the published rate or level, of the benchmark, (in some cases) without the Issuer having the possibility to apply any mitigating adjustments thereto. Uncertainty as to the continuation of a benchmark,

the availability of quotes from reference banks to allow for the continuation, and the rate that would be applicable if a benchmark would be materially amended or is discontinued, may result in rates and prices of products and services being determined on the basis of inadequate or inaccurate data or inappropriate analyses, assumptions or methodologies. See also the risk factor *'Benchmark reforms may cause benchmarks used in respect of the Notes to be materially amended or discontinued'*.

If the Issuer fails to establish adequate rates and prices for its products and services, its revenues derived from such products could decline while its expenses increase resulting in proportionately greater financial losses.

10. The Issuer is exposed to the risk of a decline of and a high volatility in the securities markets

Under highly volatile market conditions, funding transactions, as well as hedging and other risk management strategies may not be as effective at mitigating trading risks as they would be under more normal market conditions. The Issuer uses financial derivative measures as part of its risk management strategy and it may not be able to manage its exposures adequately through the use of such derivatives as a result of modelling, sensitivity analysis or other risk assessment method failures or as a result of appropriate derivative products not being available. Market conditions, and periods of high volatility can occur not only as a result of purely economic factors, but also as a result of geopolitical tensions, such as international trade disputes or international sanctions or as a result of war, acts of terrorism, natural disasters or other similar events outside the Issuer's control. There is no assurance that market volatility will not result in a prolonged market decline, or that such market declines for other reasons will not occur in the future.

Severe market events have historically been difficult to predict, and could lead to the Issuer realising significant losses if extreme market events were to persist for an extended period of time. Therefore market volatility, liquidity disruptions, or dislocations could have a material adverse effect on the Issuer's business, financial position and results of operations.

11. The Issuer is exposed to the sensitivity and variation of the level of interest rates which could adversely affect its results

The level of interest rates, credit spreads and changes in prevailing interest rates and credit spreads (including changes in the difference between the levels of prevailing short- and long-term rates) could adversely affect the results of the Issuer.

The results of the Issuer's business are affected by the management of interest rate sensitivity. The composition of the assets and liabilities of the Issuer, and any maturity gap position resulting from that composition, causes the banking business' net interest income to vary with changes in interest rates. There can be no assurance that the Issuer will be able to successfully manage interest rate spreads or the potential negative impact of risks associated with decreasing (short term) interest rates, sustained low, flat or even negative interest rates (for the avoidance of doubt, this has no effect on the Minimum Rate of Interest becoming less than zero). In addition, any period of rapidly increasing interest rates may result in a decrease in the demand for loans and higher interest rates to be paid to customer deposits and on debt securities the Issuer has issued or may issue on the financial markets from time to time to finance its operations, which would increase its interest expenses and reduce its result. A mismatch of interest-earning assets and interest bearing liabilities in any given period may, in the event of changes in interest rates, have a material effect on the financial position or result from operations of the Issuer. In the second and third quarter of 2023 market interest rates have increased. This has supported the bank's financial results given the partial pass-through of higher rates into customer savings rates. It cannot be predicted how long this situation will continue or whether savings rates shall increase and put pressure on interest margins.

12. The Issuer is exposed to credit risks, including counterparty exposure, which may result in credit provisions to be inaccurate

The Issuer is exposed to general credit risks, for example the Issuer is exposed to credit risks of borrowers. Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties include customers (such as borrowers under loans granted, including without limitation, to mortgage loans), the issuers whose securities are being held by an entity within the Issuer's group, trading counterparties, counterparties under swaps and credit and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries. These parties may default on their obligations to the Issuer or its group companies due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons and could have an adverse effect on the Issuer's business, financial position and results of operations. Midyear 2023, the Issuer reported provisions for credit losses of € 185 million compared to € 132 million midyear

2022. Yearend 2022 provisions for credit losses of € 168 million were reported compared to € 120 million year-end 2021. This may be read as an indication for future provisions, subject to unforeseen circumstances and/or external macro-economic developments. These provisions relate to the possibility that a counterparty may default on its obligations to the Issuer which arise from lending or other financial transactions. If future events or the effects thereof do not fall within any of the assumptions, factors or assessments used by the Issuer to determine its credit provisions, these provisions could be inadequate.

C. LEGAL AND REGULATORY RISKS

1. The regulatory environment and intensive supervision to which the Issuer is subject gives rise to significant costs and non-compliance could result in monetary and reputational damages

The financial services industry continues to be the focus of significant regulatory scrutiny. This has led to a more intensive approach to supervision and oversight, more regulatory investigations and enforcement actions as well as an increase in the amount of fines against financial institutions.

If the Issuer is unable to obtain, retain and commit sufficient resources for regulatory compliance, this could lead to delays and errors, and may force it to choose between prioritising compliance matters over administrative support for business activities, or may ultimately force the Issuer to cease the offering of certain products or services. For example, the Issuer expects to commit significant resources for purposes of anti-money laundering, anti-terrorist financing measures, IT security and privacy. Furthermore, the Issuer continues to invest in resources to adapt to the ECB's supervisory approach and to familiarise the ECB with the Issuer's business and financial position.

Any delays or errors in implementing regulatory compliance could lead to substantial monetary damages and fines, loss of significant assets, public reprimands, a negative effect on the Issuer's reputation, regulatory measures in the form of cease and desists orders, fines, increased regulatory compliance requirements, which have become more stringent as a result of new regulations and resulting from a more expansive interpretation thereof by supervisory authorities, or other potential regulatory restrictions on the Issuer's business, enforced suspension of operations and in extreme cases, withdrawal of licenses or authorisations to operate particular businesses, or criminal prosecution in certain circumstances. The last few years have seen a steep escalation in the severity of the terms which competent supervisory authorities and law enforcement authorities have required to settle legal and regulatory proceedings against financial institutions, with settlements including unprecedented monetary penalties as well as criminal sanctions. Non-compliance with applicable regulation may also lead to civil liability towards affected clients and, increasingly, third parties. See also the risk factor '*Litigation, other proceedings, or significant claims may adversely affect the business, financial condition and results of operations of the Issuer*'.

On 11 August 2023, the Issuer announced that DNB has concluded that the Issuer is in violation of the Anti-Money Laundering and Anti-terrorism Financing Act (*Wet ter voorkoming van witwassen en financiering van terrorisme*, "**Wwft**"). DNB has imposed an instruction on the Issuer to improve its Systematic Integrity Risk Analysis by 1 April 2024. DNB also announced its intention to start a procedure for imposing an administrative fine. Failure to timely and/or to fully comply by the Issuer itself with the instruction imposed by DNB by 1 April 2024, may result in administrative sanctions and monetary and reputational damages, which could have an adverse effect on the Issuer's business, financial position and results of operations. See also section 1.3 (*the Issuer*) of this Base Prospectus in the paragraph '*Legal Proceedings*'.

In addition to non-compliance by the Issuer itself, the Issuer may suffer negative consequences of non-compliance by its clients or any third parties. The Issuer may also suffer negative consequences of clients or any third parties operating businesses or schemes in violation of applicable rules and regulations whose activities the Issuer could be held to monitor and, where applicable, to denounce or to interrupt.

In conclusion, the regulatory environment and the intensive supervision to which the Issuer is subject gives rise to significant legal and financial compliance costs. Non-compliance with applicable regulation may result in monetary and reputational damages, which could have an adverse effect on the Issuer's business, financial position and results of operations.

2. Major changes in laws and regulations as well as enforcement action could have a negative impact on the Issuer

In pursuit of a broad reform and a restructuring of financial regulation, legislatures and supervisory authorities, continue to introduce proposals and implement standards that could result in major changes to the way the Issuer's

operations are regulated and could have adverse consequences for its business, business model, financial position, results of operations, reputation and prospects. Also, the regulatory laws and regulations applicable to the Issuer are to an extent based on the Issuer's interpretations of such laws and regulations. The Issuer cannot guarantee that such interpretations will not be questioned by the relevant authorities. Changes in regulatory laws and regulations or interpretations by the Issuer thereof being challenged by the relevant authorities could materially impact the profitability of the Issuer's businesses, the value of its assets or the collateral available for its loans, require changes to business practices, increase its regulatory reporting and transparency obligations, or force the Issuer to discontinue businesses or change its legal entity structure, capital and funding structure, and expose the Issuer to additional costs, taxes, liabilities, enforcement actions and reputational risk and are likely to have a material impact on the Issuer.

The Issuer notes that the following changes in laws and regulations form a material risk for its financial position, credit rating and results of operations and prospects:

Basel IV/CRD IV/CRR/EU Banking Reforms

Regulatory capital requirements, as proposed by the Basel Committee and being implemented in the EU through, among others, the CRD Directive and the CRR, as these are amended from time to time. Regulatory capital requirements are subject to ongoing regulatory reform, and are expected to become more stringent in general. This is especially due to the implementation and entry into force of the EU Banking Reforms and the Basel III Reforms (informally referred to as Basel IV). The Issuer aims to anticipate the potential impact of regulatory reforms in its capital planning and day-to-day business, for instance by issuing capital instruments and retaining regulatory capital. Notable changes that will affect the Issuer's business include changes to the requirements for the risk-weighting of mortgages and the introduction of an output floor, which will be implemented on a phased basis. As at the end of June 2023, the Issuer estimates that Basel III Reforms will reduce its RWA by approximately 2% and that its consolidated CET1 capital ratio (position on 30 June 2023 at 20.4%) will ceteris paribus by approximately 0.5 percentage points higher as a result of the full phase-in of the Basel III Reforms. Furthermore, the impact of the Basel III Reforms to the applicable prudential regime is yet to be fully determined by the Issuer. This is among others due to the fact that the Basel III Reforms are still subject (in part) to further implementation in EU or national laws. In that respect, the European Commission published on 27 October 2021 the proposals to implement Basel III Reforms in the EU and a provisional agreement on the implementation of the Basel III Reforms was reached on 27 June 2023. It follows from the proposals that implementation will start in January 2025. In anticipation of the implementation of the Basel III Reforms in EU or national law, DNB has set a minimum floor on the risk-weighting of (part of) the mortgage loan portfolios of Dutch banks using internal risk models for said risk-weighting, such as the Issuer. In October 2021, DNB announced that the regulation would enter into force as of 1 January 2022. On 8 July 2022, DNB decided to extend the measure until 1 December 2024 (after which it will be reviewed and could either be abandoned or renewed). Given the actual risk-weighting of the Issuer's residential mortgages, this measure has no impact on the Issuer as at the end of June 2023.

MREL

Minimum requirement for own funds and eligible liabilities (MREL), as such requirement has been introduced under the BRRD and the SRM Regulation, as these are amended from time to time. The MREL framework is intended to make sure that the Issuer can absorb losses expected in resolution or at the point of non-viability and to be recapitalised after the implementation of resolution actions. The MREL is subject to ongoing regulatory reform and an annual recalibration cycle, and will become more stringent as of 1 January 2024. On 5 April 2023, the Dutch National Resolution Authority (NRA) set the current MREL requirement for the Issuer at 7.78% of the leverage ratio exposure ("**LRE**"). The MREL requirement based on RWA amounts to 20.41% and is set at 21.81% as of 1 January 2024, both excluding the Combined Buffer Requirement. As of 1 January 2024, the MREL requirements based on the LRE and on RWA are to be fully met with subordinated instruments, i.e. Tier 1 capital, Tier 2 capital and senior non-preferred notes with a residual contractual maturity of at least one (1) year. As a binding intermediate subordination target, at least 6.55% of the LRE has to be met with subordinated instruments as from 1 January 2022. For the Issuer, the non-risk-weighted MREL requirements are more restrictive than the risk-weighted MREL requirements. As of 30 June 2023, the Issuer already meets the MREL subordination requirements that apply from 1 January 2024. The MREL requirements will require the Issuer to maintain sufficient subordinated liabilities over time.

AML rules and regulations

Further AML rules, as laid down in, among others, the AML Directive and accompanying AML Regulation, as amended from time to time. The AML requirements require the Issuer to review and amend its current AML processes. Also taking into account the increased regulatory pressure on compliance with AML requirements, the Issuer is

working on the implementation of the new requirements in processes, systems and training and awareness for employees. The Issuer runs the risk that failure to (timely) comply with the AML rules results in enforcement measures and damages to the Issuer's reputation.

Benchmarks Regulation

Under the Benchmarks Regulation requirements apply with respect to the provision of a wide range of benchmarks (such as the Reference Rate), the contribution of input data to a benchmark and the use of a benchmark within the EU. As a supervised entity and user of benchmarks within the meaning of the Benchmarks Regulation, the Issuer has to comply with certain obligations under the Benchmarks Regulation in respect of in-scope products and contracts. This includes the obligation to produce and maintain a robust written plan among others setting out the actions the Issuer would take in the event a benchmark materially changes or ceases to be provided. This plan is commonly referred to as a fallback plan and the Issuer has produced and is maintaining such a plan. The Issuer is also required to ensure that it only makes use of authorised benchmarks and that its contracts include appropriate fallback language. The Issuer runs the risk that it is not timely able to amend its contracts and switch from the use of unauthorised benchmarks to authorised benchmarks and paying and/or receiving a similar rate of interest (both in its internal processes as well as in its external products and investments). This may affect the Issuer's financial and compliance position.

PSD II

Payment services regulations, such as those laid down in PSD II, impose additional requirements on the Issuer with respect to its payment services and support the emergence of new payment service providers and the development of innovative mobile and online payment methods in Europe. Key elements of the PSD II that could impact the Issuer are: (i) access to payment accounts by other parties than the bank where the customer holds an account (Access to Account (XS2A)), and (ii) security requirements. Access to Account (XS2A), within the meaning of the PSD II, forces the Issuer to make substantial investments and expose it to more or intensified competition and can be a threat as parties other than banks focus on the customer-engagement components of the value chain and leave the commoditised transactional components to banks which could lead to disintermediation. Security is and will remain a core element in the service offering of banks whereby it is important that the security requirements in PSD II, as applied by the Issuer, strike the right balance between ease of use and risk (such as with respect to customer data). On 28 June 2023, the European Commission proposed legislative amendments to PSD II, consisting of a directive and regulation, that may have an impact on the payments business of the Issuer. The precise impact and expected time of entry into force of the proposals is as yet unclear.

EMIR

The Issuer's derivative activities remain subject to significant reform as a result of EMIR. EMIR already requires the Issuer to centrally clear certain OTC-derivatives and report derivative contracts to a trade repository. It furthermore requires the Issuer to exchange variation and initial margin with certain of its counterparties, which group of counterparties may change from time to time. This could lead to an increased margining obligation for the Issuer. Furthermore, the central clearing of OTC derivatives with central counterparties established in the UK is subject to ongoing developments and uncertainties, due to, inter alia, the proposal for an amendment of EMIR published on 7 December 2022 (informally referred to as 'EMIR 3.0'). In this respect, EMIR 3.0 amongst others includes the obligation on financial counterparties (such as banks) to keep an active account at an EU-based CCP and clear at least a portion of certain transactions (including interest rate derivatives denominated in Euro) through such active account. The proposal for EMIR 3.0 is subject to change and its date of entry into force is not yet clear. A related uncertainty is that the EU's equivalence decision for the UK's supervisory framework for central counterparties and that the recognition of certain UK central counterparties used by the Issuer will not be extended beyond 30 June 2025. There may be costs, risks and inefficiencies associated with the aforementioned developments and uncertainties surrounding those. The Issuer runs the risk that it will not be able to have the necessary contractual documentation, operational process or other necessities timely in place in order to be able to trade or continue trading in derivatives with the relevant counterparties. It may also lead to additional compliance costs for the Issuer.

EU Taxonomy Regulation and other sustainability regulations

The Issuer is subject to sustainability regulations, such as the EU Taxonomy Regulation which (partially) entered into force on 1 January 2022, as amended and supplemented from time to time, relating to a framework to facilitate sustainable investment. These regulations will require the Issuer to include information at entity and at product level with regard to certain financial products on whether or not it takes into account adverse sustainability impact, whether or not it promotes environmental or social characteristics and whether or not it meets one or more of the environmental objectives as set out in the EU Taxonomy Regulation. Furthermore, DNB and the ECB continuously publish further

guidance with regard to these sustainability regulations, and the management of climate risks and other environmental risks, which credit institutions such as the Issuer are expected to incorporate in their risk management framework. As the Issuer will have to implement these regulations and expects to have to implement more sustainability-related regulations, this will give rise to additional compliance costs and expenses.

The definition of the Eligibility Criteria under Volksbank's Green Bond Framework takes into account the EU Taxonomy Regulation and the EU Taxonomy Climate Delegated Act adopted on 13 June 2021 with the intention to apply them on a best-efforts basis as long as there are feasible practical applications in the geographies where the assets are located. The Issuer will aim to meet the requirements for environmentally sustainable economic activities as set out in the EU Taxonomy Regulation to create visibility and to address concerns about 'greenwashing' (also see the risk factor '*A failure by the Issuer to use the net proceeds of any Green Bonds in accordance with the de Volksbank's Green Bond Framework and/or criteria determined under the EU Taxonomy Regulation and any failure to meet the investment requirements of investors may affect the suitability and/or value and/or trading price of such Green Bonds*' and section 1.6 (*Use of Proceeds*) for a further description of the risks associated with the issuance of Green Bonds under this Programme.

The more recent amendments relating to sustainability that have been implemented in, amongst others, EU MiFID II, Directive 2011/61/EU (as amended, "**AIFMD**") and Regulation (EU) 2016/1011 (as amended, "**Benchmark Regulation**") have an impact on product development and advice, Know Your Customer (KYC), risk management, solvency requirements and the disclosures of financial products:

- Under the MIFID II Delegated Acts (Commission Delegated Regulation (EU) 2021/1253 and Commission Delegated Directive (EU) 2021/1269), the Issuer's group is required to integrate sustainability considerations into the suitability assessment and product governance obligations.
- The AIFMD Delegated Acts (Commission Delegated Regulation (EU) 2021/1255 and Delegated Regulation (EU) 231/2013) require management companies within the Issuer's group to integrate sustainability risks in the management of funds, to include a consideration of any conflicts that may arise as a result of the integration of sustainability risks in their conflicts of interest procedures, to take into account: (i) sustainability risks and (ii) if relevant, the principal adverse impacts of investment decisions on sustainability factors, as part of the due diligence in the selection and ongoing monitoring of investments; and to capture details of procedures to manage sustainability risks in the risk management process.
- The Benchmark Regulation introduced two categories of climate benchmarks and further specifies ESG disclosure requirements.

Further European sustainability legislation is currently being developed such as the Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464, "**CSRD**"), which entered into force on 5 January 2023 and the proposal for the Corporate Sustainability Due Diligence Directive ("**CSDDD**"), which has not yet entered into force and is expected to be published later in 2023. It is uncertain whether the financial sector and, as such, the Issuer's group will be in scope of the CSDDD.

The CSRD requires the Issuer's group to disclose information in its annual report on the way it operates and manages social and environmental challenges and on the basis of European Sustainability Reporting Standards ("**ESRS**"). Reporting under the CSRD requires the Issuer's group to formulate long-term ESG targets and policy and to conduct due diligence for its own operations and supply chain. Further transparency rules are introduced on division of roles and responsibilities, among others, for ESG targets. Reports and strategic plans that must be disclosed by the Issuer's group under the CSRD must be made available in electronic form. The ESRS, which are currently being further developed, require the Issuer's group to disclose detailed information on environmental protection, social responsibility and treatment of employees, respect for human rights, anti-corruption and bribery and on diversity. The Issuer's group will have to report across four reporting areas: governance, strategy, impact, risk and opportunity management, metrics and targets that are divided into three topics to disclose information on from an ESG perspective. In addition, there are sector agnostic, sector specific and company specific disclosure requirements to consider by the Issuer's group.

The proposal for the CSDDD contains requirements for companies, their subsidiaries and their value chains relating to identifying, bringing to an end, preventing, mitigating and accounting for negative human rights and environmental impacts.

As many of the sustainability regulations are still in the midst of their development, the full impact thereof on the Issuer is currently unclear. As a result of these legislative initiatives, the Issuer will be required to provide additional disclosure to stakeholders on ESG matters, which may demand substantial resources and divert management attention from other tasks. In addition, DNB and the ECB continuously publish further guidance with regard to the abovementioned sustainability regulations, and the management of climate risks and other environmental risks, which credit institutions such as the Issuer are expected to incorporate in their risk management framework. For example, during 2022, the ECB conducted a thematic review of climate-related and environmental risks as part of the ECB Banking Supervision roadmap. The ECB has set institution-specific deadlines for full alignment with its expectations as set out in its 'Guide to climate-related and environmental risks' by the end of 2024. As the Issuer will have to implement any new regulations and guidance, and expects to have to implement more sustainability-related regulations and guidance in the future, this will give rise to additional compliance costs and expenses.

As described above, the sustainability regulations or failure to comply with the sustainability regulations could therefore have a material adverse impact on the Issuer's business, reputation and revenues.

Digital operational resilience act (DORA)

Regulation (EU) 2022/2554 on digital operational resilience for the financial sector, (as amended, "**DORA**") entered into force on 16 January 2023 and will become applicable on 17 January 2025. DORA introduced a new, uniform and comprehensive framework on the digital operational resilience of banks and other financial institutions in the EU. All institutions in scope of DORA, which will include the Issuer, will have to put in place sufficient safeguards to protect against cyber and other ICT risks. DORA introduces requirements for such financials on governance, ICT risk management, incident reporting, resilience testing and contracting with ICT services providers. Although the Issuer is already required to comply with certain ICT risk management and resilience obligations, there may be (material) differences between these obligations and the standards as laid down in DORA (e.g. DORA extends to all contracts with ICT services, not only contracts that are considered outsourcing). Consequently, the Issuer will likely have to perform a gap analysis and implement any of DORA's additional or different requirements before DORA becomes applicable and ensure compliance with these requirements after the date thereof. This will give rise to additional compliance and ICT-related costs and expenses. Should the Issuer not be able to timely comply with DORA, this might result in administrative and/or criminal enforcement and/or reputational damage.

3. Resolution regimes may, *inter alia*, lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding

The BRRD and the SRM Regulation set out a common European recovery and resolution framework. If the Issuer would be deemed no longer viable (or one or more other conditions apply) the Resolution Authority may decide to write-down, cancel or convert relevant capital instruments of the Issuer, such as AT1 capital securities and the Tier 2 Notes, independently (i.e. separate from a resolution action) or do so in combination with a resolution action (such as the application of a transfer tool and/or the bail-in tool).

If the Issuer would be deemed to fail or likely to fail and the other resolution conditions would also be met, the Resolution Authority may decide to place the Issuer under resolution. It may decide to apply certain resolution tools. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the SRM provides for the bail-in tool. The bail-in tool may be applied to recapitalise the Issuer (whether or not in combination with one of the aforementioned transfer tools) or convert into (claims which may give rights to) Common Equity Tier 1 instruments or reduce the principal amount of claims or debt instruments (such as the Notes) of the Issuer that have been transferred pursuant to one of the aforementioned transfer tools. The bail-in tool extends further than the relevant capital instruments (such as AT1 capital securities and the Tier 2 Notes) of the Issuer, and may also result in the write-down or conversion into (claims which may give rights to) Common Equity Tier 1 instruments of eligible liabilities (such as the other Notes) in accordance with a certain order of priority.

In addition to the resolution powers described above, the Resolution Authority may decide to terminate or amend any agreement (including a debt instrument, such as the Notes) to which the Issuer is a party or replace the Issuer as a party thereto. Furthermore, the Resolution Authority may, subject to certain conditions, suspend the exercise of certain rights of counterparties vis-à-vis the Issuer or suspend the performance of payment or delivery obligations of the Issuer. In addition, pursuant to Dutch law, certain counterparty rights may be excluded.

On 18 April 2023, the European Commission published its proposal for the Reform of the Banking Crisis Management and Deposit Insurance Framework. Within this proposal, the European Commission specifically focused on strengthening crisis management for medium-sized and smaller banks. Key directives, including the BRRD, are set for revisions. One of the proposal's components is aimed at expanding the utilization of the Deposit Guarantee Scheme during a bank's resolution process. This aims to better protect depositors from losses and minimize the risk of using taxpayers' money. It remains a key principle that the bank's internal loss absorption (the capital eligible for a 'bail-in') is used first. The proposal is currently under consideration by the European Parliament and the Council. The impact of the proposed amendments on the Issuer are to be assessed, but may ultimately have a material adverse effect on the Issuer's result of operations and financial condition. If implemented as proposed, senior preferred debt instruments (such as Senior Preferred Notes and Senior Preferred MREL Notes) may no longer rank *pari passu* with any deposits of the Issuer, but instead, would rank junior in right of payment to the claims of all depositors.

In addition to the BRRD and SRM Regulation, the Wft enables the Dutch Minister of Finance to intervene with a bank established in the Netherlands, such as the Issuer, if the Minister of Finance is of the view that the stability of the financial system is in serious and immediate danger due to the situation that the bank is in. These powers among others consist of the expropriation of assets and/or liabilities (*onteigening van vermogensbestanddelen*) of the Issuer, claims against the Issuer and securities issued by or with the cooperation of the Issuer.

It is possible that the Resolution Authority may use its powers under the BRRD or SRM Regulation or the Wft in a way that could result in debt instruments of the Issuer absorbing losses. The use of these could negatively affect the position of the holders of such debt instruments and the credit rating attached to debt instruments then outstanding and could result in losses to the holders of such debt instruments, in particular if and when any of the above proceedings would be commenced against the Issuer. These measures and consequences could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position and results of operation. In addition, there could be amendments (including, but not limited to, the amendments discussed in the preceding risk factor) to the SRM Regulation and the BRRD or the Wft, which may add to these effects.

Finally, any perceived or actual indication that the Issuer is no longer viable, may become subject to recovery or resolution and/or does not meet its other recovery or resolution requirements (such as MREL), may have a material adverse impact on the Issuer's financial position, regulatory capital position and liquidity position, including increased costs of funding for regulatory purposes.

4. Capital and/or liquidity requirements may adversely affect the business of the Issuer

The Issuer is required by regulators to maintain adequate capital and liquidity levels, as such regulators may deem appropriate. Adequate capital and liquidity levels are also necessary for the Issuer's financial flexibility and to cope with adverse developments. Changes to capital adequacy and liquidity requirements may require the Issuer to raise additional regulatory capital or hold additional liquidity buffers, for example because of different interpretations of or methods for calculating risk exposure amount, or because the Issuer does not comply with ratios and levels, or instruments and collateral requirements that currently qualify as capital or capital risk mitigating techniques no longer do so in the future. For example, the Issuer is required to comply with the minimum amount of MREL, which should ensure the effective application of the bail-in resolution tool under the BRRD and SRM Regulation. This leads to increased funding costs for the Issuer. If the Issuer is unable to raise the requisite regulatory capital in order to comply with current or future capital requirements or with MREL, it may, amongst others, be required to reduce its risk exposure amount, restrict certain activities or engage in the disposition of core and other, non-core, businesses, which may not occur on a timely basis or at prices which would otherwise not be attractive to the Issuer.

The Issuer must comply with a Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and leverage ratio. These are likely to have an impact on the Issuer's funding costs and in having to maintain buffers of liquid assets, which may in turn result in lower returns than less liquid assets. Furthermore, if the Issuer is unable to adequately manage its liquidity position, this may prevent it from meeting its short-term financial obligations. In addition, the Issuer may be required to attract additional stable sources of funding or hold a higher liquidity buffer, which may result in higher costs for the Issuer.

5. The Issuer is exposed to the risk that it has to maintain additional capital due to a pillar 2 requirement

The Issuer is required to satisfy the minimum requirements for own funds, which are set out in the CRR (the so-called "pillar 1 requirements"). The pillar 1 requirements are directly related to, *inter alia* and principally, the Issuer's total risk weighted exposure amount for credit risk, market risk, operational risk and other risks. Following the CRD, the Issuer is also required to meet a combined buffer requirement, consisting of the capital conservation buffer (2.5 %),

the countercyclical buffer (currently close to 1%, however, on 31 May 2023 DNB announced that the current risk picture gives them reason to raise the buffer for relevant Dutch exposures to 2% as from 31 May 2024) and the other systemically important institution buffer (1%, however, on 31 May 2023 DNB announced a reduction of the buffer from 1.0% to 0.25% as from 31 May 2024). In addition to the pillar 1 requirements and the combined buffed requirement, the ECB may impose additional qualitative and/or quantitative requirements on the Issuer pursuant to an SSM SREP decision (a so-called "pillar 2 requirement"). The ECB may impose such requirements to address risks not adequately covered by the pillar 1 requirement or to address macro-prudential requirements.

Currently, the Issuer is required to meet a pillar 2 requirement of 3.0%, of which at least 56.25% is to be met with CET1 capital. In effect, the Issuer is currently required to meet a minimum total capital ratio of 15.5% (Overall Capital Requirement, OCR), of which at least 10.7% is required to be composed of CET1 capital. The OCR serves as the Maximum Distributable Amount trigger level, below which AT1 coupon or dividend payments are restricted.

As of 30 June 2023, the Issuer's actual CET1 ratio amounts to 20.4%, providing a 9.7% buffer above the regulatory CET1 requirement. There can be no assurance, however, that the Issuer will continue to maintain such a buffer or that any such buffer would be sufficient to protect against a breach of the OCR resulting in restrictions on AT1 coupon or dividend payments.

The Issuer is exposed to the risk that it has to maintain additional capital as a result of an increase of the pillar 2 requirement. Also, envisaged changes in laws and regulations may require the Issuer to maintain additional capital, either by virtue of the pillar 1 own funds requirement or a pillar 2 requirement in the context of an SSM SREP decision. See risk factor '*Major changes in laws and regulations as well as enforcement action could have a negative impact on the Issuer*'.

Similar to all regulated banks, the Issuer is subject to the risk that it has insufficient resources to meet the pillar 1 requirement, pillar 2 requirement or any capital buffer requirement, which could in turn lead to (administrative) sanctions, potentially materially impacting the Issuer's results of operations.

6. The Issuer is subject to requirements of privacy laws, and may be precluded from implementing business models based on analysis and use of client generated data

The Issuer is subject to new extensive requirements of privacy laws as a consequence of the recently reformed EU legal framework on the protection of personal data after the entering into force of the GDPR. As the GDPR contains various open standards, a risk of divergent interpretations exists as to how the GDPR can be complied with. There is a risk that the Issuer applies a certain interpretation as to how the GDPR must be complied with, which may not be in line with (future) publications of the European Data Protection Board and the DDPA, which may cause the Issuer to alter its approach.

Due to public pressure and perceived or actual infringements of privacy laws, the Issuer may be precluded from implementing business models based on analysis and use of client generated data for its marketing purposes.

Other risks relating to incompliance with privacy laws may include administrative sanctions from the DDPA (such as significant fines (an order subject to) a non-compliance penalty (*last onder dwangsom*) or a ban on processing (*verwerkingsverbod*), on the basis of which the Issuer could be precluded from developing and implementing new business models based on the processing activities), civil claims from clients whose personal data are processed (e.g. analysed) by the Issuer, complaints from such clients against the Issuer filed with the DDPA and negative publicity which may cause harm to the Issuer's reputation.

7. Litigation, other proceedings, or significant claims may adversely affect the business, financial condition and results of operations of the Issuer

The Issuer faces substantial legal risks in the conduct of its business. In the Netherlands, the number and size of claims that are the subject of litigation, regulatory proceedings and other adversarial proceedings against financial institutions are increasing. A number of proceedings have been initiated against the Issuer for violation of its duty of care (*zorgplicht*). Financial institutions in the Netherlands, such as the Issuer, owe a duty of care and must comply with duty of care rules under Dutch law, which includes provisions on client classification, disclosure requirements and know-your-customer obligations. Pursuant to the General Banking Conditions (*Algemene Bankvoorwaarden*) used by Dutch banks, a bank must always act in accordance with its duty of care, irrespective of whether the service or product is sold to a professional client or a non-professional client. Where in the past the duty of care was held to apply predominantly to clients, the application of this standard has on the basis of case law been extended more

broadly for the benefit of third parties that suffer damages inflicted by clients of the financial institution. In these cases, courts held, for example, that in certain circumstances financial institutions may be expected to monitor activities of their clients, denouncing or even halting any suspected illegal activity. Accordingly, there can be no assurance that additional proceedings will not be brought against the Issuer. Such litigation may have a material adverse effect on the Issuer's business, reputation, results of operations, financial position and prospects. See also the risk factor '*The Issuer is exposed to risks of damage to its reputation*' for more information on how negative publicity may affect the Issuer and section 1.3 (*The Issuer*) under '*Legal proceedings*' for additional information regarding legal proceedings or claims currently pending against the Issuer.

8. The Issuer is subject to stress tests that could lead to certain measures or capital and funding requirements by supervisory authorities being imposed or taken

The banking sector, including the Issuer, is subject to periodic stress testing in respect of the resilience of banks to adverse market developments. Such stress tests are initiated and coordinated by the EBA and the ECB. The results of the EBA stress test and the SSM stress test are both published. At reference date 31 December 2022, the consolidated CET1 ratio of the Issuer stood at 20.3%. Based on the severe scenario assumptions and severe methodological restrictions in the of the stress test's adverse scenario, the CET1 ratio of the Issuer ends up at 10.01% at year-end 2025. The Issuer's overall CET1 capital ratio requirement up until April 2023 is 9.69% and from May 2023 onwards the Issuer's overall CET1 capital ratio requirement is 10.69%. There is no guarantee that the result of any future stress test will meet the Issuer's internal target. Stress tests and the announcements of their results by supervisory authorities can destabilise the banking or financial services sector and lead to a loss of trust with regard to individual banks or financial services sector as a whole. The outcome of stress tests could negatively impact the Issuer's reputation, financing costs and trigger enforcement action by supervisory authorities. The outcome of stress tests could also result in the Issuer having to meet higher capital and liquidity requirements, which could have a negative impact on the Issuer's business, results of operations, profitability or reputation. In addition, stress tests could divulge certain information that would not otherwise have surfaced or which until then, the Issuer had not considered to be material and worthy of taking remedial action on. This could lead to certain measures or capital and funding requirements by supervisory authorities being imposed or taken, which could have a negative impact on the Issuer's business, results of operations, profitability or reputation. See also section 1.3 (*The Issuer*) under '*The Issuer participated in the EBA stress test*'.

9. The Issuer is subject to changes in financial reporting standards or policies which could materially adversely affect the Issuer's reported results of operations and financial condition

The Issuer's consolidated financial statements are prepared in accordance with IFRS as adopted in the EU and in accordance with Part 9 of Book 2 of the Dutch Civil Code, which is periodically revised or expanded. Accordingly, from time to time the Issuer is required to adopt new or revised accounting standards issued by recognised bodies, including the International Accounting Standards Board (IASB). Previous revisions and/or expansions of IFRS as adopted in the EU have had a material impact on the Issuer on an operational and financial level. It is possible that future accounting standards which the Issuer is required to adopt, or as a result of choices made by the Issuer, could change the current accounting treatment that applies to its company and consolidated financial statements and that such changes could have a material adverse effect on the Issuer's reported results of operations and financial condition and may have a corresponding impact on capital ratios.

10. Risk related to judgments of civil law courts and Kifid in relation to unilateral change clauses in consumer loans with variable interest rate

A development in the Dutch consumer credit industry, concerns the involvement of several credit providers in legal proceedings before KiFiD and Dutch courts, regarding the sustaining of unilateral change clauses in revolving consumer credit loans with variable interest rates. Judgments of civil law courts in relation to variable interest rates on consumer loan agreements vary significantly from the KiFiD rulings in relation to consumer loans and also differ from one another.

The Dutch civil court cases vary on this subject and conclusive case law has yet to be developed. Civil law court cases on this matter are at the date of this Base Prospectus limited to consumer loans and do not apply to mortgage loans. The focus in the civil law courts is on the question whether the clauses which set out the right of the originator to change the variable interest rates are presumed to be unreasonably onerous and therefore invalid. Whether or not this applies, depends on the actual clause itself and the circumstances at the time of conclusion of the loan agreement. Decisive case law has yet to be developed further both in terms of when a clause is invalid and what the consequences thereof are.

KiFiD has recently ruled consistent. For example, KiFiD issued rulings against other credit providers on contractual terms that give credit providers the unconditional right to change the variable interest rate of loans provided to

consumers (including revolving credits). KiFiD ruled that if the contractual terms do not specify the grounds for changing the interest rate, the consumer may expect the only relevant circumstances that can play a role in changing the interest rate to be market developments. KiFiD has also issued a similar ruling with respect to a mortgage loan.

Holders of consumer credit loans with variable interest rates which do not meet the KiFiD requirements described in the KiFiD rulings referred to above are entitled to be compensated. As a result, the Issuer has investigated the impact on the Issuer and the analysis revealed that although the interest charged on consumer credit loans generally remained in line with market rates, some of its customers, including customers from SNS and Regiobank, have paid too much interest when applying the concepts underlying the KiFiD rulings.

Reimbursement of overpaid interest to or other compensation of consumers as a result of the foregoing and new Dutch civil court rulings may adversely affect the Issuer's return on its consumer loans. Furthermore, there is a risk that KiFiD rulings and Dutch civil court rulings in respect of consumer credit loans and mortgage loans with variable interest rates could also be applied to other financial products sold to Dutch consumers and as such may have a certain knock-on effect on other products.

Although at the date of this Base Prospectus, the Issuer is not involved in any civil, KiFiD or arbitration proceedings in this respect, in line with the KiFiD ruling, the Issuer is compensating consumers for excess interest paid (also see section 1.3 (*The Issuer*) under '*Compensation schemes for customers with a revolving consumer credit and/or a revolving overdraft facility*').

D. INTERNAL CONTROL RISK

1. The Issuer may be exposed to failures in its risk management systems which could lead to unanticipated losses

The Issuer also invests substantial time and effort in its strategies and procedures including statistical models, scenario analyses and stress tests for managing risks, not only credit risk, but also other risks, such as strategic risks (business risk, organisational risk, reputation risk, sustainability risk), financial risks (credit risk, market risk, IRRBB (interest rate risk in the banking book), liquidity risk, capital adequacy) and non-financial risks, compliance risk, model risk, legal risk and reporting risk. These strategies and procedures could nonetheless fail or not be fully effective under some circumstances, particularly if the Issuer is confronted with risks that it has not fully or adequately identified or anticipated. Some of the methods of the Issuer for managing risk are based upon observations of historical market behaviour. Statistical techniques are applied to these observations in order to arrive at quantifications of some of the risk exposures of the Issuer. These statistical methods may not accurately quantify the risk exposure of the Issuer if circumstances arise which were not observed in its historical data. For example, as the Issuer offers new products or services, the historical data may be incomplete or not accurate for such new products or services. As the Issuer gains a more complete and accurate set of data over time, it may need to make additional provisions.

If circumstances arise which the Issuer did not identify, anticipate or correctly evaluate in developing its statistical models, scenario analyses and stress tests, its losses could be greater than the maximum losses envisaged by it. Furthermore, the quantifications do not take all risks or market conditions into account. If the measures used to assess and mitigate risks prove insufficient, the Issuer may experience unanticipated losses.

2. The Issuer is exposed to operational risks

The operational risks that the Issuer faces include the possibility of inadequate or failed internal or external processes or systems, inadequate or failed outsourcing of processes, services or activities, human error, regulatory breaches, employee misconduct. The occurrence of any such event may result in (non-)financial loss and may harm the reputation of the Issuer. Inability to retain and attract well-trained personnel could adversely affect its operations and results. The Issuer attempts to keep operational risks at appropriate levels by developing a well-controlled environment in light of the characteristics of its business, the markets and the regulatory environments in which it operates. While these measures have the purpose for mitigation operational risks they do not eliminate them.

Ineffective systems and processes

The Issuer relies heavily on its operational processes, and communication and information systems in particular to conduct its business. Although with the back-up recovery systems and contingency plans that are in place, the Issuer cannot ensure that interruptions, failures or breaches in security of these processes and systems will not occur or, if they do occur, that they will be adequately addressed. Any such interruptions, failures or breaches, even for a limited period of time, could result in, for example (but not limited to):

- interruptions in the business operations including the services offered or information provided to customers, or inability to serve customers' needs in a timely fashion. This includes operations where the Issuer relies in services by third parties;
- interruptions or errors in management information and/or information reported to (supervisory) authorities;
- a violation of applicable regulations;
- physical or mental harm to clients, personnel or other people with whom the Issuer interacts;
- inability to identify in time or at all, inadequate, fraudulent, negligent and/or unauthorised dealings by employees of the Issuer or third parties, or telecommunication connection failures or hacking of IT systems of the Issuer or other cybercrime activities against the Issuer or its clients; and
- considerable costs in terms of, for example, information retrieval, verification and improvement plans and (business)recovery.

External operational risks

The business operations of the Issuer are also vulnerable to interruption from external factors such as fire, flood, pandemics, bomb threats, explosions or other forms of war, terrorist activities and natural and man-made disasters. The Issuer cannot ensure that interruptions, failures or breaches of its communication and information systems as a result of external fraud will not occur or, if they do occur, that they will be adequately addressed. Finally, cybercrime risk (state-act or otherwise) is also a relevant and ongoingly increasing threat that may lead to an interruption of business operations (including to customers), loss of confidential information or erosion of trust and reputation. The above may also apply for third parties on which the Issuer depends.

E. ESG RISKS

1. The Issuer is exposed to risks related to ESG Factors

The Issuer is exposed to risks related to environmental factors, including the risk of (in)direct financial or reputational damage due to acute or chronic physical environmental events or due to the (role of the Issuer itself or the role parties with which the Issuer may interact in the) transition to an environmentally sustainable economy. Clients of the Issuer may be exposed to acute and chronic physical events resulting from environmental factors, such as river and coastal flooding, extreme weather events or changes in weather conditions, such as droughts, when resulting in soil setting or pile rot, which can cause damage to the collateral in the residential and commercial real estate lending portfolios of the Issuer. The event itself or the exposure to the risk as such can lead to devaluation of the collateral value. Clients of the Issuer may also be exposed to risks related to changes in market appreciation or legal requirements with regard to the energy efficiency of their houses, thus impacting the value of the (energy inefficient) collateral in the residential and commercial lending portfolios. Clients of the Issuer may further be exposed to substantial increases in energy costs following the transition to an environmentally sustainable economy, impacting payment capacity. The Issuer and/or clients of the Issuer may be exposed to the risk that changes in laws and regulations regarding environmental matters may lead to increased costs of compliance, regulatory sanctions and reputational damage and to potential environmentally related litigation, enforcement proceedings, investigations and conduct risk. Both the environmental events itself as well as the exposure of the Issuer and/or clients of the Issuer to the risk of such events occurring can lead to (in)direct financial or reputational damage.

Furthermore, the Issuer is exposed to risks related to social factors, including the risk of (in)direct financial or reputational damage due to violations in the area of human rights, employee rights, poverty and customer relationships by the Issuer itself or by parties with which the Issuer may interact. The Issuer can be exposed to risk related to inequality, labour relations, workplace health and safety, public sentiment linked to social transformation towards a more and inclusive equitable society. Both the social events itself as well as the exposure of the Issuer and/or clients of the Issuer to the risk of such events occurring can lead to (in)direct financial or reputational damage.

The Issuer is also exposed to risks related to governance factors, including the risk of (in)direct financial or reputational damage due to inadequate corporate governance, ethical management and transparency by the Issuer itself or by parties with which the Issuer may interact. The Issuer can be exposed to governance matters, such as poor codes of conduct, deficient anti-money laundering policies, tax avoidance practices of clients of the Issuer or of parties with which the Issuer may interact. Both the governance events itself as well as the exposure of the Issuer and/or clients of the Issuer to the risk of such events occurring can lead to (in)direct reputational or financial damage.

Risk related to ESG Factors and ESG events may have a negative effect on the Issuer's reputation and could have an adverse effect on the Issuer's business and/or its financial position or results of operations. With regard to

reputational damage following from ESG Factors, see also the risk factor '*The Issuer is exposed to risks of damage to its reputation*'.

2. Risks related to the decision of the Minister of Finance regarding the future of the Issuer

The Issuer is owned indirectly by the Dutch State through NLF. On 22 February 2023, the Minister of Finance wrote to the House of Representatives that she intends to take a directional decision (*richtinggevend besluit*) about the future of the Issuer. In the decision, all options for the future and all governance models will be taken into account, as well as the eventual necessity for the State to safeguard the public interests related to the Issuer. The House of Representatives, NLF, the Issuer, and where necessary the supervisory authorities, will be involved in the preparation of such directional decision. On 26 May 2023, the Minister of Finance wrote to the House of Representatives that the directional decision about the future of the Issuer will be preceded by an analysis of any insufficiently safeguarded public interests in the financial sector and how such interests can be safeguarded and an interim conclusion as to whether the Issuer can have a role in safeguarding those interests which will be followed by a further analysis of future options with the advice of NLF. The Minister of Finance expects to share the first analysis and interim conclusion with the House of Representatives in the fall of 2023 and the further analysis is expected to be shared in the spring of 2024. The Minister of Finance then intends to discuss with the House of Representatives and intends to take a directional decision on the future of the Issuer after their discussions. For more information about the future of the Issuer, see "*Recent Developments – Future options of the Issuer*" in Section 1.3 (*The Issuer*).

When the Minister of Finance takes any indicative or final decision or if the strategy fails in execution or is ineffective, this could result in a change to the strategy, management, governance and/or risk profile of the Issuer. There can be no assurance that any decision of the Minister of Finance or a change in strategy would not adversely affect the Issuer's credit rating, the ability of the Issuer to effectively conduct its business or its ability to satisfy its obligations under the Notes. In addition, a change of ownership of the Issuer could result in key contracts being terminated by the counterparties to such contracts (including pursuant to termination rights that are exercisable upon such a change in ownership), which could give rise to material disruptions to the Issuer's business, additional costs to renegotiate those contracts, difficulties in managing its operations, and adverse impacts on the Issuer's customers. As a result, an eventual change in ownership could have a material adverse effect on the Issuer's business, revenues, results of operations, financial position and prospects.

RISK FACTORS REGARDING THE NOTES

A. RISKS RELATED TO THE NATURE, STRUCTURE AND ISSUANCE OF THE NOTES

1. The ability of the Issuer to convert interest rate of Fixed/Floating Rate Notes may result in a lower interest return for Noteholders

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The ability of the Issuer to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing which may result in a lower interest return for Noteholders. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes and could affect the market value of an investment in the relevant Notes.

2. Benchmark reforms may cause benchmarks used in respect of the Notes to be materially amended or discontinued

The interest payable on the Notes may be determined by reference to EURIBOR, €STR, Compounded Daily SOFR, Weighted Average SOFR, SONIA, by the use of Mid Swap Rate (as defined in the applicable Final Terms), Rate of Exchange or another benchmark (each of these indices as well as any substitute, alternative or successor rate determined in accordance with Condition 7(d) (*Replacement Reference Rate*), including the applicable tenor and currency, the "**Reference Rate**"). Various benchmarks (including interest rate benchmarks such as EURIBOR) may from time to time be the subject of ongoing regulatory guidance and proposals for reform (including as a result of the Benchmarks Regulation). Some of these reforms are already effective while others are still to be implemented. Further to these reforms, a transitioning away from the IBORs to 'risk-free rates' is expected and already taking place for certain IBORs. The Issuer is actively monitoring developments in respect of such reforms and implementing them as and when appropriate.

For example, EMMI has implemented a hybrid methodology for EURIBOR, having transitioned away from a quote-based methodology. Although EURIBOR has been reformed in order to comply with the terms of the Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

Following the implementation of any such reforms (such as changes in methodology or otherwise) or further to other pressures (including from regulatory authorities), (i) the manner of administration of benchmarks may change, with the result that benchmarks may perform differently than in the past, (ii) one or more benchmarks could be eliminated entirely, (iii) it may create disincentives for market participants to continue to administer or participate in certain benchmarks, or (iv) there could be other consequences, including those that cannot be predicted.

The potential elimination of, or the potential changes in the manner of administration of, EURIBOR, €STR, SONIA, SOFR or any other benchmark could require an adjustment to the terms and conditions to reference an alternative benchmark, or result in other consequences, including those which cannot be predicted, in respect of any Notes linked to such benchmark and may adversely affect the trading market and the value of and return on any such Notes. See also the risk factor '*Future discontinuance of the Reference Rate and certain other events relating to the Reference Rate may adversely affect the value of Notes and/or the amounts payable thereunder*'. In addition, any future changes in the method pursuant to which EURIBOR and/or other relevant benchmarks are determined or the transition to a successor benchmark may result in, among other things, a sudden or prolonged increase or decrease in the reported benchmark rates, a delay in the publication of any such benchmark rates, changes in the rules or methodologies in certain benchmarks discouraging market participants from continuing to administer or participate in certain benchmarks, and a benchmark rate no longer being determined and published in certain situations. Accordingly, in respect of a Note referencing EURIBOR or any other relevant benchmark, such proposals for reform and changes in applicable regulation could have a material adverse effect on the value of and return on such a Note (including potential rates of interest thereon).

Moreover, any of the above changes or any other consequential changes to the Reference Rate or any other relevant benchmark, or any further uncertainty in relation to the timing and manner of implementation of such changes could affect the ability of the Issuer to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and amounts payable under, the Notes based on or linked to a Reference Rate or other benchmark. See also the risk factor '*The performance of the Issuer depends on its ability to accurately price its products and services*'.

3. Future discontinuance of the Reference Rate and certain other events relating to the Reference Rate may adversely affect the value of Notes and/or the amounts payable thereunder

Investors should be aware that if the Reference Rate has been discontinued, or, *inter alia*, another Benchmark Event, an €STR Index Cessation Event or a SOFR Index Cessation Event has occurred, the Rate of Interest on the Notes may be determined for the relevant period by reference to a substitute, alternative or successor rate, in accordance with the applicable fallback provision set out in Condition (c)7(b)(ii) (*Rate of Interest*) or Condition 7(d) (*Replacement Reference Rate*). The substitute, alternative or successor rate and other matters referred to in accordance with the applicable fallback provision as set out in Condition (c)7(b)(ii) (*Rate of Interest*) or Condition 7(d) (*Replacement Reference Rate*) will (in the absence of manifest error) be final and binding, and will apply to the relevant Notes without any requirement that the Issuer obtains consent of any Noteholders, Receiptholders or Couponholders. The use of a substitute, alternative or successor rate may result in the Notes that referenced the Reference Rate performing differently (including potentially paying a lower interest rate) than they would do if the Reference Rate were to continue to apply in its current form.

The general fallback provision as set out in Condition 7(d) (*Replacement Reference Rate*) also provides that an Adjustment Spread may be determined by the Issuer to be applied to the Replacement Reference Rate. The aim of the Adjustment Spread is to reduce or eliminate, so far as practicable, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Replacement Reference Rate. However there is no guarantee that such an Adjustment Spread will be determined or applied, or that the application of the Adjustment Spread will either reduce or eliminate economic prejudice to Noteholders. If no Adjustment Spread is determined, the Replacement Reference Rate may nonetheless be used to determine the interest rate.

If the Issuer is unable to or otherwise does not determine a substitute, alternative or successor rate pursuant to the applicable fallback provision set out in Condition (c)7(b)(ii) (*Rate of Interest*) or Condition 7(d) (*Replacement*

Reference Rate) or any of the other matters referred to under such Conditions, this could result in the application of the fallback provisions contained in Condition (c)7(a) (*Interest on Fixed Rate Notes*) or Condition (c)7(b) (*Interest on Floating Rate Notes*), which may result in the Interest Rate being the interest rate applicable as at the last preceding Interest Determination Date before, *inter alia*, the Benchmark Event, the €STR Index Cessation Event or the SOFR Index Cessation Event occurred and which may ultimately result in the effective application of a fixed rate to what was previously a Floating Rate Note. Additionally, in the case of Fixed Rate Notes that reference to Mid Swap Rate or Exchange Rate, the fallback provisions contained in Condition 7(d) (*Replacement Reference Rate*) may be applied.

The appointment of any Independent Adviser by the Issuer may lead to a conflict of interests between the Issuer and the Noteholders and may influence the amount receivable under the Notes. Furthermore, it is possible that the Issuer may itself determine a fallback interest rate. In such case, the Issuer will make such determinations and adjustments as it deems appropriate, in accordance with the Terms and Conditions. In making such determinations and adjustments, the Issuer may be entitled to exercise substantial discretion and may be subject to conflict of interest in exercising this discretion.

In addition, due to the uncertainty concerning the availability of a substitute, alternative or successor rate, the relevant fallback provisions may not operate as intended at the relevant time. In addition, the substitute, alternative or successor rate may perform differently from the Reference Rate. For example, several risk free rates, which are overnight rates, are currently being developed, while a substitute, alternative or successor rate may have a certain maturity, for example a term of one (1), three (3) or six (6) months. Similarly, these risk free rates generally do not carry an implicit element of credit risk of the banking sector, which may form part of the Reference Rate. The differences between the substitute, alternative or successor rate and the Reference Rate could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes based on or linked to a Reference Rate or other benchmark.

4. There is a risk that the Issuer may be considered an 'administrator' under the Benchmarks Regulation

The Issuer may be considered an 'administrator' under the Benchmarks Regulation. This is the case if it is considered to be in control over the provision of a substitute, alternative or successor rate determined in accordance with the applicable fallback provision set out in Condition (c)7(b)(ii) (*Rate of Interest*) or the Replacement Reference Rate and/or the determined Rate of Interest on the basis of the Replacement Reference Rate and any adjustments made thereto by the Issuer and/or otherwise in determining the applicable Rate of Interest in the context of a fallback scenario.

The Benchmarks Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorised, recognised or endorsed, as applicable, in accordance with the Benchmarks Regulation. There is a risk that administrators (which may include the Issuer in the circumstances as described above) of certain benchmarks will fail to obtain such registration, authorisation, recognition or endorsement, preventing them from continuing to provide such benchmarks, or may otherwise choose to discontinue or no longer provide such benchmark. The Issuer cannot guarantee that it will and will be able to timely obtain registration or authorisation to administrate a benchmark, in case the Issuer will be considered an administrator under the Benchmarks Regulation. This will also affect the possibility for the Issuer to apply the fallback provisions of Condition (c)7(b)(ii) (*Rate of Interest*) and Condition 7(d) (*Replacement Reference Rate*), meaning that the Reference Rate will remain unchanged (but subject to the other provisions of Condition 7, but particularly Condition (c)7(a) (*Interest on Fixed Rate Notes*) and Condition (c)7(b) (*Interest on Floating Rate Notes*) and which may ultimately result in the effective application of a fixed rate to what was previously a Floating Rate Note. Other administrators may cease to administer certain benchmarks because of the additional costs of compliance with the requirements of the Benchmarks Regulation such as relating to governance and conflict of interest, control frameworks, record-keeping and complaints-handling.

Potential investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation and benchmark reforms, investigations and licensing issues in making any investment decision with respect to the Notes.

5. The market continues to develop in relation to SONIA, SOFR and €STR as reference rates for Floating Rate Notes which may adversely affect trading prices of the Notes compared to securities that are linked to other benchmarks or later-issued securities that are based on SONIA, SOFR or €STR

SONIA

Investors should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Terms and Conditions as applicable to Notes referencing a SONIA rate that are issued under this Base Prospectus. Furthermore, the Issuer may in the future issue Notes referencing SONIA that differ materially in terms of interest determination when compared with any previous SONIA-referenced Notes issued by it under the Programme. The development of SONIA as an interest reference rate for the European bond markets, as well as continued development of SONIA-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA-referenced Notes issued under the Programme from time to time.

SOFR

The use of SOFR as a reference rate for notes is nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of debt securities referencing SOFR.

As a result, there can be no assurance that SOFR will perform in the same way as United States dollar LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events.

SOFR is a relatively new rate, and the Federal Reserve (or a successor), as administrator of SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on the relevant Notes, which may adversely affect the trading prices of such Notes. The administrator of SOFR may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of SOFR in its sole discretion and without notice and has no obligation to consider the interests of Noteholders in calculating, withdrawing, modifying, amending, suspending or discontinuing SOFR. Furthermore, any failure of SOFR to gain market acceptance could adversely affect the return on and value of the relevant Notes and the price at which investors can sell such Notes in the secondary market.

Investors should carefully review the specific calculation conventions specified in the applicable Final Terms before making an investment in any series of Floating Rate Notes that reference SOFR. If the market adopts a different convention than used for any such series of Floating Rate Notes, this could adversely affect their liquidity and market price.

€STR

Since €STR is a relatively new market index, Notes which reference €STR may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to €STR such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if €STR does not prove to be widely used in securities like Notes which reference €STR, the trading price of such Notes which reference €STR may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes which reference €STR. If the manner in which €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes. Accordingly, an investment in Floating Rate Notes using €STR as a reference rate may entail significant risks not associated with similar investments in conventional debt securities.

In contrast to EURIBOR-based Notes, interest on Notes which make reference to SONIA, SOFR or €STR can only be determined at the end of the relevant observation period, reference period or interest period (as applicable) and immediately prior to the relevant interest payment date, whereas rates with reference to EURIBOR were determined prior to the commencement of the relevant period. It may be difficult for investors in Notes which reference SONIA, SOFR or €STR to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely

impact the liquidity of such Notes. Further, in contrast to, for example, EURIBOR-based Notes, if Notes referencing SONIA, SOFR or €STR become due and payable as a result of an event of default, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined on the date on which the Notes become due and payable and shall not be reset thereafter.

In addition, the manner of adoption or application of SONIA, SOFR or €STR in the Eurobond markets may differ materially compared with the application and adoption of SONIA, SOFR or €STR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA, SOFR or €STR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SONIA, SOFR or €STR.

If SONIA, SOFR or €STR do not prove to be widely used as a benchmark for securities that are similar or comparable to the relevant Notes, the trading price of such Notes may be lower than those of securities that are linked to rates that are more widely used. Similarly, market terms for securities that are linked to SONIA, SOFR or €STR, including, but not limited to, the spread over the reference rate reflected in the interest rate provisions, may evolve over time, and as a result, trading prices of the relevant Notes may be lower than those of later-issued securities that are based on SONIA, SOFR or €STR. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

6. The market value of Notes issued at a substantial discount or premium may fluctuate more in relation to conventional interest-bearing securities

The market values of Notes issued at a substantial discount or premium from their principal amount, such as Zero Coupon Notes, tend to fluctuate more in relation to general changes in interest rates than to prices for conventional interest-bearing Notes. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing Notes with comparable maturities. Therefore the market value of such Notes may be lower than the market value of such interest-bearing Notes with comparable maturities.

Changes in market interest rates may have a stronger impact on the prices of Zero Coupon Notes than on the prices of conventional interest-bearing Notes because the discounted issue prices may be substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and same credit rating.

7. Dual Currency Notes

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Prospective investors should be aware that:

- (i) the market price of such Notes may be very volatile;
- (ii) they may receive no interest; and
- (iii) payment of interest may occur at a different time or in a different currency than expected.

8. A failure by the Issuer to use the net proceeds of any Green Bonds in accordance with de Volksbank's Green Bond Framework and/or criteria determined under the EU Taxonomy Regulation and any failure to meet the investment requirements of investors may affect the suitability and/or value and/or trading price of such Green Bonds

The Issuer may issue Notes under the Programme where the use of proceeds is specified in the applicable Final Terms to be allocated to an Eligible Green Loan Portfolio, in accordance with certain prescribed Eligibility Criteria as set out in item 42 (*Use of Proceeds*) of the applicable Final Terms. An amount equal to the net proceeds of the Green Bonds will be used by the Issuer to finance and/or refinance, in part or in whole, an Eligible Green Loan Portfolio. However, any failure to use the net proceeds of any Series of Green Bonds in accordance with the de Volksbank's Green Bond Framework, outside the Issuer's control (including for example as a result of scientific progress, relevant legislation and/or investor preferences), may affect the value and/or trading price of the Green Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets.

Issuances of Green Bonds by the Issuer will be in accordance with the de Volksbank's Green Bond Framework available at <https://static.devolsbank.nl/files/Green-Bond-Framework-de-Volksbank-2023.pdf?v=1696571330>. The de Volksbank's Green Bond Framework may be amended at any time without taking into account specific interests of Noteholders and without the consent, approval or prior notification of Noteholders, also after the issuance of Green

Bonds, *inter alia*, to align the framework with incoming green bond regulation and guidelines. Any revisions or updates to the de Volksbank's Green Bond Framework will be made available on the webpage mentioned above. If any amendment to de Volksbank's Green Bond Framework would constitute a 'significant new factor' with respect to the information included in this Base Prospectus, de Volksbank will supplement this Base Prospectus in accordance with Article 23 of the Prospectus Regulation. If the de Volksbank's Green Bond Framework has been amended or updated, the allocation of proceeds of any Green Bonds that are outstanding at the date of such amendment to de Volksbank's Green Bond Framework, if so specified in such amended or updated de Volksbank's Green Bond Framework, may be different from the allocation of proceeds as was described in the version of de Green Bond Framework that was in force at the date of issuance of those Green Bonds.

No formal or consensus definition of a 'green' or 'sustainable' (or similar) security and whether it will satisfy the criteria determined under the EU Taxonomy Regulation

De Volksbank's Green Bond Framework follows the ICMA Green Bond Principles. The Issuer has appointed ICS to provide and ICS has provided a Second Party Opinion confirming that the de Volksbank's Green Bond Framework is in compliance with the ICMA Green Bond Principles.

The ICMA Green Bond Principles are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green bond market. While the ICMA Green Bond Principles do provide a high level framework, there is currently no clearly defined legal, regulatory or other definition of a 'green' or 'sustainable' bond or global market consensus as to what precise attributes are required for a particular asset, project, loan or expenditure to be classified as 'green' or 'sustainable' nor can any assurance be given that such a clear definition or consensus will develop over time. Therefore no assurance can be provided by the Issuer to potential investors that the Eligible Green Loan Portfolio to be specified in the applicable Final Terms will meet whether in whole or in part, any present or future investor expectations or requirements regarding the sustainability performance or continue to qualify as Eligible Green Loan Portfolio.

The EU Taxonomy Regulation has established a basis for the determination whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which an investment is environmentally sustainable. The EU Taxonomy Regulation is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the EU Taxonomy Regulation. On 13 June 2023, the European Commission published a new sustainable finance package, including the final EU Taxonomy Disclosures Delegated Act which is expected to enter into force and apply from January 2024. Furthermore, a provisional political agreement has been reached in February 2023 on the European Commission's proposal for a European Union green bond standard (the "**European Green Bond Standard**"), which will establish a European Green Bond Regulation with an EU voluntary standard for green bonds. It is intended that the proceeds of any green bonds issued pursuant to the European Green Bond Standard will be invested in economic activities that are aligned with the EU Taxonomy Regulation and/or any (future) delegated regulations. The provisional political agreement remains subject to change and there is no assurance if or when such European Green Bond Standard will be confirmed and adopted by the European Council and European Parliament. The definition of the Eligibility Criteria under Volksbank's Green Bond Framework takes into account the EU Taxonomy Regulation and the EU Taxonomy Climate Delegated Act adopted on 13 June 2021 with the intention to apply them on a best-efforts basis as long as there are feasible practical applications in the geographies where the assets are located. As at the date of this Base Prospectus, it is unclear what the impact of the European Green Bond Standard, if and when implemented, would be on investor demand for, and the pricing of, green use of proceeds bonds (such as the Green Bonds) that do not meet requirements of the European Green Bond Standard. If any Green Bonds do not comply with the EU Green Bond Standard, if and when implemented, this could, in the future, reduce the demand, price and liquidity for the Green Bonds resulting in a material adverse effect for holders of such Green Bonds.

Accordingly, no assurance is or can be given by the Issuer, the Arranger or any Dealer that the Eligibility Criteria for Eligible Green Loan Portfolio will satisfy any requisite criteria determined under the EU Taxonomy Regulation or the European Green Bond Standard, if and when implemented, at any time, or that any regime implemented in the UK (if any) for issuing 'green', 'sustainable' or other equivalently-labelled securities will align with the European (or any other) framework for such securities.

No assurance that a listing or admission to trading on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market satisfies investor expectations or requirements

In the event that any such Green Bonds are listed or admitted to trading on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Arranger or any Dealer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply (including pursuant to the European Green Bond Standard, if and when implemented), whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Green Loan Portfolio. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Green Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the Green Bonds.

There can be no assurance that the Eligible Green Loan Portfolio will meet investors' expectations and objectives

Although the applicable Eligible Green Loan Portfolio is expected to be selected in accordance with the categories recognised by the ICMA Green Bond Principles and is expected to be developed in accordance with applicable legislation and standards, there can be no guarantee that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and/or operation of any such green or sustainable projects. Where any negative impacts are insufficiently mitigated, the Eligible Green Loan Portfolio may become controversial and/or may be criticised by activist groups or other stakeholders which could have a negative reputational impact on the Issuer and reduce the liquidity, increase volatility or otherwise affect the market price of any Green Bonds issued by the Issuer.

A failure of the Issuer to use the proceeds for the financing and/or refinancing of the Eligible Green Loan Portfolio may occur for various reasons and would not be an Event of Default

Although the Issuer may agree at the Issue Date of any Green Bonds to certain allocation and/or impact reporting and to use the proceeds for the financing and/or refinancing of the Eligible Green Loan Portfolio (as specified in the applicable Final Terms), it would not be an Event of Default under the Green Bonds if (i) the Issuer were to fail to comply with such obligations or were to fail to use the proceeds in the manner specified in the applicable Final Terms (notwithstanding the Issuer's intention to allocate the net proceeds in such manner that the relevant Notes qualify as Green Bonds, as specified in the applicable Final Terms) and/or (ii) the Issuer would amend the Eligibility Criteria for the Eligible Green Loan Portfolio, (iii) the Second Party Opinion or any other applicable verification or certification were to be withdrawn or not provided and/or (iv) any Eligible Green Loan ceases to be classed as such prior to maturity of the relevant Green Bonds (or the maturity of such Eligible Green Loan does not match the minimum maturity of the relevant Green Bonds) (v) the Issuer were to fail to publish the allocation reporting on the allocation of net proceeds to the Eligible Green Loan Portfolio. Furthermore, any such event or failure by the Issuer will under no circumstance (i) lead to an obligation of the Issuer to redeem such Green Bonds or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Green Bonds, give rise to any other claim or right (including, for the avoidance of doubt, the right to accelerate the relevant Green Bonds) of a holder of such Green Bonds against the Issuer, (ii) require the Issuer to increase any amount of principal or interest payable on the Green Bonds or (iii) affect the qualification of such Green Bonds which are also Senior Non-Preferred Notes or Subordinated Notes (as the case may be) as Tier 2 Notes or as MREL Eligible Liabilities (as applicable) or have an impact on the status and ranking of the Subordinated Notes or the Senior Non-Preferred Notes.

For the avoidance of doubt, Notes issued as Green Bonds may be subject to bail-in and other resolution measures provided by the BRRD in the same way as any other Notes with the same status and characteristics issued under the Programme (by way of example, Senior Non-Preferred that are Green Bonds will be treated equally in bail-in and other resolution measures as Senior Non-Preferred that are not Green Bonds). See the risk factor *'Write-down and conversion of capital instruments and Resolution Event in respect of the Issuer could adversely affect the rights and*

effective remedies of Noteholders' on the write-down and conversion powers of the Resolution Authority with respect to the Notes. Holders of Notes issued as Green Bonds (including Tier 2 Notes and Notes qualifying as MREL Eligible Liabilities) will not be treated in any way differently than holders of Notes (including Tier 2 Notes and Notes qualifying as MREL Eligible Liabilities) which are not issued as Green Bonds, for example in relation to Tier 2 Notes and Senior Non-Preferred Notes, to the effect that (i) such Green Bonds are equally available to absorb losses incurred not only on Eligible Green Loan Portfolio but also on all types of assets on the balance sheet of the Issuer, in the event of the Issuer's insolvency, at the point of non-viability or in resolution (as applicable), (ii) the lack of sufficient Eligible Green Loan Portfolios has no consequence on such Green Bonds' permanence and loss absorbency requirements, (iii) such Green Bonds are equally subordinated to the claims of holders of other unsubordinated claims against the Issuer, (iv) holders of such Green Bonds will only have limited rights to accelerate repayment of the principal amount and events of default are restricted, see the risk factors '*The Senior Non-Preferred Notes are a new class of securities, rank junior to most of the Issuer's liabilities (other than subordinated liabilities and capital instruments) in bankruptcy and in resolution*' and '*Issuances of Subordinated Notes*' on the restrictions relating to Senior Non-Preferred Notes, (v) the holders of such Green Bonds cannot exercise any rights due to failure by the Issuer to comply with any ESG targets, and (vi) payments of principal and interest (as the case may be) on such Green Bonds shall not depend on the performance of the Eligible Green Loan Portfolio or ESG targets of the Issuer.

An amount equal to the net proceeds of the Green Bonds will be used by the Issuer to finance and/or refinance, in part or in whole, an Eligible Green Loan Portfolio. However, any failure to use the net proceeds of any Series of Green Bonds in connection with the Eligible Green Loan Portfolio, and/or any failure to meet, or to continue to meet, the investment requirements of certain environmentally focused investors with respect to such Green Bonds, outside the Issuer's control (including for example as a result of scientific progress, relevant legislation and/or investor preferences), may affect the value and/or trading price of the Green Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in green or sustainable assets which may cause one or more of such investors to dispose of the Green Bonds held by them which may affect the value, trading price and/or liquidity of the relevant Series of Green Bonds.

No assurance of suitability or reliability of the Second Party Opinion

Potential investors in Green Bonds should be aware that the Second Party Opinion will not be incorporated into, and will not form part of, this Base Prospectus or the applicable Final Terms and will not be issued in connection with an issue of Green Bonds. The Second Party Opinion may not reflect the potential impact of all risks related to the structure of the relevant Series of Green Bonds, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Green Bonds. The Second Party Opinion is not a recommendation to buy, sell or hold securities and is only current as of its date of issue. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. On 13 June 2023, the European Commission published a legislative proposal for a regulation on the transparency and integrity of Environmental, Social and Governance (ESG) rating activities (the "**ESG Rating Regulation**"). The ESG Rating Regulation aims to enhance transparency in the ESG rating markets and will require ESG rating providers to be registered and supervised by ESMA. Noteholders will have no recourse against the provider of the Second Party Opinion. A negative change to, or a withdrawal of, the Second Party Opinion of the de Volksbank's Green Bond Framework or the failure of ICS to obtain a registration with ESMA or to comply with any requirements imposed on it by the European Green Bond Standard may affect the value of the Green Bonds and may have consequences for certain investors with portfolio mandates to invest in the Eligible Green Loan Portfolio.

The Issuer is furthermore subject to sustainability ratings from independent institutions who assess the Issuer's policies and activities in the area of sustainability. The sustainability ratings currently assigned to the Issuer are available at <https://www.devолksbank.nl/en/corporate-responsibility/sustainability/ratings-duurzaamheid>. These ratings can change in methodology and validity over time.

The above described aspects and uncertainties relating to issuances of Green Bonds may together have a significant impact on the value and/or trading price of the Green Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets and/or in green assets which comply with specific criteria and/or result in losses or lower returns on investments.

9. Holders of Senior Non-Preferred Notes may recover less than holders of other types of Notes issued by the Issuer

The Issuer may issue Notes under the Programme which are subordinated to the extent described in Condition 4 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR NON-PREFERRED NOTES*). Any such Senior Non-Preferred Notes and the related Receipts and Coupons constitute any present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands).

As a result of the ranking, set out further in Condition 4 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR NON-PREFERRED NOTES*), in the event of the bankruptcy of the Issuer, the claims of holders of Senior Non-Preferred Notes and the related Receipts and Coupons against the Issuer are subordinated to, amongst others, (a) the claims of depositors (other than in respect of those whose deposits that in accordance with or by operation of applicable law rank equally to or lower than the Senior Non-Preferred Notes), (b) the unsubordinated claims with respect to the repayment of borrowed money, (c) the claims under the Senior Preferred Notes and the Senior Preferred MREL Notes. A holder of a Senior Non-Preferred Note may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated liabilities of the Issuer or the holders of senior preferred liabilities.

With reference to the risk factor '*Write-down and conversion of capital instruments and Resolution Event in respect of the Issuer could adversely affect the rights and effective remedies of Noteholders*', in case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions (discussed further in the aforementioned risk factor).

Furthermore, the Terms and Conditions do not restrict the amount of liabilities and securities (such as Senior Preferred Notes and Senior Preferred MREL Notes) which the Issuer may incur or issue and which rank in priority of payments higher than/to the Senior Non-Preferred Notes. Also the Issuer is not restricted in issuing further senior non-preferred debt ranking *pari passu* with the Senior Non-Preferred Notes. The issue of any such securities may reduce the amount recoverable by Senior Non-Preferred Noteholders on a bankruptcy or liquidation of the Issuer. Accordingly, in the winding-up or liquidation of the Issuer and after payment of the claims of senior creditors and of depositors, there may not be a sufficient amount to satisfy (all of) the amounts owing to the Senior Non-Preferred Noteholders.

Although Senior Non-Preferred Notes may have the benefit of a higher Rate of Interest than comparable Notes, there is a greater risk that an investor in Senior Non-Preferred Notes will lose all or some of his investment should the Issuer become subject to insolvency or resolution proceedings.

No holder of Senior Non-Preferred Notes (and for the avoidance of doubt also the holders of Senior Preferred MREL Notes) may exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with these Notes.

In addition, the rights of holders of Senior Non-Preferred Notes (and for the avoidance of doubt also the holders of Senior Preferred MREL Notes) may be limited in certain circumstances. For example, the Issuer may have to obtain the prior (written) permission of the Competent Authority before effecting any repayment of Senior Preferred MREL Notes and/or Senior Non-Preferred Notes following an Event of Default (as further set out in Condition(c)12 (*EVENTS OF DEFAULT*)).

10. The Senior Non-Preferred Notes are a new class of securities, rank junior to most of the Issuer's liabilities (other than subordinated liabilities and capital instruments) in bankruptcy and in resolution

As further set out in Condition (c)2 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED NOTES*), Condition 3 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED MREL NOTES*), Condition 4 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR NON-PREFERRED NOTES*) and Condition 5 (*STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES*), the Issuer intends that claims in respect of its Senior Preferred Notes and Senior Preferred MREL Notes will constitute part of the class of "ordinary unsecured claims" referred to in Article 108 Amending Directive, whilst its Senior Non-Preferred Notes will constitute part of the new, lower-ranking (un-preferred) 'senior' unsecured class (but will rank ahead of the Subordinated Notes).

Whilst Senior Non-Preferred Notes, Senior Preferred Notes and Senior Preferred MREL Notes all share the "senior" designation under the Programme, in an insolvency of the Issuer (and in case of resolution, whereby the insolvency hierarchy is in principle followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions as discussed further in the risk factor '*Write-down and conversion of capital instruments and Resolution Event in respect of the Issuer could adversely affect the rights and effective remedies of Noteholders*') the Senior Non-Preferred Notes will rank junior to the Senior Preferred Notes and the Senior Preferred MREL Notes (which, in turn, rank junior to obligations of the Issuer which are by law given priority over the Senior Preferred Notes and the Senior Preferred MREL Notes) and other unsecured, unguaranteed and unsubordinated liabilities. Accordingly, prospective investors in Notes issued under the Programme should note that, in the event of the Issuer's insolvency (or resolution), the Issuer would generally expect investors in Senior Non-Preferred Notes to lose their entire investment before losses are imposed on holders of the Senior Preferred Notes and Senior Preferred MREL Notes.

Any resolution action taken in respect of the Issuer would generally be expected to respect the relative ranking of its obligations as described above, with losses imposed on lower-ranking obligations before losses are imposed on higher-ranking obligations. Accordingly, in a resolution and due to its junior ranking to the Senior Preferred Notes and the Senior Preferred MREL Notes, investors in the Senior Non-Preferred Notes may generally expect to suffer higher losses than the investors in the Senior Preferred Notes and the Senior Preferred MREL Notes (although there can be no assurance that investors in the Senior Preferred Notes and Senior Preferred MREL Notes will not (also) suffer such high or substantial losses). The market value of the Senior Non-Preferred Notes may therefore be more severely adversely affected and/or more volatile if the Issuer's financial condition deteriorates than the market value of the Senior Preferred Notes and Senior Preferred MREL Notes. Accordingly, although Senior Non-Preferred Notes may pay a higher rate of interest than Senior Preferred Notes and Senior Preferred MREL Notes, holders of the Senior Non-Preferred Notes may bear significantly more risk than holders of the Senior Preferred Notes and Senior Preferred MREL Notes (notwithstanding that all share the 'senior' designation under the Programme). Investors should ensure they understand the relative ranking of Notes issued under the Programme – including as between the (i) Senior Preferred Notes and Senior Preferred MREL Notes, (ii) the Senior Non-Preferred Notes and (iii) the Subordinated Notes – and the risks consequent thereon, before investing in any Notes.

Although the Senior Preferred MREL Notes are intended to qualify as MREL Eligible Liabilities, the Senior Preferred MREL Notes may be treated similarly as the Senior Preferred Notes in the event any resolution action would be taken in respect of the Issuer. The Senior Preferred MREL Notes and the Senior Preferred Notes, as they rank *pari passu*, are equally capable of being written down, reduced, or converted in case of a Resolution Event.

11. Redemption, substitution and variation by the Issuer in respect of the Notes could have a material adverse effect on the value of the Notes

The Notes may be subject to an optional redemption feature (see Condition (c)9 (*REDEMPTION AND PURCHASE*)). Such feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be the case prior to any optional redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes or when the Notes become subject to changes in (tax) law. In such situations, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a (significantly) lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Issuer may have the option to, in certain circumstances, redeem, substitute or vary the terms of the Notes prior to maturity pursuant to and in accordance with Condition (c)9(b) (*Redemption for tax reasons*), Condition (c)9(c) (*Redemption at the option of the Issuer (Issuer Call)*) or Condition (c)9(d) (*Redemption, substitution and variation for regulatory purposes*).

Additionally, any redemption, variation or substitution of the Notes may be subject to (i) the prior (written) permission of the Competent Authority and (ii) compliance with any other pre-conditions to, or requirements applicable to such redemption, variation or substitution.

The terms and conditions of varied or substituted Notes may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the original Notes. However, the Issuer

cannot make changes to the terms and conditions of the Notes or substitute the Notes for securities that are materially less favourable to the interests of holders of these Notes and following such variation or substitution the resulting securities must have at least, *inter alia*, the same ranking, interest rate, maturity date, redemption rights, existing rights to accrued interest which has not been paid, and assigned the same ratings as the Notes. Nonetheless, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such varied or substituted Notes could be different for some categories of Noteholders from the tax and stamp duty consequences of their holding the Notes prior to such variation or substitution, see 8(b) (*Redemption for tax reasons*) for further details.

Any redemption prior to the Maturity Date as set out above could have a material adverse effect on the value of the Notes as the relevant redemption amount may be less than the then current market value of the Notes.

12. The qualification of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes as MREL Eligible Liabilities and Subordinated Notes as Tier 2 Notes is subject to uncertainty and may cause the Issuer to redeem these Notes following an MREL Event or Capital Event

The Senior Preferred MREL Notes and Senior Non-Preferred Notes, respectively, are intended to be MREL Eligible Liabilities to meet any MREL Requirement applicable to the Issuer. However, there is uncertainty regarding the final substance of the MREL regulations, and how those regulations, once enacted, are to be interpreted and applied and the Issuer cannot provide any assurance that the Senior Preferred MREL Notes and Senior Non-Preferred Notes will (continue to) qualify as eligible for the Issuer's MREL Requirement. Similarly, the Subordinated Notes are intended to qualify and shall be treated as Tier 2 Notes for the purposes of the regulatory capital rules applicable to the Issuer from time to time (and shall thereby also count towards the Issuer's MREL Requirement). However, the Issuer cannot provide any assurance that the Subordinated Notes shall (continue to) qualify and shall be treated as Tier 2 Notes. If the Subordinated Notes do not qualify as Tier 2 Notes, the Issuer intends for these Notes to (continue to) qualify as MREL Eligible Liabilities, in which case the foregoing in respect of the Senior Preferred MREL Notes and Senior Non-Preferred Notes applies similarly to these Subordinated Notes.

The Issuer may be able to redeem (i) the Senior Preferred MREL Notes, Senior Non-Preferred Notes and Subordinated Notes qualifying as MREL Eligible Liabilities if, for any reason, these Notes are or will be excluded from MREL and an MREL Event has occurred and (ii) the Subordinated Notes qualifying as Tier 2 Notes if, for any reason, these Subordinated Notes are or will be excluded in whole, but not in part, from the Tier 2 Capital of the Issuer or reclassified as own funds of lower quality of the Issuer and a Capital Event has occurred (as set forth in Condition (c)9 (d) (*Redemption, substitution and variation for regulatory purposes*)). See also the risk factor '*Resolution regimes may, inter alia, lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*'.

If any of the Notes are to be redeemed as a result of an MREL Event or a Capital Event, as applicable, or there is a perception that such Notes may be so redeemed, this may impact the market price of the Notes. In addition, there can be no assurance that Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in the Notes.

13. Issuances of Subordinated Notes

The Issuer may issue Notes under the Programme which are subordinated to the extent described in Condition 5 (*STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES*). Any principal amount and interest due on such Subordinated Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank as set out further in Condition 5 (*STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES*).

As a result of this ranking, in the event of liquidation or bankruptcy of the Issuer, the claims of Subordinated Noteholders against the Issuer are subordinated to Senior Claims. By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of liquidation or bankruptcy of the Issuer, only be made after all obligations of the Issuer resulting from Senior Claims have been satisfied. A Subordinated Noteholder may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated or senior subordinated liabilities of the Issuer.

On 21 December 2021, the 48(7) BRRD Implementation Bill entered into force in the Netherlands. The 48(7) BRRD Implementation Bill introduces a statutory hierarchy in bankruptcy distinguishing between own funds instruments and instruments not qualifying in full as own funds instruments. This statutory hierarchy may overrule any hierarchy

expressed in the contractual terms of Subordinated Notes (including Tier 2 Notes) issued prior to the enactment of the 48(7) BRRD Implementation Bill. The 48(7) BRRD Implementation Bill provides that in bankruptcy instruments no longer qualifying as own funds instruments (which may include previously issued Subordinated Notes (expressed by their original terms to be intended to qualify as Tier 2 Notes) no longer qualifying as Tier 2 Notes), may be recovered from the bankruptcy estate immediately prior to instruments qualifying as own funds. Consequently, Subordinated Notes in respect of which a Capital Event has occurred, or other fully disqualified own funds instruments, will in the Issuer's bankruptcy rank senior to (other) Subordinated Notes qualifying as own funds (in whole or in part). Although it may be expected that those instruments issued by the Issuer no longer qualifying as own funds will, unless otherwise expressed by their terms, rank *pari passu* with all other unsecured, unguaranteed and subordinated obligations (for the avoidance of doubt, excluding own funds) of the Issuer (including the Subordinated Notes not qualifying as Tier 2 Notes), this ranking among subordinated obligations is not explicitly provided for by the 48(7) BRRD Implementation Bill. Because of this lack of clarity, there is a risk that instruments issued by the Issuer no longer qualifying as own funds will rank differently from the Issuer's other unsecured, unguaranteed and subordinated obligations, notwithstanding their contractual subordination. The 48(7) BRRD Implementation Bill further provides that the newly introduced statutory hierarchy for own funds instruments will apply to claims for repayment of the principal amount of the Notes only and not to claims for interest payable on such Notes. Consequently, claims of Noteholders for the repayment of the principal amount of the Tier 2 Notes may rank junior to the Issuer's other unsecured, unguaranteed and subordinated obligations (for the avoidance of doubt, excluding own funds) whereas such Noteholders' claims for the interest payable on the Tier 2 Notes may rank *pari passu* to the Issuer's unsecured, unguaranteed and subordinated obligations.

Furthermore, the Terms and Conditions do not restrict the amount of liabilities and securities (such as the Senior Non-Preferred Notes) which the Issuer may incur or issue and which rank in priority of payments with the Subordinated Notes. Also, the Issuer is not restricted in incurring or issuing further subordinated liabilities and securities ranking *pari passu* with the Subordinated Notes. The issue of any such securities may reduce the amount recoverable by Subordinated Noteholders in the bankruptcy or liquidation of the Issuer. Accordingly, in the winding-up or liquidation of the Issuer and after payment of the claims of senior creditors and of depositors, there may not be a sufficient amount to satisfy (all of) the amounts owing to the Subordinated Noteholders.

No Subordinated Noteholder may exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes.

In addition, the rights of Subordinated Noteholders may be limited in certain respects. The Issuer may have to obtain the prior (written) permission of the Competent Authority before effecting any repayment of Subordinated Notes following an Event of Default (as further set out in Condition(c)12 (*EVENTS OF DEFAULT*)).

Although Subordinated Notes may have the benefit of a higher Rate of Interest than comparable Notes which are not subordinated, there is a greater risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become subject to insolvency or resolution proceedings.

14. Limited rights to accelerate, set-off or netting of Notes other than Senior Preferred Notes

Noteholders will only have limited rights to accelerate repayment of the principal amount of the Notes other than Senior Preferred Notes. See Condition(c)12 (*EVENTS OF DEFAULT*), which limits the events of default to (i) the Issuer being declared bankrupt by a competent court and (ii) an order being made or an effective resolution being passed for the winding-up or liquidation of the Issuer, unless this is done in connection with a merger, consolidation or other form of combination or this involves a solvent liquidation. Accordingly, if the Issuer fails to meet any interest payment or other obligations under the Notes (other than Senior Preferred Notes), such failure will not give holders of such Notes any right to accelerate repayment of the principal amount of such Notes.

No holder of Notes (other than Senior Preferred Notes) may exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with these Notes.

In addition, the rights of holders of Notes (other than Senior Preferred Notes) may be limited in certain circumstances. For example, the Issuer may have to obtain the prior (written) permission of the Competent Authority before effecting any repayment of Senior Preferred MREL Notes and/or Senior Non-Preferred Notes following an Event of Default (as further set out in Condition(c)12 (*EVENTS OF DEFAULT*)).

15. Write-down and conversion of capital instruments and Resolution Event in respect of the Issuer could adversely affect the rights and effective remedies of Noteholders

If a Non-Viability Event occurs, the Issuer may be subject to the write-down, cancellation or conversion of relevant capital instruments issued by it (or in cooperation with it) (i.e. Common Equity Tier 1 items, Additional Tier 1 instruments and Tier 2 instruments, each as referred to in the CRR). This write-down and conversion of capital instruments tool (WDCCI) could adversely affect the rights and effective remedies of holders of any Notes qualifying as Tier 2 Notes and the market value of such Notes could be negatively affected.

If a Resolution Event occurs, the Issuer may be placed under resolution. The Resolution Authority may in the event of resolution decide to apply certain resolution tools, including a bail-in tool which may be applied to recapitalise the Issuer. The bail-in tool extends further than WDCCI, and may also result in the write-down, or conversion into (claims which may give rights to) Common Equity Tier 1 instruments, of eligible liabilities of the Issuer (such as Senior Non-Preferred Notes, Senior Preferred MREL Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities), in accordance with a certain order of priority (see below).

The Resolution Authority should take the write-down and conversion steps among the principal amount of the Notes in the following order (subject to certain exceptions and potential changes in the future):

- (i) Subordinated Notes qualifying as Tier 2 Notes;
- (ii) Subordinated Notes that do not qualify as Tier 2 Notes (but may qualify as MREL Eligible Liabilities);
- (iii) Senior Non-Preferred Notes; and
- (iv) Senior Preferred Notes and Senior Preferred MREL Notes.

Also see Condition 2 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED NOTES*), Condition 3 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED MREL NOTES*), Condition 4 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR NON-PREFERRED NOTES*) and Condition 5 (*STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES*) in respect of these orders. It follows from the above that all relevant capital instruments and eligible liabilities of the Issuer (such as Senior Non-Preferred Notes, Senior Preferred Notes, Senior Preferred MREL Notes and/or Subordinated Notes that are not Tier 2 Notes) are capable of being written down, reduced, or converted into (claims which may give rights to) Common Equity Tier 1 instruments, if the Issuer is subjected to WDCCI in a Non-Viability Event (extends only to capital instruments) or the WDCCI and/or bail-in tool in a Resolution Event (extends also to eligible liabilities).

In respect of the abovementioned rankings and the principle that the ranking in bankruptcy is followed in case of resolution (notably when bail-in is applied), with the relevant resolution powers being applied in a reverse order of priority of claims, it is highlighted, as one of the aforementioned exceptions to this principle, that there is a statutory exclusion of certain liabilities from the bail-in tool (cf. Article 44(2) BRRD) and a potential exclusion or partial exclusion of certain liabilities from the bail-in tool by decision of the Resolution Authority (cf. Article 44(3) BRRD).

Subject to any write-up by the Resolution Authority, any written-down amount as a result of Statutory Loss Absorption shall be irrevocably lost and holders of such Notes will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to write-down. Statutory Loss Absorption or Recapitalisation shall not constitute an Event of Default and the Noteholders will have no further claims in respect of the amount so written down or the amount subject to conversion or otherwise as a result of such Statutory Loss Absorption or such Recapitalisation. If the definitive valuation that is made *ex-post* shows that the level of write-down exceeds the requirements, the Resolution Authority may apply a write-up (or 'write back') mechanism to reimburse Noteholders, which would essentially entail an increase of the value of their claims under the Notes.

The occurrence of a Non-Viability Event or Resolution Event may be unpredictable and may depend on a number of factors which may be outside of the Issuer's control. The Resolution Authority may require or may cause a write-down or conversion (or apply any other measure under the Applicable Resolution Framework; see above under '*Resolution regimes may, inter alia, lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*') in circumstances that are beyond the control of the Issuer and with which the Issuer may not agree. It is possible that the Resolution Authority will use its powers under the Applicable Resolution Framework (see '*Risk Factors regarding the Issuer*' above and '*Resolution regimes may, inter alia, lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*') to force a write-down or conversion, which could result in subordinated and/or senior debt instruments of the Issuer absorbing losses (such as the Notes).

Because of the inherent uncertainty regarding the determination of whether a Non-Viability Event or Resolution Event exists, it will be difficult to predict when, if at all, a write-down or conversion will occur. Accordingly, market prices and trading strategy in respect of Notes which may be subject to Statutory Loss Absorption may differ from other types of securities. Any indication that the Issuer may be subject to a recovery or resolution measure, including that the Notes may become subject to Statutory Loss Absorption or Recapitalisation, could have an adverse effect on tradability and/or the market price of the relevant Notes. Potential investors should consider the risk that it may lose all of its investment in such Notes (subject to the hierarchy of write-down and conversion), including the principal amount plus any accrued but unpaid interest, in the event that a recovery or resolution procedure (including Statutory Loss Absorption or Recapitalisation) occurs. The amount of MREL held by the Issuer may be insufficient to avoid Senior Preferred Noteholders in resolution losing their investment in the Senior Preferred Notes. Furthermore, the European Commission published a proposal for the Reform of the Banking Crisis Management and Deposit Insurance Framework, which, amongst others, considers the introduction of legal preference in insolvency to other categories of deposits currently not mentioned in Article 108(1) BRRD, and which may potentially have a negative impact on the relative ranking of Senior Preferred MREL Notes and the Senior Preferred Notes.

B. RISKS RELATED TO NOTES GENERALLY

1. Modification, waivers and substitution which may be contrary to Noteholders' interests

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions also provide that the Agent may, without the consent of Noteholders, agree to (i) any modification (not being a modification requiring the approval of a meeting of Noteholders) of any of the provisions of Notes which is not materially prejudicial to the interests of the Noteholders or (ii) any modification of the Notes which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition (c)19 (*SUBSTITUTION OF THE ISSUER*) or (iv) the variation or substitution of certain Notes in the circumstances described in Condition (c)9(d) (*Redemption, substitution and variation for regulatory purposes*). Any such modification may be contrary to the interest of one or more Noteholders.

2. The Notes may not be recognised as Eurosystem eligible if not all Eurosystem eligibility criteria are satisfied which may have a negative impact on the liquidity and/or market value of such Notes

Notes may be issued with the intention to be held in a manner which will allow Eurosystem eligibility. In that case such Notes are intended upon issue to be deposited with one of the international central securities depositories and/or central securities depositories that fulfil the minimum standard established by the ECB. However, it does not necessarily mean that each Note will be recognised as eligible collateral for monetary policy of the Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will, as in any particular case, depend upon satisfaction of all Eurosystem eligibility criteria at the relevant time and there can be no assurance that such Notes will be recognised as such or will remain to be recognised as such. If the Notes are not recognised as Eurosystem eligible, this is likely to have a negative impact on the liquidity and/or market value of such Notes.

3. Noteholders may be exposed to the credit risk and default risk of a nominee service provider and the risk that a nominee service provider may fail to pass on a notice or fail to take instructions

Where, in the case of an issuance of Notes a nominee service provider is used by an investor to hold the relevant Notes or such investor holds interests in any Series of Notes through accounts with a clearing system (such as Euroclear, Clearstream, Luxembourg or Euroclear Nederland), such investor will receive payments in respect of principal, interest, (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing system, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing system to distribute all payments attributable to the relevant Notes which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of (a) distributing any notices to Noteholders and (b) recognising Noteholders for the purposes of attending and/or voting at any meetings of Noteholders, the Issuer will recognise as Noteholders only those persons who are at any time shown as accountholders in the records of Euroclear and/or Clearstream, Luxembourg or

Euroclear Nederland as persons holding a principal amount of the relevant Series of Notes. Accordingly, an investor must rely upon the nominee service provider which is the account holder with the relevant clearing system through which the investor made arrangements to invest in the Notes (and, if applicable, the domestic clearing system through which the Notes are held), to forward notices received by it from Euroclear and/or Clearstream, Luxembourg or Euroclear Nederland and to return the investor's voting instructions or voting certificate application to Euroclear and/or Clearstream, Luxembourg or Euroclear Nederland. Accordingly, investors in the Notes will be exposed to the risk that the relevant nominee service provider or clearing system may fail to pass on the relevant notice to or fail to take relevant instructions from the relevant investor which may limit the investor's disposal of the Notes.

4. Risk of change of law and jurisdiction in respect of the Notes

The conditions of the Notes are governed by Dutch law in effect as at the date of this Base Prospectus. Any possible judicial decisions or changes to Dutch law after the date of this Base Prospectus may have a material adverse effect on the Notes.

The Dutch courts shall have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. Dutch law may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes.

C. RISKS RELATED TO THE ADMISSION OF THE SECURITIES TO TRADING ON A REGULATED MARKET

1. Secondary market and illiquidity risk

There can be no assurance as to how any Notes will trade in the secondary market or whether such market will be liquid or illiquid. Application may or may not be made to list the Notes on a stock exchange, as indicated in the applicable Final Terms. The fact that Notes may be listed does not necessarily lead to greater liquidity. No assurance can be given that there will be a market for any Notes. If any Notes are not traded on any stock exchange, pricing information for such Notes may be more difficult to obtain, and the liquidity and market prices of such Notes may be adversely affected. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

The liquidity of the Notes may also be affected by restrictions on offers and sales of the Notes in some jurisdictions as such restrictions reduce the market for the Notes which may result in investors not being able to sell their Notes easily. Lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the Issuer. The Issuer cannot predict if and when conditions of general market illiquidity for such Notes and instruments similar to such Notes will occur in the future. Illiquidity may have a severely adverse effect on the market value of the Notes.

2. Changes in market interest rates may adversely affect the value of Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes as an equivalent investment issued at the current market interest rate may be more attractive to investors. In this event, such Fixed Rate Notes can suffer higher price losses than other Notes having the same maturity and same credit rating but paying a higher fixed rate of interest.

3. The Notes are subject to exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if the Investor's Currency is different from the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors in the Notes may receive less interest or principal than expected, or no interest or principal at all.

4. A reset of the interest rate could affect the market value of an investment in the Notes

Fixed Rate Notes may bear interest at an initial Rate of Interest subject to one or more resets during the tenor of the Notes. Such reset rate could be less than the initial Rate of Interest and could affect the market value of an investment in the Notes.

5. The credit ratings of the Notes may not reflect all risks

Credit ratings may not reflect all risks and the methodologies of determining credit ratings may be changed from time to time leading to potential downgrades.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant.

Such change may, among other factors, be due to a change in the methodology applied by a rating agency to rating securities with similar structures to the Notes, as opposed to any revaluation of the Issuer's financial strength or other factors such as conditions affecting the financial services industry generally. Noteholders and prospective investors should be aware that such a change in the methodology of a rating agency could result in certain series of Notes being downgraded, potentially to non-investment grade (if the relevant Notes are issued before the new methodology is applied by a rating agency to such Notes) or receiving a lower rating than that is currently expected from that rating agency (if the relevant Notes are issued after the new methodology is applied by that rating agency to such Notes).

In the event that a rating assigned to the Notes or the Issuer is subsequently lowered for any reason, the market value of the Notes is likely to be adversely affected, but no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes.

5. Integral multiples of less than € 100,000 in case of Definitive Notes may be illiquid and difficult to trade

In relation to any issue of Notes which has a denomination of € 100,000 (or higher or its equivalent in another currency) plus a higher integral multiple of another smaller amount, it is possible that the Notes will be traded in amounts in excess of € 100,000 (or its equivalent in another currency) that are not integral multiples of € 100,000 (or its equivalent in another currency) for the purpose of this paragraph, a "**Stub Amount**". In such a case a Noteholder who, as a result of trading such amounts, holds a Stub Amount may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts up to a Specified Denomination. As long as the Stub Amount is held in the relevant clearing system, the Noteholder will be unable to transfer this Stub Amount. If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade, which may negatively affect the market value of the Notes.

1.2. CERTAIN NOTICES TO INVESTORS

Responsibility statement

The Issuer accepts responsibility for the information contained in this Base Prospectus. The Issuer declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import. Any information from third parties identified in this Base Prospectus as such has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from the information published by a third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer. The Dealers do not accept any liability in relation to the information contained in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

Furthermore, none of the Issuer, the Arranger, any Dealer to be appointed under the Programme, the Agent shall be responsible for the acts or omissions of any relevant nominee service provider or clearing system nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or clearing system.

Notice

This Base Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Base Prospectus shall be valid for use only by the Issuer or others who have obtained the Issuer's consent for a period of up to twelve (12) months after its approval by the AFM and shall expire on 12 October 2024, at the latest. The obligation to supplement this Base Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Base Prospectus.

This Base Prospectus should be read and understood in accordance with any amendment or supplement hereto and with any other documents incorporated herein by reference. Full information on the Issuer and any Series or Tranche of Notes is only available on the basis of the combination of this Base Prospectus and the applicable Final Terms.

The Issuer has undertaken to the Dealers to furnish a supplement to this Base Prospectus in case of any significant new factor, material mistake or material inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of the Notes and which arises or is noticed between the time when this Base Prospectus has been approved and the final closing of any Series or Tranche of Notes offered to the public or, as the case may be, when trading of any Series or Tranche of Notes on a regulated market begins, in respect of Notes issued on the basis of this Base Prospectus.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus, any amendment or supplement thereto, any document incorporated by reference herein, or the applicable Final Terms, or any other information supplied in connection with the Programme or the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer.

This Base Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of issue. The delivery of this Base Prospectus or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances imply that the information contained in such documents is correct at any time subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the Programme or the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the time indicated in the document containing the same. The Arranger and any Dealer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent consolidated financial statements of the Issuer when deciding whether or not to purchase any Notes.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its own legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by the Issuer, the Arranger or any Dealer that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Arranger or any Dealer in their capacity as such. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes (including an evaluation of the financial condition, creditworthiness and affairs of the Issuer) and the information contained or incorporated by reference in this Base Prospectus, the applicable Final Terms and any supplements;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks (including, without limitation, those described in 'Risk Factors' in this Base Prospectus).

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus, any Final Terms or any Notes come must inform themselves about, and observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Base Prospectus and other offering material relating to the Notes, see section 1.8 (*Subscription and Sale*).

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

Notes in bearer form are subject to United States tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by United States tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder. This Base Prospectus may only be used for the purpose for which it has been published.

This Base Prospectus and any Final Terms may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. None of the Issuer, the Arranger and the Dealers represent that this Base Prospectus may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or assume any responsibility for facilitating any such distribution or offering. In particular, further action may be required under the Programme which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State will be made pursuant to an exemption under the Prospectus Regulation, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

All offers remain subject to restrictions set out in section 1.8 (*Subscription and Sale*). Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

In connection with the issue of any Series or Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) in the applicable Final Terms (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than which might otherwise prevail. However, stabilisation may not occur. Any stabilisation action may begin at any time after the adequate public disclosure of the final terms of the offer of the relevant Notes and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the relevant Notes and sixty (60) days after the date of the allotment of the relevant Notes. Any stabilisation or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules. Any loss resulting from any such over-allotment or stabilisation shall be borne, and any net profit arising therefrom shall be retained, by the relevant Stabilising Manager for its own account.

Notice to prospective investors of Green Bonds

Neither the Issuer, the Arranger nor the Dealers make any representation or assurances as to the suitability to fulfil any ESG criteria required by any prospective investors of any Green Bonds, including the listing or admission to trading thereof on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated). None of the Issuer, the Arranger or the Dealers is responsible for any Second Party Opinion or any other third-party green, environmental and sustainability assessment of the Green Bonds. Each potential purchaser of any Series of Green Bonds should determine for itself the relevance of the information contained in this Base Prospectus and in the relevant Final Terms regarding the use of proceeds and its purchase of any Green Bonds should be based upon such investigation as it deems necessary. Investors should refer to the de Volksbank's Green Bond Framework, any Second Party Opinion delivered in respect thereof, any public reporting by or on behalf of the Issuer for further information. The de Volksbank's Green Bond Framework, the Second Party Opinion, any reports, verification assessments, opinions, contents or information included therein and (unless otherwise stated) on any websites mentioned in this Base Prospectus have not been and will not be incorporated into, and will not form part of, this Base Prospectus. Any such Second Party Opinion delivered in connection with the de Volksbank's Green Bond Framework or any Green Bonds may not reflect the potential impact of all risks related to the structure of the relevant Series of Green Bonds, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Green Bonds. Any such Second Party Opinion is not a recommendation to buy, sell or hold securities and is only current as of its date of issue. Prospective investors must determine for themselves the relevance of any such opinion

and/or the information contained therein and/or the provider of such opinion for the purpose of any investment in any Green Bonds.

No assurance is or can be provided by the Issuer, the Arranger or any Dealer to potential investors that the Eligibility Criteria described in section 1.6 (*Use of Proceeds*) will satisfy any requisite criteria determined under the EU Taxonomy Regulation, within the EU Taxonomy Regulation and/or the delegated regulations thereunder at any time or that they will meet all investors' expectations regarding sustainability performance or continue to meet the relevant Eligibility Criteria. The EU Taxonomy Regulation may change over time. There is a possibility that the Eligible Green Loan Portfolio and any sustainability framework(s) that the Issuer may publish from time to time may no longer fully align with the EU Taxonomy Regulation in the future. The Arranger and the Dealers have not undertaken, nor are they responsible for, any assessment of the Eligibility Criteria for the Eligible Green Loan Portfolio, any verification of whether the Eligible Green Loan Portfolio meets such criteria, the monitoring of the use of proceeds of the Green Bonds or the allocation of the proceeds by the Issuer.

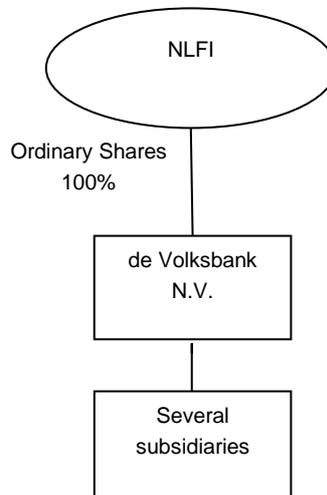
1.3. THE ISSUER

Incorporation and ownership

de Volksbank N.V. was incorporated on 18 December 1990 as a 'naamloze vennootschap', a public limited liability company under Dutch law, as a result of the merger of several regional savings banks. Its legal name is de Volksbank N.V. and its corporate seat is in Utrecht, the Netherlands. The registered office of the Issuer is Croeselaan 1, 3521 BJ, Utrecht, the Netherlands and the Issuer is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*), under number 16062338. The Legal Entity Identifier (LEI) of the Issuer is 724500A1FNICHSD2111. The telephone number of the Issuer is +31(0)30 291 5200. The website of the Issuer is <https://www.devолksbank.nl>. Any information contained in or accessible through any website, including www.devолksbank.nl, does not form a part of the Base Prospectus, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

The articles of association of the Issuer were most recently amended by notarial deed on 30 March 2019 before Mr. W.H. Bossenbroek, civil law notary practising in Amsterdam, the Netherlands.

As per the date of this Base Prospectus, NLF1 is, on behalf of the Dutch State, the sole shareholder of the Issuer (see chart below). NLF1 as the sole shareholder may exercise control over the Issuer. With a view of the objectives and governance of the NLF1, such control will likely be exercised in a prudent manner. NLF1 has expressed, amongst other things, that in exercising the rights attached to the shares it will be guided primarily by the financial and economic interests of the holder of the depositary receipts for shares issued by NLF1 (i.e. the Dutch State), taking into account the interests of the Issuer and all the employees concerned. This entails, *inter alia*, that NLF1 will monitor that the Issuer pursues a responsible corporate strategy that is in line with sound commercial business operations and the applicable rules of good corporate governance. NLF1 has expressed that it will exercise the rights attached to the shares in such a way that the Issuer decides its own commercial strategy independently and exercises the day-to-day running of its company so that there is no question of coordinating the commercial policy of the Issuer.



Governance of the Issuer

The Executive Board, the Executive Committee and the Supervisory Board consist of the members set out below.

Executive Board

The Executive Board is composed of statutory members. Principal activities performed by its members outside the Issuer, which are significant with respect to the Issuer, are as follows:

- *Mr. M.H.J. Gribnau, Chief Executive Officer (CEO)*
Member Board of the Dutch Banking Association
- *Mr. A. Haag, Chief Financial Officer (CFO)*
None
- *Mr. J.R. Dijst, Chief Risk Officer (CRO)*
None
- *Mrs. M.L. van der Meer, Chief Customer Officer (CCO)*
Member Committee on Consumer Affairs of the Dutch Banking Association

All members of the Executive Board have full time positions and have elected domicile at the registered office of the Issuer.

Executive Committee

The Executive Committee consists of statutory and non-statutory members. Principal activities performed by the members of the Executive Committee outside the Issuer, which are significant with respect to the Issuer, are as follows:

- *Mr. M.H.J. Gribnau, Chief Executive Officer (CEO), statutory member*
None
- *Mr. A. Haag, Chief Financial Officer (CFO), statutory member*
None
- *Mr. J.R. Dijst, Chief Risk Officer (CRO), statutory member*
None
- *Mrs. M.L. van der Meer, Chief Customer Officer (CCO), statutory member*
None
- *Mrs. M.S. de Jongh, Chief Transformation Officer (CTO), non-statutory member*
None
- *Mr. C.L.M. Ruijterman, Chief Information Officer (CIO), non-statutory member*
None
- *Mrs. J. Touw, Chief People & Organisation Officer (CPOO), non-statutory member*
None

All members of the Executive Committee have full time positions and have elected domicile at the registered office of the Issuer.

Supervisory Board

The Supervisory Board consists of and the principal activities outside the Issuer of the members of the Supervisory Board are as follows:

- *Mr. G. Van Olphen, Chairman*
Member supervisory board of a.s.r. / Member audit & risk committee / Member nomination & ESG committee
Independent member of the Board of GP House B.V.

- *Mrs. J.G.H. Helthuis*
Vice-Chair of the supervisory board of ProRail B.V. / Member of the Audit Committee, Selection & Appointment Committee and Remuneration Committee

- *Mrs. P.C. van Hoeken*
Member supervisory board of Nordea Bank / Member risk & compliance committee and audit committee
Member of the supervisory board of the Oranje Fonds / Member of the Audit Committee and member of the Investment Committee
Advisor of the Ministry of Economic Affairs and Climate / Chair of the Credit Committee of the Corporate Finance Guarantee Scheme (GO Scheme) / Chair of the Risk & Compliance Committee and member of the Audit Committee
Member of the Review Committee Donations of the University of Leiden
Member of the board of the foundation for the holding and administration of shares under the RDS (Royal Dutch Shell) employee share plans

- *Mr. A.H.P. Kregting*
Head of Global Enabling Services ASML
Member supervisory board of UMC Utrecht

- *Mr. J.H.P.M. van Lange*
Chairman of the Supervisory Board and Chairman of the People & Organisation Committee of Zuyderland Medisch Centrum
Vice-Chairman of the supervisory board and Chairman of the Audit, Risk & Compliance Committee of Bouwinvest N.V.
Member of the Board of Governors and Chairman of the Audit Committee of Tilburg University
Member of the Investment Advisory Committee of Dela Coöperatie U.A.
Chair of the Landgoed Kasteel Geldrop Foundation

Audit Committee

The Audit Committee currently consists of three members (each members of the Supervisory Board):

- Mr. J.H.P.M. van Lange, Chairman
- Mrs. P.C. van Hoeken
- Mr. A.H.P. Kregting

The Audit Committee supports the Supervisory Board in its decision making. The Audit Committee provides advice to the Supervisory Board in, *inter alia*, the following areas:

- (i) the set up and operation of the framework of the internal risk management and control systems of the Issuer set up and maintained by the Executive Board, the Executive Committee and senior management of the Issuer, including the compliance with relevant laws and regulations and supervision on the functioning of internal and external codes of conduct;
- (ii) the quality, completeness, accuracy and timeliness of the provision of financial information by the Issuer on the basis of which the achievement of the objectives of the Issuer and its business units shall be assessed;
- (iii) compliance with recommendations and follow-up of observations of internal auditors, external auditors, tax advisors, actuaries and regulatory authorities;
- (iv) discussions on the checks and audits performed by the Audit department in respect of the internal risk management and control systems of the Issuer;
- (v) the role and the functioning (scope, effectiveness and quality) of the Audit function of the Issuer, including the assessment of risk analyses, annual plans, quarterly reports and performance reports prepared by the Audit function;
- (vi) the policy of the Issuer in respect of tax planning;
- (vii) the effectiveness, scope, independence, quality and involvement of the external auditor, including the financial reporting process;
- (viii) adoption of the annual accounts, approval of the annual budget and major capital investments as well as funding of the Issuer; and
- (ix) the applications of information and communication technology.

The Audit Committee shall ensure a robust process and shall provide the Supervisory Board with advice regarding the (re)appointment, remuneration and the cancellation of the assignment of the external auditor. The chairman of the Audit Committee shall be actively involved in the appointment, assessment/remuneration, suspension and dismissal of the Audit Director.

The Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Audit Director and external auditor have standing invitations to attend the meetings of the Audit Committee. The chairman of the Audit Committee, the Audit Director and the external auditor hold a preliminary consultation prior to each meeting, unless the persons involved consider this to be unnecessary. Once a year, a meeting of the Audit Committee takes place where only the Audit Director and the external auditor are present.

The Issuer and the Banking Code

The revised Banking Code as published by the Dutch Banking Association (*Nederlandse Vereniging van Banken*) in October 2014 and effective as of 1 January 2015 (as lastly amended in 2022) consists of a package for sound governance. It is a product of self-regulation of Dutch banks. It consists of a Social Charter, the Banking Code and the rules of conduct associated with the bankers' oath, which must all be seen in conjunction with one another. All three elements of this package are clearly reflected within the internal manifesto of the Issuer.

The Banking Code is applicable on a licensing level. It is therefore applicable to the Issuer and to all of the Issuer's banking activities. All the principles of the Banking Code have been embedded in the Issuer's business processes.

The website of the Issuer provides an overview of the application of the Banking Code (<https://www.devolksbank.nl/over-ons/code-banken>). Compliance with the Banking Code is constantly monitored and is due to its nature a dynamic process.

The Issuer and the Dutch Corporate Governance Code

The Code is a code of conduct applicable to listed companies. The Code contains principles and best practice provisions for sound governance, that regulate relations between the board of directors, the supervisory board and shareholders (including the general meeting of shareholders) and stakeholders. The Code is not applicable to the Issuer, as the Code applies to listed companies only and the Issuer's shares are not listed on any stock exchange. Despite the fact that all shares in the Issuer are held by NLF1, the Issuer voluntarily applies the Code since 30 September 2015. In that respect, the Issuer focuses mainly on compliance with the Code's principles and best practice provisions pertaining to its Executive Board, Executive Committee, Supervisory Board and internal and external audits. The Code is based on the principle of 'comply or explain', see <https://www.devolksbank.nl/over-ons/nederlandse-corporate-governance-code> for an overview of how the Issuer implements the provisions from the Code in its governance structure. Certain provisions of the Code are not applicable to the Issuer as they relate to the listing of shares on a stock exchange. Otherwise the Issuer complies with the Code, with the following exception. The terms of appointment of the members of the Supervisory Board, as laid down in the regulations for the Supervisory Board, are linked to the general meeting of shareholders by reference to the articles of association of the Issuer. This means that these terms of office may in theory be longer than specified in the Code.

The Issuer and ESG

The sustainability policy of the Issuer is underpinned by three pillars: Climate, Biodiversity and Human Rights (together the "**Sustainability Policies**"). The purpose of these Sustainability Policies is to have a well-understood and accepted governance and definition of sustainability for the Issuer and its stakeholders.

Climate impact

The Issuer applies approved science based targets ("**SBTs**") for emission reductions. The Issuer has set its SBTs (or emission reduction targets) on mortgages (real estate), renewable energy (power) and investments covering relevant balance sheet categories. The SBTs complement the Issuer's goal of achieving a climate neutral balance sheet, as it indicates the pace at which and the extent to which the Issuer needs to reduce the CO₂e emissions of its own business operations and the financed CO₂e emissions of its main portfolios. In 2022 the Issuer published its Climate Action Plan, as part of its contribution to the Dutch National Climate Agreement. In the Issuer's Climate Action Plan, the Issuer defined its ambition for a net zero balance sheet in 2050.

Green Buildings & Renewable Energy

The Issuer has set up its green bond strategy, via the publication of its first green bond framework, back in April 2019, aimed at issuing green bonds to (re)finance green assets, namely green residential buildings in the Netherlands and renewable energy projects. The Issuer sees the issuance of green bonds as an effective tool to make a positive contribution to the climate, its emission reduction targets and achieving the Sustainable Development Goals of the United

Nations. The Issuer aims to further diversify its investor base through its green financing strategy by focusing on socially responsible and highly dedicated sustainable investors and by strengthening the relationship with existing investors.

Potential conflicts of interest of the Executive Board, Executive Committee and Supervisory Board

There are no potential conflicts between any duties to the Issuer and the private interests and/or other duties of the Executive Board members, Executive Committee members and/or the Supervisory Board members of the Issuer. These members may obtain financial services of the Issuer. Internal rules are in place to recognise and prevent any potential conflicts of interest that may arise.

Independent Auditor

Ernst & Young Accountants LLP has been appointed as independent auditor to the Issuer as of 1 January 2016. All audit partners of Ernst & Young Accountants LLP involved in the audit of the financial statements of the Issuer are a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*, NBA). The address of Ernst & Young Accountants LLP is Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands.

Rating Agencies

The Issuer has been rated by independent rating agencies Moody's, S&P and Fitch. The most recently published reports by these rating agencies, expressing opinions on any of the ratings assigned to the Issuer, are made available on <https://www.devолksbank.nl/investor-relations/credit-ratings>. Please see below an overview of the ratings assigned to the Issuer.

Ratings of the Issuer per date of this Base Prospectus

Long-term credit ratings	S&P	Moody's	Fitch
The Issuer	A (stable)	A2 (stable)	A- (stable)

Short-term credit ratings	S&P	Moody's	Fitch
The Issuer	A-1	P-1	F1

Company profile

The Issuer aims to meet the specific financial needs of its customers in a people-oriented, efficient and sustainable manner. Our mission is 'banking with a human touch'. We achieve it by creating value for all our stakeholders: our customers, society at large, our employees and our shareholder. We aim for optimum total value rather than maximisation of a single value. Together with our brands we strive for strong customer relationships and increasing our social impact.

The Issuer has a focus on the Dutch market, offering understandable and transparent mortgage, savings and payment products to private individuals and smaller companies. The Issuer also offers insurance and investment services and aims to maintain its strong liquidity profile and capital structure.

The Issuer is pursuing a multi-brand strategy with ASN Bank, BLG Wonen, RegioBank and SNS. Each of these brands has its own distinctive profile that meets the needs of its customer group. A single back office, a powerful IT organisation and a central staff organisation allow the Issuer to operate effectively and efficiently.

The Issuer has the following four bank brands each displaying its own identity and image. ASN Bank, BLG Wonen, RegioBank and SNS.

Four Bank brands and their missions:

- ASN Bank seeks to make sustainability accessible to all Dutch people, enabling them to use their money to do the right thing for people, animals and nature all over the country;
- BLG Wonen aims to facilitate a society in which people can live contentedly in a manner that suits their wishes and financial situation;
- RegioBank is committed to maintain the quality of life in Dutch communities by taking on the role of community builder and contributing to social and economic vitality; and

- SNS helps people achieve their goals and dreams by focusing on the growth of each individual. SNS believes that if everyone is allowed to grow in their own way, it will make the Netherlands stronger.

Supervision

The regulatory framework is under constant scrutiny, at a national, supranational and international level. Many new rules and regulations have entered into force in recent years and will enter into force the following years. Important changes with respect to the supervision on the Issuer have been and will be introduced by CRD, the implementation of the BRRD, the SRM Regulation, the EU Banking Reforms and the Basel III Reforms (see section 1.1 (*Risk Factors*), the risk factors '*Major changes in laws and regulations as well as enforcement action could have a negative impact on the Issuer*' and '*Resolution regimes may, inter alia, lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*').

Within the group consisting of the Issuer and its subsidiaries, the following entities hold licences under the Wft (excluding finance service providers licences):

Bank:

de Volksbank N.V.

Alternative Investment Fund Manager:

ASN Beleggingsinstellingen Beheer B.V.

Single Supervisory Mechanism

The SSM is one of the elements of the Banking Union. The SSM has created a new system of financial supervision comprising the ECB and the national competent authorities of participating EU countries. The Issuer is considered a 'significant credit institution' under the SSM and is therefore since 4 November 2014 subject to direct supervision by the ECB. Specific tasks relating to the prudential supervision of credit institutions have been conferred to the ECB.

Other systemically important institution

The Issuer has been designated as an 'other systemically important institution'.

Recent developments

Future options of the Issuer

In its progress report dated 30 June 2022 NLFI stated that the Issuer made a good start in creating a more robust organisation and strengthening its social identity since the introduction of the strategy for 2021-2025, which it had introduced in February 2021. NLFI remarked that further measures will be necessary to achieve a structural improvement of financial results and that market dynamics, i.e. higher inflation, higher interest rates, geo-political developments, may have an impact and may require further adjustments. The implementation of the strategy and the subsequent improvement of financial results will require several years and the Minister of Finance noted that the Issuer should be given time to bring this about. Therefore, the Minister of Finance agreed with NLFI that it was too early for a decision on the privatisation of the bank. On an earlier occasion, on 26 January 2022, during a general consultation on State participations, the Minister of Finance had mentioned that NLFI had indicated a period of approximately three (3) years before a decision could be taken on the future options for the Issuer.

On 22 February 2023, the Minister of Finance wrote to the House of Representatives that she intends to take a directional decision (*richtinggevend besluit*) about the future of de Volksbank. In such decision, all options for the future and all governance models will be taken into account, as well as the eventual necessity for the State to safeguard the public interests related to the Issuer. The House of Representatives, NLFI, the Issuer, and where necessary the supervisory authorities, will be involved in the preparation of the directional decision. The Minister of Finance concluded that a definitive choice for a future option can only be made when NLFI concludes that de Volksbank is ready for a decision. On 26 May 2023, the Minister of Finance wrote to the House of Representatives that she intends to inform the House of Representatives in a two steps process towards the directional decision. The first step will be an analysis of any insufficiently safeguarded public interests in the financial sector and of how such interests can be safeguarded, and an interim conclusion as to whether the Issuer could have a role in safeguarding those interests. The Minister of Finance intends to inform the House of Representatives in the fall of 2023 on the completion of this analysis and the interim conclusion. The second step will be a further analysis of the future options of the Issuer. NLFI will advise the Minister of Finance in this process. The Minister of Finance expects to share such further analysis with the House of Representatives

in the spring of 2024. The Minister of Finance will then discuss with the House of Representatives and take a directional decision on the future of the Issuer after their discussions.

In its most recent progress report dated June 2023, NLF1 stated that de Volksbank is making progress and has achieved substantially better results.

Redundancy plan

The organisation is in the process of being structured differently and transitioning into a uniform and agile way of working. At year-end 2021, the restructuring provision in relation to the agile way of working amounted to € 48 million. This approach results in more efficient collaboration and a flatter organisation. At year-end 2022, the restructuring provision was reassessed resulting in a release of € 23 million. This release is the result of a rapidly changing regulatory environment, which requires additional professional expertise and capacity within the bank, compared to the assumptions made in the initial restructuring plan drawn up in 2020. The envisaged reduction in existing FTEs was adjusted in favour of re-employment in other vacancies mainly related to additional regulatory and compliance topics, resulting in fewer redundancies. During the year € 17 million of this provision has been used. The remaining restructuring provision at year-end 2022 amounted to € 13 million.

The Issuer participated in the EBA stress test

In 2023, the Issuer participated in the EBA stress test exercise conducted by the EBA and the ECB. This stress test was conducted in parallel with the SSM stress test and addressed 57 banking groups under the ECB's direct supervision. The SSM stress test was performed at the highest level of consolidation. The EBA stress test did not contain a pass/fail threshold. The stress test assesses the resilience of European banks to extreme but plausible adverse market developments over a period of three (3) years. At reference date 31 December 2022, the consolidated CET1 ratio of the Issuer stood at 20.3%. Based on the severe scenario assumptions and severe methodological restrictions in the EBA stress test's adverse scenario, the CET1 ratio of the Issuer ends up at 10.01% at year-end 2025. The Issuer's overall CET1 capital ratio requirement up until April 2023 is 9.69% and from May 2023 onwards the Issuer's overall CET1 capital ratio requirement is 10.69%.

Stress test results for all significant institutions are used to assess the pillar 2 capital needs of individual banks in the context of the SSM SREP. As of May 2023, based on the SSM SREP decision of 2022, the Issuer is required to maintain a minimum ET1 ratio of 10.69% (including the pillar 2 requirement). This CET1 capital requirement also includes the capital conservation buffer of 2.5%, the buffer for other systemically important institutions of (currently) 1% and a countercyclical capital buffer of 1%.

The Issuer's CET1 capital ratio at year end 2022 is 20.3%, which is well above its current internal objective of 19.0% and the 10.69% CET1 overall capital requirement.

2022 Annual Results of the Issuer

On 10 February 2023, the Issuer published a press release and financial report regarding its 2022 results on a consolidated basis. The 2022 results included the following highlights.

In 2022, the number of active multi-customers (being a customer with a current account and at least one product from another product group and may be a retail customer or a business customer) of de Volksbank rose by 72,000 to 1,087,000. The total customer base decreased by 182,000, due to the outflow of mono-savings customers, following the introduction of a monthly rate for basic banking services.

The Issuer's new residential mortgage production declined to € 7.4 billion, from € 8.1 billion in 2021. The market share of new mortgages decreased to 5.4% (2021: 5.8%) in a rapidly changing housing market environment. On a total residential mortgage portfolio basis, the market share was slightly lower at 5.9% (2021: 6.0%).

Mortgage repayments amounted to € 6.3 billion, down compared with 2021 (€ 7.0 billion), mainly due to the decreasing mortgage refinancing volumes. As mortgage production was higher than repayments, the Issuer's mortgage portfolio, excluding IFRS value adjustments, showed an increase to € 49.1 billion compared with € 48.0 billion at the end of 2021.

In 2022, the share of new mortgages with a fixed interest rate of fifteen (15) years or longer amounted to 60% of the Issuer's total mortgage originations (2021: 71%). Impacted by the sharp increase in mortgage rates in the second quarter of 2022, there was a shift visible toward 10-years fixed mortgage rates and the market for new mortgages contracted.

Retail savings at the Issuer decreased to € 44.5 billion, compared with € 45.6 billion at year-end 2021. The Issuer's market share also showed a decrease to 10.4% (2021: 11.3%).

Compared to 2021, net profit in 2022 increased by € 29 million to € 191 million (2021: € 162 million). Net profit included positive incidental items of € 17 million, consisting of a release of € 23 million before tax of the restructuring provision in relation to the agile way of working. In 2021, net profit had also included an incidental item of € 17 million, consisting entirely of a positive revaluation of € 22 million before tax of a previous contribution made under the Deposit Guarantee Scheme in relation to the insolvency of DSB Bank N.V.

Net profit, adjusted for incidental items, increased by € 29 million to € 174 million (+20%). This increase was mainly attributable to a combination of € 138 million higher total income (+17%) and € 11 million lower operating expenses (-2%), partly offset by a € 110 million swing in impairment charges of financial assets.

The Return on Equity amounted to 5.2%. Excluding incidental items, the adjusted Return on equity stood at 4.7%, up compared to 2021 (4.2%), driven by a higher net profit. The cost/income ratio (total operating expenses divided by total income) was 67.9%. Adjusted for incidental items, the cost/income ratio was 70.3%, a decrease compared with 2021 (83.3%) due to both higher total income and lower operating expenses.

The Issuer's CET1 capital ratio decreased to 20.3%, from 22.7% at year-end 2021, primarily due to an increase in RWA. CET1 capital decreased by € 81 million, as net profit retention (adjusted for dividend pay-out) was more than offset by a € 157 million decrease of the revaluation reserve.

RWA increased by € 1.3 billion, largely due to the increased short-term exposures to other financial institutions and exposures to corporates, used to optimise the return on excess liquidity. Within RWA, a shift was made from a large part of additional conservatism applied through the CRR Article 3 add-on to additional conservatism applied in the calculation of the AIRB model-based RWA. As a result, the average risk-weighting of our residential mortgage portfolio rose to 16.8% (end of 2021: 12.6%).

The pro forma Basel IV fully loaded CET1 capital ratio stood at 20.2% at year-end 2021, almost similar to the CET1 capital ratio under current regulations.

The CET1 capital ratio remained above the Issuer's target of at least 19%. The total capital ratio was down from 26.3% (at year-end 2021) to 25.5%.

The leverage ratio decreased from 5.1% at year-end 2021 to 4.7%, as a result of the expiration of the ECB's temporary relief measure on 1 April 2022 to exclude certain central bank exposures from the leverage ratio exposure. The 4.7% leverage ratio is above the regulatory requirement of 3.0% and the Issuer's target of at least 4.5%. Based on the Issuer's capital targets, the amount of capital required to meet the leverage ratio requirement is higher than the amount required to meet risk-weighted capital requirements. This is the consequence of the Issuer's focus on residential mortgages, an activity with a low-risk weighting.

The Issuer has set a dividend payout target range of 40% - 60% of net profit. In line with this policy, the Issuer proposed to pay out a dividend of € 90 million on the 2022 profit. This corresponds to a pay-out ratio of 50% of net profit attributable to the shareholder.

Strategic Plan 2021-2025

On 12 February 2021, the Issuer published a press release on its new strategic plan for the period 2021-2025. The strategy is intended as a response to developments such as the increasing demand for digitisation in the Issuer's services, intensification of the customer relationship, and the need for cost control and diversification of income in order to alleviate the pressure that the sustained low interest rate environment exerts on the Issuer's returns.

The strategy builds on two pillars of growth: customer relationship and social impact:

- the strategy aims for growth by strengthening the customer relationship and further increasing the social impact;
- in the new strategy, the Issuer assigns distinctive growth priorities to its four bank brands SNS, ASN Bank, RegioBank and BLG Wonen;
- the Issuer will expand its services to SME business owners;
- the Issuer will broaden its range of products and services to become more relevant to customers; and

- the services the Issuer provides through the four bank brands are always personal and nearby with digital services and shops.

Part of the strategy is an organisational change: through the implementation of five transformations, the Issuer should become faster, more digital and more agile:

- the fine-tuned strategy is intended to make the Issuer faster, more digital and more agile;
- the Issuer is implementing a single, uniform agile organisational structure and working method with independent, fully responsible (customer) teams;
- this agile organisational structure and working method, will result in a more customer-oriented, and more efficient operation, which is expected to reduce the number of jobs within the Issuer;
- new jobs will be created in parallel with this and depending on the growth rate, which means that new employees will join the Issuer in the next few years. To this end new employees will be recruited with the knowledge and skills required for the new strategy. The Issuer's current employees are given the opportunity to develop in this; and
- an executive committee has been formed for a successful implementation of the strategy.

Finally, the Issuer has defined quantitative objectives for 2025 for each of its four stakeholders, customers, society, employees and shareholder, as well as minimum capitalisation objectives.

Green Senior-Non Preferred Notes issuances

On 7 March 2023, the Issuer successfully issued € 500 million of Senior Non-Preferred Notes. The Senior Non-Preferred Notes have a term of seven (7) years and a coupon of 4.875%. On 23 May 2023, the Issuer successfully issued € 500 million of Senior Non-Preferred Notes. The Senior Non-Preferred Notes have a term of four and a half (4.5) years and a coupon of 4.625%. These are the Issuer's fourth and fifth issuances of Senior Non-Preferred Notes, following three issuances of € 500 million in 2021 and 2022.

Minimum requirement for own funds and eligible liabilities (MREL)

The BRRD and the SRM Regulation resulted in the introduction of MREL as a buffer to absorb losses. This buffer applies in addition to the capital ratios under the CRD that the Issuer has to adhere to. The MREL is institution-specific and set in respect of the Issuer by the SRB. The MREL framework is intended to make sure that the Issuer can absorb losses expected in resolution or at the point of non-viability and to be recapitalised after the implementation of resolution actions. The MREL is subject to ongoing regulatory reform and an annual recalibration cycle, and will become more stringent as of 1 January 2024. On 5 April 2023, the Dutch National Resolution Authority (NRA) set the current MREL requirement for the Issuer at 7.78% of the LRE. The MREL requirement based on RWA amounts to 20.41% and is set at 21.81% as of 1 January 2024, both excluding the Combined Buffer Requirement. As of 1 January 2024, the MREL requirements based on the LRE and on RWA are to be fully met with subordinated instruments, i.e. Tier 1 capital, Tier 2 capital and senior non-preferred notes with a residual contractual maturity of at least one (1) year. As a binding intermediate subordination target, at least 6.55% of the LRE has to be met with subordinated instruments as from 1 January 2022. For the Issuer, the non-risk-weighted MREL requirements are more restrictive than the risk-weighted MREL requirements. As of 30 June 2023, the Issuer already meets the MREL subordination requirements that apply from 1 January 2024. The MREL requirements will require the Issuer to maintain sufficient subordinated liabilities over time.

Acquisition of Fitrex B.V.

On 1 September 2021, the Issuer announced the acquisition of 90% of the shares of property valuation platform Fitrex B.V. Through the acquisition, the Issuer expands its services with a complementary service in its core activity 'housing', thus contributing to income diversification.

Semi-annual results 2023 of the Issuer

On 11 August 2023, the Issuer published its financial report regarding the 2023 half year ending on 30 June 2023. In this interim financial report 2023 the following highlights were included.

In the first half of 2023, the Issuer reported progress in the implementation of its 2021-2025 strategy, aimed at strengthening its customer relationships and increasing its positive impact on society. The number of active multi-customers at ASN Bank, BLG Wonen, RegioBank and SNS combined rose by 39,000 to 1,126,000. The total number of customers declined by 11,000, due to the outflow of mono-savings customers following the introduction of a monthly rate for basic banking services in 2022. Customer satisfaction scores improved slightly and the climate neutral balance sheet improved as well.

The Issuer's new mortgage production showed a decrease to € 2.2 billion, from € 4.3 billion in the first half of 2022, in a shrinking market due to higher interest rates. The Issuer's market share of new residential mortgage production decreased to 5.1% (1H22: 5.8%). On a total residential mortgage portfolio basis, the market share remained almost stable at 5.9%.

Mortgage redemptions decreased to € 1.5 billion (1H22: € 2.0 billion), mainly due to the decreasing mortgage refinancing volumes. The Issuer managed to grow its mortgage portfolio, excluding IFRS value adjustments, as new mortgage production outpaced redemptions. Including IFRS value adjustments, the residential mortgage portfolio increased to € 46.6 billion (year-end 2022: € 46.2 billion), reflecting € 0.2 billion commercial growth and a € 0.2 billion increase in IFRS value adjustments, due to lower interest rates. SME loans grew by € 78 million to € 1,163 million.

Retail savings remained stable at € 44.5 billion, compared with year-end 2022. Market share in retail savings was lower at 10.0% (year-end 2022: 10.4%).

Compared with the first half of 2022, net profit increased by € 153 million to € 248 million (+161%). In the first half of 2022 net profit had included incidental items of € 4 million, consisting of a release of the restructuring provision in relation to the agile way of working. Adjusted for incidental items, net profit rose by € 157 million (+173%). Total income was € 272 million higher (+59%) at € 735 million, driven by 78% higher net interest income, benefitting from rising ECB interest rates, and 38% higher net fee and commission income. Total operating expenses increased by € 66 million to € 389 million (+20%). Impairment charges of financial assets were € 8 million, € 3 million lower compared with the first half of 2022.

Return on equity more than doubled to 13.6% (first half of 2022: 5.5%).

The cost / income ratio stood at 52.9%, a decrease compared to the first half of 2022 (69.8%), as a result of sharply higher total income.

In the first half of 2023, the Issuer's CET1 capital ratio went up slightly to 20.4%, from 20.3% at year-end 2022, due to an increase in CET1 capital, partially offset by an increase in RWA. CET1 capital increased by € 66 million due to net profit retention (adjusted for dividend pay-out) and a € 10 million increase in the fair value reserve. RWA increased by € 0.25 billion, largely related to an increase in RWA related to residential mortgages, partly offset by a decrease in RWA for exposures to financial institutions. The CET1 capital ratio remained well above the Issuer's target of at least 19.0%. The total capital ratio was stable at 25.5% (year-end 2022: 25.5%).

The leverage ratio went up to 4.8%, from 4.7% at year-end 2022, due to an increase in CET1 capital.

Compensation schemes for customers with a revolving consumer credit and/or a revolving overdraft facility

On 22 December 2021, the Issuer published a press release regarding a compensation scheme for customers with a revolving consumer credit. The Issuer will compensate retail customers of SNS Bank and Regiobank who paid too much interest on their revolving consumer credit during the life of this facility. An investigation by the Issuer revealed that although the interest charged generally remained in line with market rates, some of its customers paid too much interest. The Issuer has worked out the compensation scheme in consultation with the Dutch Consumers' Association (*Consumentenbond*). The Issuer has made a provision for the compensation scheme and costs of executing the scheme in the amount of € 15 million.

On 14 September 2022, the Issuer has published a press release regarding the compound interest (*'rente-op-rente'*). Under the compensation scheme for customers and former customers with a revolving consumer credit, the Issuer will also pay compound interest, thus following the recent ruling by the Appeals Board of KiFiD in a case against another credit provider. The first group of customers of SNS Bank and RegioBank who may be eligible for compensation have been informed as of 15 September 2022. For the expansion of the compensation scheme, the Issuer has made an additional provision of € 4 million charged to the result for the second half of 2022, on top of the provision of € 15 million made in 2021.

Furthermore, in 2022 the Issuer announced that it will compensate retail customers of SNS and RegioBank on their revolving overdraft facilities in accordance to the Kifid ruling on variable interest rates and provisioned € 3 million for this. In the coming period the Issuer will work out the compensation scheme for overdraft facilities.

Impact geopolitical situation Ukraine

In February 2022, in response of the breach of the Ukrainian sovereignty, various sanctions are issued against Russia and Belarus. The Issuer does not have direct exposure in Ukraine, Russia or Belarus nor does the Issuer have a material indirect exposure to these countries. The economic consequences of the situation in Ukraine on the Issuer are difficult to estimate.

Profit Forecast

On 11 August 2023, the Issuer published its interim financial report 2023 regarding the Issuer's results for the first half of 2023, which includes the following profit forecast:

"Taking into account the factors described above, we expect net profit for 2023 to be substantially above that of 2022."

The Issuer expects its net profit for the full year 2023 to be substantially above that of 2022, mainly due to:

1. The expected net interest income that will continue to benefit from the current favourable interest rate environment, although this is highly dependent on the ECB interest rate policy; and
2. The expected low level of additional impairment charges on loans and advances in the second half of 2023.

This forecast is comparable with the Issuer's historical financial information and consistent with its current accounting policies. The profit forecast has been prepared on the basis of certain (internal and external) assumptions, including the principal assumptions as set out below.

The principal assumptions upon which the Issuer bases its forecast and that the Issuer can influence are as follows:

- (a) factors that influence net interest income: (i) continuation of current pricing strategy on mortgages and (ii) a conservative savings rate strategy;
- (b) no significant interruption in operational performance and programme execution;
- (c) continued investments in our IT foundation and projects related to banking regulation and customer integrity; and
- (d) no disruption in or change to the development of products.

The principal assumptions upon which the Issuer bases its forecast and that are exclusively outside the influence of the Issuer are as follows:

- (a) no worsened general trading conditions, economic conditions or competitive environment which would materially affect the Issuer's business;
- (b) no material change in the ability or willingness of the Issuer's customers to meet their contractual obligations, including payment obligations to the Issuer; and
- (c) no changes in the legislative or regulatory environment which could have a material effect on the Issuer.

Notwithstanding the above mentioned press release and the assumptions above, the actual net profit for the full year 2023 may deviate from expectations stipulated therein.

ECB fine for miscalculating capital needs

In August 2023, the ECB imposed an administrative penalty of € 4.47 million on the Issuer for miscalculating its risk weighted assets for exposures to regional governments outside the EU. These miscalculations concerned the Issuer having calculated lower risk weighted assets for such exposures than it should have done from 2014 to 2021. Deficiencies in internal controls were deemed to have prevented the bank from timely detecting the mistake. According to the ECB the Issuer reported wrongly calculated figures preventing the ECB from having a comprehensive view of the Issuer's risk profile. The administrative penalty has been paid in full and has no significant impact on the Issuer's financial condition.

Legal proceedings

The Issuer and its subsidiaries are and may become from time-to-time involved in governmental, legal and arbitration proceedings that relate to claims by and against it which ensue from its normal business operations. The overview below concerns the legal proceedings that may have or have had a significant effect on the Issuer and/or its group's financial position or profitability.

Madoff

In 2010, liquidators of three Madoff-feeder funds (the "**Feeder Funds**") initiated legal proceedings in New York against, amongst others, the custody entity of the Issuer, SNS Global Custody, and its clients as former beneficial owners of investments in these funds. They claim repayment of payments made by the Feeder Funds for redemptions of investments by these beneficial owners. A similar proceeding was initiated by one of these funds against SNS Global Custody and

other defendants in the British Virgin Islands (the "**BVI**"), which proceedings have ended in favour of SNS Global Custody. In line with these lawsuits, Bernard Madoff's trustee has also initiated proceedings in New York against, amongst others, the Issuer and SNS Global Custody.

The status of the aforementioned proceedings in New York (in which many financial institutions worldwide are sued in similar proceedings) is as follows:

- **Fairfield Funds:** in April 2019, the New York bankruptcy court dismissed all claims brought by the Fairfield Funds liquidators against SNS Global Custody except for claims under the BVI Insolvency Act. The Fairfield Funds liquidators have appealed that ruling to the New York district court. In the meantime, the Fairfield Funds liquidators have filed an amended complaint against SNS Global Custody in the New York bankruptcy court with respect to their BVI Insolvency Act claims. On 14 December 2020 the bankruptcy court issued a decision, in favour of SNS Global Custody. Fairfield Funds liquidators have appealed to the district court against the bankruptcy court's decision. The district court affirmed on 24 August 2022 the bankruptcy court's dismissal of the liquidators' claims in both appeals for the district court. The Liquidators have appealed this decision to the United States Court of Appeals for the Second Circuit.
- **Madoff Trustee:** in November 2016, the New York bankruptcy court issued a decision on a preliminary issue that resulted in the dismissal of all claims asserted by the Madoff trustee against the Issuer and SNS Global Custody. The Madoff trustee appealed this decision to the Second Circuit Court of Appeals, which overturned the bankruptcy court's decision in February 2019. A request by a group of defendants, including the Issuer and SNS Global Custody, to the United States Supreme Court to hear an appeal of the Second Circuit's decision has been declined. The case has been referred back to the bankruptcy court for further proceedings. These proceedings have started in the spring 2023 and are expected to be pending in the coming years.

As the outcomes of these legal proceedings cannot be predicted with certainty, it cannot be ruled out that a negative outcome may have a material negative financial impact on the capital position, results and/or cash flows of the Issuer.

Harbi Vastgoed B.V.

The Issuer (as legal successor of RegioBank) is involved in proceedings against non-professional investors who have invested in Harbi Vastgoed B.V. (bankrupt in March 2014). A number of investors were also clients of the Issuer (RegioBank) who in some cases made their investment by transferring funds from their accounts at the Issuer (RegioBank). The Issuer has been held liable by various investors.

A group of investors (family members) has held the Issuer liable for a total amount of approximately € 6.6 million. A class action was started by Stichting Van Birgelen Leed, together with two other individual investors, against the Issuer. In the proceedings, which are pending before the District Court of Midden-Nederland, a declaration is sought to the effect that the Issuer violated its duty of care towards the investors (i.e. no damages are claimed at the moment). In one previous individual case, it was ruled that the Issuer acted negligently by transferring funds without consent of the investor, based on the specific facts of that case. In another individual case, the claims of the investor were rejected in full. Appeal proceedings are currently pending.

Anti-Money Laundering / Wwft

Since 2020, the Issuer experienced delays in executing an improvement plan relating to customer integrity and its gatekeeper responsibility. On 11 August 2023, the Issuer announced that, based on a new supervisory review conducted by DNB in 2022, DNB concluded that the Issuer did not adequately identify and assess its risks of money laundering and financing of terrorism. The results of identifying and assessing integrity risks are also not up-to-date. DNB assessed that the Issuer does not take sufficient account of the risk factors related to the type of customer, product, service, transaction and delivery channel and to countries or geographic areas. Therefore, DNB concluded that the Issuer is in violation of the Wwft and imposed an instruction on the Issuer to improve its Systematic Integrity Risk Analysis by 1 April 2024. DNB also announced its intention to start a procedure to impose an administrative fine. DNB expects that all identified shortcomings will be permanently and structurally remediated and captured in a comprehensive remediation plan. It will closely monitor the progress in this field and, depending on the progress of the remediation, may decide to proceed with additional measures. The Issuer is fully committed to remedy the shortcomings within the timeframe imposed by DNB.

Proceedings following the nationalisation

General

Various former holders of the in 2013 expropriated securities and capital components have initiated legal proceedings to seek compensation for damages. At the time that the 2023 condensed consolidated interim financial statements were drawn up and at the date hereof, no court proceedings had (yet) been initiated against the Issuer other than those stated below. Currently, it is not possible to make an estimate of the probability that possible legal proceedings of former holders or other parties affected by the nationalisation may result in a liability of the Issuer, or the level of the financial impact on the Issuer. As the outcomes of possible legal proceedings cannot be predicted with certainty, it cannot be ruled out that a negative outcome may have a material negative financial impact on the capital position, results and/or cash flows of the Issuer.

Inquiry proceedings by Dutch Investors' Association

In November 2014, the Dutch Investors' Association (*Vereniging van Effectenbezitters*) filed a petition with the Enterprise Chamber for an inquiry into the management of SRH (formerly SNS REAAL), the Issuer and Propertize (formerly SNS Property Finance) for the period 2006 – present. SRH, the Issuer and Propertize disputed the authority to file a petition for an inquiry. The Enterprise Chamber granted (after remission by the Supreme Court) the request related to SRH and the Issuer and rejected the request related to Propertize. On 26 July 2018 the Enterprise Chamber granted an inquiry on eight topics into the management and course of events at SRH (formerly SNS REAAL) and the Issuer in the period of 1 July 2006 until 1 February 2013. The Enterprise Chamber appointed three investigators. Their final report was published on 27 July 2021. On 27 September 2021, the Dutch Investors' Association thereupon requested the Enterprise Chamber in a subsequent procedure to establish mismanagement (*wanbeleid*) of SRH and the Issuer in the period of 1 July 2006 until 1 February 2013. The judgment of the Enterprise Chamber was delivered on 30 November 2022. The Enterprise Chamber ruled that there was no mismanagement with regard to SRH and the Issuer. All claims of the Dutch Investors' Association have been rejected. The Enterprise Chamber has ruled that errors were made in some areas. None of the parties lodged an appeal in cassation, so the decision of the Enterprise Chamber has force of judgment.

On 14 March 2023 the Dutch Investors' Association has announced that they will start a liability proceeding ex Article 3:305(a) of the Dutch Civil Code (*class action*). This announcement was 'high-over' and does not include a specific damage amount. The Dutch Investors' Association (*Vereniging van Effectenbezitters*) has invited SRH and the Issuer to have a meeting for an amicable solution, which invite is necessary to start a class action. SRH and the Issuer accepted the invitation. The meeting took place on 21 June 2023. Parties made the appointment that the Dutch Investors' Association would make a written proposal for an amicable solution which proposal will be discussed with stakeholders of SRH and the Issuer. When parties do not reach an amicable solution before December 2023 a lawsuit will follow at the end of 2023, according to the Dutch Investors' Association.

Guarantees pursuant to Article 2:403 of the Dutch Civil Code for Propertize

In the context of the transfer of the shares of SNS Property Finance B.V. (currently Propertize) to NLF I in 2013, the Issuer has withdrawn the 403-guarantee for Propertize. This withdrawal has become irrevocable for all creditors, with the exception of Commerzbank.

Other proceedings relevant to the Issuer

In addition, there are proceedings to which the Issuer is not a party or in which it is not the direct subject of investigation, but the course and results of which may have a material impact on the Issuer's position.

This applies to the compensation proceedings before the Enterprise Chamber initiated by former holders of expropriated securities and capital components of SRH and the Issuer. Following initial proceedings leading to a Supreme Court ruling on the basic principles for the assessment of the value of the expropriated securities and capital components, the Enterprise Chamber has appointed three experts. The experts presented their first report on 27 April 2018. Following comments from the parties to the proceedings and a new ruling by the Enterprise Chamber, the experts produced an additional report in September 2019 to which parties to the proceedings were entitled to respond until the beginning of November 2019 at the latest, after which the experts filed their final report on 21 November 2019 with the Enterprise Chamber. The Enterprise Chamber delivered its judgment on 11 February 2021 and ruled that the securities and other assets of the Issuer and SRH expropriated on 1 February 2013 (nationalisation date) had a total value of € 804,810,000 excluding interest. The Dutch State lodged an appeal in cassation at the Supreme Court against this verdict. The Advocate General gave advice to the Supreme Court on 8 July 2022 in which the Advocate General advised to maintain the judgment of the Enterprise Chamber of 11 February 2021. By judgement of 21 April 2023 the Supreme Court maintained the judgment of the Enterprise Chamber. The State has initiated the payout process. There are no indications or legal grounds on which the claim will or could be transferred to SRH or the Issuer.

1.4. SELECTED FINANCIAL INFORMATION

The Issuer's publicly available financial statements for the year ended 31 December 2021 and the independent auditor's report thereon (set forth on pages 146 up to and including 211 (financial statements) and pages 215 up to and including 223 (independent auditor's report) of its 2021 annual report) and the financial statements for the year ended 31 December 2022 and the independent auditor's report thereon (set forth on pages 185 up to and including 252 (financial statements) and pages 257 up to and including 265 (independent auditor's report) of its 2022 annual report) are incorporated by reference into this Base Prospectus. The information contained in this section of the Base Prospectus is derived from the publicly available audited consolidated financial statements for the years ended 31 December 2022 and 31 December 2021, except for the information marked with an asterisk (*) which has not been directly extracted from the audited consolidated financial statements but instead is derived from other parts of the 2022 and/or 2021 annual reports. As at the date of this Base Prospectus, the Issuer's condensed consolidated interim financial statements for the period ended 30 June 2023 are available as well, which can provide an up-to-date addition to the figures in this section. For the Issuer's condensed consolidated interim financial statements for the period ended 30 June 2023, reference is made to section 1.10 (*Documents incorporated by reference*), item (c).

Key Figures of the Issuer (on a consolidated basis)

(in € millions)	30-06-2023	31-12-2022	31-12-2021
	(unaudited)	(audited)	(audited)
Balance Sheet			
Total assets	73,028	73,155	72,081
Loans and advances to customers	49,419	48,966	50,570
of which residential mortgages	48,467	46,134	47,945
Amounts due to customers	56,590	57,150	58,128
of which savings	44,507	44,501	45,681
Total equity	3,864	3,708	3,486
Total capital*	3,965	3,899	3,682
Capital and Funding			
Common Equity Tier 1 ratio*	20.4%	20.3%	22.7%
Tier 1 ratio*	22.3%	22.2%	22.7%
Total capital ratio*	25.5%	25.5%	26.3%
Profit and loss account			
Net interest income	662	851	775
Net fee and commission income	33	51	39
Other income	40	63	13
Net result for the period	248	191	162
(-) Incidental items*	0	17	17
Adjusted net result for the period*	248	174	145
Other Key Figures			
Branches in numbers*	640 ⁵	647	667
Employees in numbers (fte's, ultimo)*	3,262	3,123	3,178

⁵ The number of branches at reference date 30-06-2023 is an approximation.

Capitalisation of the Issuer

The following table sets forth the remaining contractual maturity and liabilities and sets forth shareholders' equity of the Issuer on a consolidated basis:

(in € millions)	31-12-2022	31-12-2021	
	(audited)	(audited)	
Short-term debt (remaining terms to maturity up to and including five (5) years)			
- Savings	43,255	44,375	
- Other amounts due to customers	11,067	10,466	
- Derivatives	685	531	
- Debt certificates	4,116	3,091	
- Amounts due to banks	959	1,004	
- Subordinated debts	500	500	
- Other liabilities, tax liabilities and provisions	429	424	
Total short-term debt	61,011	60,391	
Long-term debt (remaining terms to maturity over five (5) years)			
- Savings	1,246	1,305	
- Other amounts due to customers	1,582	1,981	
- Derivatives	239	482	
- Debt certificates	3,428	4,311	
- Amounts due to banks	1,846	55	
- Other liabilities, tax liabilities and provisions ⁶	95	70	
Total long-term debt	8,436	8,204	
Total of short-term and long-term debt	30-06-2023	31-12-2022	31-12-2021
	(unaudited)	(audited)	(audited)
- Savings	44,507	44,501	45,680
- Other amounts due to customers	12,083	12,649	12,447
- Derivatives	951	924	1,013
- Debt certificates	8,019	7,544	7,402
- Amounts due to banks	2,669	2,805	1,059
- Subordinated debts	504	500	500
- Other liabilities, tax liabilities and provisions	431	524	494
Total liabilities	69,164	69,447	68,595
Share Capital ⁷	381	381	381
Share premium reserve	3,537	3,537	3,537
Cash Flow Hedge Reserve	16	17	19
Fair Value reserve	-136	-146	11
Other Reserves	-480	-570	-624
Net Result for the period	248	191	162
AT1 capital securities	298	298	-
Shareholders' equity	3,864	3,708	3,486
Total equity and liabilities	73,028	73,155	72,081

⁶ Long-term debt Other liabilities includes liabilities for which the contractual maturity was not determined of € 83 million (2021 € 70 million).

⁷ The issued and paid-up share capital consists of 840,008 shares with a nominal value of € 453.79 each.

Financial Year

The financial year of the Issuer is the calendar year.

Independent Auditor

The financial statements of the Issuer for 2022 and 2021 have been audited by Ernst & Young Accountants LLP. The independent auditor has provided an unqualified independent auditor's report on the financial statements for each of these years.

Financial statements

The 2022 and 2021 consolidated financial statements of the Issuer have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code and the 2022 and 2021 company financial statements of the Issuer have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. The 2023 condensed consolidated interim financial statements of the Issuer have been prepared in accordance with IAS 34 Interim Financial Reporting.

Consolidated statement of financial position

(In € millions)	30-06-2023 (unaudited)	31-12-2022 (audited)	31-12-2021 (audited)
Assets			
Cash and cash equivalents	10,291	8,011	10,305
Derivatives	3,118	3,302	591
Investments	5,916	5,591	5,638
Loans and advances to banks	3,872	6,884	4,527
Loans and advances to customers	49,419	48,966	50,570
Tangible and Intangible assets	85	85	93
Tax assets	63	67	39
Other assets	264	249	318
Total assets	73,028	73,155	72,081
Equity and liabilities			
Derivatives	951	924	1,013
Amounts due to banks	2,669	2,805	1,059
Savings	44,507	44,501	45,681
Other amounts due to customers	12,083	12,649	12,447
Debt certificates	8,019	7,544	7,402
Subordinated debts	504	500	500
Provisions	56	66	102
Tax liabilities	41	6	9
Other liabilities	334	452	382
Total liabilities	69,164	69,447	68,595
Share capital	381	381	381
Reserves	2,937	2,838	2,943
Net Results for the period	248	191	162
AT1 capital securities	298	298	-
Total equity	3,864	3,708	3,486
Total equity and liabilities	73,028	73,155	72,081

Condensed consolidated income statement

(amounts in millions of EUR)	1 st half 2022 (Unaudited)	1 st half 2021 (Unaudited)	31-12-2022 (Audited)	31-12-2021 (Audited)
Income				
Interest income	924	509	1,128	1,043
Interest expense	262	137	277	268
Net interest income	662	372	851	775
Fee and commission income	84	75	154	137
Fee and commission expense	51	51	103	98
Net fee and commission income	33	24	51	39
Investment income	-5	-2	-8	3
Other result on financial instruments	44	69	70	10
Other operating income	1	--	1	--
Total income	735	463	965	827

Expenses				
Staff costs	234	195	383	414
Depreciation and amortisation of tangible and intangible assets	11	10	22	20
Other operating expenses	144	118	250	233
Impairment charges of financial assets	8	11	52	(58)
Total expenses	397	334	707	609
Result before taxation	338	129	258	218
Taxation	90	34	67	56
Net result for the period	248	95	191	162
Attributable to: the shareholder of the parent company	248	95	191	162

Condensed consolidated cash-flow statement

<i>(amounts in millions of EUR)</i>	1st half 2023	1st half 2022	31-12-2022	31-12-2021
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Cashflow from operating activities				
Result before taxation	338	129	258	218
Adjustments for:				
Depreciation and amortisation of tangible and intangible assets and right-of-use assets	11	10	21	23
Impairment charges and reversals	8	11	52	-58
Other adjustments (Changes in other provisions and deferred tax, unrealised results on investments through profit and loss and tax paid)	--	--	29	170
Changes in operating assets and liabilities				
Change in advances to customers	-453	1,207	1,761	-185
Change in liabilities to customers	-566	496	167	941
Change in derivatives assets	184	-2,248	-2,711	273
Change in derivatives liabilities	27	24	-89	-1,150
Change in advances to banks	3,012	-2,917	-2,357	1,463
Change in liabilities to banks	-136	1,652	1,746	114
Change in savings	6	98	-1,145	3,535
Change in trading portfolio	--	--	-1	--
Change in other operating activities	-230	144	480	-41
Net cashflow from operating activities	2,201	-1,394	-2,019	5,308
Net cashflow from investment activities	-287	-208	-611	-680
Net cashflow from financing activities	366	408	336	1,005
Of which proceeds from AT1 capital securities	--	298	--	--
Net changes of cash and cash equivalents	2,280	-1,194	-2,294	5,633
Cash and cash equivalents as at 1 January	8,011	10,305	10,305	4,672
Change in cash and cash equivalents	2,280	-1,194	-2,294	5,633
Cash and cash equivalents as at 30 June / 31 December	10,291	9,111	8,011	10,305

Capitalisation

(in € millions)	30-06-2023 (unaudited)	31-12-2022 (audited)	31-12-2021 (audited)
Capital instruments	381	381	381
Share premium	3,537	3,537	3,537
Retained earnings	248	191	162
Accumulated other comprehensive income (OCI)	-120	-129	30
Other reserves	-480	-570	-624
AT1 capital securities	298	298	-
Total equity	3,864	3,708	3,486
Non-eligible interim profits*	-248	-153	-124
Additional Tier 1 capital	-298	-298	-
Shareholders' equity for CRD IV purposes*	3,318	3,257	3,362
Cashflow hedge reserve	-16	-17	-19
Other prudential adjustments*	-5	-5	-3
Total prudential filters*	-21	-22	-22
Intangible assets	-6	-6	-6
IRB shortfall ¹ *	-109	-57	-74
Additional deductions of CET1 Capital due to Article 3 CRR*	-15	-71	-78
Total capital deductions*	-130	-134	-158
Total regulatory adjustments to shareholders' equity*	-151	-156	-180
CRD IV CET 1 capital*	3,167	3,101	3,182
Additional Tier 1 capital*	298	298	-
Tier 1 capital*	3,465	3,399	3,182
Eligible Tier 2*	500	500	500
IRB Excess¹*	-	-	-
Tier 2 capital*	500	500	500
Total capital*	3,965	3,899	3,682]

¹ The IRB shortfall/excess is the difference between the expected loss under the CRR/CRD IV directives and IFRS retail mortgage provision.

1.5. FORM OF THE NOTES

Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) be initially represented by a Temporary Global Note (or, if so specified in the applicable Final Terms, a Permanent Global Note), without receipts, interest coupons or talons, which, if it is not intended to be issued in NGN-form, as specified in the applicable Final Terms, will either (i) be delivered to a common depository for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing systems or (ii) be deposited with Euroclear Nederland and each Global Note which is intended to be issued in NGN-form, as specified in the applicable Final Terms, will be deposited on or around the Issue Date of the relevant Tranche of Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note and subject to TEFRA D selling restrictions, payments of principal and interest (if any) due prior to the Exchange Date will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Note are not United States persons or persons who have purchased for resale to any United States person, as required by United States Treasury regulations, has been received by the relevant clearing system(s) and the relevant clearing system(s) has or have given a like certification (based on the certifications it has or they have received) to the Agent. Any reference in this section to the relevant clearing system(s) shall mean the clearing and/or settlement system(s) specified in the applicable Final Terms.

On 13 June 2006 the ECB announced that Notes in NGN-form are in compliance with the standards for the use of EU securities settlement systems in ESCB credit operations' of the Eurosystem, provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN-form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN-form is used. Recognition as eligible collateral will also depend on satisfaction of Eurosystem eligibility criteria.

On and after the Exchange Date which is not less than forty (40) days nor more than ninety (90) days after the date on which the Temporary Global Note is issued, interests in the Temporary Global Note will be exchangeable (free of charge) upon request as described therein, either for interests in a Permanent Global Note without receipts, interest coupons or talons, or for Definitive Notes (as specified in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions) against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused.

Pursuant to the Agency Agreement, the Agent shall arrange that, where a Temporary Global Note representing a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned an ISIN and a common code by Euroclear and Clearstream, Luxembourg which are different from the ISIN and common code assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche. In case of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of € 100,000 (or the equivalent thereof) that are not integral multiples of € 100,000 (or the equivalent thereof). So long as such Notes are represented by a Temporary Global Note or Permanent Global Note and the relevant clearing system(s) so permit, these Notes will be tradeable only in the minimum authorised denomination of € 100,000 increased with integral multiples of € 1,000, notwithstanding that no Definitive Notes will be issued with a denomination over € 199,000. Definitive Notes will be in the standard euromarket form. Definitive Notes and Global Notes will be bearer.

Payments of principal and interest (if any) on a Permanent Global Note will be made through the relevant clearing system(s) against presentation or surrender (as the case may be) of the Permanent Global Note to or to the order of any Paying Agent without any requirement for certification. A Permanent Global Note (other than a Permanent Global Note deposited with Euroclear Nederland) will, unless otherwise specified in the applicable Final Terms, be exchangeable (free of charge), in whole in accordance with the applicable Final Terms for security printed Definitive Notes with, where applicable, receipts, interest coupons or coupon sheets and talons attached. Such exchange may be made only upon the occurrence of any Exchange Event. The Issuer will promptly give notice to Noteholders in accordance with Condition 16 (NOTICES) of the Terms and Conditions upon the occurrence of an Exchange Event. In the event the occurrence of an Exchange Event as described in item (i) of the definition, Euroclear and/or Clearstream, Luxembourg, acting on the instructions of any holder of an interest in the Global Note, may give notice to the Agent requesting exchange and in the

event of the occurrence of an Exchange Event as described in item (ii) of the definition, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur no later than fifteen (15) days after the date of receipt of the relevant notice by the Agent.

Global Notes and Definitive Notes will be issued pursuant to the Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg regard Notes in global form as fungible with Notes in definitive form. Delivery (*uitlevering*) of definitive Notes represented by a Global Note deposited with Euroclear Nederland shall only be possible in the limited circumstances as described in the Wge (as amended from time to time) and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Nederland (as amended from time to time).

The following legend will appear on all Global Notes, Definitive Notes, Receipts and interest Coupons (including Talons) which are subject to TEFRA D selling restrictions:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) and 1287(a) OF THE INTERNAL REVENUE CODE OF 1986."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss of Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg or Euroclear Nederland as the case may be.

Pursuant to the Agency Agreement, the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period applicable to the Notes of such Tranche. Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

The following legend will appear on all Global Notes held in Euroclear Nederland:

"NOTICE: THIS NOTE IS ISSUED FOR TEMPORARY DEPOSIT WITH EUROCLEAR NEDERLAND AT AMSTERDAM, THE NETHERLANDS. ANY PERSON BEING OFFERED THIS NOTE FOR TRANSFER OR ANY OTHER PURPOSE SHOULD BE AWARE THAT THEFT OR FRAUD IS ALMOST CERTAIN TO BE INVOLVED."

A Note may be accelerated by the holder thereof in certain circumstances described in Condition(c)12 (*EVENTS OF DEFAULT*). In such circumstances, where any Note is still represented by a Global Note and a holder of such Note so represented and credited to his account with the relevant clearing system(s) (other than Euroclear Nederland) gives notice that it wishes to accelerate such Note, unless within a period of fifteen (15) days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such Global Note, holders of interests in such Global Note credited to their accounts with the relevant clearing system(s) (other than Euroclear Nederland) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system(s) (other than Euroclear Nederland) on and subject to the terms of the relevant Global Note. In the case of a Global Note deposited with Euroclear Nederland, the rights of Noteholders will be exercised in accordance with the Wge (as amended from time to time).

1.6. USE OF PROCEEDS

General

Except as otherwise specified in the applicable Final Terms, the net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be specified in the applicable Final Terms, if so required pursuant to applicable law.

Green Bonds

In particular, if so specified in the applicable Final Terms, the Issuer may issue Notes under the Programme where the use of proceeds is specified in the applicable Final Terms to be for the financing and/or refinancing of an Eligible Green Loan Portfolio, in accordance with certain prescribed Eligibility Criteria as in such case shall be set out in item 42 (*Use of Proceeds*) of the applicable Final Terms. The Issuer sees the issuance of green bonds as an effective tool to make a positive contribution to the climate, its emission reduction targets and achieving the Sustainable Development Goals of the United Nations (also see '*The Issuer*' - '*The Issuer and ESG*' for more information on the ESG business, strategy and objectives of the Issuer).

De Volksbank's Green Bond Framework, available at <https://static.devolksbank.nl/files/Green-Bond-Framework-de-Volksbank-2023.pdf?v=1696571330>, is not incorporated in and does not form part of this Base Prospectus however, the information included below under '*Eligibility criteria*', '*Process for evaluation and selection*', '*Management of proceeds*' and '*Allocation and impact reporting*' is derived from the de Volksbank's Green Bond Framework. De Volksbank's Green Bond Framework follows the ICMA Green Bond Principles 2021. In connection with the de Volksbank's Green Bond Framework, the Issuer has appointed ISS Corporate Solutions ("**ICS**") to provide and ICS has provided, a Second Party Opinion. According to the Second Party Opinion, de Volksbank's Green Bond Framework is aligned with the four core components of the ICMA Green Bond Principles 2021, as reflected in the de Volksbank's Green Bond Framework and the Issuer's project characteristics, due diligence processes and policies for the 'Green building' project category are aligned with the EU Taxonomy Climate Delegated Act to the extent it concerns the 'Climate Change Mitigation Criteria, the 'Do Not Significant Harm Criteria ("**DNSH**") for Circular Economy', but not with the DNSH for Climate Change Adaptation and Pollution Prevention and Control.

Neither the Arranger nor the Dealer will verify or monitor the proposed use of proceeds of the Green Bonds issued under the Programme (also see the risk factor '*A failure by the Issuer to use the net proceeds of any Green Bonds in accordance with the de Volksbank's Green Bond Framework and/or criteria determined under the EU Taxonomy Regulation and any failure to meet the investment requirements of investors may affect the suitability and/or value and/or trading price of such Green Bonds*'). Neither the Issuer, the Arranger nor any Dealer make any representation as to the suitability for any purpose of the Second Party Opinion or whether any Green Bonds fulfil the relevant environmental and sustainability criteria. Each potential purchaser of any Series of Green Bonds should determine for itself the relevance of the information contained in this Base Prospectus and in the applicable Final Terms regarding the use of proceeds and its purchase of any Green Bonds should be based upon such investigation as it deems necessary.

The de Volksbank's Green Bond Framework may be amended at any time without taking into account specific interests of Noteholders and without the consent, approval or prior notification of Noteholders, also after the issuance of Green Bonds, *inter alia*, to align the framework with incoming green bond regulation and guidelines. If any amendment to de Volksbank's Green Bond Framework would constitute a 'significant new factor' with respect to the information included in this Base Prospectus, de Volksbank will supplement this Base Prospectus in accordance with Article 23 of the Prospectus Regulation. If the de Volksbank's Green Bond Framework has been amended or updated, the allocation of proceeds of any Green Bonds that are outstanding at the date of such amendment to de Volksbank's Green Bond Framework, if so specified in such amended or updated Volksbank's Green Bond Framework, may be different from the allocation of proceeds as was described in the version of de Green Bond Framework that was in force at the date of issuance of those Green Bonds.

Eligibility Criteria

The net proceeds of the Green Bonds will be used to finance and/or refinance, in part or in whole, an Eligible Green Loan Portfolio meeting certain prescribed eligibility criteria. In order to qualify for the Eligible Green Loan Portfolio, the assets are required to meet one of the below current Eligibility Criteria of the Issuer, as further described in de Volksbank's Green Bond Framework:

I. Green buildings

1. New or existing residential buildings in the Netherlands built prior to 31 December 2020 with at least an Energy Performance Certificate (EPC) label "A";
2. New or existing residential buildings in the Netherlands built prior to 31 December 2020 belonging to the top 15% of the Dutch building stock based on Primary Energy Demand (PED)⁸;
3. New or existing residential buildings in the Netherlands built as of 1 January 2021 with a Primary Energy Demand at least 10% lower than the threshold for Nearly Zero-Energy Buildings ("**NZEB**") in the Dutch market⁹;
4. New or existing residential buildings in the Netherlands that have been renovated, resulting in a reduction of Primary Energy Demand of at least 30%; or
5. New or existing residential buildings in the Netherlands that have been renovated meeting the criteria for major renovation.¹⁰

II. Renewable energy

The production, development, construction, operation, acquisition and products of renewable energy, as well as the connection of renewable energy production units to the electricity grid, the transportation through the network and the manufacturing of the technology. Renewable energy sources can include:

- on and offshore wind energy
- solar energy
- tidal energy

(each investment, expenditure and/or loan that is used to finance any of the assets listed under 'Green buildings' and 'Renewable energy' above, an "**Eligible Green Loan**" and each portfolio of Eligible Green Loans, an "**Eligible Green Loan Portfolio**").

Process for evaluation and selection

The Issuer ensures, on a best-efforts basis, that loans comply with official national, supranational and international environmental and social standards, laws and regulations. It is also part of the Issuer's transaction approval process to ensure that loans comply with the Issuer's sustainability policy, including those financed with the proceeds of the Green Bonds. Projects as proposed by various business areas of the Issuer are evaluated and selected by the Issuer's Social Impact Committee (SIC), based on compliance with the Eligibility Criteria.

The definition of the Eligibility Criteria takes into account the EU Taxonomy Regulation and the EU Taxonomy Climate Delegated Act adopted in June 2021 with the intention to apply them on a best-efforts basis as long as there are feasible practical applications in the geographies where the assets are located.

Management of proceeds

The proceeds of the Green Bonds will be managed by the Issuer in a portfolio approach. The Issuer will strive, over time, to achieve a level of allocation for the Eligible Green Loan Portfolio which matches or exceeds the balance of net proceeds from its outstanding Green Bonds. Additional Eligible Green Loans will be added to the Issuer's Eligible Green Loan Portfolio to the extent required.

In the event of unallocated net proceeds of the Green Bonds, or in case of an insufficient Eligible Green Loan Portfolio, the Issuer will hold and/or invest, at its own discretion, the balance of net proceeds not allocated to the Eligible Green

⁸ Refer to our Green Buildings Methodology Assessment document available on the Issuer's [website](#).

⁹ The Dutch version of NZEB is called BENG. In accordance with the EU Taxonomy recommendation, the net primary energy demand of new constructions (built as of the 1st of January 2021) must be at least 10% lower than the primary energy demand resulting from the relevant BENG requirements.

¹⁰ As set in the applicable national and regional building regulations for 'major renovation' implementing Directive 2010/31/EU. The energy performance of the building or the renovated part that is upgraded meets cost-optimal minimum energy performance requirements in accordance with the respective directive.

Loan Portfolio in its treasury liquidity portfolio, in cash or other short term and liquid instruments or any other treasury activity, with the intention to limit the period of such unallocated proceeds. In such case, the Green Bonds will continue to qualify as Green Bonds under de Volksbank's Green Bond Framework. Potential investors should make their own assessment about making any investment decision with respect to the Green Bonds. The Issuer's Social Impact Committee will review and approve allocations of bond proceeds to the Eligible Green Loan Portfolio on, at least, an annual basis.

Reporting

The Issuer will make and keep readily available reporting on the allocation of net proceeds of the outstanding Green Bonds issued to the Eligible Green Loan Portfolio annually, at least until full allocation. The Issuer will report the allocation of the proceeds of the Green Bonds to the Eligible Green Loan Portfolio at least at each eligible project category level (such as 'Green buildings' and 'Renewable energy') and on an aggregated basis for all of the Issuer's outstanding Green Bonds. Such allocation report will report on, on a best efforts basis, the (i) size of the Eligible Green Loan Portfolio per eligible project category (ii) total amount of proceeds allocated to Eligible Green Loans per category, (iii) number of Eligible Green Loans, (iv) balance of unallocated proceeds, (v) amount or the percentage of new financing and refinancing and (vi) proportion of the Eligible Green Loan Portfolio that is EU Taxonomy Regulation eligible and/or aligned. The reporting on the allocation of net proceeds of the Green Bonds are available on the Issuer's website (<https://www.devolksbank.nl/investor-relations/green-bonds>).

The Issuer aims to provide an annual non-financial impact report on climate impact associated to the Eligible Project Categories of the Eligible Green Loans. Impact reporting information will be presented in accordance with the ICMA Handbook template for impact reporting in accordance with the portfolio approach: "Harmonized Framework for Impact Reporting (June 2022)". The environmental impact reporting is available on the Issuer's website (<https://www.devolksbank.nl/investor-relations/green-bonds>).

The envisaged impact of the issue of a Green Bond is a reduction and/or avoidance of CO2 emissions as a result of a lower degree of carbon intensity of the assets which are the subject of the investments, expenditures or loans included in the Eligible Green Loan Portfolio versus the baseline in the Netherlands. The way in which the reduced and/or avoided CO2 equivalent emissions will be calculated will be outlined in post-issuance reporting documents.

The Issuer intends to align the reporting with the most up to date methodology proposed by Partnership for Carbon Accounting Financials.

Verification

The Issuer will request on an annual basis, starting one (1) year after issuance and until full allocation of the outstanding Green Bond, a limited assurance report of the allocation of the proceeds of the outstanding Green Bonds to Eligible Green Loan Projects, provided by its external auditor. The limited assurance report will be included as part of the allocation report which is available on the Issuer's website (<https://www.devolksbank.nl/investor-relations/green-bonds>).

Any information contained in or accessible through any website, including <https://www.devolksbank.nl/investor-relations/green-bonds>, does not form a part of the Base Prospectus, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

1.7. TAXATION

TAX WARNING

Potential investors and sellers of Notes, Coupons or Receipts should be aware that they may be required to pay stamp taxes or other documentary taxes or fiscal duties or charges in accordance with the laws and practices of the country where the Notes, Coupons or Receipts are transferred or other jurisdictions. In addition, payments of interest on the Notes, or profits realized in respect of the Notes, Coupons or Receipts, may be subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the holder of Notes, Coupons or Receipts, or in other jurisdictions in which the holder of Notes, Coupons or Receipts is required to pay taxes. Any such tax consequences may have an impact on the income received from the Notes, Coupons or Receipts.

Prospective investors should carefully consider the tax consequences of investing in the Notes, Coupons or Receipts and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Taxation in the Netherlands

The following is a general summary of certain material Dutch tax consequences of the acquisition, holding and disposal of the Notes, Coupons or Receipts. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes, Coupons or Receipts and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution.

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. Where the summary refers to "the Netherlands" or "Dutch" it refers only to the part of the Kingdom of the Netherlands located in Europe. In addition, the summary is based on the assumption that the Notes, Coupons or Receipts issued by the Issuer do not qualify as equity of the Issuer for Dutch tax purposes.

This discussion is for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding and disposal of the Notes, Coupons or Receipts. Noteholders, Couponholders, Receiptholders or prospective Noteholders, Couponholders or Receiptholders should consult with their own tax advisors with regard to the tax consequences of investing in the Notes, Coupons or Receipts in light of their particular circumstances.

Withholding tax

All payments made by or on behalf of the Issuer under the Notes, Coupons or Receipts to holders of Notes, Coupons or Receipts may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except that Dutch withholding tax at a rate of 25.8% (rate for 2023) may apply with respect to payments of interest made or deemed to be made by or on behalf of the Issuer, if the interest payments are made or deemed to be made to an entity related (*gelieerd*) to the Issuer (within the meaning of the Dutch Withholding Tax Act 2021; *Wet bronbelasting 2021*) (see below), if such related entity:

- (i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*) (a "**Listed Jurisdiction**"); or
- (ii) has a permanent establishment located in a Listed Jurisdiction to which the interest payment is attributable; or
- (iii) is entitled to the interest payment for the main purpose or one of the main purposes of avoiding taxation for another person or entity and there is an artificial arrangement or transaction or a series of artificial arrangements or transactions; or
- (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another (lower-tier) entity as the recipient of the interest (a hybrid mismatch); or
- (v) is not treated as resident anywhere (also a hybrid mismatch); or

(vi) is a reverse hybrid (within the meaning of Article 2(12) of the Dutch Corporate Income Tax Act; *Wet op de vennootschapsbelasting 1969*), if and to the extent (x) there is a participant in the reverse hybrid holding a Qualifying Interest in the reverse hybrid, (y) the jurisdiction of residence of the participant holding the Qualifying Interest in the reverse hybrid treats the reverse hybrid as transparent for tax purposes and (z) such participant would have been subject to Dutch withholding tax in respect of the payments of interest without the interposition of the reverse hybrid,

all within the meaning of the Dutch Withholding Tax Act 2021.

Related entity

For purposes of the Dutch Withholding Tax Act 2021, an entity is considered an entity related to the Issuer if:

- (i) such entity has a Qualifying Interest (as defined below) in the Issuer;
- (ii) the Issuer has a Qualifying Interest in such entity; or
- (iii) a third party has a Qualifying Interest in both the Issuer and such entity.

The term "Qualifying Interest" means a direct or indirectly held interest – either by an entity individually or jointly if an entity is part of a collaborating group (*samenwerkende groep*) – that enables such entity or such collaborating group to exercise a definite influence over another entity's decisions and allows it to determine the other entity's activities (within the meaning of case law of the European Court of Justice on the right of freedom of establishment (*vrijheid van vestiging*)).

Taxes on income and capital gains

Please note that the summary in this section does not describe the Dutch tax consequences for:

- (i) holders of Notes, Coupons or Receipts if such holders have a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer under the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder, alone or, in case of individuals, together with such holder's partner or any relatives by blood or marriage in the direct line (including foster children) (as defined in the Dutch Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), tax exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (each as defined in the Dutch Corporate Income Tax Act 1969; *Wet op de vennootschapsbelasting 1969*) and other entities that are, in whole or in part, not subject to or exempt from Dutch corporate income tax; and
- (iii) holders of Notes, Coupons or Receipts who are individuals for whom the Notes, Coupons or Receipts or any benefit derived from the Notes, Coupons or Receipts are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Dutch Income Tax Act 2001).

Dutch Resident Entities

Generally, if the holder of Notes, Coupons or Receipts is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a "**Dutch Resident Entity**"), any income derived or deemed to be derived from the Notes, Coupons or Receipts or any capital gains realised on the disposal or deemed disposal of the Notes, Coupons or Receipts is subject to Dutch corporate income tax at a rate of 19% with respect to taxable profits up to € 200,000 and 25.8% with respect to taxable profits in excess of that amount (rates and brackets for 2023).

Dutch Resident Individuals

If a holder of Notes, Coupons or Receipts is an individual resident or deemed to be resident of the Netherlands for Dutch income tax purposes (a "**Dutch Resident Individual**"), any income derived or deemed to be derived from the Notes, Coupons or Receipts or any capital gains realised on the disposal or deemed disposal of the Notes, Coupons or Receipts is taxable at the progressive income tax rates (with a maximum of 49.50% in 2023), if:

- (i) the Notes, Coupons or Receipts are attributable to an enterprise from which the holder of Notes, Coupons or Receipts derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise, without being a shareholder (as defined in the Dutch Income Tax Act 2001); or
- (ii) the holder of Notes, Coupons or Receipts is considered to perform activities with respect to the Notes, Coupons or Receipts that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or otherwise derives benefits from the Notes, Coupons or Receipts that are taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*).

Taxation of savings and investments

If the above-mentioned conditions (i) and (ii) do not apply to the Dutch Resident Individual, the Notes, Coupons or Receipts will be subject to an annual Dutch income tax under the regime for savings and investments (*inkomen uit sparen en beleggen*). Taxation only occurs insofar the Dutch Resident Individual's net investment assets for the year exceed a statutory threshold (*heffingvrij vermogen*). The net investment assets for the year are the fair market value of the investment assets less the fair market value of the liabilities on January 1 of the relevant calendar year (reference date; *peildatum*). Actual income or capital gains realized in respect of the Notes are as such not subject to Dutch income tax.

The Dutch Resident Individual's assets and liabilities taxed under this regime, including the Notes, Coupons or Receipts, are allocated over the following three categories: (a) bank savings (*banktegoeden*), (b) other investments (*overige bezittingen*), including the Notes, Coupons or Receipts, and (c) liabilities (*schulden*). The taxable benefit for the year (*voordeel uit sparen en beleggen*) is equal to the product of (x) the total deemed return divided by the sum of bank savings, other investments and liabilities and (b) the sum of bank savings, other investments and liabilities minus the statutory threshold, and is taxed at a flat rate of 32% (rate for 2023).

The deemed return applicable to other investments, including the Notes, Coupons or Receipts, is set at 6.17% for the calendar year 2023. Transactions in the three-month period before and after 1 January of the relevant calendar year implemented to arbitrate between the deemed return percentages applicable to bank savings, other investments and liabilities will for this purpose be ignored if the holder of Notes cannot sufficiently demonstrate that such transactions are implemented for other than tax reasons.

Non-residents of the Netherlands

A holder of the Notes, Coupons or Receipts that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch (corporate) income tax in respect of income derived or deemed to be derived from the Notes, Coupons or Receipts or in respect of capital gains realised on the disposal or deemed disposal of the Notes, Coupons or Receipts, provided that:

- (i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Dutch Income Tax Act 2001 and the Dutch Corporate Income Tax Act 1969, as applicable) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes, Coupons or Receipts are attributable; and
- (ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes, Coupons or Receipts that go beyond ordinary asset management and does not otherwise derive benefits from the Notes, Coupons or Receipts that are taxable as benefits from miscellaneous activities in the Netherlands.

Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes, Coupons or Receipts by way of a gift by, or on the death of, a holder of such Notes, Coupons or Receipts who is resident or deemed resident of the Netherlands at the time of the gift or such holder's death.

Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes, Coupons or Receipts by way of a gift by, or on the death of, a holder of such Notes, Coupons or Receipts who is neither resident nor deemed to be resident of the Netherlands, unless:

- (i) in the case of a gift of a Note, Coupon or Receipt by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within one hundred and eighty (180) days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (ii) in the case of a gift of a Note, Coupon or Receipt is made under a condition precedent, the holder of the Notes, Coupons or Receipts is resident or is deemed to be resident of the Netherlands at the time the condition is fulfilled; or
- (iii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be a resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten (10) years preceding the date of the gift or such person's death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve (12) months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value added tax (VAT)

No Dutch VAT will be payable by the holders of Notes, Coupons or Receipts on (i) any payment in consideration for the issue of the Notes, Coupons or Receipts or (ii) the payment of interest or principal by the Issuer under the Notes, Coupons or Receipts.

Other taxes and duties

No Dutch documentation taxes (commonly referred to as stamp duties) will be payable by the holders of Notes, Coupons or Receipts in respect of (i) the issue of the Notes, Coupons or Receipts or (ii) the payment of interest or principal by the Issuer under the Notes, Coupons or Receipts.

Residency

A holder of Notes, Coupons or Receipts will not become, and will not be deemed to be, resident of the Netherlands for Dutch tax purposes by reason only of the execution, performance, delivery and/or enforcement of the Notes, Coupons or Receipts.

1.8. SUBSCRIPTION AND SALE

The Dealers have in the Dealership Agreement agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters set out in section 0 (*Form of the Notes*) and in section 2.1 (*Terms and Conditions*). In the Dealership Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

General

Prohibition of sales to EEA

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or
 - (ii) a customer within the meaning of IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (EUWA); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Selling Restrictions Addressing Additional UK Securities Laws

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes having a maturity of less than one (1) year:
 - 1. it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:
 - 2. it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (i) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (ii) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated, and will only communicate or cause to communicate, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of Notes in circumstances in which Section 21(1) of the FSMA does not, or in the case of the Issuer would not, if it was not an authorised person, apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

United States of America

- (1) The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States and may not be offered or sold or delivered within the United States or to, or for the account or benefit of, United States persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act ("**Regulation S**").

Notes in bearer form are subject to United States tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by United States tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that except as permitted in the Dealership Agreement it, its affiliates (as defined in Rule 405 under the Securities Act) or any person acting on its or their behalf has offered and sold any Notes, and will offer and sell any Notes (i) as part of their distribution at any time and (ii) otherwise until forty (40) days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part (the "**distribution compliance period**"), as determined and notified as provided below. Accordingly, each Dealer has further represented and agreed that it, its affiliates and any person acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has subscribed for Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche subscribed for by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Agent the completion of the distribution by it of the Notes of such Tranche. On the basis of such notification or notifications, the Agent will notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

*'The securities covered hereby have not been registered under the United States Securities Act of 1933 (the "**Securities Act**") and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, United States persons (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after the completion of the distribution of the Securities as determined and notified by the Agent to the [name of the relevant Dealer], except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them in Regulation S.'*

Terms used in this subclause 1 have the meanings given to them by Regulation S.

In addition, until forty (40) days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes of such Tranche within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

- (2) In addition (but only in relation to Notes with an initial maturity in excess of three hundred and sixty-five (365) days that are treated as issued in bearer form for United States federal income tax purposes):

where *TEFRA D* is specified in the applicable Final Terms:

- (a) except to the extent permitted under United States Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**"), each Dealer (a) represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (b) each Dealer represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, each Dealer represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of United States Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
- (d) with respect to each affiliate that acquires Notes from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in subparagraphs (a), (b) and (c) on such affiliate's behalf.

Terms used in this paragraph 1(2) have the meanings given to them by the United States Internal Revenue Code and regulations thereunder, including the D Rules.

where *TEFRA C* is specified in the applicable Final Terms:

Each Dealer understands that under United States Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, the Dealer has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Dealer or the prospective purchaser is within the United States or its possessions or otherwise involve a United States office of the Dealer in the offer or sale of Notes in bearer form. Terms used in this paragraph 1(2) have the meanings given to them by the United States Internal Revenue Code and regulations thereunder, including the C Rules.

- (3) Each issue of Dual Currency Notes shall be subject to any additional United States selling restrictions specified in the applicable Final Terms. Each relevant Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional United States selling restrictions.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act 25 of 1948, as amended from time to time, the "**FIEA**") and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except under circumstances which will result in compliance with the FIEA and other relevant laws, regulations and guidelines of Japan in effect at the relevant time.

Zero Coupon Notes

In addition and without prejudice to the relevant restrictions set out above, Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam N.V., admitted in a function on one or more markets or systems held or operated by Euronext Amsterdam N.V., in accordance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended from time to time) and its implementing regulations.

No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Global Note; (b) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals who do not act in the conduct of a business or profession; (c) in respect of the initial issue of Zero Coupon Notes in definitive form

to the first holders thereof; or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series or Tranche are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter.

In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with.

Compliance with Securities Laws and Regulations

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or deliveries and the Issuer shall not have any responsibility therefore. Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. With regard to each Tranche, the relevant Dealer will be required to comply with any other additional restrictions specified in the applicable Final Terms.

1.9. GENERAL INFORMATION

Authorisation

The update of the Programme and the issue of Notes under the Programme from time to time have been duly authorised by the resolutions of the Executive Board dated 12 October 2023. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under Dutch law have been or will be obtained for the issue of Notes and for the Issuer to undertake and perform its obligations under the Dealership Agreement, Agency Agreement and the relevant Notes.

Significant or material adverse change

Up to the date of this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2022, which is the date of its last published audited financial statements.

Up to the date of this Base Prospectus, there has been no significant change in the financial position and the financial performance of the Issuer and/or the de Volksbank Group since 30 June 2023, which is the end of the last financial period for which financial information has been published to the date of this Base Prospectus.

Legal proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), other than as described in section 1.3 (*The Issuer*) of this Base Prospectus in the paragraph '*Legal proceedings*', in the twelve (12) months preceding the date of this Base Prospectus which may have, or have had in the recent past significant effects on the Issuer and/or the de Volksbank Group's financial position or profitability.

Listing

Application may be made for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange during the period of twelve (12) months from the date of this Base Prospectus. Notice of any terms and conditions not contained herein which are applicable to the Notes will be set out in the Final Terms which, with respect to such Notes to be listed on Luxembourg Stock Exchange, will be delivered to the Luxembourg Stock Exchange on or before the date of issue. Notes issued under the Programme may also be listed on any other stock exchange specified in the applicable Final Terms or be unlisted.

Independent auditor

Ernst & Young Accountants LLP is the independent auditor of de Volksbank N.V. Ernst & Young Accountants LLP is registered at the Chamber of Commerce of Rotterdam in the Netherlands under number 24432944. The *registeraccountants* of Ernst & Young Accountants LLP are members of the (*Koninklijke Nederlandse Beroepsorganisatie van Accountants* - the Royal Netherlands Institute of Chartered Accountants). The *Koninklijke Nederlandse Beroepsorganisatie van Accountants* is the professional body for accountants in the Netherlands.

Documents Available

For the period of twelve (12) months following the approval by the AFM of this Base Prospectus, copies of the documents listed below will, when published, be available free of charge, (i) from the specified offices of the Paying Agents and at the office of the Issuer at Croeselaan 1, 3521 BJ, Utrecht, the Netherlands and (ii) on the website of the Issuer at <https://www.devолksbank.nl>. Any information contained in or accessible through any website, including www.devолksbank.nl, does not form a part of the Base Prospectus, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

- (i) The Dutch language version and an English translation of the most recent articles of association of the Issuer.
- (ii) The audited annual reports of the Issuer for the two (2) most recent financial years and the unaudited condensed consolidated interim financial statements for the period ended 30 June 2023 of the Issuer.
- (iii) The Dealership Agreement and the Agency Agreement (which contains the forms of the Temporary Global Notes, the Permanent Global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons).
- (iv) A copy of this Base Prospectus.
- (v) Any future prospectuses, offering circulars, supplementary listing particulars, information memoranda, supplements to this Base Prospectus and any other documents incorporated herein or therein by reference.
- (vi) The applicable Final Terms for each Tranche of Notes which are admitted to trading on a regulated market.

Clearing and Settlement Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg, and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

Clearing systems addresses

The address of Euroclear is 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium. The address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg.

Ratings of the Notes

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to other Notes or classes of Notes that may be issued under the Programme and will be specified in the applicable Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Ratings in relation to certain Notes are described in section 1.3 (*The Issuer*) under '*Rating Agencies*'.

Ratings of the Issuer

Ratings in relation to the Issuer a section 1.3 **Error! Reference source not found.** (*The Issuer*) under '*Rating Agencies*'.

CRA Regulation

As of the date of this Base Prospectus, Fitch, S&P and Moody's are established in the EU and each of them is registered under the CRA Regulation. Each credit rating applied for in relation to a certain Series or Tranche of Notes will be issued by a credit rating agency established in the EU and registered under the CRA Regulation or established in the UK and registered under the UK CRA Regulation which will in each case be disclosed clearly and prominently in the applicable Final Terms.

Benchmarks Regulation

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark under the Benchmarks Regulation. If any such reference rate does constitute such a benchmark, the relevant Final Terms will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Not every reference rate will fall within the scope of the Benchmarks Regulation. Furthermore, transitional provisions in the Benchmarks Regulation may have the result that an administrator and/or a benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator or benchmark under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Final Terms to reflect any change in the registration status of the administrator.

1.10. DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been approved by the AFM or filed with it shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) The Issuer's publicly available financial statements and independent auditor's report for the year ended 31 December 2022 (set forth on pages 186 up to and including 252 (financial statements) and pages 257 up to and including 264 (independent auditor's report) of its 2022 integrated annual report (English translation)) and the press release published by the Issuer on 10 February 2023 regarding the Issuer's publicly available financial statements and independent auditor's report for the year ended 31 December 2022, which can be respectively obtained from: <https://www.devolksbank.nl/assets/files/Investor-Relations/Jaarverslagen-de-Volksbank/De-Volksbank-Integrated-Annual-Report-2022.pdf> and <https://www.devolksbank.nl/assets/files/jaarcijfers/Persbericht-Resultaten-2022.pdf>;
- (b) The Issuer's publicly available financial statements for the year ended 31 December 2021 and the independent auditor's report thereon (set forth on pages 145 up to and including 210 (financial statements) and pages 215 up to and including 223 (independent auditor's report) of its 2021 annual report (English translation)), which can also be obtained from: <https://www.devolksbank.nl/assets/files/jaarcijfers/de-Volksbank-N.V.-Annual-Report-2021.pdf>;
- (c) The Issuer's publicly available condensed consolidated interim financial statements for the period ended 30 June 2023 and the independent auditor's review report thereon (set forth on pages 36 to 51 (interim financial statements) and page 52 to 53 (independent auditor's review report) of its interim financial report first half of 2023 (English translation)) and the press release published by the Issuer on 11 August 2023 regarding the Issuer's results for the first half of 2023, which can be respectively obtained from: <https://newsroom.devolksbank.nl/download/c456affa-b6ba-4d2d-86cb-7c45c5a47ee8/interimfinancialreport2023.pdf> and <https://newsroom.devolksbank.nl/download/1070599d-4824-4390-9266-650198752b0c/pressrelease-1h23results.pdf>;
- (d) The terms and conditions as referred to on pages 91 up to and including 140 of the base prospectus of the Issuer relating to the Programme, dated 14 October 2022 (the "**2022 Terms and Conditions**"), which can also be obtained from: <https://www.devolksbank.nl/assets/files/Investor-Relations/Debt-informatie/Unsecured-funding/Euro-MTN/Documentation/DIP-Base-Prospectus-14-October-2022.pdf>;
- (e) The terms and conditions as referred to on pages 109 up to and including 167 of the base prospectus of the Issuer relating to the Programme, dated 14 October 2021 (the "**2021 Terms and Conditions**"), which can also be obtained from: <https://www.devolksbank.nl/assets/files/Investor-Relations/Debt-informatie/Unsecured-funding/Euro-MTN/Documentation/Base-Prospectus-14-October-2021.pdf>;
- (f) The terms and conditions as referred to on pages 103 up to and including 160 of the base prospectus of the Issuer relating to the Programme, dated 15 October 2020 (the "**2020 Terms and Conditions**"), which can also be obtained from: <https://www.devolksbank.nl/assets/files/Investor-Relations/Debt-informatie/Unsecured-funding/Euro-MTN/Documentation/Base-Prospectus-15-October-2020.pdf>;
- (g) The Issuer's articles of association as per the date of approval of this Base Prospectus (in the original Dutch language version as well as in English translation), which can also be obtained from: <https://www.devolksbank.nl/assets/files/Statuten-de-Volksbank-N.V.pdf> and <https://www.devolksbank.nl/assets/files/Articles-of-Association-of-de-Volksbank-N.V.PDF>;
- (h) The responsibility statement in respect of the consolidated and company financial statements of the Issuer issued by the Board of Directors as set forth on page 182 of the Issuer's 2022 integrated annual report (English translation), which can also be obtained from: <https://www.devolksbank.nl/assets/files/Investor-Relations/Jaarverslagen-de-Volksbank/De-Volksbank-Integrated-Annual-Report-2022.pdf>;

- (i) Chapter 3 (Risk Management) set forth on pages 101 up to and including 183 of the Issuer's 2022 integrated annual report (English translation), which can also be obtained from: <https://www.devолksbank.nl/assets/files/Investor-Relations/Jaarverslagen-de-Volksbank/De-Volksbank-Integrated-Annual-Report-2022.pdf>; and
- (j) Chapter 2 (Sustainability Statements) set forth on pages 39 up to and including 76 of the Issuer's 2022 integrated annual report, which can also be obtained from: <https://www.devолksbank.nl/assets/files/jaarcijfers/De-Volksbank-Integrated-Annual-Report-2022.pdf>.

These documents can be obtained without charge at the offices of the Issuer (Croeselaan 1, 3521 BJ Utrecht, the Netherlands, de Volksbank Investor relations, tel: +31 30 2914246/ +31 30 2914807, jacob.bosscha@devолksbank.nl and davey.hak@devолksbank.nl) and the Agent (Banque Internationale à Luxembourg SA, 69 Route d'Esch, L-2953 Luxembourg, Luxembourg, Transaction Execution Group, tel: +352 4590 1), each as set out at the end of this Base Prospectus. In addition all these documents and the Base Prospectus are available on the Issuer's website at <https://www.devолksbank.nl/en/investor-relations/debt-information/unsecured-funding/euro-medium-term-notes>.

The non-incorporated parts of the documents mentioned above are either not relevant for the investor or covered elsewhere in this Base Prospectus.

Any information contained in or accessible through any website, including www.devолksbank.nl, does not form a part of the Base Prospectus, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

CHAPTER 2 NOTES ISSUED BY THE ISSUER

2.1. TERMS AND CONDITIONS

The following are the Terms and Conditions of Notes to be issued by the Issuer (as defined below) which will be incorporated by reference into each Global Note and which will be endorsed on (or, if permitted by the rules of the relevant stock exchange and agreed between the Issuer (as defined below) and the relevant Dealer, incorporated by reference into) each definitive Note in the standard euromarket form. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Global Note and definitive Note in the standard euromarket form. Reference should be made to section 0 (*Form of the Notes*) for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.

This Note is one of a series of Notes issued by de Volksbank N.V. (the "**Issuer**", which expression shall include any Substituted Debtor pursuant to Condition (c)19 (*SUBSTITUTION OF THE ISSUER*)) pursuant to the Agency Agreement (as defined below). References herein to the "**Notes**" shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a Global Note, units of the lowest Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange for a Global Note and (iii) any Global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Agency Agreement dated on or about 14 October 2021 (as supplemented from time to time, the "**Agency Agreement**") and made between the Issuer and Banque Internationale à Luxembourg SA ("**BIL**") as issuing and principal paying agent and agent bank (the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing Definitive Notes in the standard euromarket form (unless otherwise specified in the applicable Final Terms) have interest coupons ("**Coupons**") and, if specified in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes in the standard euromarket form repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Any reference herein to "**Noteholders**" shall mean the holders of the Notes, and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Receiptholders**" shall mean the holders of the Receipts and any reference herein to "**Couponholders**" shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons. Any holders mentioned above include those having a credit balance in the collective deposits held by Euroclear Nederland or one of its participants.

References in these Terms and Conditions to "**Coupons**" will include references to Coupon sheets where applicable.

The Final Terms for this Note are endorsed hereon, attached hereto, applicable hereto or incorporated by reference herein and supplement these Terms and Conditions.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) from the date on which such consolidation is expressed to take effect.

Copies of the Agency Agreement and the applicable Final Terms are available at the specified offices of each of the Agent and the other Paying Agents save that Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

Any references in these Terms and Conditions to any particular provision, article, clause, section or paragraph of a law, directive, regulation or other legislation shall include such provision, article, clause, section or paragraph as consolidated, amended, re-enacted or replaced.

General Definitions

In these Terms and Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below. In addition, further defined terms are set out within the relevant Condition in which such terms are used.

"Accrual Yield"	means the accrual yield specified as such in the applicable Final Terms.
"Additional Business Centre"	means any business centre, specified as such in the applicable Final Terms.
"Additional Financial Centre"	means any financial centre, specified as such in the applicable Final Terms.
"Additional Tier 1 Capital"	means capital which is treated as Additional Tier 1 capital (or any equivalent or successor term) under the CRD requirements by the Competent Authority for the purposes of the Issuer.
"Adjustment Spread"	<p>means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser (if appointed) and acting in good faith, determines is required to be applied to the Replacement Reference Rate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders, as a result of the replacement of the Reference Rate with the Replacement Reference Rate and is the spread, formula or methodology which:</p> <ul style="list-style-type: none">(a) is formally recommended in relation to the replacement of the Reference Rate with the Replacement Reference Rate by any Competent Authority, any working group in the jurisdiction of the applicable currency sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof, or any widely recognized industry association or body; or (if no such recommendation has been made);(b) the Issuer determines, following consultation with the Independent Adviser (if appointed) and acting in good faith, is recognized or acknowledged as being the industry standard for debt market instruments such as or comparable to the Notes or for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Replacement Reference Rate; or (if the Issuer determines that no such industry accepted standard is recognised or acknowledged);

- (c) the Issuer, in its discretion, following consultation with the Independent Adviser (if appointed) and acting in good faith, determines to be appropriate.

"ALAC"

means additional loss absorbing capacity ratio (or such similar nomenclature) used by S&P.

"Amortised Face Amount"

has the meaning specified in Condition 9(e) (*Early Redemption Amounts*).

"Benchmark Event"

means:

- (a) the Reference Rate has ceased to be representative or an industry accepted rate for debt market instruments (as determined by the Issuer, following consultation with the Independent Adviser (if appointed) and acting in good faith) such as, or comparable to, the Notes;
- (b) it has become unlawful or otherwise prohibited (including, without limitation, for the Agent) pursuant to any law, regulation or instruction from a Competent Authority, to calculate any payments due to be made to any Noteholder, Receiptholder or Couponholder using the Reference Rate or otherwise make use of the Reference Rate with respect to the Notes;
- (c) the Reference Rate has changed materially, ceased to be published for a period of at least five (5) Business Days or ceased to exist;
- (d) a public statement is made by the administrator of the Reference Rate or its supervisor that the Reference Rate will, by a specified date within the following six (6) months, be changed materially, no longer be representative, cease to be published, be discontinued or be prohibited from being used or that its use will be subject to restrictions or adverse consequences or that contributors are no longer required by that supervisor to contribute input data to the administrator for purposes of the Reference Rate (for the avoidance of doubt, in case the specified date lies more than six (6) months after the date the public statement is made, this event will be deemed to occur as of the date such specified date lies within the following six (6) months); or
- (e) a public statement is made by the administrator of the Reference Rate or its supervisor that the Reference Rate has changed materially, is no longer representative, has ceased to be published, is discontinued or is prohibited from being used or that its use is subject to restrictions or adverse consequences or that the supervisor no longer requires contributors to contribute input data to the administrator for purposes of the Reference Rate,

provided that, in respect of Compounded Daily €STR or Compounded Daily SOFR, if any event above qualifies as or otherwise occurs simultaneously with an €STR Index Cessation Event or SOFR Index Cessation Event respectively, such event is

not to be deemed a Benchmark Event unless the Rate of Interest cannot be determined in accordance with Condition 7(b)(ii)(b) (*Screen Rate Determination for Floating Rate Notes referencing Compounded Daily €STR*) or Condition 7(b)(ii)(c) (*Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR*) (in which case such event shall be deemed a Benchmark Event).

"Broken Amount" means the amount specified as such in the applicable Final Terms.

"Business Day" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (b) either (1) in relation to any sum payable in a Specified Currency (as specified in the applicable Final Terms) other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency and any Additional Business Centre which, if the Specified Currency is (a) Australian dollars, shall be Sydney, (b) New Zealand dollars, shall be Wellington, (c) Hong Kong dollars, shall be Hong Kong and (d) Japanese yen, shall be Tokyo or (2) in relation to any sum payable in euro, a day on which T2 is operating. In these Conditions, "**T2**" means the real-time gross settlement system operated in the Eurosystem or any successor system.

"Business Day Convention" means the Following Business Day Convention, Modified Following Business Day Convention, No Adjustment or the Preceding Business Day Convention as specified in the applicable Final Terms.

"Calculation Amount" means the amount specified as such in the applicable Final Terms.

"Calculation Period" has the meaning specified in Condition (c)7(a) (*Interest on Fixed Rate Notes*).

"Change of Interest Basis Option" has the meaning specified in Condition 7(f) (*Change of Interest Basis Option*).

"Change of Interest Basis Option Period Date" the date specified as such in the applicable Final Terms.

"Clearstream, Luxembourg" means Clearstream Banking, S.A.

"Competent Authority" means (i) the ECB, DNB or such other regulatory authority or governmental body having primary responsibility for the prudential oversight and supervision of the Issuer, or, as the case may be, a Resolution Authority and (ii), in relation to any Reference Rate, a reference to Competent Authority is to be understood as a reference to the regulatory authority supervising the administrator

of the Reference Rate.

"Convertibility Event"	means the determination by the national government of the country in the currency of which the Notes were issued, that such currency is substituted by another currency.
"CRR"	means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.
"Day Count Fraction"	means in respect of the calculation of an amount of interest for any Interest Period: any day count fraction specified as such in the applicable Final Terms calculated in accordance with the method set out in Condition (c)7(a) (<i>Interest on Fixed Rate Notes</i>) or Condition (c)7(b) (<i>Interest on Floating Rate Notes</i>) as applicable.
"Definitive Notes"	means Notes in definitive form in respect of any Series of Notes.
"Determination Period"	means the period from and including an Interest Payment Date in any year to, but excluding, the next Interest Payment Date.
"DNB"	means the Dutch Central Bank (<i>De Nederlandsche Bank</i>).
"Dual Currency Note"	means a Note in respect of which payments of interest and/or principal (as specified in the applicable Final Terms) will be made in any other currency than the Specified Currency. Such currency or currencies and the exchange rate (" Rate of Exchange ") used to calculate payments of interest or principal will be specified in the applicable Final Terms.
"Early Redemption Amount"	means an amount calculated in accordance with Condition 9(e) (<i>Early Redemption Amounts</i>).
"ECB"	means the European Central Bank.
"Established Rate"	means the rate for the conversion of the Old Currency into the New Currency as fixed by the relevant government of such Old Currency, but which in case the New Currency will be euro (including compliance with rules relating to roundings in accordance with applicable European Community regulations), shall be as established by the Council of the EU pursuant to Article 140 of the Treaty.
"EURIBOR"	means the Eurozone inter-bank offered rate.
"euro"	means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the EU Treaty.
"Euroclear"	means Euroclear Bank SA/NV.
"Euroclear Nederland"	means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
"Event of Default"	has the meaning specified in Condition 12 (<i>EVENTS OF DEFAULT</i>).

"Exchange Notice"	has the meaning specified in Condition 6 (<i>REDENOMINATION</i>).
"Extraordinary Resolution"	means a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions in the Agency Agreement contained by a majority consisting of not less than 75% of the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75% of the votes given on such poll.
"Federal Reserve"	means the Federal Reserve Bank of New York.
"Final Redemption Amount"	means an amount specified as such in the applicable Final Terms.
"Fixed Coupon Amount"	means the amount specified as such in the applicable Final Terms.
"Fixed Day Count Fraction"	<p>means, if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:</p> <p>(a) where the Calculation Period is equal to or shorter than the Determination Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and</p> <p>(b) where the Calculation Period is longer than one Determination Period, the sum of: (A) the actual number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the actual number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (B) the actual number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the actual number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;</p> <p>where:</p> <p>"Determination Period" means the period from and including an Interest Payment Date in any year up to, but excluding, the next Interest Payment Date</p>
"Fixed Rate Note"	means any Note to which a Fixed Rate of Interest applies as specified in the applicable Final Terms.
"Fixed Rate(s) of Interest"	means the Fixed Rate(s) of Interest specified as such in the applicable Final Terms.
"Floating Rate Convention"	has the meaning specified in Condition 7(b)(i)(b).
"Floating Rate Note"	means any Note to which a Floating Rate applies as specified in the applicable Final Terms.
"Floating Rate(s) of Interest"	means the Floating Rate(s) of Interest specified as such in the applicable Final Terms.

"FRBNY"	means the Federal Reserve Bank of New York.
"Following Business Day Convention"	has the meaning specified in Condition (c)7(a) (<i>Interest on Fixed Rate Notes</i>) or Condition (c)7(b) (<i>Interest on Floating Rate Notes</i>) as applicable.
"Independent Adviser"	means an independent financial institution of international repute or an independent financial adviser with appropriate expertise as reasonably determined by the Issuer in its sole discretion.
"Initial Interest Basis"	means the initial interest basis as specified in the applicable Final Terms.
"Instalment Amount"	means the amount specified as such in the applicable Final Terms.
"Instalment Date(s)"	means the date(s) specified as such in the applicable Final Terms.
"Instalment Note"	means a Note that may be redeemable in instalments as specified in the applicable Final Terms.
"Interest Amount"	means the amount of interest payable under the Notes.
"Interest Basis Option Period"	means the interest basis option period as specified in the applicable Final Terms.
"Interest Commencement Date"	means the Issue Date unless otherwise specified in the applicable Final Terms.
"Interest Determination Date"	means the applicable interest determination date as specified in the applicable Final Terms.
"Interest Payment Date(s)"	means the applicable interest payment date(s) as specified in the applicable Final Terms.
"Interest Period"	means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date unless otherwise specified in the relevant Final Terms.
"ISDA"	means the International Swaps and Derivatives Association, Inc.
"ISDA Definitions"	means (i) if specified in the relevant Final Terms as "2006 ISDA Definitions", the 2006 ISDA Definitions published by ISDA, as amended or (ii) if specified in the relevant Final Terms as "2021 ISDA Definitions", the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions), each as at the Issue Date of the first tranche of Notes unless otherwise specified in the relevant Final Terms.
"ISDA Determination"	means the method for determining the interest rate of Floating Rate Notes as specified in Condition 7(b)(ii)(a) (<i>ISDA Determination for Floating Rate Notes</i>).

"Issue Date"	means the issue date specified as such in the applicable Final Terms.
"Issue Price"	means the issue price of the Notes specified as such in the applicable Final Terms.
"Issuer"	de Volksbank N.V. and any Substituted Debtor pursuant to Condition (c)19 (<i>SUBSTITUTION OF THE ISSUER</i>).
"Long Maturity Note"	has the meaning specified in Condition 8(b) (<i>Presentation of Definitive Notes, Receipts and Coupons</i>).
"Margin"	means the margin applicable to the Notes specified as such in the applicable Final Terms.
"Maturity Date"	means the date of maturity of the Notes as specified in the applicable Final Terms.
"Maximum Rate of Interest"	means the maximum Rate of Interest specified as such in the applicable Final Terms.
"Maximum Redemption Amount"	means the maximum redemption amount specified as such in the applicable Final Terms.
"Minimum Rate of Interest"	means the minimum rate of interest specified as such in the applicable Final Terms (which may not be less than zero) or if no such rate is stated the Minimum Rate of Interest shall be deemed zero.
"Minimum Redemption Amount"	means the minimum redemption amount specified as such in the applicable Final Terms.
"Modified Following Business Day Convention"	has the meaning specified in Condition (c)7(a) (<i>Interest on Fixed Rate Notes</i>) or Condition (c)7(b) (<i>Interest on Floating Rate Notes</i>) as applicable.
"MREL Eligible Liabilities"	means liabilities which are eligible to meet any MREL requirement, applicable to the Issuer (whether on a solo or (sub)consolidated basis) under the MREL Regulations, such as eligible liabilities as referred to in CRR.
"MREL Regulations"	has the meaning specified in Condition 9(d) (<i>Redemption, substitution and variation for regulatory purposes</i>).
"MREL Requirement"	refers to the minimum requirement for own funds and eligible liabilities (as referred to in Article 12 of the SRM Regulation), the TLAC and/or any similar requirement, as each may be amended from time to time, including any amendments or additional requirements in connection with the implementation of the TLAC standard in EU law (or Dutch law implementing said EU law), that is or may become applicable to the Issuer (whether on an individual or consolidated basis), and including any subordination requirement that may become applicable to the Issuer pursuant to a decision of the Resolution Authority.
"New Currency"	has the meaning specified in Condition 6 (<i>REDENOMINATION</i>).

"Noteholder"	has the meaning specified in Condition 1 (<i>FORM, DENOMINATION AND TITLE</i>).
"Old Currency"	has the meaning specified in Condition 6 (<i>REDENOMINATION</i>).
"Optional Redemption Amount"	means an amount (if any) specified as such in the applicable Final Terms.
"Optional Redemption Date(s)"	means if specified as applicable in the applicable Final Terms, the date(s) designated and notified by the Issuer to the Noteholders (in the event Redemption at the Option of the Issuer is applicable).
"Payment Day"	has the meaning specified in Condition 8(e) (<i>Payment Day</i>).
"Preceding Business Day Convention"	has the meaning specified in Condition (c)7(a) (<i>Interest on Fixed Rate Notes</i>) or Condition (c)7(b) (<i>Interest on Floating Rate Notes</i>) as applicable.
"Rate of Exchange"	means the exchange rate specified as such in the applicable Final Terms.
"Rate(s) of Interest"	means either the Fixed Rate of Interest or Floating Rate of Interest as specified in the applicable Final Terms.
"Recapitalisation"	has the meaning specified in Condition 9(j) (<i>Statutory Loss Absorption and Recapitalisation of Notes</i>).
"Redeemed Notes"	has the meaning specified in Condition 9(c) (<i>Redemption at the option of the Issuer (Issuer Call)</i>).
"Redenomination Date"	means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 6 (<i>REDENOMINATION</i>) and which in case of (i) the New Currency being euro, falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union and in case of (ii) the New Currency being a currency other than euro, shall be the date the relevant government of the New Currency accepts payment in the New Currency as legal tender.
"Reference Price"	means the reference price specified as such in the applicable Final Terms.
"Reference Rate"	means EURIBOR, €STR, Compounded Daily SOFR, Weighted Average SOFR, SONIA, Mid Swap Rate, Rate of Exchange or another benchmark as well as any substitute, alternative or successor rate determined in accordance with Condition (c)7(b)(ii) (<i>Rate of Interest</i>) or Condition 7(d) (<i>Replacement Reference Rate</i>), as applicable, including the applicable tenor and currency.
"Relevant Date"	has the meaning specified in Condition 10 (<i>TAXATION</i>).
"Relevant Screen Page"	means such page, section, caption or column or other part of a particular information service as may be specified in the applicable Final Terms.

"Relevant Time"	means the time specified as such in the applicable Final Terms.
"Resolution Authority"	means, the SRB, the ECB, DNB or such other regulatory authority or governmental body having the power to impose resolution measures, such as Statutory Loss Absorption on or Recapitalisation of Notes, or other resolution tools or resolution action pursuant to the Applicable Resolution Framework. For the avoidance of doubt, in case of certain measures pursuant to Part 6 of the Wft the Resolution Authority is the Dutch Minister of Finance.
"Screen Rate Determination"	means the method for determining the interest rate of Floating Rate Notes as specified in Condition 7(b)(ii)(b) (<i>Screen Rate Determination for Floating Rate Notes referencing Compounded Daily €STR</i>), Condition 7(b)(ii)(c) (<i>Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR</i>), Condition 7(b)(ii)(d) (<i>Screen Rate Determination for Floating Rate Notes referencing Weighted Average SOFR</i>), Condition 7(b)(ii)(e) (<i>Screen Rate Determination for Floating Rate Notes referencing SONIA</i>) and Condition 7(b)(ii)(f) (<i>Screen Rate Determination for Floating Rate Notes referencing a Reference Rate other than €STR, Compounded Daily SOFR, Weighted Average SOFR or SONIA</i>), respectively.
"Selection Date"	has the meaning specified in Condition 9(c) (<i>Redemption at the option of the Issuer (Issuer Call)</i>).
"Senior Claims"	means (a) the claims of depositors (other than in respect of those whose deposits that in accordance with or by operation of applicable law rank equally to or lower than the Subordinated Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims, (d) subordinated claims that in accordance with or by operation of applicable law rank in priority to the Subordinated Notes and (e) (other) excluded liabilities' within the meaning of Article 72a(2) of the CRR.
"Senior Non-Preferred Notes"	means senior non-preferred notes and the related Receipts and Coupons issued by the Issuer that constitute any present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (<i>Faillissementswet</i>) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) and shall at all times rank (i) <i>pari passu</i> without any preference among the Senior Non-Preferred Notes themselves and the related Receipts and Coupons and with all other present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (<i>Faillissementswet</i>) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) (other than those obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Senior Non-Preferred Notes), (ii) senior to Subordinated Notes and (iii) in the event of bankruptcy (<i>faillissement</i>) of the Issuer, junior to the Senior Preferred Notes and the Senior Preferred

MREL Notes and unsubordinated obligations ranking *pari passu* to Senior Preferred Notes and Senior Preferred MREL Notes (and those obligations that in accordance with or by operation of applicable law rank in priority of Senior Preferred Notes and Senior Preferred MREL Notes) and (other) excluded liabilities' within the meaning of Article 72a(2) of the CRR.

"Senior Preferred MREL Notes"

means senior preferred MREL notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and that rank *pari passu* without any preference among the Senior Preferred MREL Notes themselves and the related Receipts and Coupons and with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred Notes) save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes. The Senior Preferred MREL Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes.

"Senior Preferred Notes"

means the senior preferred notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and that rank *pari passu* without any preference among the Senior Preferred Notes themselves and the related Receipts and Coupons and with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred MREL Notes) save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes. The Senior Preferred Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes.

"Set-off Repayment"

has the meaning specified in Condition 3 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED MREL NOTES*).

"Specified Currency"

means the currency of the Notes specified as such in the applicable Final Terms.

"Specified Denomination"

means the denomination of the Notes specified as such in the applicable Final Terms.

"Specified Interest Payment Date"

means the interest payment date specified as such in the applicable Final Terms.

"Specified Period"

has the meaning specified in Condition 7(b)(i)(b).

"SRB"

means the European Single Resolution Board.

"SRM Regulation"

means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution

Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, and any rules or regulations related thereto, as may be amended from time to time.

"Statutory Loss Absorption"	has the meaning specified in Condition 9(j) (<i>Statutory Loss Absorption and Recapitalisation of Notes</i>).
"Subordinated Noteholders"	has the meaning specified in Condition 5 (<i>STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES</i>).
"Subordinated Notes"	means (a) subordinated notes that do not qualify as Tier 2 Notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank as described in Condition 5 (<i>STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES</i>) and (b) subordinated notes that qualify as Tier 2 Notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank as described in Condition 5 (<i>STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES</i>).
"Subsequent Interest Basis"	means, subject to the conditions set out in Condition 7(f) (<i>Change of Interest Basis Option</i>), the interest basis specified as such in the applicable Final Terms that shall commence to apply upon exercise of the Change of Interest Basis Option.
"Substituted Debtor"	has the meaning specified in Condition (c)19 (<i>SUBSTITUTION OF THE ISSUER</i>).
"sub-unit"	means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one (1) cent.
"Taxes"	has the meaning specified in Condition 10 (<i>TAXATION</i>).
"Tier 2 Capital"	means capital which is treated as a constituent of Tier 2 capital under the CRD requirements by the Competent Authority for the purposes of the Issuer.
"Tier 2 Note"	has the meaning specified in Condition 1 (<i>FORM, DENOMINATION AND TITLE</i>).
"TLAC"	means total loss absorbing capacity.
"Treaty"	means the Treaty on the functioning of the EU, as amended from time to time.
"Wft"	means the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>).
"Zero Coupon Notes"	notes during the term of which no interest shall become due and payable. The applicable Final Terms will specify whether the Tranche constitutes Zero Coupon Notes or not.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form and, in the case of Definitive Notes, serially numbered, in the Specified Currency, the Specified Denomination(s) and the Specified Form(s) save that in the case of any Note the minimum Specified Denomination shall be € 100,000 (or its equivalent in any other currency as at the date of the issue of the Notes).

Each Note is a Senior Preferred Note, a Senior Preferred MREL Note, a Senior Non-Preferred Note or a Subordinated Note (as specified in the applicable Final Terms).

Subordinated Notes may qualify as Tier 2 Capital ("**Tier 2 Notes**") (as specified in the applicable Final Terms) for the purposes of the regulatory capital rules applicable to the Issuer from time to time. If the Subordinated Notes do not qualify as Tier 2 Notes, these Notes may (continue to) qualify as MREL Eligible Liabilities.

Senior Preferred MREL Notes and Senior Non-Preferred Notes may qualify as MREL Eligible Liabilities.

Each Note is either a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Dual Currency Note or an Instalment Note or a combination of any of the foregoing, as specified in the applicable Final Terms.

Definitive Notes are issued with Coupons attached (unless otherwise specified in the applicable Final Terms), unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Under Dutch law, the valid transfer of Notes requires, among other things, delivery (*levering*) thereof. For Notes held by Euroclear Nederland, deliveries will be made in accordance with the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*) (as amended from time to time). Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may (except as otherwise required by law) deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof, whether or not any payment is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof and no person shall be liable for so treating such bearer for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the first succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of a manifest error) shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by a Global Note held by a common depositary for Euroclear or Clearstream, Luxembourg or by a common safekeeper will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms but shall not include Euroclear Nederland.

2. STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED NOTES

The Senior Preferred Notes and the related Receipts and Coupons constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among the Senior Preferred Notes themselves and the related Receipts and Coupons with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred MREL Notes), save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred

Notes. The Senior Preferred Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes. In the case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions.

Although the Senior Preferred Notes rank *pari passu* to the Senior Preferred MREL Notes, the Senior Preferred Notes differ from the Senior Preferred MREL Notes as to certain of their characteristics. This is, because the Senior Preferred MREL Notes are intended to qualify as MREL Eligible Liabilities for the purposes of the MREL Regulations applicable to the Issuer from time to time and which MREL Regulations impose restrictions on those characteristics, while the Senior Preferred Notes are not intended to qualify as such and are thus not subject to such restrictions.

3. STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED MREL NOTES

The Senior Preferred MREL Notes and the related Receipts and Coupons constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among the Senior Preferred MREL Notes themselves and the related Receipts and Coupons with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred Notes), save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes. The Senior Preferred MREL Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes. In the case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions.

No Senior Preferred MREL Noteholder, Receiptholder or Couponholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Preferred MREL Notes or the related Receipts or Coupons. To the extent that any Senior Preferred MREL Noteholder, Receiptholder or Couponholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Senior Preferred MREL Noteholder, Receiptholder or Couponholder is required to immediately transfer to the Issuer an amount equal to the amount which purportedly has been set off or netted (such a transfer, a "**Set-off Repayment**") and no rights can be derived from the relevant Senior Preferred MREL Notes or the related Receipts or Coupons until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility and impossibility of any set-off or netting by a Senior Preferred MREL Noteholder, Receiptholder or Couponholder shall be exclusively governed by Dutch law.

The Senior Preferred MREL Notes may be intended to be MREL Eligible Liabilities to meet any MREL Requirement applicable to the Issuer.

4. STATUS AND CHARACTERISTICS RELATING TO THE SENIOR NON-PREFERRED NOTES

Subject to Condition 9(j) (*Statutory Loss Absorption and Recapitalisation of Notes*), the Senior Non-Preferred Notes and the related Receipts and Coupons will constitute any present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) and shall at all times rank:

- (i) *pari passu* without any preference among the Senior Non-Preferred Notes themselves and the related Receipts and Coupons and with all other present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) (other

than those obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Senior Non-Preferred Notes);

- (ii) senior to:
 - a) Subordinated Notes; and
 - b) the Issuer's ordinary shares and any other obligations or capital instruments of the Issuer that rank or are expressed to rank junior to the Senior Non-Preferred Notes, including any (other) obligations or capital instruments of the Issuer which constitute Additional Tier 1 Capital or Tier 2 Capital; and
- (iii) in the event of bankruptcy (*faillissement*) of the Issuer, junior to the Senior Preferred Notes and the Senior Preferred MREL Notes, unsubordinated obligations ranking *pari passu* to the Senior Preferred Notes and the Senior Preferred MREL Notes (and those obligations that in accordance with or by operation of applicable law rank in priority to the Senior Preferred Notes and the Senior Preferred MREL Notes) and (other) excluded liabilities' within the meaning of Article 72a(2) of the CRR.

As a result, in the event of the bankruptcy of the Issuer, the claims of holders of Senior Non-Preferred Notes of each Series and the related Receipts and Coupons against the Issuer are subordinated to the (a) the claims of depositors (other than in respect of those whose deposits that in accordance with or by operation of applicable law rank equally to or lower than the Senior Non-Preferred Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) the Senior Preferred Notes and the Senior Preferred MREL Notes and (d) all other present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer (including those expressed by their terms or by mandatory and/or overriding provisions of law to rank in priority over the Senior Non-Preferred Notes).

Other than in the event of the bankruptcy of the Issuer (or, as mentioned further below, in case of resolution proceedings in respect of the Issuer), the claims of holders of Senior Non-Preferred Notes of each Series and the related Receipts and Coupons against the Issuer rank *pari passu* to the Senior Preferred Notes and the Senior Preferred MREL Notes and other unsubordinated obligations ranking *pari passu* to the Senior Preferred Notes and the Senior Preferred MREL Notes.

In the case resolution proceedings are commenced in respect of the Issuer and notably when bail-in is applied, the aforementioned ranking in bankruptcy will in principle be followed, with the relevant resolution powers being exercised in a reverse order of priority of claims, subject to certain exceptions.

No Senior Non-Preferred Noteholder, Receiptholder or Couponholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes or the related Receipts or Coupons. To the extent that any Senior Non-Preferred Noteholder, Receiptholder or Couponholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Senior Non-Preferred Noteholder, Receiptholder or Couponholder is required to immediately exercise a Set-off Repayment and no rights can be derived from the relevant Senior Non-Preferred Notes or the related Receipts or Coupons until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Senior Non-Preferred Noteholder, Receiptholder or Couponholder shall be exclusively governed by Dutch law.

The Senior Non-Preferred Notes are intended to be MREL Eligible Liabilities to meet any MREL Requirement applicable to the Issuer.

5. STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES

Subordinated Notes that do not qualify as Tier 2 Notes

The principal amount and interest due under Subordinated Notes that do not qualify as Tier 2 Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank (i) *pari passu* without any preference among the principal amount and interest due under the Subordinated Notes that do not qualify as Tier 2 Notes themselves and with the interest due under Subordinated Notes that qualify as Tier 2 Notes and all other present and future unsecured, unguaranteed and subordinated obligations of the Issuer (other than those subordinated

obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Subordinated Notes) and (ii) senior to the principal amount due under Subordinated Notes that qualify as Tier 2 Notes and any other own funds instruments within the meaning of Article 212rf of the Dutch Bankruptcy Act (or any other provision implementing Article 48(7) of the Directive 2014/59/EU in the Netherlands) and (iii) junior to those subordinated obligations that in accordance with or by operation of applicable law rank in priority to the Subordinated Notes that do not qualify as Tier 2 Notes.

Subordinated Notes that qualify as Tier 2 Notes

The principal amount due under Subordinated Notes that qualify as Tier 2 Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank (i) *pari passu* without any preference among the principal amount due under the Subordinated Notes that qualify as Tier 2 Notes themselves (other than those subordinated obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Subordinated Notes that qualify as Tier 2 Notes) and (ii) junior to the principal amount and interest due under the Subordinated Notes that do not qualify as Tier 2 Notes and the interest due under the Subordinated Notes that qualify as Tier 2 Notes.

The interest due under the Subordinated Notes that qualify as Tier 2 Notes rank (i) *pari passu* without any preference among the interest due under the Subordinated Notes that qualify as Tier 2 Notes themselves and with the principal amount and interest due under Subordinated Notes that do not qualify as Tier 2 Notes and all other present and future unsecured, unguaranteed and subordinated obligations of the Issuer (other than those subordinated obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Subordinated Notes) and (ii) senior to the principal amount due under the Subordinated Notes that qualify as Tier 2 Notes and any other own funds instruments within the meaning of Article 212rf of the Dutch Bankruptcy Act (or any other provision implementing Article 48(7) of Directive 2014/59/EU in the Netherlands) and (iii) junior to those subordinated obligations that in accordance with or by operation of applicable law rank in priority to the interest due under the Subordinated Notes that qualify as Tier 2 Notes.

All Subordinated Notes

As a result, in the event of the liquidation or bankruptcy of the Issuer, the claims of the holders of Subordinated Notes of each Series in respect of payment of principal and interest (the "**Subordinated Noteholders**") against the Issuer are subordinated to the Senior Claims, with the claims resulting from the principal amount due under the Subordinated Notes qualifying as Tier 2 Notes, being subordinated to the claims resulting from (i) the principal amount and interest due under the Subordinated Notes not qualifying as Tier 2 Notes, (ii) the interest due under the Subordinated Notes that qualify as Tier 2 Notes and (iii) other unsecured, unguaranteed and subordinated obligations of the Issuer that are not own funds instruments.

By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of liquidation or bankruptcy of the Issuer, only be made after all obligations of the Issuer resulting from Senior Claims have been satisfied and payments to a holder of Subordinated Notes qualifying as Tier 2 Notes in respect of the principal amount thereof will in such case only be made after all obligations of the Issuer resulting from (i) the Subordinated Notes that do not qualify as Tier 2 Notes, (ii) the interest due under the Subordinated Notes that qualify as Tier 2 Notes and (iii) other unsecured, unguaranteed and subordinated obligations of the Issuer that are not own funds instruments have been satisfied.

No Subordinated Noteholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes. To the extent that any Subordinated Noteholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Subordinated Noteholder is required to immediately exercise a Set-off Repayment and no rights can be derived from the principal amount and interest due under the relevant Subordinated Notes until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Subordinated Noteholder shall be exclusively governed by Dutch law.

It is the Issuer's intention that the Subordinated Notes - if specified in the applicable Final Terms as "Subordinated Tier 2 Notes" – qualify and shall be treated as Tier 2 Notes for the purposes of the regulatory capital rules applicable

to the Issuer from time to time. If the Subordinated Notes do not qualify and are not treated as Tier 2 Notes, the Issuer intends for these Notes to (continue to) qualify and be treated as MREL Eligible Liabilities.

Subject to Article 212rf of the Dutch Bankruptcy Act (or any other provision implementing Article 48(7) of the Directive 2014/59/EU in the Netherlands) and otherwise applicable laws, (i) the aforementioned ranking in respect of Subordinated Notes that qualify as Tier 2 Notes also applies to Subordinated Notes that in part, but not or no longer in whole, are recognized as Tier 2 Notes for the purposes of the regulatory capital rules applicable to the Issuer from time to time and (ii) the aforementioned ranking in respect of Subordinated Notes that do not qualify as Tier 2 Notes will apply to those Subordinated Notes that were previously but are no longer in whole recognized as Tier 2 Notes for the purposes of the regulatory capital rules applicable to the Issuer.

6. REDENOMINATION

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear, Clearstream, Luxembourg and, if applicable, Euroclear Nederland and at least thirty (30) days' prior notice to the Noteholders in accordance with Condition 16 (*NOTICES*), elect that, with effect from the Redenomination Date (as defined below) specified in the notice, the Notes, the Receipts and the Coupons denominated in the Specified Currency (or Specified Currencies) (each the "**Old Currency**") shall be redenominated in any other currency (the "**New Currency**") being either euro, or, in the event of redenomination upon the occurrence of a Convertibility Event, a currency other than euro, as the case may be.

The election will have effect as follows:

- (i) the Notes, the Receipts and the Coupons shall be deemed to be redenominated into the New Currency in the denomination of at least € 1, or its equivalent in any other currency, with a principal amount for each Note and Receipt equal to the principal amount of that Note or Receipt in the Specified Currency, converted into the New Currency at the Established Rate (as defined below) provided that, if the Issuer determines, with the agreement of the Agent, that the then prevailing market practice in respect of the redenomination into the New Currency of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice (as defined below) has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest € 0.01 or its equivalent in any other currency;
- (iii) if Definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in denominations of € 100,000, or its equivalents in any other currency, and such other denominations (of at least € 100,000) as the Agent shall, in consultation with the Issuer, determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") to the Noteholders in accordance with Condition 16 (*NOTICES*) that replacement of Old Currency denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes, Coupons and Receipts so issued will also become void on that date although those Notes, Coupons and Receipts will continue to constitute valid exchange obligations of the Issuer. New Currency denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent, in consultation with the Issuer, may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than fifteen (15) days prior to any date for payment of principal or interest on the Notes;

- (v) on or after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in the New Currency as though references in the Notes to the Specified Currency were to the New Currency. Payments will be made in the New Currency by credit or transfer to a New Currency account (or any other account to which the New Currency may be credited or transferred) specified by the payee or, at the option of the payee, by a New Currency cheque;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Calculation Amount, multiplying such sum by the applicable Fixed Day Count Fraction (as defined in Condition (c)7(a) (*Interest on Fixed Rate Notes*)), and rounding the resultant figure to the nearest sub-unit of the relevant New Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. The amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding;
- (vii) if the Notes are Notes referencing a Reference Rate, the Issuer may adjust the Reference Rate to any other Reference Rate deemed suitable by the Issuer at that time and the Issuer may adjust the interest payable on the Notes by reference to the Reference Rate, and, if required, any or all Interest Payment Dates as it deems necessary in accordance with the then pertaining market practice taking into account the redenomination and in order to preserve the economic equivalent of the obligations of the Issuer in respect of interest under such Notes; and
- (viii) the applicable Final Terms will specify the exact date on which the redenomination will occur in case the Notes were issued in a currency other than euro and in a country in which T2 does not apply.

7. INTEREST

For the purposes of this Condition 7 (*INTEREST*) any reference in this Condition 7 (*INTEREST*) to the 'Agent' should be read as a reference to the Agent or in case any other party is appointed as being responsible for calculating the Rate of Interest and the Interest Amount in the applicable Final Terms, to such party.

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Fixed Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date (if that does not fall on an Interest Payment Date).

Except as specified in the applicable Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date or the Maturity Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) the Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day;
- (2) the Modified Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day;

- (3) the Preceding Business Day Convention, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or
- (4) No Adjustment, such Interest Payment Date (or other date) shall not be adjusted in accordance with any Business Day Convention.

If "**Unadjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If "**Adjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If interest is required to be calculated for a period starting or ending other than on an Interest Payment Date (the "**Calculation Period**"), such interest shall be calculated by applying the Fixed Rate of Interest to each Calculation Amount, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and multiplying such rounded up figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount.

(b) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate equal to the Rate of Interest payable in arrear on either:

- (a) the Specified Interest Payment Date(s) in each year; or
- (b) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention is specified:

- (1) in any case where Specified Periods are specified in accordance with Condition 7(b)(i)(b) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month,

in which event such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or

- (4) the Preceding Business Day Convention, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day; or
- (5) No Adjustment, such Interest Payment Date (or other date) shall not be adjusted in accordance with any Business Day Convention.

If "**Unadjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If "**Adjusted**" is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

(ii) *Rate of Interest*

The Floating Rate of Interest payable from time to time in respect of the Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(a) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will be the relevant ISDA Rate plus or minus (as specified in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (a), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is the period specified in the applicable Final Terms;
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on EURIBOR, the first day of that Interest Accrual Period or (ii) in any other case, as specified in the applicable Final Terms; and
- (4) if the Floating Rate Option is an Overnight Floating Rate Option, the Overnight Rate Compounding Method is one of the following as specified in the applicable Final Terms:
 - a. Compounding with Lookback;
 - b. Compounding with Observation Period Shift;
 - c. Compounding with Lockout; or
 - d. IOS Compounding.

In connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers or other items specified in the relevant confirmation shall be deemed to be references to the numbers or other items specified for such purpose in the applicable Final Terms.

For the purposes of this sub-paragraph (a), (i) "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**", "**Overnight Floating Rate Option**", "**Overnight Rate Compounding Method**", "**Compounding with Lookback**", "**Compounding with Observation Period Shift**", "**Compounding with Lockout**" and "**IOS Compounding**" have the meanings given to those terms in the ISDA Definitions, (ii) the definition of "**Banking Day**" in the ISDA Definitions shall be amended to insert after the words "are open for" in the second line before the word "general" and (iii) "**Eurozone**" means the region comprised of Member States that adopt the single currency in accordance with the Treaty.

When this sub-paragraph (a) applies, in respect of each relevant Interest Period the Agent will be deemed to have discharged its obligations under Condition 7(b)(iv) (*Determination of Rate of Interest and*

Calculation of Interest Amounts) in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this subparagraph (a).

(b) *Screen Rate Determination for Floating Rate Notes referencing Compounded Daily €STR*

- (1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being Compounded Daily €STR, the Rate of Interest for an Interest Accrual Period will, subject to Condition 7(d) (*Replacement Reference Rate*), be Compounded Daily €STR with respect to such Interest Accrual Period plus or minus (as specified in the applicable Final Terms) the applicable Margin.

"**Compounded Daily €STR**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily euro short-term rate as the reference rate of the calculation of interest) and will be calculated by the Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{€STR}_{i-pTBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"**d**" is the number of calendar days in (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the relevant Observation Period;

"**d_o**" is (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) for any Interest Accrual Period, the number of TARGET Settlement Days in the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) for any Observation Period, the number of TARGET Settlement Days in the relevant Observation Period;

"**ECB**" means the European Central Bank or any successor or substituting authority thereto;

"**i**" is a series of whole numbers from one to d_o, each representing the relevant TARGET Settlement Days in chronological order from, and including, the first TARGET Settlement Day (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) in the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the relevant Observation Period;

"**n_i**", for any TARGET Settlement Day "i", means the number of calendar days from and including such TARGET Settlement Day "i" up to but excluding the following TARGET Settlement Day;

"**Observation Method**" means the method specified as such in the applicable Final Terms;

"**Observation Period**" means, in respect of each Interest Accrual Period, the period from and including the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" means:

- a. for any Interest Accrual Period, the whole number of TARGET Settlement Days included in the Observation Look-back Period, as specified in the applicable Final Terms, being no less than

- five TARGET Settlement Days;
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, zero;

"TARGET Settlement Day" means any day on which T2 is open for the settlement of payments in Euro;

"€STR Reference Rate" means, in respect of any TARGET Settlement Day, a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as published by the ECB, as administrator of such rate (or any successor administrator of such rate), on the website of the ECB initially at <http://www.ecb.europa.eu>, or any successor website officially designated by the ECB (the "**ECB's Website**") (in each case, on or before 9:00 a.m., Central European Time, on the TARGET Settlement Day immediately following such TARGET Settlement Day); and

where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method, "**€STR_{i-pTBD}**" means:

- a. where in the applicable Final Terms "Lag" is specified as the Observation Method, in respect of any TARGET Settlement Day "i" in the relevant Interest Accrual Period, the €STR Reference Rate for the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i";
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, the €STR Reference Rate determined in accordance with paragraph (a) above, except that in respect of each TARGET Settlement Day "i" falling on or after the "Lock-out date" specified in the applicable Final Terms (or, where no "Lock-out date" is specified, five TARGET Settlement Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Accrual Period, the €STR Reference Rate determined in accordance with paragraph (a) above in respect of such "Lock-out date";

where in the applicable Final Terms "Shift" is specified as the Observation Method, "**€STR_i**" means in respect of any TARGET Settlement Day "i" in the relevant Observation Period, the €STR Reference Rate for that TARGET Settlement Day "i".

- (2) The following provisions apply in case the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above or if the Rate of Interest cannot otherwise be determined in accordance with the provisions set forth herein, respectively.
- (3) If the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above, and unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each, as defined below) have occurred, the €STR Reference Rate shall be a rate equal to €STR for the last TARGET Settlement Day for which such rate was published on the ECB's Website.

If the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the ECB (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the ECB (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the ECB or another administrator) (the "**ECB Recommended Rate**"), provided that, if no such rate has been recommended before the end of the first TARGET Settlement Day following the date on which the €STR Index Cessation Effective Date occurs, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including such €STR Index Cessation Effective Date will be determined as if references to "€STR" were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, as published on the ECB's Website (the "**EDFR**") on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the €STR Index Cessation Event occurs (the "**EDFR Spread**"). Provided further that, if both an ECB Recommended Rate Index

Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

- (4) Provided that a Benchmark Event has not occurred in respect of Compounded Daily €STR, if the Rate of Interest cannot be determined in accordance with the foregoing provisions the Rate of Interest shall be (i) the Rate of Interest determined as at the last preceding Interest Determination Date (through substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period). If the provisions of this Condition 7(b)(ii)(b) fail to provide a means of determining the Rate of Interest, Condition 7(d) (*Replacement Reference Rate*) shall apply.
- (5) As used herein, an "**Interest Accrual Period**" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Notes become due and payable in accordance with Condition 12 (*EVENTS OF DEFAULT*), shall be the date on which such Notes become due and payable).

If the relevant Notes become due and payable in accordance with Condition 12 (*EVENTS OF DEFAULT*), the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition (c)7(e) (*Accrual of Interest*).

- (6) As used in these Conditions: "**€STR Index Cessation Event**" means the occurrence of one or more of the following events:
- a. a public statement or publication of information by or on behalf of the ECB (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or
 - b. a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a Resolution Authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or Resolution Authority with jurisdiction over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

"**€STR Index Cessation Effective Date**" means, in respect of an €STR Index Cessation Event, the first date for which €STR is no longer provided by the ECB (or any successor administrator of €STR);

"**ECB Recommended Rate Index Cessation Event**" means the occurrence of one or more of the following events:

- a. a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB

Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

- b. a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a Resolution Authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or Resolution Authority with jurisdiction over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and

"ECB Recommended Rate Index Cessation Effective Date" means, in respect of an ECB Recommended Rate Index Cessation Event, the first date for which the ECB Recommended Rate is no longer provided by the administrator thereof.

- (c) *Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR*

- (1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Floating Rate Notes is specified in the applicable Final Terms as being "Compounded Daily SOFR", the Rate of Interest for an Interest Accrual Period will, subject to Condition 7(d) (*Replacement Reference Rate*), be Compounded Daily SOFR plus or minus (as specified in the applicable Final Terms) the applicable Margin.

"Compounded Daily SOFR" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) and will be calculated by the Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_{i-pUSBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" is the number of calendar days in (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the relevant Observation Period;

"d_o" is (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) for any Interest Accrual Period, the number of United States Government Securities Business Days in the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) for any Observation Period, the number of United States Government Securities Business Days in the relevant Observation Period;

"i" is a series of whole numbers from one to "d_o", each representing the relevant United States Government Securities Business Day in chronological order from, and including, the first United States Government Securities Business Day (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) in the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) in relevant the Observation Period;

"Observation Period" means, in respect of each Interest Accrual Period, the period from and

including the date falling "p" United States Government Securities Business Days preceding the first date in such Interest Accrual Period to but excluding the date "p" United States Government Securities Business Days preceding the Interest Payment Date for such Interest Accrual Period;

"p" means:

- a. where in the applicable Final Terms "Lag" is specified as the Observation Method, the number of United States Government Securities Business Days included in the Observation Look-back Period specified in the applicable Final Terms (or, if no such number is specified, five United States Government Securities Business Days); and
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, zero;

"USBD" means United States Government Securities Business Day;"

"ni" means, for any United States Government Securities Business Day "i", the number of calendar days from and including such United States Government Securities Business Day "i" up to but excluding the following United States Government Securities Business Day;

"SOFR_{i-pUSBD}" means:

- a. where in the applicable Final Terms "Lag" is specified as the Observation Method, in respect of any United States Government Securities Business Day falling in the relevant Interest Accrual Period, the SOFR for the United States Government Securities Business Day falling "p" United States Government Securities Business Days prior to the relevant United States Government Securities Business Day "i"; or
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, during each relevant Interest Accrual Period, the SOFR determined in accordance with paragraph (a) above, except that in respect of each United States Government Securities Business Day i falling on or after the "Lock-out date" specified in the applicable Final Terms (or, where no "Lock-out date" is specified, five United States Government Securities Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Accrual Period, the SOFR determined in accordance with paragraph (a) above in respect of such "Lock-out date"; or
- c. where in the applicable Final Terms "Shift" is specified as the Observation Method, SOFR_i, where SOFR_i is, in respect of any United States Government Securities Business Day i falling in the relevant SOFR Observation Period, the SOFR for such day.

- (2) Unless otherwise defined in these Terms and Conditions or unless the context otherwise requires, in these Terms and Conditions the following words shall have the following meanings:

"New York City Banking Day" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City;

"OBFR Index Cessation Date" means, following the occurrence of an OBFR Index Cessation Event, the date on which the FRBNY (or any successor administrator of the Overnight Bank Funding Rate), ceases to publish the Overnight Bank Funding Rate, or the date as of which the Overnight Bank Funding Rate may no longer be used, in each case as certified in writing by the Issuer to the Agent;

"OBFR Index Cessation Event" means the occurrence of one or more of the following events:

- a. public statement by the FRBNY (or a successor administrator of the Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate;
- b. the publication of information which reasonably confirms that the FRBNY (or a successor administrator of the Overnight Bank Funding Rate) has ceased or will cease to provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate; or
- c. a public statement by a regulator or other official sector entity prohibiting the use of the Overnight Bank Funding Rate that applies to, but need not be limited to, fixed income securities

and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an "OBFR Index Cessation Event" under the ISDA Definitions as published by ISDA;

"SOFR" means the rate determined in accordance with the following provisions:

- a. the Secured Overnight Financing Rate that appears on the FRBNY's website at 5:00 p.m. (New York time) on a United States Government Securities Business Day;
- b. if the rate specified in (a) above does not appear as specified above, and a SOFR Index Cessation Date has not occurred, then the Agent shall use the Secured Overnight Financing Rate published on the FRBNY's website for the first preceding United States Government Securities Business Day on which the Secured Overnight Financing Rate was published on the FRBNY's website;
- c. if a SOFR Index Cessation Date has occurred, the Agent shall calculate SOFR as if references to SOFR were references to the rate that was recommended as (and notified by the Issuer to the Agent) as being the replacement for the Secured Overnight Financing Rate by the Federal Reserve and/or the FRBNY or a committee officially endorsed or convened by the Federal Reserve and/or the FRBNY for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator, and which rate may include any adjustments or spreads). If no such rate has been recommended within one United States Government Securities Business Day of the SOFR Index Cessation Date, then the rate for any such United States Government Securities Business Day falling on or after the SOFR Index Cessation Date will be determined as if (i) references to the Secured Overnight Financing Rate were references to the Overnight Bank Funding Rate (published on the FRBNY's website at or around 5:00 p.m. (New York time) on the relevant New York City Banking Day); (ii) references to United States Government Securities Business Day were references to New York City Banking Day, (iii) references to SOFR Index Cessation Event were references to the OBFR Index Cessation Event and (iv) references to SOFR Index Cessation Date were references to OBFR Index Cessation Date; and
- d. if the Agent is required to use the Overnight Bank Funding Rate in paragraph (a) above and an OBFR Index Cessation Date has occurred, then for any Interest Payment Date after such OBFR Index Cessation Date, the Agent shall use the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's website, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range);

"SOFR Index Cessation Date" means following the occurrence of a SOFR Index Cessation Event, the date on which the FRBNY (or any successor administrator of the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used, in each case as certified in writing by the Issuer to the Agent;

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

- a. a public statement by the FRBNY (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate;
- b. the publication of information which reasonably confirms that the FRBNY (or a successor administrator of the Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or
- c. a public statement by a regulator or other official sector entity prohibiting the use of the Secured Overnight Financing Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an "SOFR Index Cessation Event" under the ISDA Definitions as published by ISDA;

and

"United States Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

As used herein, an **"Interest Accrual Period"** means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Notes become due and payable in accordance with Condition 12 (*EVENTS OF DEFAULT*)), shall be the date on which such Notes become due and payable).

- (3) If the relevant Notes become due and payable in accordance with Condition 12 (*EVENTS OF DEFAULT*), the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition (c)7(e) (*Accrual of Interest*).
- (d) *Screen Rate Determination for Floating Rate Notes referencing Weighted Average SOFR*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Floating Rate Notes is specified in the applicable Final Terms as being "Weighted Average SOFR", the Rate of Interest for an Interest Accrual Period will, subject as provided in Condition 7(d) (*Replacement Reference Rate*), be Weighted Average SOFR with respect to such Interest Accrual Period plus or minus (as specified in the applicable Final Terms) the applicable Margin.

"Weighted Average SOFR" means, in relation to any Interest Accrual Period, the arithmetic mean of "SOFR_i" in effect during such Interest Accrual Period and will be calculated by the Agent on each Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\frac{\sum_{i=1}^{d_0} SOFR_i \times n_i}{d} \right] \times \frac{360}{d}$$

where: "**d**", "**d₀**", "**i**" and "**p**" have the meanings set out under Condition 7(b)(ii)(c) (*Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR*);

"n_i" means, for any United States Government Securities Business Day the number of calendar days from and including such United States Government Securities Business Day up to but excluding the following United States Government Securities Business Day;

"SOFR_i" means, for any United States Government Securities Business Day i:

- a. where in the applicable Final Terms "Lag" is specified as the Observation Method, the SOFR in respect of the United States Government Securities Business Day i falling p United States Government Securities Business Days prior to such day;
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, during each relevant Interest Period, the SOFR determined in accordance with paragraph (a) above, except that in respect of each United States Government Securities Business Day i falling on or after the "Lock-out date" specified in the applicable Final Terms (or, where no "Lock-out date" is specified, five United States Government Securities Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Period, the SOFR determined in accordance with paragraph (a) above in respect of such "Lock-out date"; or
- c. where in the applicable Final Terms "Shift" is specified as the Observation Method, the SOFR on the United States Government Securities Business Day i; and

(e) *Screen Rate Determination for Floating Rate Notes referencing SONIA*

- (1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being "Compounded Daily SONIA", the Rate of Interest for an Interest Accrual Period will, subject to Condition 7(d) (*Replacement Reference Rate*) be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as specified in the applicable Final Terms) the applicable Margin.

"**Compounded Daily SONIA**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"**d**" is the number of calendar days in (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) the relevant Observation Period;

"**d_o**" is (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) for any Interest Accrual Period, the number of London Banking Days in the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) for any Observation Period, the number of London Banking Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to "d_o", each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day (where in the applicable Final Terms "Lag" or "Lock-out" is specified as the Observation Method) in the relevant Interest Accrual Period to, and including, the last London Banking Day in the relevant Interest Accrual Period or (where in the applicable Final Terms "Shift" is specified as the Observation Method) in relevant the Observation Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**", for any London Banking Day "i", means the number of calendar days from and including such London Banking Day "i" up to but excluding the following London Banking Day;

"**Observation Period**" means, in respect of each Interest Accrual Period, the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling "p" London Banking Days prior to the end of such Interest Accrual Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" means:

- a. the whole number of London Banking Days included in the Observation Look-back Period, as specified in the applicable Final Terms, being no less than five London Banking Days;
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, zero;

"**SONIA_{i-pLBD}**" means:

- a. where in the applicable Final Terms "Lag" is specified as the Observation Method, in respect of any London Banking Day "i" falling in the relevant Observation Period, the SONIA reference rate for the London Banking Day falling "p" London Banking Days

- prior to the relevant London Banking Day "i"; or
- b. where in the applicable Final Terms "Lock-out" is specified as the Observation Method, during each relevant Interest Accrual Period, the SONIA reference rate determined in accordance with paragraph (1) above, except that in respect of each London Banking Day i falling on or after the "Lock-out date" specified in the applicable Final Terms (or, where no "Lock-out date" is specified, five London Banking Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Accrual Period, the SONIA reference rate determined in accordance with paragraph (1) above in respect of such "Lock-out date"; or
- c. where in the applicable Final Terms "Shift" is specified as the Observation Method, SONIA_i, where SONIA_i is, in respect of any London Banking Day "i" falling in the relevant Observation Period, the SONIA reference rate for such day; and

the "**SONIA reference rate**", in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day).

- (2) If, subject to Condition 7(d) (*Replacement Reference Rate*) in respect of any London Banking Day in the relevant Observation Period, the Agent determines that the applicable SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, the SONIA reference rate in respect of such London Banking Day shall be: (i) the BoE's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five (5) days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) or (iii) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).
- (3) Where the SONIA reference rate is being determined in accordance with Condition 7(b)(ii)(e)(2), if the BoE publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the SONIA reference rate, the Agent shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA reference rate for any London Banking Day "i" for the purpose of the relevant Series of Notes for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

To the extent that any amendments or modifications to the Conditions or the Agency Agreement are required in order for the Agent to follow such guidance in order to determine SONIA, the Agent shall have no obligation to act until such amendments or modifications have been made in accordance with the Conditions and the Agency Agreement.

- (4) Provided that a Benchmark Event has not occurred in respect of Compounded Daily SONIA, if the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent, the Rate of Interest shall be (i) the Rate of Interest determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to that last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled

first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period). If the provisions of this Condition 7(b)(ii)(e) fail to provide a means of determining the Rate of Interest, Condition 7(d) (*Replacement Reference Rate*) shall apply.

- (5) As used herein, an "**Interest Accrual Period**" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 12 (*EVENTS OF DEFAULT*)), shall be the date on which such Notes become due and payable).

If the relevant Series of Notes becomes due and payable in accordance with Condition 12 (*EVENTS OF DEFAULT*), the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition (c)7(e) (*Accrual of Interest*).

- (f) *Screen Rate Determination for Floating Rate Notes referencing a Reference Rate other than €STR, Compounded Daily SOFR, Weighted Average SOFR or SONIA*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being a Reference Rate other than €STR, SOFR or SONIA, the Rate of Interest for each Interest Accrual Period will as provided below, be either:

- (1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards or, if the relevant Screen Rate is EURIBOR, to the third decimal place, with 0.0005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rates which appears or appear, as the case may be, on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified above. The following summarises the most relevant provisions of the Agency Agreement with regard to this matter. In such an event the Agent shall request the principal London office of each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the relevant Interest Determination Date. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

The expression "**Reference Banks**" means, in the case of (1) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of (2) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

If the provisions of this 7(b)(ii)(f) fail to provide a means of determining the Rate of Interest, Condition 7(d) (*Replacement Reference Rate*) shall apply.

(iii) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specify a Minimum Rate of Interest, for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the Interest Amount payable on the Floating Rate Notes in respect of each Calculation Amount for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Calculation Amount, multiplying such sum by the applicable Floating Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and multiplying such rounded up figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount.

"**Floating Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if "**Actual/Actual (ISDA)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (iv) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (v) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

- (v) *Notification of Rate of Interest and Interest Amounts*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 16 (*NOTICES*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 16 (*NOTICES*). If the Calculation Amount is less than the minimum Specified Denomination the Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

- (vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition (c)7(b) (*Interest on Floating Rate Notes*) by the Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, if applicable, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent, if applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

- (c) *Interest on Dual Currency Notes*

In the case of Dual Currency Notes, payments by the Issuer of interest and/or principal (as specified in the applicable Final Terms) will be made in another currency or currencies than the Specified Currency. Such currency

or currencies and the exchange rate ("**Rate of Exchange**") used to calculate payments of interest or principal will be specified in the applicable Final Terms.

(d) *Replacement Reference Rate*

Notwithstanding the provisions above in this Condition 7 (*INTEREST*), if the Agent or the Issuer determines at any time prior to, on or following any Interest Determination Date, that a Benchmark Event has occurred in relation to a Reference Rate, the Issuer may, after using reasonable endeavours to appoint and consult with an Independent Adviser (which the Issuer will do as soon as reasonably practicable and, if possible, at least five (5) Business Days prior to the next relevant Interest Determination Date), determine in its sole discretion, acting in good faith and in a commercially reasonable manner, whether a substitute, alternative or successor rate is available that is substantially comparable to the Reference Rate for purposes of determining the Rate of Interest on each Interest Determination Date falling on such date or thereafter, or whether a substitute, alternative or successor rate has been recommended or selected by the monetary authority or similar authority (or working group thereof) in the jurisdiction of the applicable currency, or widely recognised industry association or body, or whether a substitute, alternative or successor rate has developed or is expected to develop in an industry accepted rate for debt market instruments such as or comparable to the relevant Notes is available.

Without prejudice to the foregoing, if the Reference Rate is EURIBOR, the Issuer is expected to first explore the option of selecting €STR or a term rate based on €STR as the Replacement Reference Rate (as defined below).

If the Issuer has determined a substitute, alternative or successor rate in accordance with the foregoing (such rate, the "**Replacement Reference Rate**") for purposes of determining the Rate of Interest on each relevant Interest Determination Date falling on or after such determination at least five (5) business days after such determination, (A) the Issuer will, following consultation with the Independent Adviser (if appointed), also determine changes (if any) to the Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction, relevant screen page, any method for calculating the Replacement Reference Rate, including any Adjustment Spread or other adjustment factor needed to make such Replacement Reference Rate comparable to the relevant Reference Rate, in each case in a manner that is consistent with any industry-accepted practices for such Replacement Reference Rate, although there is no guarantee that such an Adjustment Spread or other adjustment factor will be determined or applied, or that the application of any such factor will either reduce or eliminate economic prejudice to Noteholders; (B) the Issuer may, without the consent of any or all Noteholders, Receiptholders and Couponholders, (further) amend the Terms and Conditions and/or amend or supplement the Agency Agreement, as necessary to ensure the proper operation of the foregoing; (C) references to the Reference Rate in these Conditions applicable to the relevant Notes will be deemed to be references to the relevant Replacement Reference Rate, including any alternative method for determining such rate as described in (A) above (including the Adjustment Spread); and (D) the Issuer will give notice as soon as reasonably practicable to the Noteholders, the Receiptholders and the Couponholders (in accordance with Condition 16 (*NOTICES*)), the Agent and the Paying Agent specifying the Replacement Reference Rate, as well as the details described in (A) above. The Agent will remain the party responsible for calculating the Rate of Interest and the Interest Amount by making use of the Replacement Reference Rate and the other matters referred to above.

For the avoidance of doubt if a Replacement Reference Rate is determined by the Issuer in accordance with this Condition 7(d) (*Replacement Reference Rate*), this Replacement Reference Rate will be applied to all relevant future payments on the relevant Notes, subject to Condition 7 (*INTEREST*). This Condition 7(d) (*Replacement Reference Rate*) may be (re-)applied if a Benchmark Event has occurred in respect of the Replacement Reference Rate.

The determination of the Replacement Reference Rate and the other matters referred to above by the Issuer will (in the absence of manifest error) be final and binding on the Paying Agent, the Agent and the Noteholders, the Receiptholders and the Couponholders and no liability to any such person will attach to the Issuer in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes in the absence of bad faith or fraud. If the Issuer is unable to or otherwise does not determine a Replacement Reference Rate or any of the other matters referred to above, then the Reference Rate (as stated in the applicable Final Terms) will remain the rate in effect (but subject to the other provisions of Condition 7 (*INTEREST*), particularly Condition (c)7(a) (*Interest on Fixed Rate Notes*) and Condition (c)7(b) (*Interest on Floating Rate Notes*)) in respect of the relevant Interest Determination Date, and any subsequent Interest Determination Dates will remain subject to the operation of the provisions of this Condition 7 (*INTEREST*). In such circumstances, the Issuer will be entitled (but

not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 7(d) (*Replacement Reference Rate*), *mutatis mutandis*, on one or more occasions until a Replacement Reference Rate has been determined and notified in accordance with this Condition 7(d) (*Replacement Reference Rate*) (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these Terms and Conditions will continue to apply).

For the avoidance of doubt, each Noteholder, Receiptholder and Couponholder shall be deemed to have accepted the Replacement Reference Rate and such other changes made pursuant to this Condition 7(d) (*Replacement Reference Rate*) and no consent or approval of any Noteholder, Receiptholder or Couponholder shall be required.

Notwithstanding any other provision of this Condition 7 (*INTEREST*), the Issuer may not adopt a Replacement Reference Rate, or make any other amendments to Terms and Conditions pursuant to this Condition 7(d) (*Replacement Reference Rate*), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected,

with respect to the Subordinated Notes qualifying as Tier 2 Notes, to:

- (i) impact upon the eligibility of the Subordinated Notes for eligibility (in whole or in part) as Tier 2 Notes; and/or
- (ii) result in the Competent Authority considering such adoption and/or amendment(s) as a new Issuance of the Subordinated Notes, and

with respect to the Senior Preferred MREL Notes, the Senior Non-Preferred Notes and Subordinated Notes qualifying as MREL Eligible Liabilities, to:

- (iii) prejudice the qualification of the Senior Preferred MREL Notes and the Senior Non-Preferred Notes (in whole or in part) as MREL Eligible Liabilities; and/or
- (iv) result in the Competent Authority treating the next Interest Payment Date as the effective maturity of the Senior Preferred MREL Notes and the Senior Non-Preferred Notes, rather than the relevant Maturity Date.

Any amendment to the Terms and Conditions pursuant to this Condition 7(d) (*Replacement Reference Rate*) is subject to (i) the prior (written) permission of the Competent Authority and/or the relevant Resolution Authority, provided that, at the relevant time, such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such amendment as may be required by the Competent Authority, MREL Regulations or CRD or such other regulatory capital rules applicable to the Issuer at such time.

(e) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (1) the date on which all amounts due in respect of such Note have been paid; and
- (2) five (5) days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*NOTICES*) or individually.

(f) *Change of Interest Basis Option*

If "**Change of Interest Basis Option**" is specified in the applicable Final Terms, after having given notice to the stock exchange where the Notes are listed, the Issuer will have to give:

- (1) notice to the Noteholders in accordance with Condition 16 (*NOTICES*), not less than the number of Business Days equal to the Interest Basis Option Period prior to the date on which the Change of Interest Basis Option shall be effective; and

- (2) notice to the Agent, not less than the number of Business Days equal to the Interest Basis Option Period prior to the date on which the Change of Interest Basis Option shall be effective, (both of which notices shall be irrevocable) exercise the Change of Interest Basis Option upon which exercise the Interest Basis of the Notes changes from the Initial Interest Basis (which shall cease to apply) to the Subsequent Interest Basis (which shall commence to apply), effective as of the Change of Interest Basis Option Period Date immediately following the date on which the notice referred to above is given.

8. PAYMENTS

(a) *Method of Payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, in the case of Australian dollars, shall be Sydney, in the case of New Zealand dollars, shall be Wellington, in the case of Hong Kong dollars, shall be Hong Kong and in the case of Japanese yen, shall be Tokyo); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Revenue Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Revenue Code, any regulations thereunder, any official interpretations thereof, any intergovernmental agreement with respect thereto or any law implementing, or relating to, an intergovernmental agreement and, in each case, no additional amounts will be paid with respect to any Taxes except as specifically provided under the provisions of Condition 10 (*TAXATION*).

(b) *Presentation of Definitive Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against surrender of Definitive Notes, and payments of interest in respect of Definitive Notes will (subject as provided below) be made as aforesaid only against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States but for certain limited circumstances described below.

Payments of instalments of principal (if any) on the Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against surrender of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Notes and Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five (5) years after the date on which such principal first became due (whether or not such Coupon would otherwise have become void under Condition 11 (*PRESCRIPTION*)) or, if later, five (5) years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured

Receipts and Talons (if any) appertaining thereto will become void and no payments in respect of any such Receipts and no further Coupons in respect of any such Talons will be made or issued, as the case may be.

Upon the date on which any Floating Rate Note, Dual Currency Note or Long Maturity Note in definitive form becomes due and repayable, unmaturing Receipts, Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any such Note is presented for redemption without all unmaturing Receipts, Coupons or Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note.

(c) *Payments in respect of Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note to or to the order of any Paying Agent. A record of each payment made against presentation or surrender of any Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made and, in respect of a classic Global Note, the payment is noted in a schedule thereto and in respect of a Global Note in NGN-form the payment is entered *pro rata* in the record of Euroclear and Clearstream, Luxembourg.

(d) *General provisions applicable to payments*

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or Euroclear Nederland as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or Euroclear Nederland as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note. No person other than the holder of such Global Note shall have any claim against the Issuer in respect of any payments due on that Global Note.

Notwithstanding the foregoing provisions of this Condition, United States dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in United States dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in United States dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(e) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes "**Payment Day**" means any day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency (as specified in the applicable Final Terms) other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency and any Additional Financial Centre which, if the Specified Currency is (a) Australian dollars, shall be Sydney, (b) New Zealand dollars, shall be Wellington, (c) Hong Kong dollars, shall be Hong Kong and (d) Japanese yen, shall be Tokyo or (2) in relation to any sum payable in euro, a day on which T2 is operating.

(f) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 10 (*TAXATION*);
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Instalment Notes, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount; and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 (*TAXATION*).

9. REDEMPTION AND PURCHASE

(a) *Redemption at Maturity*

Unless previously redeemed, written down, converted or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date or by instalments in the Instalment Amount(s) and on the Instalment Date(s) specified in the applicable Final Terms, in the case of a Note redeemable in instalments, an "**Instalment Note**").

(b) *Redemption for tax reasons*

Unless specified otherwise in the applicable Final Terms, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice to the Noteholders in accordance with Condition 16 (*NOTICES*) if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 10 (*TAXATION*); or
- (ii) the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable,

in each case as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or

official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of Notes.

With respect to Subordinated Notes qualifying as Tier 2 Notes, the Issuer must (i) obtain the prior written permission of the Competent Authority pursuant to Article 77 CRR, (ii) have demonstrated to the satisfaction of the Competent Authority that it meets the conditions in Article 78 CRR, which may include the replacement of the Subordinated Notes qualifying as Tier 2 Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time. The Competent Authority may permit the Issuer to redeem the Subordinated Notes at any time within five (5) years after the Issue Date if, without prejudice to this Condition 9(b), there is a change in the applicable tax treatment of the Subordinated Notes which the Issuer demonstrates to the satisfaction of the Competent Authority is material and was not reasonably foreseeable at the time of their issuance.

The redemption of any Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, for tax reasons, shall be subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78a CRR, which may include requiring the replacement of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or the MREL Regulations at such time.

(c) *Redemption at the option of the Issuer (Issuer Call)*

If the Issuer is specified in the applicable Final Terms as having an option to redeem the Notes, the Issuer may, having given:

- (i) not less than fifteen (15) nor more than thirty (30) days' notice to the Noteholders or such other period of notice as specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*); and
- (ii) not less than fifteen (15) days before the giving of the notice referred to in (i), notice to the Agent,

(both of which notices shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Additionally, if the Subordinated Notes qualify as Tier 2 Notes, the Issuer must (i) obtain prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) have demonstrated to the satisfaction of the Competent Authority that it meets the conditions in Article 78 CRR, which may include the replacement of the Subordinated Notes qualifying as Tier 2 Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time.

The redemption of any Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, at the Option of the Issuer, shall be subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78a CRR, which may include requiring the replacement of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or the MREL Regulations at such time.

Any redemption pursuant to this Condition 9(c) (*Redemption at the option of the Issuer (Issuer Call)*) must be of a nominal amount equal to the Minimum Redemption Amount or the Maximum Redemption Amount, both as

specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (the "**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Notes, and where applicable in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion) and/or Euroclear Nederland, in the case of Redeemed Notes represented by a Global Note, in each case, not more than thirty (30) days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 16 (*NOTICES*) not less than fifteen (15) days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by Definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of Definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 16 (*NOTICES*) at least five (5) Business Days prior to the Selection Date.

(d) *Redemption, substitution and variation for regulatory purposes*

Senior Preferred MREL Notes, Senior Non-Preferred Notes and Subordinated Notes qualifying as MREL Eligible Liabilities

If "Regulatory Call" is specified in the applicable Final Terms, the Issuer may upon the occurrence of an MREL Event (as defined below) redeem the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, in whole but not in part, at any time, on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice to the holder of Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, or such other period of notice as is specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*). The Issuer will redeem the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities in accordance with the Terms and Conditions at the Optional Redemption Amount specified in the applicable Final Terms together with accrued interest (if any) to but excluding the date of redemption.

If "Variation or Substitution" is specified in the applicable Final Terms, the Issuer may upon the occurrence of an MREL Event and/or in respect of any Notes other than the Senior Preferred MREL Notes (if ALAC Event is specified in the applicable Final Terms as being applicable), an ALAC Event (each as defined in this Condition 9(d) (*Redemption, substitution and variation for regulatory purposes*)), at its option and at any time substitute the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, in whole but not in part, or vary the terms of all (but not some only) of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, without any requirement for the consent or approval of the holders of Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities in such a way that they are eligible for the purposes of the MREL Requirement and/or in respect of any Notes other than the Senior Preferred MREL Notes (if ALAC Event is specified in the applicable Final Terms as being applicable), the ALAC of the Issuer (as defined in this Condition 9(d) (*Redemption, substitution and variation for regulatory purposes*)) on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice to the holders of Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, or such other period of notice as is specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*). Such variation or substitution shall not result in terms that are materially less favourable to the interests of holders of Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively. Following such variation or substitution, the resulting securities shall (1) have a ranking at least equal to that of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, (2) have at least the same interest rate and the same interest payment dates as those from time to time applying to the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, (3) have the same Maturity Date and redemption rights as the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated

Notes qualifying as MREL Eligible Liabilities, (4) preserve any existing rights under the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities to any accrued interest which has not been paid in respect of the period from (and including) the interest payment date last preceding the date of variation or substitution, (5) have assigned (or maintain) the same credit ratings as were assigned to the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities immediately prior to such variation or substitution and (6) be listed on a recognised stock exchange if the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities were listed immediately prior to such variation or substitution.

The option of the Issuer of effectuating a "Regulatory Call" and/or "Variation or Substitution" as described in the previous paragraphs, shall be subject to (i) the prior (written) permission of the Competent Authority provided that at the relevant time such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such redemption, variation or substitution as may be required by the Competent Authority or the MREL Regulations at such time.

Subordinated Notes

If "Regulatory Call" is specified in the applicable Final Terms, the Issuer may upon the occurrence of a Capital Event (as defined in this Condition 9(d) (*Redemption, substitution and variation for regulatory purposes*)) redeem the Subordinated Notes qualifying as Tier 2 Notes, in whole but not in part, at any time, on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice to the Subordinated Noteholders, or such other period of notice as is specified in the applicable Final Terms, in accordance with Condition 16 (*NOTICES*). Additionally, redemption of the Subordinated Notes is subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78 CRR, which may include requiring the replacement of the Subordinated Notes qualifying as Tier 2 Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such redemption as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time. The Issuer will redeem the Subordinated Notes in accordance with the Terms and Conditions at the Optional Redemption Amount specified in the applicable Final Terms together with accrued interest (if any) to but excluding the date of redemption.

If "Variation or Substitution" is specified in the applicable Final Terms and if a Capital Event and/or a CRD Capital Event and/or in respect of any Notes other than the Senior Preferred Notes or the Senior Preferred MREL Notes (if ALAC Event is specified in the applicable Final Terms as being applicable), an ALAC Event (each as defined in this Condition 9(d) (*Redemption, substitution and variation for regulatory purposes*)) has occurred and is continuing, then the Issuer may, subject to (i) the prior (written) permission of the Competent Authority provided that at the relevant time such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such variation or substitution as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time (but without any requirement for the permission of the Subordinated Noteholders) and on giving not less than thirty (30) nor more than sixty (60) days' irrevocable notice in accordance with Condition 16 (*NOTICES*) to the Subordinated Noteholders, either substitute all, but not some only, of the Subordinated Notes qualifying as Tier 2 Notes or vary the terms of the Subordinated Notes qualifying as Tier 2 Notes so that they remain or, as appropriate, become compliant with CRD or such other regulatory capital rules applicable to the Issuer at the relevant time and/or in respect of any Notes other than the Senior Preferred Notes or the Senior Preferred MREL Notes (if ALAC Event is specified in the applicable Final Terms as being applicable), are eligible under the ALAC (as defined below) of the Issuer. Upon the expiry of the notice referred to above, the Issuer shall either vary the terms of, or substitute, the Subordinated Notes qualifying as Tier 2 Notes in accordance with this Condition 9(d) (*Redemption, substitution and variation for regulatory purposes*), as the case may be, provided that such substitution or variation shall not result in terms that are materially less favourable to the Subordinated Noteholders. For the avoidance of doubt, the Competent Authority has discretion as to whether or not it will permit any such variation or substitution of the Subordinated Notes.

Following such variation or substitution, the resulting securities shall (1) have a ranking at least equal to that of the Subordinated Notes qualifying as Tier 2 Notes, (2) have at least the same interest rate and the same interest payment dates as those from time to time applying to the Subordinated Notes qualifying as Tier 2 Notes, (3) have the same Maturity Date and redemption rights as the Subordinated Notes qualifying as Tier 2 Notes, (4) preserve

any existing rights under the Subordinated Notes qualifying as Tier 2 Notes to any accrued interest which has not been paid in respect of the period from (and including) the interest payment date last preceding the date of variation or substitution, (5) have assigned (or maintain) the same credit ratings as were assigned to the Subordinated Notes qualifying as Tier 2 Notes immediately prior to such variation or substitution and (6) be listed on a recognised stock exchange if the Subordinated Notes qualifying as Tier 2 Notes were listed immediately prior to such variation or substitution.

"ALAC Event" means, at any time, a change in, clarification to or amendment of any relevant methodology of S&P (or in the interpretation of such methodology) which impacts the eligibility of a Subordinated Note and/or a Senior Non-Preferred Note, respectively, under the ALAC in such a way that the Subordinated Note and/or the Senior Non-Preferred Note is not, or to a lesser extent, eligible to count towards the ALAC of the Issuer.

A **"Capital Event"** shall occur if there is a change in the regulatory classification of a Subordinated Note that has resulted or would be likely to result in the Subordinated Note being excluded, in whole but not in part, from the Tier 2 Capital of the Issuer or reclassified as own funds of lower quality of the Issuer, which change in regulatory classification (or reclassification) (i) becomes effective on or after the Issue Date and, if redeemed within five (5) years after the Issue Date, (ii) is considered by the Competent Authority to be sufficiently certain and (iii) was not reasonably foreseeable at the time of their issuance as demonstrated by the Issuer to the satisfaction of the Competent Authority as required by Article 78(4) CRR.

An **"MREL Event"** shall occur if there is a change in the regulatory classification of a Senior Preferred MREL Note, Senior Non-Preferred Note and/or Subordinated Note qualifying as MREL Eligible Liabilities, respectively, that has in whole (or, only for the purposes of a "Variation or Substitution" specified in the applicable Final Terms, in part) resulted or would be likely to result in the Senior Preferred Note, Senior Non-Preferred Note and/or Subordinated Note qualifying as MREL Eligible Liabilities being excluded from eligibility for the purposes of the MREL Requirement applicable to the Issuer, provided that an MREL Event shall not occur where a Senior Preferred Note, Senior Non-Preferred Note and/or Subordinated Note qualifying as MREL Eligible Liabilities is excluded on the basis that the remaining maturity of such Note is less than any period prescribed by any applicable eligibility criteria under the MREL Requirement.

"MREL Regulations" means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to the MREL Requirement then in effect and applicable to the Issuer (whether on a solo or (sub)consolidated basis) including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to the MREL Requirement adopted by the Competent Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards or policies have force of law and whether or not they are applied generally or specifically to the Issuer).

"CRD Capital Event" is deemed to have occurred if the whole of the outstanding nominal amount of the Subordinated Note can no longer be included in full in the Tier 2 Capital of the Issuer by reason of their non-compliance with CRD or such other regulatory capital rules applicable to the Issuer at the relevant time (as such regulatory capital rules are interpreted and applied by the ECB, DNB, EBA or other competent authorities).

"CRD" means together, (i) the CRD Directive and ii) the CRR.

"CRD Directive" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (as amended from time to time, including, without limitation, by virtue of Directive (EU) 2019/878).

"CRR" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (as amended from time to time, including, without limitation, by virtue of Regulation (EU) 2019/876).

(e) *Early Redemption Amounts*

For the purpose of paragraph (b) or (c) above and Condition 12 (*EVENTS OF DEFAULT*), each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of a Note (other than a Zero Coupon Note, but including an Instalment Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified, or determined in the manner specified in, in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") equal to the product of:
 - (a) the Reference Price; and
 - (b) the sum of the figure '1' and the Accrual Yield, raised to the power of 'x', where 'x' is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of twelve (12) months of thirty (30) days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Notes become due and repayable and the denominator of which is 360.

(f) *Instalments*

Instalment Notes will be repaid in the Instalment Amounts and on the Instalment Date. In the case of early redemption, the Early Redemption Amount will be determined in accordance with Condition 9(e) (*Early Redemption Amounts*).

(g) *Purchases*

The Issuer and/or any member of the group formed by de Volksbank N.V. and its subsidiaries (*dochtermaatschappijen*) (the "**de Volksbank Group**") may purchase Notes (provided that, in the case of Definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, re-issued, resold or, at the option of the Issuer surrendered to any Paying Agent for cancellation.

The purchase by the Issuer or any of its subsidiaries of Subordinated Notes qualifying as Tier 2 Notes shall be subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78 CRR, which may include requiring the replacement of the Subordinated Notes qualifying as Tier 2 Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions to, or requirements applicable to, such purchase as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time, and may not take place within five (5) years after the Issue Date (unless (a) the Issuer having before or at the same time as such purchase, replaced the Subordinated Notes qualifying as Tier 2 Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the Competent Authority having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances or (b) the Subordinated Notes qualifying as Tier 2 Notes are being purchased for market-making purposes in accordance with the CRD or such other regulatory capital rules applicable to the Issuer at such time). As a result of the direct or indirect purchase or other form of funding by the Issuer, its subsidiaries or any other undertaking in which the Issuer has participation in the form of ownership (direct or by way of control) of 20% or more of the voting rights or capital of that undertaking, of Tier 2 Notes, these Subordinated Notes may no longer qualify as Tier 2 Notes.

The purchase by the Issuer or any of its subsidiaries of Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities shall be subject to (i) the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78a CRR, which may include requiring the replacement of the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) compliance with any other pre-conditions

to, or requirements applicable to, such purchase as may be required by the Competent Authority or the MREL Regulations at such time. As a result of the direct or indirect purchase or other form of funding by the Issuer, its subsidiaries or any other undertaking in which the Issuer has participation in the form of ownership (direct or by way of control) of 20% or more of the voting rights or capital of that undertaking, of any such Notes, these Notes may no longer qualify as MREL Eligible Liabilities.

(h) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption, if any). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 9(g) (*Purchases*) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be re-issued or resold.

(i) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Conditions 8 (a), (b), (c), (d) or (e) above or upon its becoming due and repayable as provided in Condition 12 (*EVENTS OF DEFAULT*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 9(e) (*Early Redemption Amounts*) under item (iii) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five (5) days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Agent and notice to that effect has been given to the Noteholders, in accordance with Condition 16 (*NOTICES*).

(j) *Statutory Loss Absorption and Recapitalisation of Notes*

Notes may become subject to the determination by the Resolution Authority or (acting on the decisions and instructions by the Resolution Authority) the Issuer that, without the consent of the relevant Noteholder, (a) all or part of the nominal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written down, reduced, or otherwise be applied to absorb losses, subject to write-up by the Resolution Authority (such loss absorption "**Statutory Loss Absorption**") or (b) all or part of the nominal amount of the Notes, including accrued but unpaid interest in respect thereof, must be converted into (claims which may give rights to) Common Equity Tier 1 instruments (such conversion "**Recapitalisation**"), all as prescribed by the Applicable Resolution Framework, provided that all other debt instruments and other obligations of the Issuer which are expressed to rank or which rank junior to the specific type of Note in the case of bankruptcy or liquidation of the Issuer have already fully absorbed losses of the Issuer to the extent determined or required by the Resolution Authority before any write-down or conversion of such Notes pursuant to the application of this provision.

Upon any such determination (i) the relevant proportion of the outstanding nominal amount of the Notes subject to Statutory Loss Absorption or Recapitalisation shall be written down, reduced or converted into (claims which may give rights to) Common Equity Tier 1 instruments or otherwise be applied to absorb losses, subject to write-up by the Resolution Authority, as prescribed by the Applicable Resolution Framework, (ii) such Statutory Loss Absorption or Recapitalisation shall not constitute an Event of Default and (iii) Noteholders will have no further claims in respect of the amount so written down or the amount subject to conversion or otherwise as a result of such Statutory Loss Absorption or Recapitalisation, including with respect to any accrued but unpaid interest on such written down, reduced or converted amounts.

Upon any write down, reduction, or conversion of a proportion of the outstanding nominal amount of the Notes, any reference in these Conditions to principal, nominal amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount of the Notes shall be deemed to be to the amount resulting after such write down, reduction or conversion.

In addition, subject to the determination by the Resolution Authority and without the consent of the Noteholders, the Notes may be subject to other resolution measures as envisaged under the Applicable Resolution Framework, such as replacement or substitution of the Issuer, transfer of the Notes, expropriation of Noteholders, modification of the terms of the Notes, suspension of any payment or delivery obligations of the Issuer under or in connection with the Notes and/or suspension or termination of the listings of the Notes. Such determination, the implementation thereof and the rights of Noteholders shall be as prescribed by the Applicable Resolution Framework, which may include the concept that, upon such determination, no Noteholder shall be entitled to claim any indemnification or payment in respect of any tax or other consequences arising from any such event. Any such event shall not constitute an Event of Default.

Upon any write down, reduction or conversion of a proportion of the outstanding nominal amount of the Notes or as soon as the Issuer becomes aware that this may or will occur the Issuer shall promptly give notice to the Noteholders in accordance with Condition 16 (*NOTICES*). Such notice will include details of the relevant (foreseen) write-down or conversion. Failure or delay to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such Statutory Loss Absorption or give Noteholders any rights as a result of such failure or delay.

In these Conditions:

"Applicable Resolution Framework" means any relevant laws and regulations applicable to the Issuer at the relevant time pursuant to, or which implement, or are enacted within the context of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, or any other intervention, resolution or recovery rules which may from time to time be applicable to the Issuer, including Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 and the Wft (including the measures laid down in Part 6 thereof).

10. TAXATION

All payments in respect of the Notes, Receipts and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature (collectively "**Taxes**"), unless such withholding or deduction is required by applicable law. In the event the withholding or deduction of such Taxes is imposed or levied by or on behalf of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, the Issuer will, depending on which provision is specified in the applicable Final Terms, either:

- a) make the required withholding or deduction of such Taxes for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons; or
- b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the amount which would otherwise have been receivable in respect of the Notes, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:
 - i. with respect to Senior Preferred MREL Notes, Senior Non-Preferred Notes, Subordinated Notes qualifying as MREL Eligible Liabilities or Tier 2 Notes only, any withholding or deduction in respect of payments of principal under the Senior Preferred MREL Notes, Senior Non-Preferred Notes, Subordinated Notes qualifying as MREL Eligible Liabilities or Tier 2 Notes;
 - ii. to a Noteholder, Receiptholder or Couponholder who is liable for such Taxes in respect of such Note, Receipt or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof;

- iii. to a Noteholder, Receiptholder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of residence, non-residence or other similar document or other evidence concerning nationality, residence or identity of the Noteholder, Receiptholder or Couponholder which is needed as a precondition to exemption from all or part of such Taxes or to assess whether such Taxes are applicable to the respective payment but only to the extent the holder is legally entitled to provide such information or documentation or such information or documentation is otherwise reasonably requested by the Issuer;
- iv. in respect of any withholding or deduction required pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*) as amended from time to time; or
- v. presented for payment, where presentation is required, more than thirty (30) days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day.

For the avoidance of doubt, no additional amounts will be paid by the Issuer, any Paying Agent or any other person on account of any deduction or withholding from a payment on, or in respect of, the Notes, Receipts or Coupons where such deduction or withholding is required pursuant to an agreement described in Section 1471(b) of the Revenue Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Revenue Code, any regulations thereunder, any official interpretations thereof, any intergovernmental agreement with respect thereto or any law implementing, or relating to, an intergovernmental agreement.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16 (*NOTICES*).

11. PRESCRIPTION

The Notes, Receipts and Coupons will become void unless presented for payment within a period of five (5) years after the Relevant Date (as defined in Condition 10 (*TAXATION*)) therefore.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 (*TAXATION*) or Condition 8(b) (*Presentation of Definitive Notes, Receipts and Coupons*) or any Talon which would be void pursuant to Condition 8(b) (*Presentation of Definitive Notes, Receipts and Coupons*).

12. EVENTS OF DEFAULT

If any one or more of the following events (each an "**Event of Default**") shall have occurred and be continuing

- A. With respect to the Senior Preferred Notes only:
 - (i) default is made for more than thirty (30) days in the payment of interest or principal in respect of the Senior Preferred Notes;
 - (ii) the Issuer fails to perform or observe any of its other obligations under the Senior Preferred Notes and such failure has continued for the period of sixty (60) days next following the service on the Issuer of notice requiring the same to be remedied;
 - (iii) the Issuer is declared bankrupt; or
 - (iv) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination or this involves a solvent liquidation,

then any holder of Senior Preferred Notes may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Senior Preferred Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 9(f) (*Instalments*)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

- B. With respect to the Senior Preferred MREL Notes, the Senior Non-Preferred Notes and any Subordinated Notes:
- (i) the Issuer is declared bankrupt; or
 - (ii) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination or this involves a solvent liquidation,

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 9(e) (*Early Redemption Amounts*)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind, provided that (i) repayment of the Notes under this Condition will only be effected after the Issuer has (i) obtained the prior (written) permission of the Competent Authority pursuant to Article 77 CRR, (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that it meets the conditions in Article 78 CRR in the event the Notes qualify as Tier 2 Notes, or the conditions in Article 78a CRR in the event the Notes qualify as MREL Eligible Liabilities, which may include requiring the replacement of the Notes with own funds instruments or eligible liabilities instruments respectively of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and (iii) complied with any other pre-conditions to, or requirements applicable to, such repayment as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time.

Holders of Subordinated Notes, the Senior Non-Preferred Notes and the Senior Preferred MREL Notes may not themselves petition for the bankruptcy of the Issuer or for its dissolution. Save as provided above, the sole remedy available to these Noteholders to enforce any term or condition binding on the Issuer under the Subordinated Notes, the Senior Non-Preferred Notes and the Senior Preferred MREL Notes or the Coupons, respectively, shall be to institute proceedings against the Issuer to demand specific performance (*nakoming eisen*) of any such obligation of the Issuer under or arising from the Subordinated Notes, the Senior Preferred MREL Notes and the Senior Non-Preferred Notes or the Coupons, including, without limitation, payment of any principal or premium or satisfaction of any interest payments in respect of the Subordinated Notes, the Senior Non-Preferred Notes and the Senior Preferred MREL Notes or the Coupons, in each case when not satisfied for a period of fourteen (14) or more days after the date on which such payment is due, but in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it. No remedy against the Issuer, other than as referred to in this Condition 12 (*EVENTS OF DEFAULT*), shall be available to the Subordinated Noteholders, the Senior Non-Preferred Noteholders and the Senior Preferred MREL Noteholders, whether for the recovery of amounts owing in respect of the Subordinated Notes, the Senior Non-Preferred Notes and the Senior Preferred MREL Notes or the Coupons or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Subordinated Notes, the Senior Non-Preferred Notes and the Senior Preferred MREL Notes or the Coupons.

The application of Statutory Loss Absorption or Recapitalisation as set out in Condition 9 (*REDEMPTION AND PURCHASE*) in respect of the Notes does not constitute an Event of Default.

13. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. AGENT AND PAYING AGENTS

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out in the Base Prospectus.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed, quoted and/or traded on or by any competent listing authority, on any stock exchange or quotation system, there will at all times be a Paying agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;
- (ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (iii) there will at all times be an Agent; and
- (iv) there will at all times be a Paying Agent with a specified office situated outside the Netherlands.

In addition, the Issuer shall forthwith appoint a paying agent having a specified office in New York City in the circumstances described in Condition 8(d) (*General provisions applicable to payments*). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than thirty (30) nor more than forty-five (45) days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 16 (*NOTICES*).

15. EXCHANGE OF TALONS

On and after the Interest Payment Date or the Specified Interest Payment Date or the Specified Period, as the case may be, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 11 (*PRESCRIPTION*). Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date or the Specified Interest Payment Date or for the Specified Period (as the case may be) on which the final Coupon comprised in the relative Coupon sheet matures.

16. NOTICES

All notices regarding the Notes shall be published if and for so long as the Notes are listed on the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice will be deemed to have been given on the date of the first publication in all the newspapers in which such publication is required to be made or on the date of publication on the website of the Luxembourg Stock Exchange.

Until such time as any definitive Notes are issued, there may (provided that, in the case of any publication required by a stock exchange, the rules of the stock exchange so permit), so long as the Global Note(s) is or are held in its or their entirety with a depository or a common safekeeper on behalf of Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system or with Euroclear Nederland, be substituted for publication in some or all of the newspapers referred to above, the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and/or Euroclear Nederland and/or any other relevant clearing system for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg and/or Euroclear Nederland and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Where the identity of all the Noteholders is known to the Issuer, the Issuer may (after consultation with the relevant stock exchange (where relevant)) give notice individually to such holders in lieu of publication as provided above.

Notices to be given by any Noteholders shall be in writing and given by lodging the same, together (in the case of any Definitive Notes) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear, Clearstream, Luxembourg and/or Euroclear Nederland and/or any other relevant clearing system as the case may be, in such manner as the Agent and Euroclear, Clearstream, Luxembourg, Euroclear Nederland and/or any other relevant clearing system as the case may be, may approve for this purpose.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the

Receipts, the Coupons or certain provisions of the Agency Agreement. Such meetings may be convened by the Issuer or Noteholders holding not less than 5% in a nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50% in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the Rate of Interest payable in respect of the Notes or altering the currency of payments on the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

The Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any substitution or variation of Notes pursuant to and in accordance with Condition 9(d) (*Redemption, substitution and variation for regulatory purposes*).

Any such modification, substitution or variation shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification, substitution or variation shall be notified to the Noteholders in accordance with Condition 16 (*NOTICES*) as soon as practicable thereafter.

Any amendment to Condition 9(j) (*Statutory Loss Absorption and Recapitalisation of Notes*) or which impacts the eligibility of the Subordinated Notes as Tier 2 Notes is subject to (i) the prior (written) permission of the Competent Authority (ii) compliance with any other pre-conditions to, or requirements applicable to, such amendment as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time.

Any amendment to Condition 9(j) (*Statutory Loss Absorption and Recapitalisation of Notes*) or which impacts the Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, as being eligible for purposes of the Issuer's MREL Requirement is subject to (i) the prior (written) permission of the Competent Authority (ii) compliance with any other pre-conditions to, or requirements applicable to, such amendment as may be required by the Competent Authority or MREL Regulations at such time.

18. FURTHER ISSUANCES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. SUBSTITUTION OF THE ISSUER

- (a) The Issuer may, without any further consent of the Noteholders or Couponholders being required, when no payment of principal of or interest on any of the Notes is in default and in case of Tier 2 Notes and Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, after (i) (written) permission of the Competent Authority, and (ii) compliance with any other pre-conditions to, or requirements applicable to, such replacement and substitution as may

be required by the Competent Authority, MREL Regulations or CRD or such other regulatory capital rules applicable to the Issuer at such time, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer (the "**Substituted Debtor**") as principal debtor in respect of the Notes and the related Receipts and Coupons provided that:

- (i) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder and Couponholder to be bound by the Terms and Conditions and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes and the related Receipts and Coupons and the Agency Agreement as the principal debtor in respect of the Notes and the relevant Receipts and Coupons in place of the Issuer and, if and to the extent the Issuer has determined in its sole discretion that a guarantee shall not affect the status of such Notes under the applicable MREL Regulations or CRD or such other regulatory capital rules applicable to the Issuer at such time, pursuant to which the Issuer shall guarantee, which guarantee shall be unconditional and irrevocable, (the "**Guarantee**") in favour of each Noteholder and each holder of the related Receipts and Coupons the payment of all sums (including any additional amounts payable pursuant to Condition 10 (*TAXATION*)) payable in respect of the Notes and the related Receipts and Coupons;
- (ii) where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Netherlands, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant in terms corresponding to the provisions of Condition 10 (*TAXATION*) with the substitution for the references to the Netherlands of references to the territory in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor and the Issuer to indemnify and hold harmless each Noteholder and Couponholder against all liabilities, costs, charges and expenses, which may be incurred by or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Noteholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);
- (iii) the Documents shall contain a warranty and representation by the Substituted Debtor and the Issuer (a) that each of the Substituted Debtor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Debtor and the Issuer under the Documents are all valid and binding in accordance with their respective terms and enforceable by each Noteholder;
- (iv) each stock exchange which has Notes listed thereon shall have confirmed that following the proposed substitution of the Substituted Debtor such Notes would continue to be listed on such stock exchange;
- (v) the Substituted Debtor shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading law firm in the jurisdiction in which the Substituted Debtor is situated to the effect that the Documents and the Substituted Debtor's obligations under the Notes, Receipts and Coupons will constitute legal, valid and binding obligations of the Substituted Debtor, such opinion to be dated not more than three (3) days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders and Couponholders at the specified office of the Agent; and
- (vi) the Issuer shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading Dutch law firm to the effect that the Documents (including the Guarantee, as applicable) constitute legal, valid and binding obligations of the Substituted Debtor and the Issuer, as the case may be, under Dutch law, such opinion to be dated not more than three (3) days prior

to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders and Couponholders at the specified office of the Agent.

- (b) In connection with any substitution effected pursuant to this Condition, neither the Issuer nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Noteholder or Couponholder, except as provided in Condition (c)19 (*SUBSTITUTION OF THE ISSUER*) under item (a)(ii), shall be entitled to claim from the Issuer or any Substituted Debtor under the Notes and the related Receipts and Coupons any indemnification or payment in respect of any tax or other consequences arising from such substitution.
- (c) In respect of any substitution pursuant to this Condition in respect of the Subordinated Notes of any Series, the Documents shall provide for such further amendment of the Terms and Conditions of the Subordinated Notes as shall be necessary to ensure that the Subordinated Notes of such Series constitute subordinated obligations of the Substituted Debtor and that the Guarantee (as applicable) constitutes a subordinated obligation of the Issuer, in each case subordinated to no greater than the same extent as the Issuer's obligations prior to its substitution to make payments of principal in respect of the Subordinated Notes of such Series under Condition 5 (*STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES*). In respect of any substitution pursuant to this Condition in respect of the Senior Non-Preferred Notes of any Series, the Documents shall provide for such further amendment of the Terms and Conditions of the Senior Non-Preferred Notes as shall be necessary to ensure that the Senior Non-Preferred Notes of such Series constitute any present and future claims in respect of unsubordinated and unsecured obligations of the Substituted Debtor, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands), and that the Guarantee (as applicable) constitutes an unsubordinated and unsecured obligation of the Issuer with a similar ranking as those of the Substituted Debtor, in each case subordinated to no greater than the same extent as the Issuer's obligations prior to its substitution to make payments of principal in respect of the Senior Non-Preferred Notes of such Series under Condition 5 (*STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES*) (unless it is not legally possible for the Guarantee (as applicable) to have such a similar ranking, in which case the Guarantee (as applicable) may constitute a subordinated obligation of the Issuer).
- (d) With respect to Subordinated Notes qualifying as Tier 2 Notes, the Issuer shall be entitled, after (i) (written) permission of the Competent Authority and (ii) compliance with any other pre-conditions to, or requirements applicable to, such waiver as may be required by the Competent Authority or CRD or such other regulatory capital rules applicable to the Issuer at such time, by notice to the Noteholders given in accordance with Condition 16 (*NOTICES*), at any time either to effect a substitution which does not comply with paragraph (c) above provided that the terms of such substitution have been approved by an Extraordinary Resolution of the Noteholders or to waive all and any rights to effect a substitution of the principal debtor pursuant to this Condition. Any such notice of waiver shall be irrevocable. With respect to Senior Preferred MREL Notes, Senior Non-Preferred Notes and/or Subordinated Notes qualifying as MREL Eligible Liabilities, respectively, the Issuer shall be entitled, after (i) (written) permission of the Competent Authority and (ii) compliance with any other pre-conditions to, or requirements applicable to, such waiver as may be required by the Competent Authority or the MREL Regulations at such time, by notice to the Noteholders given in accordance with Condition 16 (*NOTICES*), at any time either to effect a substitution which does not comply with paragraph (c) above provided that the terms of such substitution have been approved by an Extraordinary Resolution of the Noteholders or to waive all and any rights to effect a substitution of the principal debtor pursuant to this Condition. Any such notice of waiver shall be irrevocable.
- (e) Upon the execution of the Documents as referred to in paragraph (a) above, the Substituted Debtor shall be deemed to be named in the Notes and the related Receipts and Coupons as the principal debtor in place of the Issuer and the Notes and the related Receipts and Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Notes and the related Receipts and Coupons save that any claims under the Notes and the related Receipts and Coupons prior to release shall inure for the benefit of Noteholders and Couponholders.

- (f) The Documents shall be deposited with and held by the Agent for so long as any Notes or Coupons remain outstanding and for so long as any claim made against the Substituted Debtor by any Noteholder or Couponholder in relation to the Notes or the related Receipts and Coupons or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Issuer shall acknowledge in the Documents the right of every Noteholder and Couponholder to the production of the Documents for the enforcement of any of the Notes or the related Receipts and Coupons or the Documents.
- (g) Not later than fifteen (15) Business Days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 16 (*NOTICES*).

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- (a) The Agency Agreement, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, Dutch law, including the choice of court agreement set out below in Condition 20(b).
- (b) The Issuer submits for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the courts of Amsterdam, the Netherlands, judging in first instance, and in its appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes, the Receipts and the Coupons may be brought in any other court of competent jurisdiction.

2.2. FORM OF FINAL TERMS

Copies of the Final Terms will be provided by the Issuer upon request. [In addition, in case of Notes listed on the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.bourse.lu)].

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme. Any material deviation of the form of Final Terms will have to be approved by the AFM (if required under the Prospectus Regulation).

Final Terms

dated [•]

de Volksbank N.V.

*(incorporated under Dutch law as a public limited liability company
and having its corporate seat in Utrecht, the Netherlands)*

Legal Entity Identifier (LEI): 724500A1FNICHSD2111

(the "**Issuer**")

Issue of [up to] [Aggregate Nominal Amount of Tranche] [Title of Notes]
(the "**Notes**")

issued under the Debt Issuance Programme of the Issuer

This document constitutes the Final Terms of the issue of Notes under the Debt Issuance Programme (the "**Programme**") of the Issuer, described herein for the purposes of Article 8 of Regulation (EU) 2017/1129, including any commission delegated regulation thereunder (the "**Prospectus Regulation**"). It must be read in conjunction with the base prospectus pertaining to the Programme, dated 12 October 2023 [and as supplemented on [•][and [•]]], which together constitute a base prospectus for the purposes of the Prospectus Regulation (the "**Base Prospectus**"). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus and any supplements thereto. The Base Prospectus and any supplements thereto are available for viewing at <https://www.devолksbank.nl/investor-relations/debt-informatie/unsecured-funding/euro-medium-term-notes> as well as at the office of the Issuer at Croeselaan 1, 3521 BJ, Utrecht, the Netherlands, where copies may also be obtained (free of charge). Any information contained in or accessible through any website, including www.devолksbank.nl, does not form part of the Base Prospectus and/or these Final Terms and has not been scrutinised or approved by the AFM, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in the Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

Prohibition of sales to EEA retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

EU MiFID II product governance / Professional investors and eligible counterparties only target market: Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (an "**EU distributor**") should take into consideration the manufacturer[']s target market assessment; however, an EU distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the

Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

[Prohibition of sales to UK retail investors - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the UK by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "UK distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels."]

[The following language applies if the first Tranche of the Series of Notes is issued under the current base prospectus]

[These Final Terms are to be read in conjunction with the Terms and Conditions (the "Terms and Conditions") set forth in section 2.1 (*Terms and Conditions*) of the Base Prospectus. The Terms and Conditions as completed by these Final Terms constitute the conditions (the "Conditions") of the Notes. Capitalised terms not defined herein have the same meaning as in the Terms and Conditions. All references to numbered Conditions and sections are to Conditions and sections of the Terms and Conditions set forth in section 2.1 (*Terms and Conditions*) of the Base Prospectus.]

[The following alternative language applies if the first Series or Tranche of an issuance which is being increased was issued under a Base Prospectus with an earlier date.]

[Terms used herein shall be deemed to be defined as such, to the extent they apply to the previously issued Senior Preferred MREL Notes (defined as Senior Preferred Notes in those previous conditions), Senior Non-Preferred Notes or Tier 2 Notes (as may be the case), in [the terms and conditions as referred to on pages 91 up to and including 135 of the base prospectus of the Issuer relating to the Programme, dated 17 October 2019 (the "2019 Terms and Conditions")][the terms and conditions as referred to on pages 103 up to and including 160 of the base prospectus of the Issuer relating to the Programme, dated 15 October 2020 (the "2020 Terms and Conditions")][the terms and conditions as referred to on pages 109 up to and including 167 of the base prospectus of the Issuer relating to the Programme, dated 14 October 2021 (the "2021 Terms and Conditions")][the terms and conditions as referred to on pages 91 up to and including 140 of the base prospectus of the Issuer relating to the Programme, dated 14 October 2022 (the "2022 Terms and Conditions")] which have been incorporated by reference in, and forms part of the base prospectus dated 14 October 2021[, as supplemented by the supplement to this base prospectus dated [*insert date*]] (the "Base Prospectus"). These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus, save in respect of the 2019 Terms and Conditions, the 2020 Terms and Conditions, the 2021 Terms and Conditions and the 2022 Terms and Conditions, incorporated by reference therein which are attached hereto. Together, the Base Prospectus and these Final Terms constitute a base prospectus for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus.]

[Include whichever of the following apply or specify as 'Not Applicable (N/A)'. Note that the numbering should remain as set out below, even if 'Not Applicable' is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]

[When completing any Final Terms, consideration should be given as to whether such terms constitute 'significant new factors' and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a period of two (2) Business Days.]

[Consider whether a drawdown prospectus is necessary in order to issue fungible Notes where the first Tranche was issued pursuant to a previous Base Prospectus. This could arise in circumstances where, for example, the Final Terms for the original tranche included information which is no longer permitted to be included in Final Terms under the Prospectus Regulation or pursuant to guidance issued by ESMA.]

- | | | |
|-----|--|---|
| (1) | Issuer: | de Volksbank N.V. |
| (2) | (i) Series Number: | [] |
| | (ii) Tranche Number: | []
<i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| | (iii) Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the <i>[insert earlier Tranches]</i> on <i>[[insert date]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below [which is expected to occur on or about [insert date]].]</i> |
| (3) | Specified Currency or Currencies: | [] |
| (4) | Aggregate Nominal Amount: | [] |
| | (i) Series: | [Up to] |
| | (ii) Tranche: | [Up to] |
| (5) | Issue Price of Tranche: | [] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (in the case of fungible issuances only, if applicable)] |
| (6) | (i) Specified Denominations: | []
<i>(Notes may not be issued in denominations less than € 100,000 or the equivalent thereof in any other currency).</i>

<i>(Note – Please use the following sample wording: '€ 100,000 and integral multiples of [€ 1,000] in excess thereof up to and including [€ 199,000]. No Notes in definitive form will be issued with a denomination above [€ 199,000].')</i> |
| | (ii) Calculation Amount | [] |

(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

- (7) (i) Issue Date: []
- (ii) Interest Commencement Date (if different from the Issue Date): [*Specify*/Issue Date/ Not applicable]
- (8) Maturity Date: [Fixed rate – *specify date*/Floating rate – Interest Payment Date falling in or nearest to [*specify month and year*]]
- (9) Interest Basis: [[] per cent. Fixed Rate] [[EURIBOR/ Compounded Daily €STR/ Compounded Daily SOFR/ Weighted Average SOFR/ Compounded Daily SONIA] +/- [] per cent. Floating Rate]
 [Dual Currency Interest]
 [Zero Coupon]
 [Non-interest bearing]
 (further particulars specified below)
- (10) Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.]
 [Dual Currency Redemption]
 [Instalment]
- (11) Change of Interest Basis Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub paragraphs of this paragraph)
- (i) Interest Basis Option Period: [] Business Days
- (ii) Change of Interest Basis Option Period Date: []/Each Interest Payment Date]
- (iii) Initial Interest Basis: [[] per cent. Fixed Rate]
 [Floating Rate][EURIBOR/ Compounded Daily €STR/Compounded Daily SOFR/ Weighted Average SOFR/ Compounded Daily SONIA] +/- [] per cent.
 [Zero Coupon]
 [Non-interest bearing]
- (iv) Subsequent Interest Basis: [[] per cent. Fixed Rate]
 [Floating Rate][EURIBOR/ Compounded Daily €STR/Compounded Daily SOFR/ Weighted Average SOFR/ Compounded Daily SONIA] +/- [] per cent.
 [Zero Coupon]
 [Non-interest bearing]
- (12) Put/Call Options: [Issuer Call]
 [Regulatory Call (*only if Condition 9(d) (Redemption, substitution and variation for regulatory purposes) applies*)]
 [Not Applicable]
 [(further particulars specified below)]

- (13) Status of the Notes: [Senior Preferred/Senior Preferred MREL/Senior Non-Preferred/Subordinated [Tier 2] Notes]
- (14) Method of distribution: [Syndicated/Non-syndicated/Not applicable]
- (i) If syndicated, names and addresses of Dealers: [*insert names and addresses*/Not applicable]
- (ii) If non-syndicated, name and address of relevant Dealer: [*insert names and addresses*/Not applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- (15) **Fixed Rate Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
- (i) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]
- [From (and including) [] up to (but excluding) [] [[] per cent. per annum] [the aggregate of [spread of issuance of []] per cent. and the Mid Swap Rate [per annum] [determined by the Agent] [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear on each Interest Payment Date [from (and including) [] up to (but excluding) []].]
- ["Mid Swap Rate" means the annual mid swap rate for [Euro] [US dollar] swap transactions with a maturity of [] years, expressed as a percentage, displayed on Reuters screen page as [ICESWAP2][]¹¹ (or such other page as may replace that page on Reuters, or such other service as may be designated by the [Manager(s)/Dealer(s)] in consultation with the Issuer) at [] [a.m./p.m.] ([] time) on the [second] Business Day prior to [].]
- (ii) Interest Payment Date(s): [] in each year
(NB: This will need to be amended in the case of long or short coupons)
- (iii) Interest Period: []
- (iv) Fixed Coupon Amount(s): [] per Calculation Amount
- (v) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] / [Not Applicable]
- (vi) Business Day Convention:
- Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/No adjustment/Preceding Business Day Convention]
 - Adjustment or Unadjustment for Interest Period: [Adjusted] or [Unadjusted]

¹¹ Dealers to indicate which other mid swap rates are commonly used.

- Additional Business Centre(s): []/Not Applicable
 - (vii) Fixed Day Count Fraction: [Actual/Actual (ICMA)]
 - (viii) Interest Determination Date(s): [[] in each year/Not Applicable]
- (Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
- NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration.*
- NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)*
- (16) **Floating Rate Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Specified Period(s): []*[only applicable if no Specified Interest Payment Dates are set out]*
 - (ii) Specified Interest Payment Dates: []
 - (iii) Business Day Convention:
 - Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/No adjustment/ Preceding Business Day Convention]
 - Adjustment or Unadjustment for Interest Period: [Adjusted] or [Unadjusted]
 - (iv) Additional Business Centre(s): []/Not Applicable
 - (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
 - (vi) Party responsible for calculating the Rate of Interest and interest Amount (if not the Agent): []
 - (vii) Screen Rate Determination: [Applicable/Not Applicable] *(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - Reference Rate: [EURIBOR/ Compounded Daily €STR/Compounded Daily SOFR/ Weighted Average SOFR/ Compounded Daily SONIA[]]
 - Interest Determination Date(s): [] [London Banking Days / United States Government Securities Business Days / TARGET Settlement Days] [prior to the [end][start] of each] [Interest Accrual Period/Interest Period]

(the second day on which T2 is operating prior to the start of each Interest Period if EURIBOR or any other inter-bank offered rate prevailing in a country in which T2 does not apply)

- Observation Method: [Not Applicable/Lag/Lock-out/Shift], where Lock-out date means the date 5 [London Banking Days][United States Government Securities Business Days][TARGET Settlement Days] prior to the applicable Interest Payment Date]
- Observation Look-back Period: [specify number] [London Banking Days][TARGET Settlement Days][United States Government Securities Business Days]
(being no less than 5 TARGET Settlement Days or 5 United States Government Securities Business Days):
- Relevant Screen Page: []

(subject to the fallback provisions set out in Condition 7(d) *(Replacement Reference Rate)*)

(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate)
- Relevant Time: [] (For example, 11.00 a.m. London time/ Amsterdam time)
- (viii) ISDA Determination: [Applicable/Not Applicable]
 - ISDA Definitions: [2006 ISDA Definitions][2021 ISDA Definitions]
 - Floating Rate Option: []
 - Designated Maturity: []
(a Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk free rate)
- Reset Date: []
- (ix) Margin(s): [+/-] [] per cent. per annum
- (x) Minimum Rate of Interest: [[] per cent. per annum /Not Applicable]
- (xi) Maximum Rate of Interest: [[] per cent. per annum /Not Applicable]
- (xii) Floating Day Count Fraction: [Actual/Actual (ISDA) Actual/365 (Fixed) Actual/360 30E/360 or Eurobond Basis 30E/360 (ISDA)]
- (xiii) Compounding: [Applicable/Not Applicable]
(if not applicable delete the remaining items of this subparagraph)
- (xiv) Compounding Method: [Compounding with Lookback

Compounding with Lookback Period: [[●] Applicable Business Days][As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

[Compounding with Observation Period Shift

Compounding with Observation Shift Period: Observation Period Shift Business Days/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

Set-in-Advance: [Applicable/Not Applicable]

[Compounding with Lockout

Compounding with Lockout Period: Lockout Period Business Days/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

[IOS Compounding]]

(17) **Zero Coupon Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Accrual Yield: [] per cent. per annum

(ii) Reference Price: []

(18) **Dual Currency Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub paragraphs of this paragraph)

(i) Rate of Exchange: [Give details]

(ii) Party responsible for calculating the Rate of Interest and interest Amount (if not the Agent): []

(iii) Person at whose option Specified Currency(ies) is/are payable: []

(19) **Statement on benchmark[s]:** [Amounts payable under the Notes may be calculated by reference to *[specify benchmark]*, which is provided by *[administrator legal name]* *[repeat as necessary]*. As at the date of these Final Terms, *[[administrator legal name][appears]/[does not appear] [repeat as necessary]* on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. [As far as the Issuer is aware, *administrator legal name*], as administrator of *[specify benchmark]* *[repeat as necessary]* [is / are] not required to be registered by virtue of Article 2 of that regulation] OR [the transitional provisions in Article 51 of the Benchmarks Regulation apply], such that *[legal name of administrator(s)]* [is/are] not currently required to obtain authorisation or registration (or, if located outside the European Union or the United Kingdom, recognition, endorsement or equivalence).] *[Not Applicable]*

PROVISIONS RELATING TO REDEMPTION

- (20) Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s): [] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Notice period (if other than as set out in the Conditions): [] days (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
- (21) Regulatory Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Amount(s): [] per Calculation Amount
- (ii) Notice Period (if other than as set out in the Conditions): [] days (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
- (22) Final Redemption Amount [[] per Calculation Amount]
- (23) Early Redemption Amount(s) payable on redemption for taxation reasons[, redemption for illegality reasons[or on event of default and/or the method of calculating the same (if required): [] per Calculation Amount
- (24) Variation or Substitution: [Applicable/Not Applicable]
(If not applicable, delete the sub-paragraph of this paragraph)
- (i) [ALAC Event:] [Applicable/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- (25) Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon the occurrence of an Exchange Event [and in case of a Temporary Global Note deposited with Euroclear Nederland only in the limited circumstances, as described in the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*) (as amended from time to time)]]
- [Temporary Global Note exchangeable for a Permanent Global Note which is not exchangeable for Definitive Notes upon the occurrence of an Exchange Event.]*
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.]**
- [Permanent Global Note exchangeable for Definitive Notes only upon the occurrence of an Exchange Event [and in case of a Permanent Global Note deposited with Euroclear Nederland only in the limited circumstances, as described in the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*) (as amended from time to time)]]
- [Permanent Global Note not exchangeable for Definitive Notes]***
- (26) New Global Note form: [Applicable/Not Applicable]
[Please refer to item 39(v) if applicable]
- (27) Additional Financial Centre(s) or other special provisions relating to payment Dates: [Not Applicable/give details]
(Note that this item relates to the date and place of payment and not Interest Period end dates to which items 15(ii) and 16(ii) relate)
- (28) Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes (give details) /No]
- (29) Details relating to Instalment Notes; amount of each instalment, date on which each payment is to be made: [Applicable (give details)/ Not Applicable]
- (30) Redenomination: [Applicable/Not Applicable]
- (i) Day Count Fraction applicable to Redenomination calculation: []
- (31) Taxation Whether Condition 10 first paragraph under a) of the Notes applies (in which case Condition 9(b)(i) (*Redemption for tax reasons*) of the Notes will not apply) or whether Condition 10 first paragraph under (b) of the Notes applies (in which case Condition 9(b) (*Redemption for tax reasons*) of the Notes will apply): [Condition 10 first paragraph under a) applies and Condition 9(b)(i) (*Redemption for tax reasons*) does not apply] [Condition 10 first paragraph under b) applies and Condition 9(b) applies]

OTHER PROVISIONS

- (32) Whether TEFRA D or TEFRA C rules: [TEFRA D/TEFRA C/TEFRA not applicable]
- (33) Stabilising Manager (if any): [Applicable (*give legal name*)/Not Applicable]
- (34) Listing:
- (i) Listing: [Luxembourg Stock Exchange]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [Luxembourg Stock Exchange regulated market] with effect from [___], [Not Applicable].
(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) [___]]
- (iii) Estimate of total expenses related to admission to trading: []
- (iv) Green Exchange: [Application has been made for display to the Luxembourg Green Exchange] [Not Applicable]
- (35) Ratings: The Notes to be issued [have [not] been rated/are expected to be rated]:
[Moody's France SAS: []]
[Fitch Ratings Ireland Limited: []]
[Other]: []

[and endorsed by *[insert details including full legal name of credit rating agency/ies]*]

(The above disclosure should reflect the rating allocated to Notes of the type issued under the Programme generally or, where the issue has been specifically rated, that rating.)

Insert one (or more) of the following options, as applicable:

*[Insert full legal name of credit rating agency/ies] [is]/[are] established in the EU and [has]/[have each] applied for registration under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority]].*

*[[Insert full legal name of credit rating agency/ies] [is]/[are] established in the EU and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**").]*

*[[Insert full legal name of credit rating agency/ies] [is]/[are] not established in the EU or in the UK and is not certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") or Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation nor by a credit rating agency established in the UK and registered under the UK CRA Regulation.]*

[[Insert full legal name of credit rating agency/ies] [is]/[are] established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

[[Insert full legal name of credit rating agency/ies] [is]/[are] endorsed by [Insert full legal name of credit rating agency/ies] which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

- (36) Notification: The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**AFM**") [has been requested to provide/has provided – include first alternative for an issuance which is contemporaneous with [the update of] the Programme and the second alternative for subsequent issuances] the [names of competent authorities of host Member States] with a notification that the Base Prospectus (including any supplements thereto) has been drawn up in accordance with the Prospectus Regulation.]
- (37) Interests of Natural and Legal Persons Involved in the Issue: [Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. – *Amend as appropriate if there are other interests*]
- (38) Yield (Fixed Rate Notes only) Indication of yield: []
[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]
- (39) Operational Information:
- (i) ISIN Code: []
 - (ii) Common Code: []
 - (iii) WKN Code: [] [Not Applicable]
 - (iv) CFI Code:
 - (v) FSIN Code:
 - (vi) Other relevant code: [] [Not Applicable]
 - (vii) New Global Note intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the international central securities depositories as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

- (viii) Offer Period: [The offer of the Notes is expected to open at [] hours ([] time) on [] and close at [] hours ([] time) on [] or such earlier or later date or time as the Issuer may determine, following consultation with the relevant Dealer where practical,] (and announce)] [If not applicable, delete this sub-paragraph]]
- (ix) Delivery: Delivery [against/free of] payment
- (x) Clearing System: [Euroclear / Clearstream, Luxembourg / Euroclear Nederland / other alternative clearing system]
- (40) Names and address(es) of initial Paying Agent(s) (if any): [[]/ Not Applicable]
- (41) Name and address of Additional paying agent (if any): [[]/ Not Applicable]
- (42) Use of proceeds: [General corporate purposes][specify other]

(See "Use of Proceeds" wording in the Base Prospectus – if reasons for the offer are different from general corporate purposes, will need to include those reasons here. If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds are insufficient to fund all proposed uses state amount and sources of other funding. If the Notes are Green Bonds, further specify herein the relevant eligibility criteria and the connection with the de Volksbank's Green Bond Framework (e.g. definition of Eligible Green Loan/ Portfolio) (or equivalent terms).

[Any post-issuance information in relation to Green Bonds can be obtained from [https://\[\]](https://[])]

Responsibility

The Issuer declares that, the information contained herein is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility for the information contained in these Final Terms. [[Insert third party information] has been extracted from []. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

By:

Duly authorised

Notes:

- * Do not use for Temporary Global Note deposited with Euroclear Nederland.
- ** If selected in combination with Euroclear Nederland as clearing system, further legal advice is required.
- *** Do not use for Permanent Global Note deposited with Euroclear Nederland.

- Applicable Terms and Conditions to be attached -

**CHAPTER 3
GLOSSARY OF DEFINED TERMS**

"€STR"		means the euro short-term rate (€STR) as administered by the ECB (or any other person which takes over the administration of that rate) published by the ECB (or any other person which takes over the publication of that rate).
"€STR Reference Rate"		has the meaning ascribed thereto in Condition 7(b)(ii)(b) (<i>Screen Rate Determination for Floating Rate Notes referencing Compounded Daily €STR</i>).
"403-guarantee"		means a guarantee as referred to in Article 2:403 of the Dutch Civil Code.
"48(7) Implementation Bill"	BRRD	means the bill on the Dutch implementation of loss-absorption and recapitalisation capacity for credit institutions and investment firms, providing for among other things the implementation of article 48(7) BRRD.
"Additional Capital"	Tier 1	means capital which is treated as Additional Tier 1 capital (or any equivalent or successor term) under the CRD requirements by the Competent Authority for the purposes of the Issuer.
"AFM"		means the Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>).
"Agency Agreement"		means the agency agreement originally dated 19 October 2015, as most recently amended and restated on 12 October 2023 and entered into between the Issuer, the Agent and the Paying Agent, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
"Agent"		means BIL, or its successor or successors.
"ALAC"		means additional loss absorbing capacity ratio (or such similar nomenclature) used by S&P.
"ALAC Event"		has the meaning ascribed thereto in in Condition 9(d) (<i>Redemption, substitution and variation for regulatory purposes</i>).
"AML"		means anti-money laundering laws.
"AML Directive"		means Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC.
"AML Regulation"		means Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 on information accompanying transfers of funds and repealing Regulation (EC) No 1781/2006.
"Applicable Framework"	Resolution	has the meaning ascribed thereto in Condition 9(j) (<i>Statutory Loss Absorption and Recapitalisation of Notes</i>).
"Arranger"		means Rabobank, or its successor or successors.

"Article 108 Amending Directive"	means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy.
"Audit Committee"	means the audit committee of the Issuer.
"Banking Code"	means the revised banking code (<i>Code Banken</i>) published by the Dutch Banking Association in October 2014 and effective as of 1 January 2015 as lastly amended in 2021.
"Basel Committee"	means the Basel Committee on Banking Supervision.
"Basel III Reforms"	means the Basel III reforms as published on 7 December 2017.
"Base Prospectus"	means this base prospectus dated 12 October 2023.
"Benchmark Event"	has the meaning ascribed thereto in Condition 7(d) (<i>Replacement Reference Rate</i>).
"Benchmarks Regulation"	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
"BIL"	means Banque Internationale à Luxembourg S.A.
"BRRD"	means Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms.
"Business Day"	means a day which is both: <ul style="list-style-type: none"> (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and (b) either (1) in relation to any sum payable in a Specified Currency (as specified in the applicable Final Terms) other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency and any Additional Business Centre which, if the Specified Currency is (a) Australian dollars, shall be Sydney, (b) New Zealand dollars, shall be Wellington, (c) Hong Kong dollars, shall be Hong Kong and (d) Japanese yen, shall be Tokyo or (2) in relation to any sum payable in euro, a day on which T2 is operating. In these Conditions, "T2" means the real-time gross settlement system operated by the Eurosystem or any successor system.
"Calculation Amount"	has the meaning ascribed thereto in the applicable Final Terms.
"Calculation Period"	has the meaning ascribed thereto in Condition (c)7(a) (<i>Interest on Fixed Rate Notes</i>).
"Capital Event"	has the meaning ascribed thereto in in Condition 9(d) (<i>Redemption, substitution and variation for regulatory purposes</i>).
"CET1"	means Common Tier Equity 1.
"Clearstream, Luxembourg"	means Clearstream Banking, société anonyme.

"Code"	means the Dutch Corporate Governance Code.
"Competent Authority"	means the ECB, DNB or such other regulatory authority or governmental body having primary responsibility for the prudential oversight and supervision of the Issuer, or, as the case may be, a Resolution Authority. In relation to any Reference Rate, a reference to Competent Authority is to be understood as a reference to the regulatory authority supervising the administrator of the Reference Rate.
"Compounded SOFR"	Daily has the meaning ascribed thereto in Condition 7(b)(ii)(c) (<i>Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR</i>).
"Conditions"	means in respect of a Series or Tranche the Terms and Conditions as supplemented, amended and/or disappplied by the relevant Final Terms.
"Convertibility Event"	means the determination by the national government of the country in the currency of which the Notes were issued, that such currency is substituted by another currency.
"Couponholder"	means the holder of a Coupon.
"Coupons"	means the coupons appertaining to the Notes.
"COVID-19"	means the coronavirus disease 2019.
"CRA Regulation"	means Regulation (EU) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended).
"CRD"	means the CRR and CRD Directive.
"CRD Capital Event"	has the meaning ascribed thereto in in Condition 9(d) (<i>Redemption, substitution and variation for regulatory purposes</i>).
"CRD Directive"	means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms.
"CRR"	means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.
"DDPA"	means Dutch Data Protection Authority (<i>Autoriteit Persoonsgegevens</i>).
"Dealer(s)"	means Rabobank and/or any other dealer appointed to the Programme or for a particular Tranche of Notes pursuant to the Programme Agreement.
"Dealership Agreement"	means the dealership agreement originally dated 19 October 2015, as most recently amended and restated on 12 October 2023 and entered into between the Issuer, the Arranger and the Initial Dealer, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
"Definitive Notes"	means Notes in definitive form in respect of any Series of Notes.
"Deposit Scheme"	Guarantee means the Dutch Deposit Guarantee Scheme (<i>Depositogarantiestelsel</i>).
"de Volksbank"	means de Volksbank N.V.

"de Volksbank's Green Bond Framework"	means the Issuer's green bond framework dated September 2023, available at https://static.devolksbank.nl/files/Green-Bond-Framework-de-Volksbank-2023.pdf?v=1696571330 , as amended from time to time.
"de Volksbank Group"	means the Issuer and/or any member of the group formed by de Volksbank N.V. and its subsidiaries (<i>dochtermaatschappijen</i>).
"DNB"	means the Dutch Central Bank (<i>De Nederlandsche Bank N.V.</i>).
"DORA"	means the proposal for a regulation of the European Parliament and of the Council on digital operational resilience for the financial sector.
"Dual Currency Note"	means a Note in respect of which payments of interest and/or principal (as specified in the applicable Final Terms) will be made in any other currency than the Specified Currency. Such currency or currencies and the Rate of Exchange used to calculate payments of interest or principal will be specified in the applicable Final Terms.
"Dutch Civil Code"	means the Dutch Civil Code (<i>Burgerlijk Wetboek</i>) as amended from time to time.
"Early Redemption Amount"	means an amount calculated in accordance with Condition 9(e) (<i>Early Redemption Amounts</i>).
"EBA"	means the European Banking Authority.
"EBA Stress Test"	means the EU-wide stress test exercise conducted by the EBA.
"ECB"	means the European Central Bank.
"EEA"	means the European Economic Area.
"Eligibility Criteria"	means the eligibility criteria, as described in de Volksbank's Green Bond Framework, and as amended from time to time.
"EMIR"	means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
"EMMI"	means the European Money Markets Institute.
"EMU"	means the Economic and Monetary Union.
"ESG"	means environmental, social and governance.
"ESG Factors"	means environmental, social and governance factors.
"ESMA"	means the European Securities and Markets Authority.
"EU"	means the European Union.
"EU Banking Reforms"	means the banking reform package including amendments to the CRD, the BRRD and the SRM Regulation.
"EU MiFID II"	means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.
"EU PRIIPs Regulation"	means Regulation (EU) 1286/2014 of the European Parliament and the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.

"EURIBOR"	means the Eurozone inter-bank offered rate.
"euro"	means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the EU Treaty.
"Euroclear"	means Euroclear Bank SA/NV or its successor or successors as operator of the Euroclear System.
"Euroclear Nederland"	means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
"European Green Bond Standard"	means the proposal for a regulation to create a 'European Green Bond Standard', as published by the European Commission on 6 July 2021.
"Eurosysteem"	means the central banking system for the euro.
"Eurozone"	means the region comprised of the Member States that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended.
"EU Taxonomy Regulation"	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector.
"EU Treaty"	means the treaty on the functioning of the European Union, as amended.
"EUWA"	means the European Union (Withdrawal) Act 2018.
"Event of Default"	has the meaning ascribed thereto in Condition12 (<i>EVENTS OF DEFAULT</i>).
"Exchange Date"	means the date, not earlier than forty (40) days (nor (if the Temporary Global Note has been deposited with Euroclear Nederland) more than ninety (90) days) after the issue date of the Notes on which interest in the Temporary Global Note will be exchangeable (free of charge) upon request as described therein, either for interests in a Permanent Global Note without receipts, interest coupons or talons, or for Definitive Notes (as specified in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions) against certification of beneficial ownership as described in section 1.5 (<i>Form of the Notes</i>) unless such certification has already been given.
"Exchange Event"	means that (i) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or have announced an intention to cease business permanently or have in fact done so and no successor clearing system is available or (ii) any of the circumstances described in Condition12 (<i>EVENTS OF DEFAULT</i>) occur or (iii) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 10 (<i>TAXATION</i>) of which would not be required were the Notes represented in definitive form.
"Executive Board"	means the executive board of the Issuer, consisting of statutory members.
"Executive Committee"	means the executive committee of the Issuer, consisting of statutory and non-statutory members.
"FCA"	means the Financial Conduct Authority.
"Federal Reserve"	means the Federal Reserve Bank of New York.

"Final Terms"	means any duly completed final terms in the form as set out in section 2.2 (<i>Form of Final Terms</i>) of this Base Prospectus.
"Fitch"	means Fitch Ratings Ireland Limited.
"Fixed Rate Note"	means any Note to which a Fixed Rate of Interest applies as specified in the applicable Final Terms.
"Fixed Rate(s) of Interest"	means the Fixed Rate(s) of Interest specified as such in the applicable Final Terms.
"Floating Rate Note"	means any Note to which a Floating Rate of Interest applies as specified in the applicable Final Terms.
"Floating Rate(s) of Interest"	means the Floating Rate(s) of Interest specified as such in the applicable Final Terms.
"FSMA"	means the United Kingdom Financial Services and Markets Act 2000.
"GDP"	means Dutch gross domestic product.
"GDPR"	means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
"Global Notes"	means any Temporary Global Note or Permanent Global Note.
"Green Bonds"	means Notes issued under the Programme where the net proceeds from an offer of Notes will be used for the financing and/or refinancing, in part or in whole, an Eligible Green Loan Portfolio under the de Volksbank's Green Bond Framework, in accordance with certain prescribed Eligibility Criteria. For the purpose of Green Bonds, unless the context otherwise requires, a reference to Notes in this Base Prospectus shall be deemed to include a reference to Green Bonds.
"IBORs"	means interbank offered rates.
"ICMA"	means the International Capital Market Association.
"ICMA Green Bond Principles"	means the green bond principles, social bond principles and sustainability bond guidelines, as applicable, prepared and published by ICMA on its website (www.icmagroup.org), as of June 2019, as the same may be amended and/or supplemented and/or restated and/or novated or otherwise modified from time to time.
"ICSDs"	means one of the International Central Securities Depositories.
"IFRS"	means the relevant International Financial Reporting Standards set by the IFRS Foundation and the International Accounting Standards Board.
"Initial Dealer"	means Rabobank.
"Interest Commencement Date"	means the Issue Date unless otherwise specified in the applicable Final Terms.
"Interest Determination Date"	means the applicable interest determination date as specified in the applicable Final Terms.

"Interest Payment Date"	means the applicable interest payment date(s) as specified in the applicable Final Terms.
"Investor's Currency"	means the principal denominated currency or currency unit of an investor's financial activities.
"ISDA"	means the International Swaps and Derivatives Association, Inc.
"ISDA Definitions"	means the 2006 ISDA Definitions published by ISDA or the latest version of the 2021 ISDA Interest Rate Derivatives Definitions published by ISDA, as applicable.
"Issue Date"	means the issue date specified as such in the applicable Final Terms.
"Issuer"	means de Volksbank.
"KiFiD"	means Complaint Institute for Financial Services (<i>Klachteninstituut Financiële Dienstverlening</i>).
"LIBOR"	means the London Inter-Bank Offered Rate.
"Listing Agent"	means BIL, in its capacity of listing agent in respect of Notes listed on the Luxembourg Stock Exchange, or its successor or successors.
"LRE"	means leverage ratio exposure.
"Margin"	means the relevant margin (if any) relating to a floating rate as specified in the applicable Final Terms as being the Margin.
"Maturity Date"	means the date of maturity of the Notes as specified in the applicable Final Terms.
"Member States"	means the Member States of the European Union.
"Minimum Rate of Interest"	means the minimum rate of interest specified as such in the applicable Final Terms (which may not be less than zero) or if no such rate is stated the Minimum Rate of Interest shall be deemed zero.
"Moody's"	means Moody's France SAS.
"MREL"	means minimum requirement for own funds and eligible liabilities.
"MREL Eligible Liabilities"	means liabilities which are eligible to meet any MREL requirement, applicable to the Issuer (whether on a solo or (sub)consolidated basis) under the MREL Regulations, such as eligible liabilities as referred to in CRR.
"MREL Event"	has the meaning ascribed thereto in in Condition 9(d) (<i>Redemption, substitution and variation for regulatory purposes</i>).
"MREL Regulations"	has the meaning ascribed thereto in in Condition 9(d) (<i>Redemption, substitution and variation for regulatory purposes</i>).
"MREL Requirement"	refers to the minimum requirement for own funds and eligible liabilities (as referred to in Article 12 of the SRM Regulation), the TLAC and/or any similar requirement, as each may be amended from time to time, including any amendments or additional requirements in connection with the implementation of the TLAC standard in EU law (or Dutch law implementing said EU law), that is or may become applicable to the Issuer (whether on an individual or consolidated basis), and including any subordination requirement that may become applicable to the Issuer pursuant to a

		decision of the Resolution Authority.
"New Currency"		has the meaning ascribed thereto in Condition 6 (<i>REDENOMINATION</i>).
"NGN-form"		means the new global note form.
"NLFI"		means the NL Financial Investments (<i>Stichting administratiekantoor beheer financiële instellingen</i>).
"Non-Viability Event"		means an event where the Issuer would be deemed no longer viable (or one or more other conditions as set out in Article 21 SRM Regulation apply to the Issuer).
"Noteholders"		means the holders for the time being of the Notes.
"Notes"		means the Senior Preferred Notes, the Senior Preferred MREL Notes, the Senior Non-Preferred Noted or Subordinated Notes, as applicable.
"Notification"		means a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation.
"Old Currency"		has the meaning ascribed thereto in Condition 6 (<i>REDENOMINATION</i>).
"Optional Redemption Amount"		means the optional redemption amount(s) (if any) of the Notes as specified in the applicable Final Terms.
"Paying Agents"		means the Principal Paying Agent and any paying agent appointed under the Agency Agreement.
"Permanent Note"	Global	means a permanent global Note in respect of a Series without interest coupons attached.
"Principal Agent"	Paying	means BIL.
"Programme"		means the € 25,000,000,000 Debt Issuance Programme of the Issuer.
"Prospectus Regulation"		means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71 and includes any commission delegated regulation thereunder.
"PSD II"		means Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC.
"Rabobank"		means Coöperatieve Rabobank U.A.
"Rate of Exchange"		means the exchange rate specified as such in the applicable Final Terms.
"Rate of Interest"		means the rate of interest payable from time to time in respect of the Floating Rate Notes.
"Recapitalisation"		has the meaning ascribed thereto in Condition 9(j) (<i>Statutory Loss Absorption and Recapitalisation of Notes</i>).
"Receiptholder"		means the holder of a Receipt.

"Receipts"	means any principal receipts appertaining to the Notes of any Series or, as the context may require, a specific number thereof and includes any replacement Receipts issued pursuant to Condition 13 (<i>REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS</i>).
"Reference Rate"	means EURIBOR, €STR, Compounded Daily SOFR, Weighted Average SOFR, SONIA, Mid Swap Rate, Rate of Exchange or another benchmark as well as any substitute, alternative or successor rate determined in accordance with Condition (c)7(b)(ii) (<i>Rate of Interest</i>) or Condition 7(d) (<i>Replacement Reference Rate</i>), as applicable, including the applicable tenor and currency.
"RegioBank"	means RegioBank N.V.
"Regulation S"	means the Regulation S under the Securities Act.
"Relevant Screen Page"	means such page, section, caption or column or other part of a particular information service as may be specified in the applicable Final Terms.
"Replacement Reference Rate"	has the meaning ascribed thereto in Condition 7(d) (<i>Replacement Reference Rate</i>).
"Resolution Authority"	means the SRB, the ECB, DNB or such other regulatory authority or governmental body having the power to impose resolution measures. For the avoidance of doubt, in case of certain measures pursuant to Part 6 of the Wft, the Resolution Authority is the Dutch Minister of Finance.
"Resolution Event"	means the event when the Issuer would be deemed to fail or likely to fail and the other resolution conditions (as set out in Article 18 SRM Regulation) would also be met.
"RWA"	means risk-weighted assets.
"S&P"	means S&P Global Ratings Europe Limited.
"Second Party Opinion"	means an independent second party opinion issued by ICS dated 29 September 2023, confirming that the de Volksbank's Green Bond Framework is in line with the ICMA Green Bond Principles.
"Securities Act"	means the United States Securities Act of 1933, as amended.
"Senior Claims"	means (a) the claims of depositors (other than in respect of those whose deposits that in accordance with or by operation of applicable law rank equally to or lower than the Subordinated Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims, (d) subordinated claims that in accordance with or by operation of applicable law rank in priority to the Subordinated Notes and (e) (other) excluded liabilities' within the meaning of Article 72a(2) of the CRR.
"Senior Non-Preferred Noteholder"	means the holder of a Senior Non-Preferred Note.
"Senior Non-Preferred Notes"	means senior non-preferred notes and the related Receipts and Coupons issued by the Issuer that constitute any present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (<i>Faillissementswet</i>) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) and shall at all times rank (i) <i>pari passu</i> without any preference among the Senior

Non-Preferred Notes themselves and the related Receipts and Coupons and with all other present and future claims in respect of unsubordinated, unguaranteed and unsecured obligations of the Issuer, which have a lower ranking within the meaning of Article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing Article 108 of Directive 2014/59/EU, as amended by the Article 108 Amending Directive, in the Netherlands) (other than those obligations that in accordance with or by operation of applicable law rank either in priority or junior to the Senior Non-Preferred Notes), (ii) senior to Subordinated Notes and (iii) in the event of bankruptcy (*faillissement*) of the Issuer, junior to the Senior Preferred Notes and the Senior Preferred MREL Notes and unsubordinated obligations ranking *pari passu* to the Senior Preferred Notes and the Senior Preferred MREL Notes (and those obligations that in accordance with or by operation of applicable law rank in priority of Senior Preferred Notes and Senior Preferred MREL Notes) and (other) excluded liabilities' within the meaning of Article 72a(2) of the CRR.

"Senior Preferred MREL Noteholder" means the holder of a Senior Preferred MREL Note.

"Senior Preferred MREL Notes" means Senior Preferred MREL Notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and that rank *pari passu* without any preference among the Senior Preferred MREL Notes themselves and the related Receipts and Coupons and with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred Notes) save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes. The Senior Preferred MREL Notes rank senior to the Subordinated Notes and, in the event of the bankruptcy of the Issuer, the Senior Non-Preferred Notes.

"Senior Preferred Noteholder" means the holder of a Senior Preferred Note.

"Senior Preferred Notes" means Senior Preferred Notes and the related Receipts and Coupons constitute unsecured, unguaranteed and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among the Senior Preferred Notes themselves and the related Receipts and Coupons with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Issuer (including, for the avoidance of doubt, the Senior Preferred MREL Notes), save for those preferred or otherwise ranking junior or senior in accordance with or by operation of applicable law and, in the event of the bankruptcy of the Issuer, save for the Senior Non-Preferred Notes.

"Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes expressed to be consolidated and form a single series with the Notes of the original Tranche and the terms of which are identical (save for the Issue Date and/or the Interest Commencement Date but including as to whether or not the Notes are listed).

"Set-off Repayment" has the meaning ascribed thereto in Condition 3 (*STATUS AND CHARACTERISTICS RELATING TO THE SENIOR PREFERRED MREL NOTES*).

"SME" means small and medium enterprises.

"SOFR" means Secured Overnight Financing Rate.

"SONIA" means Sterling Over Night Index Average.

"Specified Currency"		has the meaning ascribed to such term in the applicable Final Terms.
"Specified Denomination"		means the denomination of the Notes specified as such in the applicable Final Terms.
"SRB"		means, the European Single Resolution Board.
"SRM"		means the single resolution mechanism established by the SRM Regulation.
"SRM Regulation"		means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (Single Resolution Mechanism) and as amended from time to time.
"SSM"		means Single Supervisory Mechanism.
"SSM SREP"		means SSM Supervisory Review and Evaluation Process.
"Stabilising Manager"		means the appointed stabilising manager in connection with the relevant issue of Notes.
"Statutory Absorption"	Loss	has the meaning ascribed thereto in Condition 9(j) (<i>Statutory Loss Absorption and Recapitalisation of Notes</i>).
"Stub Amount"		means a principal amount of less than the minimum Specified Denomination.
"Subordinated Noteholder"		has the meaning ascribed thereto in Condition 5 (<i>STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES</i>).
"Subordinated Notes"		means (a) subordinated notes that do not qualify as Tier 2 Notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank as described in Condition 5 (<i>STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES</i>) and (b) subordinated notes that qualify as Tier 2 Notes and the related Receipts and Coupons issued by the Issuer that constitute unsecured, unguaranteed and subordinated obligations of the Issuer and rank as described in Condition 5 (<i>STATUS AND CHARACTERISTICS RELATING TO SUBORDINATED NOTES</i>).
"Substituted Debtor"		means any directly or indirectly wholly owned subsidiary of the Issuer which replaces or substitutes the Issuer as principal debtor in respect of the Notes and the relative Coupons subject to and in accordance with Condition (c)19 (<i>SUBSTITUTION OF THE ISSUER</i>).
"Supervisory Board"		means the supervisory board of the Issuer.
"T2"		means the real-time gross settlement system operated by the Eurosystem or any successor system.
"Talons"		means, if indicated in the Final Terms, talons for further Coupons.
"TARGET Day"	Settlement	means any day on which T2 is open for the settlement of payments in Euro.

"Temporary Note"	Global	means a temporary global note in respect of a Series of Notes without interest coupons attached.
"Terms and Conditions"		means the terms and conditions set forth in section 2.1 (<i>Terms and Conditions</i>) of the Base Prospectus.
"Tier 2 Capital"		means capital which is treated as a constituent of Tier 2 capital under the CRD requirements by the Competent Authority for the purposes of the Issuer.
"Tier 2 Notes"		means Subordinated Notes that qualify as Tier 2 Capital.
"TLAC"		means total loss absorbing capacity.
"Tranche "		means a tranche of a Series.
"UK"		means the United Kingdom.
"UK CRA Regulation"		means Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.
"UK MiFIR Product Governance Rules"		means the FCA Handbook Product Intervention and Product Governance Sourcebook.
"UK PRIIPs Regulation"		means Regulation (EU) No 1286/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.
"UK Prospectus Regulation"		means Regulation (EU) 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.
"WDCCI"		means write-down and conversion of capital instruments tool.
"Weighted Average SOFR"		has the meaning ascribed thereto in Condition 7(b)(ii)(c) (<i>Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR</i>)
"Wft"		means the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>).
"Wge"		means the Dutch Securities Giro Transfer Act (<i>Wet giraal effectenverkeer</i>).
"Zero Coupon Notes"		means Notes, which will not bear interest except in the case of late payment.

REGISTERED OFFICE OF THE ISSUER

de Volksbank N.V.

Croeselaan 1
3521 BJ Utrecht
The Netherlands

AGENTS

**Banque Internationale à
Luxembourg SA**

69 Route d'Esch
L-2953 Luxembourg
Luxembourg

**Coöperatieve Rabobank
U.A.**

Croeselaan 18
3521 CB Utrecht
The Netherlands

LEGAL ADVISERS

To the Issuer (as to Dutch law)

NautaDutilh N.V.

Beethovenstraat 400
1082 PR Amsterdam
The Netherlands

To the Dealer (as to Dutch law)

Clifford Chance LLP

Droogbak 1A
1013 GE Amsterdam
The Netherlands

AUDITOR TO THE ISSUER

Ernst & Young Accountants LLP

Antonio Vivaldistraat 150
1083 HP Amsterdam
The Netherlands

LISTING AGENT

Banque Internationale à Luxembourg SA

69 Route d'Esch
L-2953 Luxembourg
Luxembourg

ARRANGER

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands

DEALER

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands