Pillar 3

Interim Disclosure Report

2024

bank of added value

Pillar 3 Disclosure report
BNG interim **2024**

ESG DISCLOSURES **60**

INTRODUCTION

The international prudential regulatory framework for banks is based on a comprehensive set of measures developed by the Basel Committee on Banking Supervision (known as the Basel III framework). In 2010, the Basel III framework was adopted and implemented in the European Union through the Capital Requirements Regulation (EU) No 575/2013 (CRR) and the Capital Requirements Directive (EU) No 2013/36 (CRD). The CRR is binding for all EU member states and came into effect per 1 January 2014.

The Basel Committee's framework is based on three pillars. Pillar 1 on minimum capital requirements, which defines the rules for the capital requirements of credit, market and operational risk. Pillar 2 regarding the Supervisory Review and Evaluation Process (SREP). The SREP requires banks to have an internal capital adequacy assessment process (ICAAP) to identify and assess risks and maintain sufficient capital, and an internal liquidity adequacy assessment process (ILAAP) focusing on maintaining sufficient liquidity (and funding). Finally, Pillar 3 ensures market discipline and transparency, requiring disclosures to allow market participants to have sufficient understanding of the risk profiles of individual banks.

Following the Pillar 3, BNG publishes relevant disclosures on our performance following the CRR on prudential requirements for credit institutions and investment firms (Part Eight) and the final Implementing Technical Standards (ITS) No 2021/637 on public disclosures by institutions. Some capital requirements as laid down in Articles 433 and 433a of the CRR are disclosed on a more frequent basis. BNG is classified as "Other Systemically Important Institutions" which imposes the requirement to publish an interim (semi-annual) and an annual Pillar 3 report. In considering of the relevant requirements on the frequency of disclosure, BNG has assessed the need and the requirements to publish information more frequently[1]. BNG's business model is stable with a limited range of activities. Hence, the risk profile of BNG is not prone to rapid changes. As a result, the information that generally qualifies for more frequent disclosure, does not exhibit sudden material fluctuations. Note that these disclosures also include the mandatory quarterly templates.

The information disclosed in this report is subject to similar internal control procedures as the information published in the annual report and other regulatory reports. The figures presented in this document are not required to be, nor have they been, audited or reviewed by our external auditor. In this report, the terms 'Risk-weighted assets (RWA)', 'Risk-weighted exposure amount (RWEA)' are used interchangeably. Similarly, this report may use the terms 'banking book' and 'non-trading book' interchangeably. The quantitative information is described in millions, unless otherwise indicated.

[1] Conform the CRR requirements on materiality, proprietary and confidentiality and on disclosure frequency under Articles 432(1), 432(2) and 433.

In accordance with Article 432 of the CRR, BNG may omit one or more of the required disclosures where the information provided by those disclosures is not regarded as material or is not applicable to its operations. Information in disclosures shall be regarded as material where its omission or misstatement could change or influence the assessment or decision of a user of that information relying on it for the purpose of making economic decisions. BNG shall explain the reasons for omitting any information required in the templates and tables included in the ITS. Where disclosure is required for information that is considered proprietary or confidential, a generic disclosure is provided.

The scope of this report includes BNG Bank N.V. and its subsidiary BNG Gebiedsontwikkeling B.V.

The following templates have been identified as not applicable to BNG and are therefore not included in this report:
- **EU LIB:** all branches are consolidated. Therefore other qualitative information is not applicable.
- **EU INS1 and EU INS2**: BNG does not have investments in insurance subsidiaries.
- **EU PV1:** Due to thresholds defined in Article 4(1) of Delegated Regulation (EU) 2016/101.
- **EU CQ2, EU CQ4 (columns b & d), EU CQ5 (columns b & d), EU CQ6, EU CQ8 and EU CR2a:** BNG does not exceed the applied threshold ratio of 5% between the gross carrying amount of loans and advances that fall under Article 47a(3) of the CRR and the total gross carrying amount of loans and advances that fall under Article 47a(1) of the CRR.
- **EU CRE; EU CR6, EU CR6-A, EU CR7, EU CR7-A, EU CR8, EU CR9, EU CR9.1 and EU CR10:** BNG does not apply the internal rating-based (IRB) approach.
- **EU CCR4, EU CCR6 and EU CCR7:** BNG does not apply the IRB approach or the internal model method (IMM) for CCR and does not have credit derivative exposure.
- **EU SEC2:** BNG does not have a trading book.
- **EU SEC3 and EU SEC5:** BNG has not acted as an originator or sponsor in transactions with securitisation exposures.
- **EU MRB; EU MR2-A, EU MR2-B, EU MR3 and EU MR4:** BNG does not apply the Internal Model Approach (IMA) for market risk.
- **EU REM3 and REM4:** BNG does not have deferred remuneration or high earners with remuneration of EUR 1 million or above.
- **ESG2:** BNG's mortgage portfolio (Hypotheekfonds voor Overheidspersoneel portfolio) was sold in 2022 and has been liquidated in 2023. As a result, BNG does not have such specific portfolios containing immovable properties.
- **ESG4:** BNG uses a list of top 20 carbon-intensive firms compiled by third party and does not have corresponding exposures.
- **ESG10:** BNG does not hold bonds and loans provided they are related to climate-change mitigating actions defined by other standards than the EU ones. The definitions used are in line with the EU Taxonomy Regulation.

Changes in regulatory disclosure requirements

Following the final ITS on ESG disclosures by EBA on 24 January 2022, template 3 will be effective as of 30 June 2024 and therefore published for the first time in the underlying report. Template 9 will take (voluntary) effect as of 31 December 2024.

Statement by management body

Following the requirement laid down in Article 431 point 3 of the CRR and BNG's internal policies, the Pillar 3 interim report is approved by the Executive Committee (ExCo) and the Supervisory Board (SB). The management body confirms that the BNG interim 2024 Pillar 3 report has been prepared in accordance with the internal control processes as they have been agreed upon within BNG and are considered adequate with regard to the institution's profile and strategy. In addition, the management body confirms that the BNG interim 2024 Pillar 3 report includes the disclosures as prescribed in Part Eight of the CRR and provides a comprehensive overview on the risk profile of BNG as at interim 2024.

The BNG interim 2024 Pillar 3 Report was approved by the ExCo and SB respectively on 22 October 2024 and 3 December 2024.

KEY METRICS AND OVERVIEW RWEA

EU KM1 - Key metrics

		a	b	c	d	e
		30-6-2024	31-3-2024	31-12-2023	30-9-2023	30-6-2023
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	4,177	4,183	4,097	4,067	4,104
2	Tier 1 capital	4,486	4,492	4,406	4,376	4,413
3	Total capital	4,486	4,492	4,406	4,376	4,413
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	10,426	9,436	9,564	9,662	10,652
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	40.06%	44.33%	42.84%	42.09%	38.53%
6	Tier 1 ratio (%)	43.03%	47.61%	46.07%	45.29%	41.43%
7	Total capital ratio (%)	43.03%	47.61%	46.07%	45.29%	41.43%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Eu 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.00%	2.00%	1.75%	1.75%	1.75%
Eu 7b	of which: to be made up of CET1 capital (percentage points)	1.13%	1.13%	0.98%	0.98%	0.98%
Eu 7c	of which: to be made up of Tier 1 capital (percentage points)	1.50%	1.50%	1.31%	1.31%	1.31%
Eu 7d	Total SREP own funds requirements (%)	10.00%	10.00%	9.75%	9.75%	9.75%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	1.94%	1.05%	1.04%	1.04%	0.96%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	1.00%	1.00%	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	5.44%	4.55%	4.54%	4.54%	4.46%
EU 11a	Overall capital requirements (%)	15.44%	14.55%	14.29%	14.29%	14.21%
12	CET1 available after meeting the total SREP own funds requirements (%)	33.03%	37.61%	36.32%	35.54%	31.68%
	Leverage ratio					
13	Total exposure measure	42,505	65,445	32,986	60,739	49,532

		a	b	c	d	e
14	Leverage ratio	10.55%	6.86%	13.36%	7.20%	8.91%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	- of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	28,555	33,137	36,708	41,068	44,170
EU 16a	Cash outflows - Total weighted value	22,022	24,282	25,593	27,305	29,056
EU 16b	Cash inflows - Total weighted value	3,412	3,468	3,281	2,845	2,975
16	Total net cash outflows (adjusted value)	18,610	20,814	22,312	24,460	26,082
17	Liquidity coverage ratio (%)	155.38%	162.09%	166.70%	172.73%	171.38%
	Net Stable Funding Ratio[1]					
18	Total available stable funding	99,183	97,944	91,772	96,115	96,347
19	Total required stable funding	70,251	68,483	67,015	65,928	65,734
20	NSFR ratio (%)	141.18%	143.02%	136.94%	145.79%	146.57%

1 The comparable figures of 2023 of the Net Stable Funding Ratio have been adjusted after resubmissions.

The risk-weighted assets increased from EUR 9.6 billion on 31 December 2023 to EUR 10.4 billion on 30 June 2024. The increase is mainly due to an adjustment of the solvency weighting of drinking water companies and network companies. The Common Equity Tier 1 ratio and the Bank's Tier 1 ratio declined because of this to 40.06% and 42.84% respectively (31-12-2023 43.03% and 46.07% respectively).

For regulatory purposes the capital requirement is based on the Pillar 1 requirement for the aggregated Risk-Weighted Assets (RWA) for the three major risk types (credit, operational and market risk). This requirement is supplemented by so-called Combined Buffer Requirement (CBR) and a Pillar 2 requirement (P2R). The P2R is an institution specific requirement stemming from the Supervisor Review and Evaluation Process (SREP) conducted by the supervisor. The P2R covers risks that are not (fully) covered by Pillar 1. BNG employs the ‘Standardised Approach’ to calculate the RWAs.

As part of the SREP BNG has received notification from the European Central Bank that the total SREP capital requirement for BNG is set at 10%, effective as of 1 January 2024. This requirement is to be held in the form of 56.25% of Common Equity Tier 1 (CET1) capital and 75% of Tier 1 capital, as a minimum.

This total SREP capital requirement consists of (i) the minimum CET1 requirement under Pillar 1 (4.5%), (ii) the Pillar 1 Additional Tier 1 requirement (1.5%), (iii) the Pillar 1 Tier 2 requirement (2%), (iv) the Pillar 2 CET1 capital requirement (Pillar 2 requirement, 2%). Including the buffer requirements: the capital conservation buffer (CCB, 2.5% CET1), the countercyclical buffer (CCyB, 1% for loans outstanding in the Netherlands) and the Other Systemic Important Institution buffer (O-SII buffer, 0.25%), this results in an Overall Capital Requirement (OCR) of 13.75% as of 1 January 2024.

The Dutch Central Bank (*De Nederlandsche Bank* (DNB)) has increased the CCyB for lending in the Netherlands to 2% from 31 May 2024. This leads to an increased overall Capital Requirement (OCR) of 14.75% as of 31 May 2024.

For the minimum requirement for own funds and eligible liabilities (MREL) as set in the Banking resolution framework, an institution specific requirement is determined by the Single Resolution Board (SRB). On October 5, 2023, the SRB concluded the preferred resolution strategy is liquidation under normal insolvency proceedings (simplified obligations apply to BNG). Currently the preferred resolution strategy for BNG is normal insolvency, which means that, should it fail, it would be liquidated under normal insolvency law and hence resolution will not be triggered. In line with the resolution strategy, the SRB sets the MREL requirement equal to the loss absorption amount. Hence, the MREL requirement does not pose an additional capital requirement. In addition, following the non-risk based leverage ratio as a binding measure in the CRR, all banks have to comply with a minimum leverage ratio of 3%. However, for institutions within the public development sector such as BNG, the competent authority is allowed set a proportional treatment to deduct exposures arising from assets that constitute claims on central governments, regional governments, local authorities or public sector entities in relation to public sector investments, and promotional loans from the exposure measure.

Due to the increase in the balance sheet total, the bank's leverage ratio decreased from 13.36% to 10.55% compared with year-end 2023. The Liquidity Coverage Ratio decreased to 140.91% (31 December 2023: 142.61%), this is due to both an increase in the net Liquidity Outflow as well as an increase in the Liquidity Buffer. The net Liquidity Outflow increased relatively more and has led to a slightly decrease of the Liquidity Coverage Ratio.

The comparable figures of 2023 of the Net Stable Funding Ratio have been adjusted due to resubmissions of the reports. The Net Stable Funding Ratio increased to 141.18% (31 December 2023: 136.94%).

All of the bank’s capital and liquidity ratios remain well above the minimum levels set by the regulator.

EU OV1 - Overview of total risk exposure amounts

		a	b	c	d	e	f	g	h	i	j
		Total risk exposure amounts (TREA)					Total own funds requirements				
		30-6-2024	31-3-2024	31-12-2023	30-9-2023	30-6-2023	**30-6-2024**	31-3-2024	31-12-2023	30-9-2023	30-6-2023
1	Credit risk (excluding CCR)	7,456	6,403	6,523	6,457	7,241	597	513	522	516	579
2	- Of which the standardised approach	7,456	6,403	6,523	6,457	7,241	597	513	522	516	579
3	- Of which the foundation IRB (FIRB) approach	-	0	-	-	-	-	-	-	-	-
4	- Of which: slotting approach	-	-	-	-	-	-	-	-	-	-
EU 4a	- Of which: equities under the simple riskweighted approach	-	-	-	-	-	-	-	-	-	-
5	- Of which the advanced IRB (AIRB) approach	-	-	-	-	-	-	-	-	-	-
6	Counterparty credit risk - CCR	1,473	1,526	1,485	1,573	1,753	118	122	119	126	140
7	- Of which the standardised approach	689	760	666	689	744	56	61	53	55	60
8	- Of which internal model method (IMM)	-	-	-	-	-	-	-	-	-	-
EU 8a	- Of which exposures to a CCP	13	14	18	10	8	1	1	2	1	1
EU 8b	- Of which credit valuation adjustment - CVA	767	740	740	802	973	61	59	59	64	78
9	- Of which other CCR	4	12	61	72	29	-	1	5	6	2
15	Settlement risk	-	-	-	-	-	-	-	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	516	526	575	721	746	41	42	46	58	60
17	- Of which SEC-IRBA approach	-	-	-	-	-	-	-	-	-	-
18	- Of which SEC-ERBA (including IAA)	516	526	575	721	746	41	42	46	58	60
19	- Of which SEC-SA approach	-	-	-	-	-	-	-	-	-	-
EU 19a	- Of which 1250%/ deduction	-	-	-	-	-	-	-	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	-	-	-	-	-	-	-	-	-	-
21	- Of which the standardised approach	-	-	-	-	-	-	-	-	-	-
22	- Of which IMA	-	-	-	-	-	-	-	-	-	-
EU 22a	Large exposures	-	-	-	-	-	-	-	-	-	-
23	Operational risk	981	981	981	911	912	78	78	78	73	73
EU 23a	- Of which basic indicator approach	-	-	-	-	-	-	-	-	-	-
EU 23b	- Of which standardised approach	981	981	981	911	912	78	78	78	73	73
EU 23c	- Of which advanced measurement approach	-	-	-	-	-	-	-	-	-	-
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

		a	b	c	d	e	f	g	h	i	j
29	**Total**	**10,426**	**9,436**	**9,564**	**9,662**	**10,652**	**834**	**755**	**765**	**773**	**852**

OWN FUNDS

EU CC1 - Composition of regulatory own funds

	Common Equity Tier 1 (CET1) capital: instruments and reserves	a 30-6-2024	a 31-12-2023	Source
1	Capital instruments and the related share premium accounts	**146**	**146**	
	of which: Instrument type 1	*146*	*146*	CC2-27 + CC2-28
	of which: Instrument type 2	-	-	
	of which: Instrument type 3	-	-	
2	Retained earnings	4,089	3,970	CC2-29
3	Accumulated other comprehensive income (and other reserves)	7	42	CC2-30 till CC2-33
EU-3a	Funds for general banking risk	-	-	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	-	
5	Minority interests (amount allowed in consolidated CET1)	-	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	-	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**4,242**	**4,158**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-10	-11	
8	Intangible assets (net of related tax liability) (negative amount)	-	-	
9	Not applicable	-	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-10	-6	
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-7	-4	
15	Defined-benefit pension fund assets (negative amount)	-	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	-	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
20	Not applicable	-	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	-	

		a	a	
EU-20c	of which: securitisation positions (negative amount)	-	-	
EU-20d	of which: free deliveries (negative amount)	-	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	-	
24	Not applicable	-	-	
25	of which: deferred tax assets arising from temporary differences	-	-	
EU-25a	Losses for the current financial year (negative amount)	-	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-	
26	Not applicable	-	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-	
27a	Other regulatory adjusments *(including IFRS 9 transitional adjustments when relevant)*	-38	-40	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-65**	**-61**	
29	**Common Equity Tier 1 (CET1) capital**	**4,177**	**4,097**	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	**309**	**309**	
31	*of which: classified as equity under applicable accounting standards*	*309*	*309*	CC2-36
32	*of which: classified as liabilities under applicable accounting standards*	-	-	
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) of CRR	-	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	-	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	-	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	-	
35	*of which: instruments issued by subsidiaries subject to phase out*	-	-	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**309**	**309**	
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	
41	Not applicable	-	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-	
42a	Other regulatory adjustments to AT1 capital	-	-	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**	
44	**Additional Tier 1 (AT1) capital**	**309**	**309**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**4,486**	**4,406**	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	-	-	

		a	a
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	-	-
EU-47a	Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	-	-
EU-47b	Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	-	-
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	-
49	of which: instruments issued by subsidiaries subject to phase out	-	-
50	Credit risk adjustments	-	-
51	**Tier 2 (T2) capital before regulatory adjustments**	**-**	-
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	**-**	-
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-
54a	Not applicable	-	-
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-
56	Empty set in the EU	-	-
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-
56b	Other regulatory adjusments to T2 capital	-	-
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	-
58	**Tier 2 (T2) capital**	-	-
59	**Total capital (TC = T1 + T2)**	**4,486**	**4,406**
60	**Total risk exposure amount**	**10,426**	**9,564**
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	40.06%	42.84%
62	Tier 1 (as a percentage of total risk exposure amount)	43.03%	46.07%
63	Total capital (as a percentage of total risk exposure amount)	43.03%	46.07%
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	11.07%	10.02%
65	*of which: capital conservation buffer requirement*	2.50%	2.50%
66	*of which: countercyclical buffer requirement*	1.94%	1.04%
67	*of which: systemic risk buffer requirement*	0.00%	0.00%
EU-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	1.00%	1.00%
EU-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	1.13%	0.98%
68	**Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)**	33.03%	36.32%
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	-
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	-
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	-	-
			-

		a	a
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	102	91
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	-
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-
82	Current cap on AT1 instruments subject to phase out arrangements	-	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-
84	Current cap on T2 instruments subject to phase out arrangements	-	-

EU CC2 - Reconciliation of regulatory own funds to balance sheet in the financial statements

		a Balance sheet as in published financial statements	b Under regulatory scope of consolidation	a Balance sheet as in published financial statements	b Under regulatory scope of consolidation	Source
		30-6-2024		**31-12-2023**		
	Assets					
1	Cash and balances held with central banks	11,530	11,530	1,617	1,617	
2	Amounts due from banks	731	731	622	622	
3	Cash collateral posted	3,493	3,493	4,751	4,751	
4	Financial assets at fair value through the income statement	872	872	911	911	
5	Derivatives	2,885	2,885	3,011	3,011	
6	Financial assets at fair value through other comprehensive income	10,513	10,513	10,193	10,193	
7	Interest-bearing securities at amortised cost	9,019	9,019	8,829	8,829	
8	Loans and advances at amortised costs	93,133	93,133	90,497	90,497	
9	Value adjustments on loans in portfolio hedge accounting	-6,883	-6,883	-5,037	-5,037	
10	Associates and joint ventures	22	22	22	22	
11	Property & equipment	16	16	15	15	
12	Other assets	211	211	89	89	
13	Current tax assets	15	15	18	18	
14	Assets held for sale	2	2	2	2	
15	**Total assets**	**125,559**	**125,559**	**115,540**	**115,540**	
	Liabilities					
16	Amounts due to banks	1,315	1,315	905	905	
17	Cash collateral received	888	888	656	656	
18	Financial liabilities at fair value through the income statement	240	240	260	260	

		a Balance sheet as in published financial statements	b Under regulatory scope of consolidation	a Balance sheet as in published financial statements	b Under regulatory scope of consolidation	Source
		30-6-2024		**31-12-2023**		
19	Derivatives	5,087	5,087	6,363	6,363	
20	Debt securities	105,854	105,854	96,344	96,344	
21	Funds entrusted	7,175	7,175	5,997	5,997	
22	Subordinated debts	19	19	18	18	
23	Current tax liabilities	-	-	-	-	
24	Deferred tax liabilities	23	23	19	19	
25	Other liabilities	249	249	257	257	
26	**Total Liabilities**	**120,850**	**120,850**	**110,819**	**110,819**	
	Equity					
27	Share capital	139	139	139	139	CC1-1
28	Share premium reserve	6	6	6	6	CC1-1
29	Retained earnings	4,092	4,092	3,970	3,970	CC1-2
30	Revaluation reserve	-62	-62	-8	-8	CC1-3
31	Cash flow hedge reserve	10	10	6	6	CC1-3
32	Own credit adjustment	7	7	4	4	CC1-3
33	Cost of hedging reserve	50	50	41	41	CC1-3
34	Net profit	158	158	254	254	
35	**Equity attributable to shareholders**	**4,400**	**4,400**	**4,412**	**4,412**	
36	Additional Tier 1 capital	309	309	309	309	CC1-31
37	**Total equity**	**4,709**	**4,709**	**4,721**	**4,721**	
38	**Total liabilities and equity**	**125,559**	**125,559**	**115,540**	**115,540**	

COUNTERCYCLICAL CAPITAL BUFFERS

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

	a	b	c	d	e	f	g	h	i	j	k	l	m
30-6-2024	**General credit exposures**		**Relevant credit exposures - market risk**		**Securitisation exposure**	**Total exposure value**	**Own funds requirements**				**Risk-weighted exposure amounts**	**Own funds require-ments weight (%)**	**Counter cyclical buffer rate (%)**
	Exposure value SA	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book		Relevant credit exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Belgium	111	-	-	-	12	**123**	9	-	-	**9**	**111**	1.39%	0.50%
Germany	108	-	-	-	-	**108**	5	-	-	**5**	**60**	0.76%	0.75%
Spain	-	-	-	-	108	**108**	-	-	3	**3**	**34**	0.43%	0.00%
France	504	-	-	-	274	**778**	5	-	2	**7**	**94**	1.17%	1.00%
Great Britain	1,276	-	-	-	-	**1,276**	42	-	-	**42**	**526**	6.58%	2.00%
Ireland	49	-	-	-	-	**49**	4	-	-	**4**	**49**	0.62%	1.00%
Italy	-	-	-	-	58	**58**	-	-	1	**1**	**12**	0.14%	0.00%
Netherlands	9,616	-	-	-	3,670	**13,286**	534	-	34	**568**	**7,101**	88.78%	2.00%
Portugal	-	-	-	-	28	**28**	-	-	1	**1**	**11**	0.13%	0.00%
United States	-	-	-	-	-	**-**	-	-	-	**-**	**-**	0.00%	0.00%
Total	**11,664**	**-**	**-**	**-**	**4,150**	**15,814**	**599**	**-**	**41**	**640**	**7,998**	**100.00%**	

	a	b	c	d	e	f	g	h	i	j	k	l	m
31-12-2023	**General credit exposures**		**Relevant credit exposures - market risk**		**Securitisation exposure**	**Total exposure value**	**Own funds requirements**				**Risk-weighted exposure amounts**	**Own funds require-ments weight (%)**	**Counter cyclical buffer rate (%)**
	Exposure value SA	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book		Relevant credit exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Belgium	113	-	-	-	-	113	9	-	-	**9**	**113**	1.64%	0.00%
Germany	151	-	-	-	-	151	7	-	-	**7**	**88**	1.27%	0.75%
Spain	-	-	-	-	132	132	-	-	3	**3**	**42**	0.60%	0.00%
France	509	-	-	-	283	792	5	-	3	**8**	**97**	1.40%	0.50%
Great Britain	1,602	-	-	-	-	1,602	45	-	-	**45**	**557**	8.06%	2.00%
Ireland	27	-	-	-	-	27	2	-	-	**2**	**27**	0.39%	1.00%
Italy	-	-	-	-	59	59	-	-	1	**1**	**12**	0.17%	0.00%
Netherlands	7,915	-	-	-	4,063	11,978	439	-	38	**477**	**5,964**	86.28%	1.00%
Portugal	-	-	-	-	31	31	-	-	1	**1**	**13**	0.19%	0.00%
United States	-	-	-	-	-	-	-	-	-	**-**	**-**	0.00%	0.00%
Total	**10,317**	**-**	**-**	**-**	**4,568**	**14,885**	**507**	**-**	**46**	**553**	**6,913**	**100.00%**	

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

		a	b
	Amount of institution-specific countercyclical capital buffer	**30-6-2024**	**31-12-2023**
1	Total risk exposure amount	10,426	9,564
2	Institution specific countercyclical buffer rate	1.94%	1.04%
3	Institution specific countercyclical buffer requirement	202	100

LEVERAGE RATIO

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

		a	b
		30-6-2024	**31-12-2023**
1	**Total assets as per published financial statements**	**125,559**	**115,540**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
7	Adjustment for eligible cash pooling transactions	-	-
8	Adjustments for derivative financial instruments	-574	1,477
9	Adjustments for securities financing transactions "SFTs"	297	143
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,885	1,910
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-	-
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-	-
12	Other adjustments	-84,662	-86,084
13	**Total leverage ratio exposure**	**42,505**	32,986

EU LR2 - Leverage ratio common disclosure

		a	b
		CRR Leverage ratio exposures	
		30-6-2024	**31-12-2023**
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	129,417	117,498
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-3,354	-4,683
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	-65	-61
7	**Total on-balance sheet exposures (excluding derivatives, SFTs)**	**125,998**	**112,754**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	411	1,547
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1,900	2,941
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivative exposures**	**2,311**	**4,488**
	Securities financing transaction exposures		
14	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	2,134	1,560
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-1,993	-1,493
16	Counterparty credit risk exposure for SFT assets	296	142
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**437**	**209**
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	9,647	10,556
20	(Adjustments for conversion to credit equivalent amounts)	-7,762	-8,646
21	(General provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	**Off-balance sheet exposures**	**1,885**	**1,910**
	Excluded exposures		

		a	b
		CRR Leverage ratio exposures	
		30-6-2024	**31-12-2023**
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-88,126	-86,375
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**-88,126**	**-86,375**
	Capital and total exposures		
23	Tier 1 capital	4,486	4,406
24	Total exposure measure	42,505	32,986
	Leverage ratio		
25	Leverage ratio	10.55%	13.36%
EU-25	Leverage ratio (without the adjustment due to excluded exposures of public development banks - Public sector investments) (%)	3.43%	3.69%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	10.55%	13.36%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure		n/a
	Disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	147	197[1]
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	141	67
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	42,744	33,468
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	42,744	33,468
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	10.50%	13.16%

		a	b
		CRR Leverage ratio exposures	
		30-6-2024	31-12-2023
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	10.50%	13.16%

1 this figure has been adjusted due to a resubmission of the report.

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

		a	a
		CRR Leverage ratio exposures	
		30-6-2024	**31-12-2023**
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**37,937**	**26,440**
EU-2	Trading book exposures		-
EU-3	Banking book exposures, of which:	37,937	26,440
EU-4	Covered bonds	2,661	2,646
EU-5	Exposures treated as sovereigns	22,323	11,424
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	42	434
EU-7	Institutions	430	537
EU-8	Secured by mortgages of immovable properties	-	-
EU-9	Retail exposures	-	-
EU-10	Corporate	7,633	6,234
EU-11	Exposures in default	506	519
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	4,342	4,646

LIQUIDITY REQUIREMENTS

EU LIQ1 - Quantitative information of LCR

		a	b	c	d	e	f	g	h	i	j
	Scope of consolidation (consolidated)	**Total unweighted value**					**Total weighted value**				
		30-6-2024	**31-3-2024**	**31-12-2023**	**30-9-2023**	**30-6-2023**	**30-6-2024**	**31-3-2024**	**31-12-2023**	**30-9-2023**	**30-6-2023**
EU 1a	**Number of data points used in the calculation of averages**	12	**12**	**12**	**12**	**12**	12	**12**	**12**	**12**	**12**
EU 1b	**High-quality liquid assets**										
1	**Total high-quality liquid assets (HQLA)**						**28,555**	**33,137**	**36,708**	**41,068**	**44,170**
	Cash-outflows										-
2	Retail deposits and deposits from small business customers, of which:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	- Stable deposits	-	-	-	-	-	-	-	-	-	-
4	- Less stable deposits	-	-	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	17,928	**20,306**	**21,737**	**23,601**	**25,321**	**15,597**	**17,881**	**19,198**	**20,947**	**22,546**
6	- Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-	-	-
7	- Non-operational deposits (all counterparties)	4,673	5,117	5,429	5,715	6,450	2,342	2,692	2,890	3,061	3,675
8	- Unsecured debt	13,255	15,189	16,308	17,886	18,871	13,255	15,189	16,308	17,886	18,871
9	Secured wholesale funding						62	76	156	156	253
10	Additional requirements	7,638	7,555	7,501	7,489	7,576	4,978	4,918	4,905	4,923	4,948
11	- Outflows related to derivative exposures and other collateral requirements	5,800	5,645	5,514	5,454	5,540	4,776	4,728	4,708	4,722	4,747
12	- Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
13	- Credit and liquidity facilities	1,838	1,910	1,987	2,035	2,036	202	190	197	201	201
14	Other contractual funding obligations	779	781	708	665	710	779	779	704	653	694
15	Other contingent funding obligations	6,203	6,427	6,473	6,456	6,356	606	628	630	626	615
16	**Total cash outflows**						**22,022**	**24,282**	**25,593**	**27,305**	**29,056**
	Cash-inflows										
17	Secured lending (eg reverse repos)	578	1,030	1,375	1,455	1,020	87	86	125	125	138
18	Inflows from fully performing exposures	1,371	1,420	1,455	1,488	1,506	812	835	850	842	850
19	Other cash inflows	2,513	2,547	2,306	1,878	1,986	2,513	2,547	2,306	1,878	1,986

		a	b	c	d	e	f	g	h	i	j
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)						-	-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)						-	-	-	-	-
20	**Total cash inflows**	**4,462**	**4,997**	**5,136**	**4,821**	**4,512**	**3,412**	**3,468**	**3,281**	**2,845**	**2,975**
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	4,014	4,096	3,930	3,534	3,631	3,412	3,468	3,281	2,845	2,975
	Total Adjusted value										
21	**Liquidity buffer**						**28,475**	**33,056**	**36,628**	**41,051**	**44,152**
22	**Total net cash outflows**						**18,610**	**20,814**	**22,312**	**24,460**	**26,082**
23	**Liquidity coverage ratio (%)**						**155%**	**162%**	**167%**	**173%**	**171%**

EU LIQB - Qualitative information on LCR, which complements template EU LIQ1

The template provides an overview of the LCR during the first half of 2024. The LCR remains well above the regulatory minimum requirements.

The liquidity buffer is composed of cash and high-quality securities. This buffer consists mainly of Level 1 high quality liquid assets.

Funding outflows and outflows related to derivative exposures and collateral requirements are the main drivers for the liquidity outflow. The main items that affect the inflows of the LCR are the payments from fully performing exposures. The figures in LCR are steady for over a year and there are no significant changes in the first half of 2024.

The majority of funding is acquired from international capital markets. BNG distinguishes between short-term and long-term funding (turning point: 1 year). BNG maintains a number of issuance programmes that enable it to have access to funding at all times at competitive levels. BNG pursues proactive investor relations which support these efforts.

BNG uses derivatives (interest rate swaps, FX swaps and cross currency swaps) to mitigate its interest rate risk and currency risk. The additional collateral outflow requirements in the event of an increase in fair value of derivatives are based on a historical approach.

The main currencies for BNG are euro and US dollar. The liquidity buffer consists mainly of cash at the ECB, liquidity portfolio and securities and loans deposited at the ECB in euros.

Funding types

The following resources are used for short-term funding (money markets):
- Commercial Paper: The bank has a European Commercial Paper (ECP) programme of EUR 20 billion and a US Commercial Paper (USCP) programme of USD 20 billion. Under normal market circumstances, a substantial margin is maintained between the maximum size allowed under the programme and the bank's actual usage.
- Uncleared repurchase transactions with interbank parties under a Global Master Repurchase Agreement (GMRA), where the bank's liquidity portfolio is used to pledge as collateral.
- Deposits from institutional money market parties.

The following programmes are available for long-term funding (capital markets):
- Debt Issuance Programme (DIP) of EUR 110 billion. Environmental, Social and Governance (ESG) bonds are also issued under this programme.
- Kangaroo-Kauri Programme of AUD 15 billion, specifically for the Australian and New Zealand market. ESG bonds are also issued under this programme.
- Samurai shelf registration and Uridashi shelf registration, specifically for Japanese investors.
- Namen-Schuld-Verschreibungen (NSV), under German Law.
- Private loan agreements under different legislations.

The bank also uses the following alternative funding sources if available:
- Long-term funding instruments provided by the European Central Bank.
- Global loans from the European Investment Bank and the Council of Europe Development Bank.
- Guaranteed Investment Contracts (GICs).

Note that the bank does not enter into transactions with private individuals.

BNG has a funding plan, in which the desired funding mix is described in detail. Part of the funding plan is the annual issuance in benchmark size to maintain a 'BNG curve' in the market. These large-scale issuances of an issuer with its creditworthiness linked to the Dutch state ensure that the bank has a high profile among investors, allowing it to retain access to investors even in times of market stress. The actual realisation of the funding plan is monitored and evaluated by the ALCO, mainly using the quarterly funding dashboard provided by Treasury.

EU LIQ2 - Net Stable Funding Ratio

		a	b	c	d	e
30-6-2024		**Unweighted value by residual maturity**				**Weighted value**
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
1	Capital items and instruments	4,242	-	309	-	4,242
2	*- Own funds*	*4,242*	*-*	*309*	*-*	*4,242*
3	*- Other capital instruments*		*-*	*-*	*-*	*-*
4	Retail deposits		-	-	-	-
5	*- Stable deposits*		*-*	*-*	*-*	*-*
6	*- Less stable deposits*		*-*	*-*	*-*	*-*
7	Wholesale funding:		25,946	7,911	82,759	88,881
8	*- Operational deposits*		*-*	*-*	*-*	*-*
9	*- Other wholesale funding*		*25,946*	*7,911*	*82,759*	*88,881*
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	-	1,346	361	5,879	6,060
12	*- NSFR derivative liabilities*	-				
13	*- All other liabilities and capital instruments not included in the above categories*		*1,346*	*361*	*5,879*	*6,060*
14	**Total available stable funding (ASF)**					**99,183**

30-6-2024		**Unweighted value by residual maturity**				**Weighted value**
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
15	Total high-quality liquid assets (HQLA)					2,072
EU -15a	Assets encumbered for more than 12m in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		9,311	5,249	86,375	63,931
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		*-*	*-*	*-*	*-*
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*3,833*	*718*	*2,301*	*3019*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*5,408*	*4,478*	*82,222*	*59,272*

30-6-2024		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
21	*- With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*5,018*	*4,167*	*77,802*	*55,163*
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*- With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*70*	*53*	*1,852*	*1,640*
25	Interdependent assets		-	-	-	-
26	Other assets:	-	4,683	40	3,677	4,153
27	*Physical traded commodities*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	*3,347*	*2,845*
29	*NSFR derivative assets*		*272*			*272*
30	*NSFR derivative liabilities before deduction of variation margin posted*		*3,338*			*167*
31	*All other assets not included in the above categories*		*1,073*	*40*	*330*	*869*
32	Off-balance sheet items		55	37	1,663	95
33	**Total RSF**					**70,251**
34	**Net Stable Funding Ratio (%)**					**141.18%**

		a	b	c	d	e
31-3-2024		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
1	Capital items and instruments	4,546	-	-	-	4,546
2	*- Own funds*	*4,546*	-	-	-	*4,546*
3	*- Other capital instruments*		-	-	-	-
4	Retail deposits		-	-	-	-
5	*- Stable deposits*		-	-	-	-
6	*- Less stable deposits*		-	-	-	-
7	Wholesale funding:		52,799	3,445	84,354	88,640
8	*- Operational deposits*		-	-	-	-
9	*- Other wholesale funding*		*52,799*	*3,445*	*84,354*	*88,640*
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	-	1,073	250	4,635	4,758
12	*- NSFR derivative liabilities*	-				
13	*- All other liabilities and capital instruments not included in the above categories*		*1,073*	*250*	*4,635*	*4,758*
14	**Total available stable funding (ASF)**					**97,944**

31-3-2024		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
15	Total high-quality liquid assets (HQLA)					1,326
EU -15a	Assets encumbered for more than 12m in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		6,899	4,551	85,187	62,355
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*1,342*	*38*	*2,238*	*2339*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*5,488*	*4,460*	*81,201*	*58,464*
21	*- With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*5,209*	*4,176*	*77,664*	*55,174*
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*- With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*69*	*54*	*1,749*	*1,552*
25	Interdependent assets		-	-	-	-
26	Other assets:		5,302	52	3,627	4,106
27	*Physical traded commodities*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	*3,285*	*2,793*
29	*NSFR derivative assets*		*303*			*303*
30	*NSFR derivative liabilities before deduction of variation margin posted*		*4,034*			*202*
31	*All other assets not included in the above categories*		*965*	*52*	*342*	*808*
32	Off-balance sheet items		34	68	1,666	96
33	**Total RSF**					**68,483**
34	**Net Stable Funding Ratio (%)**					**143.02%**

31-12-2023		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
1	Capital items and instruments	4,157	309	-	-	4,157
2	*- Own funds*	*4,157*	*309*	-	-	*4,157*
3	*- Other capital instruments*		-	-	-	-
4	Retail deposits		-	-	-	-
5	*- Stable deposits*		-	-	-	-
6	*- Less stable deposits*		-	-	-	-
7	Wholesale funding:		20,261	7,236	77,625	83,034
8	*- Operational deposits*		-	-	-	-
9	*- Other wholesale funding*		*20,261*	*7,236*	*77,625*	*83,034*
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	-40	1,012	250	4,455	4,580
12	*- NSFR derivative liabilities*	*-40*				
13	*- All other liabilities and capital instruments not included in the above categories*		*1,012*	*250*	*4,455*	*4,580*
14	**Total available stable funding (ASF)**					**91,772**

31-12-2023						
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
15	Total high-quality liquid assets (HQLA)					1,709
EU -15a	Assets encumbered for more than 12m in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		6,216	4,645	83,872	61,291
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*998*	*489*	*1,921*	*2237*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*5,104*	*4,109*	*80,076*	*57,374*
21	*- With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*4,835*	*3,881*	*76,483*	*54,072*
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*- With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*115*	*46*	*1,875*	*1,679*
25	Interdependent assets		-	-	-	-
26	Other assets:		5,978	41	3,133	3,919

31-12-2023		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1year	
27	*Physical traded commodities*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		*-*	*-*	*2,773*	*2,358*
29	*NSFR derivative assets*		*514*			*514*
30	*NSFR derivative liabilities before deduction of variation margin posted*		*4,468*			*223*
31	*All other assets not included in the above categories*		*996*	*41*	*360*	*824*
32	Off-balance sheet items		38	65	1,663	96
33	**Total RSF**					**67,015**
34	**Net Stable Funding Ratio (%)**					**136.94%**

The comparable figures of 2023 of the Net Stable Funding Ratio have been updated due to adjustments in the calculation of the NSFR ratio leading to an increase in the NSFR ratio. BNG has resubmitted resubmissions of the COREP NSFR reports over 2023 to the supervisors and adjusted the comparable figures in this Pillar 3 Interim Disclosure Report accordingly. The Net Stable Funding Ratio increased to 141.18% (31 December 2023: 136.94%).

CREDIT RISK

Credit risk quality

EU CR1 - Performing and non-performing exposures loans and related provisions

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	30-6-2024	**Gross carrying amount/nominal amount**						**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**						**Accumulated partial write-off**	**Collateral and financial guarantees received**	
		Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provisions			Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which: Stage 1	Of which: stage 2		Of which: stage 2	Of which: stage 3		Of which: Stage 1	Of which: stage 2		Of which: stage 2	Of which: stage 3			
005	**Cash balances at central banks and other demand deposits**	**11,533**	**11,533**	**-**	**-**	**-**	**-**								**-**	**-**
010	**Loans and advances**	**97,101**	**96,243**	**618**	**582**	**-**	**582**	**-13**	**-4**	**-9**	**-76**	**-**	**-76**	**-**	**57,109**	**393**
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	32,230	32,168	-	-	-	-	-1	-1	-	-	-	-	-	590	-
040	Credit institutions	3,877	3,877	-	-	-	-	-	-	-	-	-	-	-	726	-
050	Other financial corporations	1,156	1,156	-	39	-	39	-	-	-	-2	-	-2	-	323	37
060	Non-financial corporations	56,901	56,265	458	528	-	528	-9	-2	-7	-74	-	-74	-	53,066	341
070	*of which SMEs*	14,365	14,211	113	127	-	127	-3	-	-3	-	-	-	-	14,245	127
080	Households	2,937	2,777	160	15	-	15	-3	-1	-2	-	-	-	-	2,404	15
090	**Debt Securities**	**20,164**	**19,532**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,859**	**-**
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	10,961	10,923	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	3,232	3,148	-	-	-	-	-	-	-	-	-	-	-	2,406	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
130	Other financial corporations	4,329	4,329	-	-	-	-	-	-	-	-	-	-	-	174	-
140	Non-financial corporations	1,642	1,132	-	-	-	-	-	-	-	-	-	-	-	279	-
150	**Off-balance-sheet exposures**	**9,600**	**9,521**	**79**	**47**	**-**	**47**	**-**	**-**	**-**	**-1**	**-**	**-1**		**4,479**	**42**
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	3,100	3,100	-	-	-	-	-	-	-	-	-	-		37	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	597	597	-	-	-	-	-	-	-	-	-	-		573	-
200	Non-financial corporations	5,427	5,358	69	47	-	47	-	-	-	-1	-	-1		3,618	42
210	Households	476	466	10	-	-	-	-	-	-	-	-	-		251	-
220	**Total**	**138,398**	**136,829**	**697**	**629**	**-**	**629**	**-13**	**-4**	**-9**	**-77**	**-**	**-77**		**64,447**	**435**

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	31-12-2023	**Gross carrying amount/nominal amount**						**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**						**Accumulated partial write-off**	**Collateral and financial guarantees received**	
		Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provisions			Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
			Of which: Stage 1	Of which: stage 2		Of which: stage 2	Of which: stage 3		Of which: Stage 1	Of which: stage 2		Of which: stage 2	Of which: stage 3		On performing exposures	On non-performing exposures
005	**Cash balances at central banks and other demand deposits**	**1,620**	**1,620**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**95,635**	**94,174**	**1,195**	**598**	**-**	**598**	**-19**	**-5**	**-14**	**-80**	**-**	**-80**	**-**	**55,065**	**436**
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	32,577	32,513	-	-	-	-	-1	-1	-	-	-	-	-	927	-
040	Credit institutions	4,868	4,868	-	-	-	-	-	-	-	-	-	-	-	618	-
050	Other financial corporations	1,441	1,390	51	37	-	37	-1	-	-1	-7	-	-7	-	399	31
060	Non-financial corporations	53,819	52,875	742	491	-	491	-14	-3	-11	-68	-	-68	-	50,719	372
070	*of which SMEs*	13,793	13,634	116	133	-	133	-3	-	-3	-	-	-	-	13,681	133

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
080	Households	2,930	2,528	402	70	-	70	-3	-1	-2	-5	-	-5	-	2,402	33
090	**Debt Securities**	**19,667**	**18,962**	**61**	**-**	**-**	**-**	**-1**	**-**	**-1**	**-**	**-**	**-**	**-**	**2,674**	**-**
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	10,511	10,472	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	3,314	3,235	-	-	-	-	-	-	-	-	-	-	-	2,205	-
130	Other financial corporations	4,682	4,621	61	-	-	-	-1	-	-1	-	-	-	-	188	-
140	Non-financial corporations	1,160	634	-	-	-	-	-	-	-	-	-	-	-	281	-
150	**Off-balance-sheet exposures**	**10,465**	**10,304**	**160**	**92**	**-**	**92**	**-1**	**-**	**-1**	**-5**	**-**	**-5**	**-**	**4,362**	**67**
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	General governments	4,478	4,478	-	-	-	-	-	-	-	-	-	-	-	97	-
180	Credit institutions	6	6	-	-	-	-	-	-	-	-	-	-	-	6	-
190	Other financial corporations	720	720	-	7	-	7	-	-	-	-	-	-	-	703	7
200	Non-financial corporations	4,719	4,619	100	77	-	77	-	-	-	-5	-	-5	-	3,257	60
210	Households	542	481	60	8	-	8	-1	-	-1	-	-	-	-	299	-
220	**Total**	**127,387**	**125,060**	**1,416**	**690**	**-**	**690**	**-21**	**-5**	**-16**	**-85**	**-**	**-85**	**-**	**62,101**	**503**

EU CR1-A - Maturity of exposures

		a	b	c	d	e	f
	30-6-2024	**Net exposure value**					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	**Total**
1	Loans and advances	842	3,554	11,033	79,037	(22)	**94,444**
2	Debt securities	-	366	4,853	14,945	-	**20,164**
3	**Total**	**842**	**3,920**	**15,886**	**93,982**	**-22**	**114,608**

	31-12-2023	a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	**Total**
1	Loans and advances	1,142	3,223	10,758	76,764	-	**91,887**
2	Debt securities	-	624	4,307	14,735	-	**19,666**
3	**Total**	**1,142**	**3,847**	**15,065**	**91,499**	**-**	**111,553**

The exposure values in this table do not include off-balance exposure in contrast to the other tables. The total credit exposure is therefore lower than in the other tables.

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

		a	b
		Gross carrying amount	
		30-6-2024	**31-12-2023**
010	**Initial stock of non-performing loans and advances**	**598**	**848**
020	Inflows to non-performing portfolios	74	40
030	Outflows from non-performing portfolios	90	290
040	- Outflows due to write-offs	9	60
050	- Outflow due to other situations	81	230
060	**Final stock of non-performing loans and advances**	**582**	**598**

EU CQ1 - Credit quality of forborne exposures

	30-6-2024	a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which: collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which: defaulted	Of which: impaired				
005	**Cash balances at central banks**	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h
	and other demand deposits								
010	**Loans and advances**	**143**	**218**	**218**	**218**	**-4**	**-41**	**299**	**163**
020	- Central banks	-	-	-	-	-	-	-	-
030	- General governments	-	-	-	-	-	-	-	-
040	- Credit institutions	-	-	-	-	-	-	-	-
050	- Other financial corporations	-	12	12	12	-	-1	11	11
060	- Non-financial corporations	112	206	206	206	-3	-40	257	152
070	- Households	31	-	-	-	-1	-	31	-
080	**Debt Securities**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**9**	**4**	**4**	**4**	**-**	**-**	**12**	**3**
100	**Total**	**152**	**222**	**222**	**222**	**-4**	**-41**	**311**	**166**

		a	b	c	d	e	f	g	h
	31-12-2023	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which: collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which: defaulted	Of which: impaired				
005	**Cash balances at central banks and other demand deposits**	-	-	-	-	-	-	-	-
010	**Loans and advances**	**169**	**93**	**93**	**93**	**-4**	**-31**	**159**	**47**
020	- Central banks	-	-	-	-	-	-	-	-
030	- General governments	-	-	-	-	-	-	-	-
040	- Credit institutions	-	-	-	-	-	-	-	-
050	- Other financial corporations	-	9	9	9	-	-3	6	6
060	- Non-financial corporations	163	84	84	84	-4	-28	147	41
070	- Households	6	-	-	-	-	-	6	-
080	**Debt Securities**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**19**	**10**	**10**	**10**	**-**	**-**	**8**	**8**

		a	b	c	d	e	f	g	h
100	**Total**	**188**	**103**	**103**	**103**	**-4**	**-31**	**167**	**55**

EU CQ4 - Quality of non-performing exposures by geography

	30-6-2024	a	b	c	d	e	f	g
		Gross carrying amount/nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		Of which subject to impairment			
				Of which: defaulted				
1	**On balance sheet exposures**	**114,697**	**582**	**582**	**113,825**	**-89**		**-**
2	Netherlands	102,668	579	579	102,429	-88		-
3	France	1,902	-	-	1,844	-		-
4	United Kingdom	1,294	3	3	841	-1		-
5	Austria	1,036	-	-	1,036	-		-
6	Germany	988	-	-	988	-		-
7	Belgium	728	-	-	690	-		-
8	Other countries	6,081	-	-	5,997	-		-
9	**Off balance sheet exposures**	**9,671**	**47**	**47**			**1**	**-**
10	Netherlands	9,194	46	46			1	
11	United Kingdom	-	-	-			-	
12	Germany	4	1	1			-	
13	Other countries	473	-	-			-	
14	**Total**	**124,368**	**629**	**629**	**113,825**	**-89**	**1**	**-**

	31-12-2023	a	b	c	d	e	f	g
		Gross carrying amount/nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		Of which subject to impairment			
				Of which: defaulted				
1	**On balance sheet exposures**	**111,653**	**598**	**598**	**111,653**	**-100**		**-**
2	Netherlands	100,006	594	594	-	-97		-
3	France	2,022	-	-	-	-		-
4	United Kingdom	1,452	4	4	-	-2		-
5	Austria	1,022	-	-	-	-		-
6	Germany	945	-	-	-	-		-
7	Belgium	560	-	-	-	-		-

		a	b	c	d	e	f	g
8	Other countries	5,646	-	-	-	-1		-
9	**Off balance sheet exposures**	**10,556**	**92**	**92**			**6**	**-**
10	Netherlands	10,086	91	91			-	
11	United Kingdom	4	1	1			-	
12	Germany	6	-	-			-	
13	Other countries	460	-	-			-	
14	**Total**	**122,209**	**690**	**690**	**111,653**	**-100**	**6**	**-**

Other countries consist of exposures to the European Commission, European Financial Stability Facility (EFSF), Denmark, Finland, Japan, Ireland, Italy, Luxembourg, Portugal, Spain and United States.

EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

		a	b	c	d	e	f
	30-6-2024	Gross carrying amount/nominal amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		of which: loans and advances subject to impairment		
				Of which: defaulted			
010	Agriculture, forestry and fishing	-	-	-	-	-	-
020	Mining and quarrying	-	-	-	-	-	-
030	Manufacturing	10	-	-	10	-	-
040	Electricity, gas, steam and air conditioning supply	638	6	6	638	-1	-
050	Water supply	1,409	32	32	1,409	-2	-
060	Construction	2,897	133	133	2,888	-31	-
070	Wholesale and retail trade	65	-	-	65	-	-
080	Transport and storage	669	98	98	669	-	-
090	Accommodation and food service activities	-	-	-	-	-	-
100	Information and communication	80	28	28	80	-7	-
110	Financial and insurance activities	112	-	-	112	-	-
120	Real estate activities	48,156	140	140	47,987	-	-
130	Professional, scientific and technical activities	493	31	31	493	-32	-
140	Administrative and support service activities	77	3	3	77	-1	-

		a	b	c	d	e	f
150	Public administration and defense, compulsory social security	-	-	-	-	-	-
160	Education	29	-	-	29	-	-
170	Human health services and social work activities	2,515	56	56	2,515	-9	-
180	Arts, entertainment and recreation	63	-	-	63	-	-
190	Other services	216	1	1	216	-	-
200	**Total**	**57,429**	**528**	**528**	**57,251**	**-83**	**-**

		a	b	c	d	e	f
	31-12-2023	Gross carrying amount/nominal amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		of which: loans and advances subject to impairment		
				Of which: defaulted			
010	Agriculture, forestry and fishing	-	-	-	-	-	-
020	Mining and quarrying	-	-	-	-	-	-
030	Manufacturing	9	-	-	-	-	-
040	Electricity, gas, steam and air conditioning supply	582	10	10	-	-5	-
050	Water supply	615	-	-	-	-	-
060	Construction	2,417	153	153	-	-32	-
070	Wholesale and retail trade	63	-	-	-	-	-
080	Transport and storage	653	99	99	-	-	-
090	Accommodation and food service activities	-	-	-	-	-	-
100	Information and communication	82	-	-	-	-1	-
110	Financial and insurance activities	83	3	3	-	-	-
120	Real estate activities	45,961	144	144	-	-4	-
130	Professional, scientific and technical activities	498	24	24	-	-27	-
140	Administrative and support service activities	439	4	4	-	-2	-
150	Public administration and defense, compulsory social security	-	-	-	-	-	-
160	Education	44	-	-	-	-	-
170	Human health services and social work activities	2,587	54	54	-	-12	-

		a	b	c	d	e	f
180	Arts, entertainment and recreation	64	-	-	-	-	-
190	Other services	214	-	-	-	-	-
200	**Total**	**54,311**	**-**	**491**	**-**	**-83**	**-**

EU CQ7 - Collateral obtained by taking possession and execution processes

		a	b	a	b
		30-6-2024 Collateral obtained by taking possession		**31-12-2023** Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	-	-	-	-
020	Other than PP&E, of which:				
030	*- Residential immovable property*	-	-	-	-
040	*- Commercial immovable property*	-	-	-	-
050	*- Movable property (auto, shipping, etc.)*	-	-	-	-
060	*- Equity and debt instruments*	-	-	-	-
070	*- Other*	-	-	-	-
080	**Total**	**-**	**-**	**-**	**-**

Use of credit risk mitigation techniques

EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

		a	b	c	d	e
	30-6-2024	**Unsecured carrying amount**	**Secured carrying amount**			
				of which secured by collateral	**of which secured by financial guarantees**	**of which secured by credit derivatives**
1	Loans and advances	51,625	57,502	75	57,427	-
2	Debt Securities	17,304	2,859	-	2,859	
3	**Total**	**68,929**	**60,361**	**75**	**60,286**	**-**
4	Of which non-performing exposures	113	393	-	393	-
EU-5	- of which defaulted	113	393			

	31-12-2023	a Unsecured carrying amount	b Secured carrying amount	c of which secured by collateral	d of which secured by financial guarantees	e of which secured by credit derivatives
1	Loans and advances	42,255	55,500	73	55,427	-
2	Debt Securities	16,992	2,674	-	2,674	
3	**Total**	**59,247**	**58,174**	**73**	**58,101**	**-**
4	Of which non-performing exposures	83	435	-	435	-
EU-5	- of which defaulted	83	435			

Standardised approach

EU CR4 - Credit risk exposure and CRM effects

Guarantees provided by governments, WSW and WfZ are an important part in the determination of the credit risk profile of BNG. Below templates show the impact of all CRM techniques applied in accordance with Part Three, Title II, Chapter 4 of the CRR, including the financial collateral simple method and the financial collateral comprehensive method in the application of Articles 222 and 223 of the same regulation on capital requirements' calculations using the standardised approach. In addition, the RWA density provides a synthetic metric on the riskiness of each portfolio.

	30-6-2024	a Exposures before CCF and CRM On-balance	b Off-balance	c Exposures post CCF and CRM On-balance	d Off-balance	e RWAs and RWA density RWA	f RWA density
1	Central governments or central banks	15,687	15	69,277	1,563	-	0%
2	Regional governments or local authorities	31,211	2,666	33,836	708	21	0%
3	Public sector entities	2,920	415	3,376	115	358	10%
4	Multilateral Development Banks	190	-	190	-	-	0%
5	International Organisations	4,648	-	4,648	-	-	0%
6	Institutions	1,110	-	42	-	8	19%
7	Corporates	62,789	6,385	7,473	216	6,352	83%
8	Retail	-	-	-	-	-	0%
9	Secured by mortgages on immovable property	-	-	-	-	-	0%
10	Exposures in default	506	46	147	-	200	136%
11	Exposures associated with particularly high risk	-	-	-	-	-	0%
12	Covered bonds	2,661	-	2,661	-	266	10%

		a	b	c	d	e	f
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14	Collective investments undertakings (CIU)	-	-	-	-	-	0%
15	Equity	24	-	24	-	24	100%
16	Other items	227	-	227	-	227	100%
17	**Total**	**121,973**	**9,527**	**121,901**	**2,602**	**7,456**	**6%**

		a	b	c	d	e	f
	31-12-2023	**Exposures before CCF and CRM**		**Exposures post CCF and CRM**		**RWAs and RWA density**	
		On-balance	Off-balance	On-balance	Off-balance	RWA	RWA density
1	Central governments or central banks	5,474	15	56,912	1,570	-	0%
2	Regional governments or local authorities	30,479	2,974	33,400	1,081	23	0%
3	Public sector entities	4,377	1,486	4,501	185	598	13%
4	Multilateral Development Banks	200	-	200	-	-	0%
5	International Organisations	4,113	-	4,113	-	-	0%
6	Institutions	1,091	6	135	-	27	20%
7	Corporates	59,269	5,852	6,065	180	5,324	85%
8	Retail	-	-	-	-	-	0%
9	Secured by mortgages on immovable property	-	-	-	-	-	0%
10	Exposures in default	519	86	123	3	158	125%
11	Exposures associated with particularly high risk	-	-	-	-	-	0%
12	Covered bonds	2,646	-	2,646	-	265	10%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14	Collective investments undertakings (CIU)	-	-	-	-	-	0%
15	Equity	24	-	24	-	24	100%
16	Other items	104	-	104	-	104	100%
17	**Total**	**108,296**	**10,419**	**108,223**	**3,019**	**6,523**	**6%**

EU CR5 - Standardised approach

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	30-6-2024	Risk weight: 0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which: unrated
1	Central governments or central banks	70,839	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,839	63,560
2	Regional government or local authorities	34,439	-	-	-	105	-	-	-	-	-	-	-	-	-	-	34,544	34,273
3	Public sector entities	1,703	-	-	-	1,788	-	-	-	-	-	-	-	-	-	-	3,491	1,832
4	Multilateral development banks	190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	190	-
5	International organisations	4,648	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,648	-
6	Institutions	-	-	-	-	42	-	-	-	-	-	-	-	-	-	-	42	28
7	Corporates	-	-	-	-	861	-	1,311	-	-	5,506	12	-	-	-	-	7,690	5,333
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	42	106	-	-	-	-	148	146
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	2,661	-	-	-	-	-	-	-	-	-	-	-	2,661	-
13	Exposures to institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	and corporates with a short-term credit assessment																	
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	24	-	-	-	-	-	24	24
16	Other items	-	-	-	-	-	-	-	-	-	227	-	-	-	-	-	227	-
17	**Total credit risk exposure**	**111,819**	**-**	**-**	**2,661**	**2,796**	**-**	**1,311**	**-**	**-**	**5,799**	**118**	**-**	**-**	**-**	**-**	**124,504**	**105,196**

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	31-12-2023	**Risk weight:**															**Total**	**Of which: unrated**
		0%	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**		
1	Central governments or central banks	58,485	-	-	-	-	-	-	-	-	-	-	-	-	-	-	58,485	51,558
2	Regional government or local authorities	34,365	-	-	-	115	-	-	-	-	-	-	-	-	-	-	34,480	34,232
3	Public sector entities	1,697	-	-	-	2,989	-	-	-	-	-	-	-	-	-	-	4,686	2,524
4	Multilateral development banks	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200	-
5	International organisations	4,113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,113	-
6	Institutions	-	-	-	-	135	-	-	-	-	-	-	-	-	-	-	135	29
7	Corporates	-	-	-	-	675	-	759	-	-	4,810	-	-	-	-	-	6,244	4,621

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	60	65	-	-	-	-	125	125
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	2,646	-	-	-	-	-	-	-	-	-	-	-	2,646	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	24	-	-	-	-	-	24	24
16	Other items	-	-	-	-	-	-	-	-	-	104	-	-	-	-	-	104	2
17	**Total credit risk exposure**	**98,860**	**-**	**-**	**2,646**	**3,914**	**-**	**759**	**-**	**-**	**4,998**	**65**	**-**	**-**	**-**	**-**	**111,242**	**93,115**

Counterparty credit risk

EU CCR1 - Analysis of CCR exposure by approach

The counterparty credit risk of derivative transactions is relatively small, despite the fact that notional amounts totaled EUR 302 billion at 30 June 2024 (2023 at year-end: EUR 276 billion). With the exception of currency derivatives, these contractual principal amounts merely serve as accounting quantities and do not reflect the size of cash flows or the risk associated with the derivatives. The credit equivalent of the derivatives portfolio serves as a more accurate indicator in this regard. The credit risk is expressed in terms of credit equivalents, in accordance with Central Bank guidelines. The credit equivalent consists of the market value plus an add-on for future credit risk. Contracts with a positive value – where contractual default by the counterparty would cause BNG to miss out on revenue – are relevant in this regard. BNG determines this value using the Standardised Approach to Counterparty Credit Risk (SA-CCR). The current replacement cost is calculated by including collateral received or posted. In addition, the principal amounts are multiplied by percentages based on the specific product and its maturity period in order to determine the Potential future credit risk exposure (PFE). The sum of these two values (credit equivalent) multiplied by the alpha of 1.4 indicates the net exposure to credit risk.

		a	b	c	d	e	f	g	h
	30-6-2024	Replacement cost (RC)	Potential future credit exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)				1.4				
EU-2	EU - Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	268	930		1.4	1,529	1,529	1,529	689
2	IMM (for derivatives and SFTs)								
2a	Of which securities financing transactions netting sets								
2b	Of which derivatives and long settlement transactions netting sets								
2c	Of which from contractual cross-product netting sets								
3	Financial collateral simple method (for SFTs)								

		a	b	c	d	e	f	g	h
4	Financial collateral comprehensive method (for SFTs)					3,783	16	16	3
5	VaR for SFTs								
6	**Total**					**5,312**	**1,545**	**1,545**	**692**

		a	b	c	d	e	f	g	h
	31-12-2023	**Replacement cost (RC)**	**Potential future credit exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU-1	EU - Original Exposure Method (for derivatives)	-	-		-	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		-	-	-	-	-
1	SA-CCR (for derivatives)	310	774		1.4	1,517	1,517	1,517	665
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					5,218	304	304	61
5	VaR for SFTs					-	-	-	-
6	**Total**					**6,735**	**1,821**	**1,821**	**726**

EU CCR2 - Transactions subject to own funds requirements for CVA risk

	30-6-2024	a Exposure value	b RWEA
1	Total transactions subject to the Advanced method	n/a	n/a
2	(i) VaR component (including the 3× multiplier)		n/a
3	(ii) stressed VaR component (including the 3× multiplier)		n/a
4	Transactions subject to the Standardised method	1,120	767
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	n/a	n/a
5	**Total transactions subject to own funds requirements for CVA risk**	**1,120**	**767**

	31-12-2023	a Exposure value	b RWEA
1	Total transactions subject to the Advanced method	n/a	n/a
2	(i) VaR component (including the 3× multiplier)		n/a
3	(ii) stressed VaR component (including the 3× multiplier)		n/a
4	Transactions subject to the Standardised method	1,052	740
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	n/a	n/a
5	**Total transactions subject to own funds requirements for CVA risk**	**1,052**	**740**

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

		a	b	c	d	e	f	g	h	i	j	k	l
	30-6-2024	Risk weight											
		0%	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	**Total exposure value**
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	**-**
2	Regional government or local authorities	127	-	-	-	-	-	-	-	-	-	-	**127**
3	Public sector entities	-	-	-	-	1	-	-	-	-	-	-	**1**

		a	b	c	d	e	f	g	h	i	j	k	l
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	**-**
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	**-**
6	Institutions	-	209	-	-	629	324	-	-	-	-	-	**1,162**
7	Corporates	-	451	-	-	21	87	-	-	356	-	-	**915**
8	Retail	-	-	-	-	-	-	-	-	-	-	-	**-**
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	**-**
10	Other items	-	-	-	-	-	-	-	-	-	-	-	**-**
11	**Total exposure value**	**127**	**660**	**-**	**-**	**651**	**411**	**-**	**-**	**356**	**-**	**-**	**2,205**

		a	b	c	d	e	f	g	h	i	j	k	l
	31-12-2023	**Risk weight**											**Total exposure value**
		0%	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional government or local authorities	145	-	-	-	-	-	-	-	-	-	-	145
3	Public sector entities	-	-	-	-	1	-	-	-	-	-	-	1
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	257	-	-	990	156	-	-	-	-	-	1,403
7	Corporates	-	644	-	-	-	159	-	-	370	-	-	1,173
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l
	term credit assessment												
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	**145**	**901**	**-**	**-**	**991**	**315**	**-**	**-**	**370**	**-**	**-**	**2,722**

EU CCR5 - Composition of collateral for CCR exposures

		a	b	c	d	e	f	g	h
	30-6-2024	**Collateral used in derivative transactions**				**Collateral used in securities finance transactions**			
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received		Fair value of collateral posted	
	Collateral type	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	883	-	3,353	-	5	-	140
2	Cash – other currencies	-	-	-	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	20	-
4	Other sovereign debt	21	-	1,245	-	-	-	16	2,891
5	Government agency debt	-	-	442	-	-	-	-	-
6	Corporate bonds	-	-	1,908	-	-	1,639	-	765
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	32	-	-	3,110	-	405
9	**Total**	**21**	**883**	**3,627**	**3,353**	**-**	**4,754**	**36**	**4,201**

		a	b	c	d	e	f	g	h
	31-12-2023	**Collateral used in derivative transactions**				**Collateral used in securities finance transactions**			
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received		Fair value of collateral posted	
	Collateral type	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	568	-	4,685	-	88	-	66
2	Cash – other currencies	-	-	-	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	20	-
4	Other sovereign debt	4	-	1,066	-	-	-	17	2,426
5	Government agency debt	-	-	332	-	-	-	-	135

		a	b	c	d	e	f	g	h
6	Corporate bonds	-	-	1,380	-	-	1,100	-	818
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	30	-	-	2,765	-	345
9	**Total**	**4**	**568**	**2,808**	**4,685**	**-**	**3,953**	**37**	**3,790**

As per 30 June 2024, the collateral posted for derivative transactions amounted to EUR 3.4 billion (2023: EUR 4.7 billion). A deterioration of BNG's rating by three notches would not increase this amount. The strength of the bank's liquidity position is sufficient to meet, and to absorb fluctuations in collateral obligations.

EU CCR8 - Exposures to CCPs

		a	b
	30-6-2024	**Exposure value**	**RWEA**
1	**Exposures to QCCPs (total)**	**660**	**13**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	660	13
3	*(i) OTC derivatives*	*658*	*13*
4	*(ii) Exchange-traded derivatives*	-	-
5	*(iii) SFTs*	2	-
6	*(iv) Netting sets where cross-product netting has been approved*	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

	31-12-2023	a **Exposure value**	b **RWEA**
1	**Exposures to QCCPs (total)**	**901**	**18**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	901	18
3	*(i) OTC derivatives*	*898*	*18*
4	*(ii) Exchange-traded derivatives*	-	-
5	*(iii) SFTs*	*3*	-
6	*(iv) Netting sets where cross-product netting has been approved*	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

SECURITISATION

EU SEC1 - Securitisation exposures in the non-trading book

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	30-6-2024	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS	of which SRT	non-STS	of which SRT		of which SRT		STS	non-STS			STS	non-STS		
1	**Total exposures**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,660**	**490**	**-**	**4,150**
2	Retail (total)	-	-	-	-	-	-	-	-	-	-	-	3,660	478	-	4,138
3	- residential mortgage	-	-	-	-	-	-	-	-	-	-	-	3,660	478	-	4,138
4	- credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	- other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	- re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	12	-	12
8	- loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	- commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	- lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	12	-	12
11	- other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	- re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	31-12-2023	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS	of which SRT	non-STS	of which SRT		of which SRT		STS	non-STS			STS	non-STS		
1	**Total exposures**	**-**		**-**		**-**		**-**	**-**	**-**	**-**	**-**	**3,943**	**641**	**-**	**4,584**
2	Retail (total)	-		-		-		-	-	-	-	-	3,943	625	-	4,568
3	- residential mortgage	-		-		-		-	-	-	-	-	3,943	625	-	4,568
4	- credit card	-		-		-		-	-	-	-	-	-	-	-	-
5	- other retail exposures	-		-		-		-	-	-	-	-	-	-	-	-
6	- re-securitisation	-		-		-		-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-		-		-		-	-	-	-	-	-	16	-	16
8	- loans to corporates	-		-		-		-	-	-	-	-	-	-	-	-
9	- commercial mortgage	-		-		-		-	-	-	-	-	-	-	-	-
10	- lease and receivables	-		-		-		-	-	-	-	-	-	16	-	16
11	- other wholesale	-		-		-		-	-	-	-	-	-	-	-	-
12	- re-securitisation	-		-		-		-	-	-	-	-	-	-	-	-

EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

	30-6-2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**3,873**	**260**	**17**	**-**	**-**		**4,150**				**530**				**41**		
2	Traditional securitisation	3,873	260	17	-	-		4,150				530				41		
3	Securitisation	3,873	260	17	-	-		4,150				530				41		
4	Retail underlying	3,861	260	17	-			4,138				528				41		
5	Of which STS	3,660	-	-	-			3,660				366				29		
6	Wholesale	12	-	-	-			12				2				-		
7	Of which STS	-	-	-	-			-				-				-		
8	Re-securitisation																	
9	Synthetic securitisation																	
10	Securitisation																	
11	Retail underlying																	
12	Wholesale																	
13	Re-securitisation																	

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	31-12-2023	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**4,090**	**355**	**133**	**6**	**-**	**-**	**4,584**	**-**	**-**	**-**	**591**	**-**	**-**	**-**	**46**	**-**	**-**
2	Traditional securitisation	4,090	355	133	6	-	-	4,584	-	-	-	591	-	-	-	46	-	-
3	Securitisation	4,090	355	133	6	-	-	4,584	-	-	-	591	-	-	-	46	-	-
4	Retail underlying	4,074	355	133	6	-	-	4,568	-	-	-	589	-	-	-	46	-	-
5	Of which STS	3,943	-	-	-		-	3,943	-	-	-	394	-	-	-	31	-	-
6	Wholesale	16	-	-	-		-	16	-	-	-	2	-	-	-	-	-	-
7	Of which STS	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation																	
9	Synthetic securitisation																	
10	Securitisation																	
11	Retail underlying																	
12	Wholesale																	
13	Re-securitisation																	

MARKET RISK

EU MR1 - Market risk under the standardised approach

For the disclosure of market risk pursuant with policies and strategies, more information can be found in the 2023 Annual Report in the chapter Internal Business Operations, specifically the section relating to Risk management. Below table MR1 shows the components of own funds requirements under the standardised approach for market risk. Only temporary small foreign exchange positions for which it is not efficient to hedge the risks may result in a limited capital charge. At 30 June 2024 and 31 December 2023, this did not result in any capital requirement as our exposure on foreign exchange risk is below the threshold of 2% of eligible capital.

	30-6-2024 RWEAs	31-12-2023 RWEAs
Outright products		
Interest rate risk (general and specific)	-	-
Equity risk (general and specific)	-	-
Foreign exchange risk	-	-
Commodity risk	-	-
Options		
Simplified approach	-	-
Delta-plus method	-	-
Scenario approach	-	-
Securitisation (specific risk)	-	-
Total	**-**	**-**

EU IRRBB1 - Interest rate risks of non-trading book activities

The below template shows the changes in the economic value of equity (EVE) resulting from various yield curve shocks, as calculated under the six supervisory shock scenarios. Also shown are the changes in net interest income (Earnings at Risk), i.e. the difference in NII between a base scenario and an alternative stress scenario, as calculated under the two supervisory shock scenarios. The scenarios are as described in the EBA guidelines.

The outcome of the internal Earnings at Risk scenario is well within our risk appetite per end of June 2024. This also holds for EVE and moreover the Supervisory Outlier Criterion results for EVE and NII are respected.

		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
		30-6-2024	**31-12-2023**	**30-6-2024**	**31-12-2023**
1	Parallel up	-329	-328	-97	-76
2	Parallel down	404	406	96	77
3	Steepener	-79	-82		
4	Flattener	28	31		
5	Short rates up	-77	-75		
6	Short rates down	81	78		

ESG DISCLOSURES

In 2022, the EBA published binding standards for Pillar 3 disclosures on Environmental, Social and Governance (ESG) related risk categories. The standards put forward comparable disclosures and KPIs, including a green asset ratio (GAR) and a banking book taxonomy alignment ratio (BTAR). These are tools to show how institutions are embedding sustainability considerations in their risk management, business models and strategy. These tools also give insight in their pathway towards the Paris Agreement goals. The qualitative disclosures (table 1, 2 and 3) and templates 1, 2, 4, 5 and 10 were applicable as of 31 December 2022. As of 31 December 2023, the templates 6, 7 and 8 were applicable. Template 3 has taken effect as of 30 June 2024 and template 9 (voluntary) will be effective as of 31 December 2024.

Identifying and addressing risks is one of BNG's core activities. This includes the risks arising from environmental, social and governance (ESG) factors. In recent years, BNG increased the focus on the determination of risks that are related to ESG-factors. ESG risks are classified as (in)direct financial and/or reputational damage due to ESG-events or inadequate response to public expectations. ESG-risks arise from any negative financial impact on the institution stemming from the current or prospective impacts of:

- Environmental risks: Acute or chronic physical factors for environmental risks, or the role of the bank itself or of associated third parties in the transition to an environmentally sustainable economy;
- Social risks: Violations of human rights, employee rights, poverty or client relationships committed by the bank itself or by related third parties;
- Governance risks: Inadequate corporate governance, unethical management or a lack of transparency by the bank itself or by related third parties.

From the different ESG-risks, BNG focuses most on environmental risks as these were identified as most material. Environmental risk encompasses both climate risk and other environmental risks such as biodiversity loss and water scarcity. Environmental risk includes both physical risk and transition risk:

- Physical risks may arise from more frequent and severe environmental events. These events can be acute, such as floods, or chronic, such as a sea level rise;
- Transition risks may arise from the process of adapting to a more environmentally sustainable economy, for example climate-related policy changes, technological changes or investor and consumer sentiment towards a greener environment. For example, when emissions are relatively high, we might face higher transition risks due to potential future climate-related policy changes.

The occurrence of physical and transition risks is often inversely related. As a response to the potential impact of physical risks rapid, stringent and far-reaching governmental policy can be introduced, which can lead to increased transition risks. Alternatively, physical risks might increase over time if governmental policies are lacking.

This section focuses on risks arising from ESG factors to our own financial performance (“outside in”). In the Sustainability Policy BNG clarifies how it aims to make a long-term contribution to society and the environment ("inside out"). For more information on how BNG manages its own impact, see the 2023 Annual Report and the in 2023 updated Sustainability Policy.

Table 1, 2 and 3 - Qualitative information on Environmental-, Social and Governance risk

Information requirements following the tables 1, 2 and 3 of ITS No 2021/637 on public disclosures by institutions are merged into this section. As described in the tables, the qualitative requirements for ESG risks are split up in three topics:
- Business strategy and processes;
- Governance;
- Risk management.

Business strategy and processes

Integration of ESG factors and risks

BNG is a publicly owned bank servicing the public sector in the Netherlands. BNG's purpose is "driven by social impact”. BNG does not aim to maximize its profit or return on equity, but aims to help the Dutch public sector meet the challenges facing society by providing financing on the most attractive terms possible. Through BNG's policies, the bank sets out to have a long-term contribution to society and the environment. The main activities (lending and funding) as well as the management of its internal organization and its role as an employer are embedded in the three dimensions of the ESG-model.

BNG's lending activities are focused on the Dutch public sector. This includes Dutch public authorities, organisations that perform a public task (such as housing associations), organizations for which the government provides a guarantee of at least half of their resources (such as healthcare institutions and educational institutions), organizations of which half or more of the share capital is provided for by the government and/or activities where the government issues a 100% credit guarantee. BNG also finances projects in the energy, environmental, mobility and networks sectors, provided they are part of the public sector.

BNG’s strategy, Our Road to Impact, is geared towards sustainability. At the end of 2023, we closed the first three-year period of Our Road to Impact with valuable results. In 2024, we started with a revised strategy for the period 2024-2026. BNG aims to be the main lender in the public sector in order to make the Netherlands more social and sustainable. The strategy determines which clients are issued loans, how clients are served and how the organization is structured. BNG engages with its clients and helps them to achieve their social objectives. Furthermore, BNG aims to be “demonstrably sustainable”. Meaning, to be transparent about the sustainability performance. The aim is to improve our clients’ sustainability performance and the performance of BNG itself. BNG wants to ensure the organization is resilient and prepared for opportunities relating to ESG.

A number of policy instruments have been deployed to help achieve the abovementioned aims. BNG holds strategic client conversations, with the goal of increasing our clients' environmental and social impact and to mitigate ESG-risks. When providing balance sheet financing, BNG encourages and supports clients by sharing knowledge and providing innovative solutions. When providing project financing, a sustainability analysis is performed for each loan application and, if necessary, ESG-characteristics are always incorporated in the loan origination process. Furthermore, BNG has an exclusion policy based on ESG-factors. These instruments function as an mitigant to our exposure to ESG risk drivers. For example, as a result of our exclusion policy, BNG has no exposure in the exploration and extraction of fossil fuels, an industry prone for transition risks.

The way in which BNG addresses human rights as an integral part of the value chain is set out in the Human Rights Policy. It addresses the potential human rights issues related to BNG and its customers, suppliers and employees. BNG has defined its human rights policy according to the UN Guiding Principles on Business and Human Rights. Our Human Rights Policy will be updated in the first half of 2025. We will then also address how it affects our strategy, business model and internal processes. In our risk framework we currently have no metrics and limit on social factors because in the RMA none of the social factors are considered material.

BNG has joined a number of initiatives to help achieve our sustainability goals and mitigate ESG-risks. BNG is a signatory of the Dutch climate commitment of the Dutch financial sector. Furthermore, BNG applies the Equator Principles, to identify and manage environmental and social risks mitigate ESG-risks in project financing. In 2024, BNG signed the Diversity charter of the *Sociaal Economische Raad* (SER) Diversity in Business, in order to reiterate the Bank’s commitment to increasing diversity and inclusion within the bank.

ESG risks are an integral part of BNG’s Risk Management Framework (RMF), which is our policy framework for identifying risks. The Risk Appetite Statement (RAS) forms a central component of this framework, in which risk limits are set. The RAS is updated annually on the basis of internal and external developments. The ESG Risk Materiality Assessments (RMAs), which are performed for all relevant traditional risk categories, provide key inputs for the RAS. The RMAs are performed for the short-term (< 3 years), medium-term (4-10 years) and long-term horizon (>10 years). These analyses are updated according to a schedule to ensure that the risk assessments remain up to date. The short-term analysis is updated annually, the medium-term analysis every three years and the long term analysis every six years. For each sector, BNG assesses the impact of ESG risks on credit risk. This involves looking at the transmission channels by which ESG risks can lead to credit risk and an assessment of how material these risks are. For the most material ESG risks, metrics have been developed to monitor the identified risks.

Objectives, target and limits

To monitor the realization of the strategy, BNG has set objectives and measures the progress through indicators.

In 2019, BNG signed the climate commitment of the Dutch financial sector. That commitment includes reducing the CO2e emissions[2] of our clients ("financed emissions") in line with the Paris Climate Agreement. As a follow-up to this commitment, BNG presented its climate action plan, Going Green, in 2022. This plan sets out the commitment to bring both the financed CO2e emissions and the carbon footprint of its own operations in line with the Paris Climate Agreement. This means that, by 2050 at the latest, BNG will have reduced the CO2e emissions from relevant activities in its value chain to net zero.

In "Going Green", BNG road to net zero emissions are mapped. In addition to the long term goal of net zero emissions by 2050, the climate plan contains two near-term reduction targets for the absolute scope 1 and 2 emissions emitted by our loan portfolio. By 2025, the target is to achieve at least a 25% reduction in these financed emissions compared to 2018.[3] By 2030, the target is a reduction of at least 43% compared to 2018. BNG has set science-based targets for the emissions related to the real estate of its four main sectors the bank finances. These targets are based on sectoral decarbonization pathways developed by the Carbon Risk Real Estate Monitor (CRREM). These decarbonization pathways provide insight into the level of CO2e emissions required for a particular sector to remain within the limits of the Paris Agreement. BNG has used the decarbonization pathways that are consistent with the 1.5°C scenario, expressed in CO2e per m^2. BNG will submit its near-term reduction targets to the Science Based Targets initiative (SBTi) for verification.

BNG reports annually on its financed emissions in its annual report. In addition, BNG published a 'Going Green' progress report to provide insight into what is has achieved in 2023 and where BNG stands on its path to net zero. Due to the lag of data, 2022 is the most recent year for which BNG is able to present its financed emissions. In 2022, a total financed emissions (scope 1, 2 and 3) of 2,667 kilotons of CO2e were generated by its loan portfolio, this is a decrease of 2,1% in total emissions compared to 2021 where the financed emissions were 2,724 kilotons of CO2e. If only scope 1 and 2 financed emissions of clients are considered, the decrease in financed emissions is 9.5%. Compared to the reference year 2018, the decrease in financed scope 1 and 2 emissions of the loan portfolio is 21.8%.

In its Diversity and Inclusion Policy, BNG has formulated objectives with regard to the diversity of its own organization. BNG employs more than 450 staff members. BNG aims for a male/female ratio with at least 40% women and at least 40% men across the entire organization, including on the Supervisory Board and Executive Committee. In terms of age distribution, BNG aims for a 50/50 split between employees aged 45 or under and those aged over 45.

[2] Where we mention CO2 in this document, we refer to all greenhouse gases that contribute to climate change (CO2e)

[3] In contrast to the previous Pillar 3 report, BNG addresses reference year 2018 instead of 2019. The fundamental reference itself has not changed as the financed emissions presented as 'reporting year 2019' concerned the emissions related to the loan portfolio as at 31-12-2018. However, for the sake of transparency, from now on, BNG will communicate the year for which the emissions were calculated (2018) instead of the reporting year (2019).

As of 2025 BNG will report under CSRD. In 2024 we have conducted a double materiality analyses (DMA) in line with the regulatory obligations. In this DMA process we have also incorporated the results of the RMA. As outcome of this process, the Executive Committee has decided on the material topics. Audit review is currently in progress. In our Sustainability Banking Committee decisions are being made on the targets of these sustainability themes and the KPI's to measure progress and report on from 2025 onwards.

The limits of BNG are cascaded from the risk appetite statement towards limits on the level of a traditional risk type (and includes cascading to material ESG drivers). These limits are first approved in the Executive Committee subcommittee (depending on risk type) after which the total set of limits is approved in the Executive Committee.
- For credit risk a limit is in place for the completeness of ESG ratings within our loan portfolio. These ESG ratings include the material ESG impacts on credit risk, being both transition risk as physical risk as part of environmental risk. Although social and governance risk is part of the ESG rating, the impact on the outcome of the aggregated ESG rating is low, due to both a lower materiality and a lower quality of the information.
- Covering both credit risk (transition risk) as strategic risk, also the adequate follow up of the climate action plan (Going Green) for the 4 most important sectors is a limit.
- On a strategic risk level, there is a limit in place which compares our own external ESG rating with peer groups. Within this limit, both environmental, social and governance risk is implicitly covered.

Current and future investment strategies
BNG's current strategy is to serve the Dutch public sector by providing financing on the most attractive possible terms. BNG is regarded as one of the safest banks in the world. This implies that BNG can raise funding on the international money and capital markets at some of the lowest possible interest rates and passes these low interest rates on to its clients, typically through simple financing instruments. BNG is the largest SSA (sub-sovereigns, supranationals, agencies) bond issuer in the Netherlands after the Dutch state.

In order to keep funding at the lowest possible rates, BNG aims to serve a broad investor base. A large proportion of BNG's investors is engaged in sustainability. In line with its own ambitions and in order to meet our investors' appetite, BNG developed its Sustainable Finance Framework. Under this Framework, BNG issues bonds with a social or sustainability label. The funds raised with "sustainability bonds" are used to provide loans to municipalities. The funds raised under the label "social bonds" are used to provide loans to social housing associations. Under this framework, the budgets of municipalities and spending of housing associations are linked to the SDGs and the green and social bond categories of the International Capital Market Association (ICMA). The proportion of labelled bonds issued by BNG has grown steadily since 2014. In general, sustainability and social bonds now make up around 30-45% of newly issued BNG bonds each year, which corresponds to an amount of approximately EUR 5 to 8 billion per year. In 2024 year to date (January-September) specifically, BNG issued EUR 7.3 billion worth of ESG bonds, representing 41% of total 2024 issuance, both through new bond issues and by increasing the outstanding of some existing bonds. BNG aims to maintain the total amount of labelled bond issued annually around this level, and if possible, increase it.

As of 2025, BNG will be subject to mandatory reporting under the EU Taxonomy. The taxonomy is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate. The EU Taxonomy helps direct investments to the economic activities most needed for the transition, in line with the European Green Deal objectives. Given their (semi-)public nature of BNG, the vast majority of clients are currently not subject to reporting under the EU Taxonomy regulation. At the moment, most clients are not reporting voluntarily whether their activities are in line with the taxonomy. This significantly limits the possibilities for BNG to screen its own portfolio for compliance with the taxonomy, or to set taxonomy-related investment goals. As a result, BNG is discussing with the various sectors how and to what extent they may be able to provide the required information in the future.

Policies and procedures

ESG risks are integral part of our internal strategic decision making process. We see that the world around us is changing at a rapid pace with new opportunities, but also with new risks. To respond to these changes rapidly, we review our strategy annually. We do this on the basis of several internal and external analyses: Trend analyses based on PESTE (Political, Economical, Social, Technological and Environmental developments), SWOT, the outcomes of the RMAs and DMA, and market analysis and the expectations of our customers, investors and other stakeholders.

In 2025, prior to the update of the RMAs, BNG will prepare a sector analysis in accordance with the afore mentioned business environment factors (macroeconomic variables; competitive landscape; policy and regulation; technology; geopolitics) and map them in more detail. Outcomes of this sector analysis will be discussed in the sector working groups and can additionally be used for strategic decision-making at the sector level and possibly provide new risk factors for the RMAs.

With our Customer Due Diligence (CDD) Policy and the accompanying guidelines and instructions, we identify and assess risks related to ESG for individual clients. At this stage, we are particularly focused on sustainability aspects, such as human rights (including potential negative social impacts of the client's activities), and tax integrity. We aim to further expand our policies in the near future, in line with our own sustainability ambitions and developments in the market.

BNG is in close contact with its clients. To help discuss societal topics, BNG has collated the key themes for each specific client group in a tool. The themes are based on sector ambitions and form a consistent whole with BNG’s impact framework. It enables BNG a guide for conversations with clients and to gradually gain more insight into how its clients approach societal themes and how BNG can better help them to achieve their ambitions in this area. BNG expects commitment from its clients in relation to social and environmental objectives, and expects them to show progress. Depending on the progress made, these conversations may involve more stringent guidance. In this regard, BNG does not rule out placing conditions on loans, or ultimately even excluding clients.

Since 2023, reducing CO2 emissions has been on the agenda in these strategic client conversations with all its larger clients, including housing associations, municipalities and healthcare and educational institutions. With these clients, BNG checks whether they have their own climate targets. From 2024 onwards, BNG has analysed whether the reduction plans of its larger clients are in line with the climate agreement or with their own sector targets. From 2025 onwards, for most of its clients, having a climate action plan in place, either at the corporate or asset level, will be a prerequisite for financing.

ESG risks can have a negative impact on clients' credit ratings or collateral. In order to map these risks, BNG has implemented a ESG-rating methodology. With this methodology, BNG estimates ESG risks for each individual client. In the coming period, BNG will work on incorporating ESG risks into the rates that are charged to clients and the assurances we require from clients.

Governance

Internal governance and responsibilities

BNG is a statutory two-tier company under Dutch law. The governance structure comprises the Management Board, which is part of the ExCo, and the Supervisory Board. The Supervisory Board oversees the policies of the ExCo and the general state of affairs at the company and subsidiaries. The members of the Supervisory Board are appointed by a General Meeting of Shareholders on the recommendation of the Supervisory Board. The ExCo is responsible for the overall strategic course and business model, including sustainability-related topics.

The Sustainable Banking Committee (SBC) is tasked with setting, implementing and reporting on BNG's comprehensive sustainability policy. This includes overseeing our long-term environmental and social contributions and identifying material ESG risks that could have a negative impact on our performance. The committee is comprised of two ExCo members along with the senior management from those business units most closely involved with sustainability. The ESG Regulatory Change Framework (RCF) Task Force identifies upcoming legislation in the area of ESG and its impact on the bank. The ESG RCF Task Force identifies upcoming legislation in the area of ESG and its impact on the bank.

Governance performance of our counterparties

BNG focusses on the Dutch public sector. The lending portfolio is almost exclusively allocated to the Netherlands. Governance requirements of many of our clients are laid down in legislation, and compliance with them is monitored by governmental institutions.

BNG and its clients are committed to contributing to a sustainability shift. The basis of the relationship between BNG and its clients is mutual respect, collaboration and professionalism. BNG encourages clients to conduct their business in a sustainable and responsible manner. When new clients are assessed, BNG has included behavioral criteria in the Customer Due Diligence (CDD) policy to determine if the client can be accepted. However, the CDD policy is primarily aimed at our role as gatekeeper with regard to financial crime (Wwft and Sanctions Act, etc.) Therefore, we are working on removing this from the CDD policy and placing it in a separate customer policy. Part of the review and application process is the extent to which a relationship shares essential information. This includes a critical review of auditors' statements. BNG carries out reviews by holding strategic client meetings with a large group of clients. The degree of transparency is experienced face to face.

Risk management

Integration of ESG risks in risk framework

The majority of the loans that BNG provides are granted to or guaranteed by government bodies. Compared with other banks, the risks BNG faces are limited. This is reflected by BNG's strong external credit ratings. Nevertheless, identifying and addressing risks is one of BNG's core activities. This includes the risks arising from ESG. As is the case for the financial sector as a whole, BNG has in recent years increased the attention it pays to ESG risks.

ESG risks are embedded in the existing risk management framework. The ESG factors with a material impact on the bank have been laid down in the definitions of the traditional risk types. ESG factors are discussed in the relevant Executive Committee subcommittees. The Credit (Policy) Committee STMP manages and monitors the impact that ESG factors could have on the bank's credit risks. The Treasury Credit Committee monitors and manages the impact that ESG factors could have on the bank's credit risks in relation to financial counterparties and investments. The Non-Financial Risk Committee (NFRC) supports the Executive Committee with regard to topics that fall under operational, compliance and security risks, including the impact that ESG factors could have on these risks. Finally, the Asset & Liability Committee manages the bank's liquidity, market, refinancing and solvency risks, including the impact that ESG factors could have on these risks.

ESG risks are integrated in the reporting of the traditional risk types, and is made explicit for the material ESG drivers within those reports. Per traditional risk type, these risks are reported to the relevant Executive committee subcommittee on (at least) a quarterly basis. Within the quarterly integrated risk reporting towards the Executive Committee and the Supervisory Board, the summary of ESG drivers impacting the traditional risk drivers is reported also separately, to also allow for an overarching view on ESG risk. Since the materiality assessments result in higher materiality for environmental drivers and lower materiality for social and governance drivers, the focus in risk reporting is now on environmental risk (but could change if the materiality outcomes change in the future).

The remuneration policy of BNG is not explicitly linked to indicators regarding ESG. However, 95% of the employees of BNG are subject to the Collective Labour Agreement to the Banking Industry. These employees are subject to an annual performance evaluation that may result in a rise in fixed income. The criteria for this evaluation may or may not include ESG-indicators. Furthermore, the remuneration policy explicitly states that payment is gender neutral.

Activities, commitments & exposures to mitigate ESG risks

BNG has a conservative risk profile. BNG applies a strict capital policy, places restrictions on services and counterparties and does not engage into proprietary trading. Guaranteed loans make up a large part of BNG's portfolio. We expect that existing guarantees will be respected if ESG risks materialize.

The key ESG risks which have been identified in the credit risk category are those relating to climate and environmental risks. BNG considers the risk that climate policies could lead to an increased likelihood of bankruptcy to be the most material risk. Following, the physical risks are considered to be in certain instances material. These risks are underpinned by the assumption that, in the event of an environment-related disaster, insurance or government support will be available to partially mitigate the impact of the damage and losses. Social and Governance factors (the "S" and "G" in ESG) are considered to be less material risks for BNG. This is because BNG's exposure is primarily in the Netherlands, and the Netherlands has good governance practices. Any impact of social and governance risks is more likely to be caused by incidents than by structural factors. Below is an overview with the identified key ESG risks on our balance sheet for the medium term:

Risk type	Sector/portfolio/sub-risk		Material ESG factors
Credit risk (counterparty & concentration risk) – creditworthiness	Social housing		Emissions, Energy Efficiency
	Healthcare		Emissions, Energy Efficiency
	Education		Emissions, Energy Efficiency
	Local authorities		Emissions, Energy Efficiency, Biodiversity
	Networks	Energy networks	Emissions, Energy Efficiency
		Heat networks	Emissions, Energy Efficiency
		Water networks	n/a
	Environment	Municipal cleaning companies	n/a
		Waste processors	Emissions, Energy Efficiency
	Mobility	Infrastructure	Emissions, Energy Efficiency, Raw Material Sourcing, Biodiversity
		Public transport	Emissions, Energy Efficiency, Raw Material Sourcing
	Energy	Solar	n/a
		Wind	Biodiversity
		Biomass	Raw Material Sourcing
		Geothermal	n/a
Credit risk (counterparty & concentration risk) – collateral value	Real estate		n/a
	Equipment		n/a
	Receivables		n/a
Market risk (credit spread risk) – collateral value	Governments		Emissions, Energy Efficiency
	Financials		Emissions, Energy Efficiency
	Covered bonds		n/a
	RMBSs		n/a
Liquidity risk			n/a
Operational risk	Process risk		Impact of ESG laws and regulations on embedding in processes
	Model risk		Development of an ESG rating model to be able to rate clients in the field of ESG
	Data management risk		Providing ESG-related data
	External event risk		Impact of climate aspects on business operations

When it comes to ESG risks, the past is a poor indicator of the future. BNG's loans have a significant geographic concentration in the Netherlands. We are aware that ESG factors could have an impact on the willingness of the Dutch public sector to provide new guarantees in the future. This in turn could have an impact on our business model and strategy.

BNG closely monitors ESG developments and ensures that is protects itself against these risks. BNG is in the process of modelling client-related ESG risks and will use these insights to adjust our policies accordingly. BNG is continually working on quantifying ESG risks. This will involve creating new models and calculating the impact of negative ESG scenarios and shocks. The goal of these developments is to create ESG risk estimates for each individual client and on a portfolio level. In addition, We will then work on incorporating ESG risks into the rates we charge clients and into the collateral we require from clients.

Identification, measurement and management of ESG risks and transmission channels

For each sector, BNG assesses the impact of ESG risks on credit risk. This involves looking at the transmission channels by which ESG risks can lead to credit risk. It is then assessed how material these risks are. For most material ESG risks there have been metrics developed to monitor the risks. The material ESG risks are also an important basis for the ESG rating per client and the ESG section as part of the credit revision process. Another Key Risk Indicators that has been developed is the Weighted Average Carbon Intensity (WACI). The WACI is used to calculate the CO2-intensity and is used in reporting to monitor the CO2-intensity if the activities if a client.

Climate risks are also part of our stress test programme. The impact of climate risks is assessed in our Internal Capital Adequacy Assessment Process (ICAAP). BNG uses climate scenarios to identify its risks. These scenarios are partly calculated on the basis of the Climate Impact Atlas. We link this data to the locations of our exposures by means of geocoding.

BNG considers ESG risks to be part of the traditional risk categories, such as credit, market, liquidity and operational risks. Based on the risk materiality assessment, material ESG drivers to traditional risk types are identified and earmarked and will be part of the risk management framework explicitly, e.g. including the setting of possible Key Risk Indicators (such as limits) on material ESG drivers for the specific risk. Since current materiality assessment only show (high) materiality for environmental risk, KRIs currently are focused on environmental. However, if the social and governance drivers would become more material in future assessments, these elements would be included in our Key Risk Indicators as well. In the end, internal decision-making in ESG risk follows the decision making for traditional risk types, according to our 3 lines of defense model. More information regarding the Risk Management Framework and the risk types can be found in the Annual report of 2023, specifically the section of Risk management in the chapter Internal Business Operations.

The risk materiality assessment for ESG risk is a 2-step process:

Step 1: High-level assessment of ESG impact on BNG – In this step all (sub)risk types (in line with risk taxonomy BNG) are assessed if potential additional ESG impact can be expected there. If that is the case for a certain risk type, an in-depth ESG RMA will be executed. In case no potential additional ESG impact can be expected, the reasoning is documented and the impact is assessed as not material. This step is based on expert opinion reasoning.

Step 2: In-depth ESG RMA for selected risk types – If potential additional ESG impact is expected an in-depth ESG RMA is executed to identify the relevant transmission channels and risk drivers, to assess the materiality of these channels and drivers. Per ESG driver (see table xxx-refereren naar tabel in 3577387) an assessment is made by combining the likelihood (certain, likely, unlikely, rare) with the impact (low, medium, high). The assessment results in green (no material impact), orange (somewhat material impact) and red (material impact). In this step quantitative measures are used as much as possible, which are supplemented with expert opinions. The relevant referenced diagram shows which risks are material to BNG . In our case, the Environmental risks have the most material impact. For Social and Governance risks some ESG drivers are assessed as somewhat material. By also continuously updating the materiality assessments according to the update schedule, we maintain focus on all areas of attention within ESG. The ESG rating is structured accordingly by means of an E-, S- and G-rating.

Efforts to improve data availability, quality and accuracy

BNG is dealing with an increasing amount of ESG-related data, and the importance for ESG-related data for decision making is growing.

BNG has made significant steps this year in ESG data collection. We have made progress on four different levels:
- Having overview off all ESG data needs (stemming from different regulation and commitments)
- Having a ESG data governance in place: with clear roles and resposibilities. ESG data is also part of the strategic objective “Demonstrably Sustainable” and therefore on the agenda of the Sustainable Banking Committee.
- ESG data collection
- Collaboration with the NVB (Dutch Banking Association, with all large banks in tehe Netherlands) on the NVB ESG data project, in which we work on an ESG data scheme.

Although we are happy with these results, we still have work to do:
- Given the complexity of an ESG data platform, ESG data will be fetched directly from sources and combined using EUCs (such as Excel) and will not be implemented in a data warehouse on short notice.
- Further forward looking and proxy based metrics.

Our clients are restricted to the public domain and social risks are currently not assessed as (highly) material. As a result, BNG currently does not have limits for exposures which significantly harm the social objectives of our business strategy.

Governance performance of our counterparty

BNG and its clients are committed to contributing to a sustainability shift. The basis of the relationship between BNG and its clients is mutual respect, collaboration and professionalism. BNG encourages clients to conduct their business in a sustainable and responsible manner. When new clients are assessed, BNG has included behavioural criteria in the Customer Due Diligence (CDD) policy to determine if the client can be accepted. Part of the review and application process is the extent to which a relationship shares essential information. This includes a critical review of auditors' statements. BNG carries out reviews by holding strategic client meetings with a large group of clients. The degree of transparency is experienced face to face.

In general, BNG mainly does business with parties that are characterized as public sector. During several assessments, BNG also looks at the organizational structure and the performance of our counterparties in this area. However, BNG considers these factors to be less material for the board's assessment because there are good governance practices in the Netherlands.

The governance performance of our counterparties is incorporated in reviews as far as this is considered to be substantial for that review. Therefore this is only considered in cases where there is a possibility of insufficient performance.

Template 1 - Banking book – climate change transition risk: credit quality of exposures by sector, emissions and residual maturity

Template 1 provides quantitative information on climate change transition risk and is used to provide information on the exposures that are more prone to the risks that institutions may face from the transition to a low-carbon and climate resilient economy. BNG has to disclose information on exposures towards non-financial corporates operating in carbon-related sectors and information on scope 1, 2 and 3 Green House Gas (GHG) emissions of its counterparties:
- Scope 1 emission are classified as direct emissions caused by sources owned (or under control of) the counterparty;
- Scope 2 compiles of indirect emissions from energy consumed by the counterparty (i.e. electricity, steam, heat and cooling);
- Scope 3 emissions (also known as value chain emissions) comprise all other indirect emissions not included in scope 2 that are emitted in the whole value chain of the counterparty.

The overview of financed emissions are aggregated at the Nomenclature of Economic Activities (NACE) sector level. Emissions related to BNG's loan portfolio have been estimated at borrower level. The estimation method differs per sector. However, within a sector the method is aligned. For the following sectors emission are estimated and reported: social housing, healthcare, education, networks (specifically drinking water utilities), mobility and other projects. As the emission data does not cover all sectors and only covers counterparties related to the loan portfolio, not all exposure reported in this template have related emissions. For scope 1 and 2, 87% of the exposures and 60% of counterparties reported under pillar 3 are estimated. For scope 3, 5% of the exposures and 17% of the counterparties are estimated (please note that due to data challenges, and as can be seen in the methodological descriptions below, only a small fraction of scope 3 emissions are measured). As scope 3 concerns all value chain emissions, it is considered separately from scope 1 and 2 which covers direct and indirect emissions from a specific counterparty. The estimation method has incrementally improved in validity, scope and exposure/counterparty coverage each reporting year.

BNG uses the Partnership for Carbon Accounting Financials (PCAF) methodology in the measurement and calculation of the emissions of its counterparties and the associated financed amount. PCAF is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the GHG-emissions associated with their loans and investments. Financed emissions have been calculated by multiplying the GHG-emissions of individual counterparties by the proportionate share of the outstanding loan volume with BNG in the total balance sheet (equity plus debt) of the client.

The full PCAF report, which includes a detailed description of all calculations and data sources, is published on the website of BNG. As mentioned, the estimation method differs per sector. More information is provided regarding the sources of the data used for the different emissions and calculations used within the housing, healthcare, educational, network and mobility sector by BNG.

Methodology for social housing, healthcare and education sector

There has been an improvement in the measurement methodology of the scope 1 and 2 emissions for clients in the sectors ‘social housing’and ‘education’. Whereas previously data at an aggregated level was used (e.g. energy use by housing associations at the municipal level), necessitating attribution to the client-level involving assumptions, now energy use by buildings (addresses) is used to measure the emissions for these types of clients. This data is retrieved from the grid operators and entails actual energy consumption of gas, electricity and heat. Consecutively this is conversed to emissions by using emission factors for the corresponding energy type. Please note that, due to privacy legislation, addresses of clients have been clustered into groups of 5. These emissions can be classified as physical-activity based.

In addition, the scope 3 emissions from employee commuting are measured for ‘healthcare’ clients. Average travel distance per person on province level is available from the Dutch Central Bureau of Statistics. The average distance is multiplied by the average distance travels per mode of transport (bus, tram, metro, train, bike, car (passenger/ driver) and other modes). The average travel distances per mode of transport is then attributed on the basis of number of FTE per healthcare entity on province level. The cumulative distances per mode of travel per entity is then multiplied by CO2e-factors corresponding to the distance traveled per mode of transport. These emissions can be classified as physical-activity based.

Methodology for network sector

Companies in this sector (specifically water companies) have jointly developed a method on how to measure their scope 1, 2 and 3 emissions, namely the 'Code of Practice'. With this uniform practice, water supply companies within the network sector aim to provide a complete calculation of emissions. The scope 1 emissions comprise of emissions related to the extraction and treatment of groundwater and the natural gas and generators used. In addition, the use of vehicles per institution is also considered. The indirect emissions that fall within scope 2 are linked to the different types of purchased energy. The other indirect emissions (scope 3) are any local or international travels, chemicals used, transport by suppliers and transport of residual products. For each of these indicators a unit is determined which is multiplied by an emission factor. A more detailed description of the specific methodology can be found on their website[4]. As the calculations are prepared by use of the 'Code of Practice' which is developed by the sector themselves, BNG does not use a separate methodology and/or calculations.

Methodology for mobility and other sectors

Where possible, the reported emissions for clients in the mobility and other sectors were directly used. However, not all counterparties report this data. The scope 1 and 2 emissions for these clients were estimated based on economic activity data. More specifically, GHG emissions are obtained via CBS Statline by looking at GHG emissions based on the Standard Industrial Classifications (SBI). For each SBI code a measure for total GHG emission is available. This has been converted to an average GHG emissions in kilograms per net revenue in millions per SBI code. This is combined with the total net revenue of the client to obtain the GHG emissions for these clients.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
30-6-2024	**Gross carrying amount/nominal amount**					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**			**GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)**		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
(in million EUR)		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12 (1) points (d) to (g)	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which: Stage 2 exposures	Of which: non-performing exposures		Of which Scope 3 financed emissions						

[4] https://www.praktijkcodesdrinkwater.nl/opbrengst/klimaatneutraliteit/?search=klimaat

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			and Article 12(2) of Regulation (EU) 2020/1818														
1	**Exposures towards sectors that highly contribute to climate change***	**54,600**	**850**	**-**	**3**	**410**	**-34**	**-**	**-32**	**544,066**	**4,340**	**-**	**7,713**	**10,719**	**12,620**	**23,548**	**21**
2	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	*B.05 - Mining of coal and lignite*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	*B.06 - Extraction of crude petroleum and natural gas*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	*B.07 - Mining of metal ores*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	*B.08 - Other mining and quarrying*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*B.09 - Mining support service activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
9	C - Manufacturing	10	-	-	-	-	-	-	-	-	-	-	2	3	5	-	12
10	*C.10 - Manufacture of food products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	*C.11 - Manufacture of beverages*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*C.12 - Manufacture of tobacco products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	*C.13 - Manufacture of textiles*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	*C.14 - Manufacture of wearing apparel*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	*C.15 - Manufacture of leather and related products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	*C.17 - Manufacture of pulp,*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	paper and paperboard																
18	*C.18 - Printing and service activities related to printing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	*C.19 - Manufacture of coke oven products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	*C.20 - Production of chemicals*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	*C.21 - Manufacture of pharmaceutical preparations*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	*C.22 - Manufacture of rubber products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	*C.23 - Manufacture of other non-metallic mineral products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	*C.24 - Manufacture of basic metals*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	*C.25 - Manufacture of fabricated metal products, except machinery*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	and equipment																
26	*C.26 - Manufacture of computer, electronic and optical products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	*C.27 - Manufacture of electrical equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	*C.30 - Manufacture of other transport equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	*C.31 - Manufacture of furniture*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	*C.32 - Other manufacturing*	10	-	-	-	-	-	-	-	-	-	-	2	3	5	-	12
33	*C.33 - Repair and installation of machinery*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	and equipment																
34	D - Electricity, gas, steam and air conditioning supply	1,311	334	-	3	6	-1	-	-	5,409	86	-	158	394	745	14	11
35	*D35.1 - Electric power generation, transmission and distribution*	1,215	237	-	3	6	-1	-	-	5,409	86	-	158	394	649	14	11
36	*D35.11 - Production of electricity*	713	-	-	-	3	-	-	-	5,409	86	-	45	258	396	14	11
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	96	96	-	-	-	-	-	-	-	-	-	-	-	96	-	14
38	*D35.3 - Steam and air conditioning supply*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	E - Water supply; sewerage, waste management and remediation activities	1,440	-	-	-	32	-2	-	-2	39,326	4,254	-	378	645	378	40	10
40	F - Construction	2,905	-	-	-	133	-31	-	-30	20,492	-	-	572	498	616	1,219	19
41	*F.41 - Construction of buildings*	2,651	-	-	-	133	-31	-	-30	20,395	-	-	516	495	530	1,110	19

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
42	*F.42 - Civil engineering*	229	-	-	-	-	-	-	-	97	-	-	46	-	74	109	18
43	*F.43 - Specialised construction activities*	24	-	-	-	-	-	-	-	-	-	-	10	2	12	-	11
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	66	28	-	-	-	-	-	-	-	-	-	3	7	55	-	13
45	H - Transportation and storage	789	482	-	-	98	-	-	-	11,882	-	-	358	180	123	129	11
46	*H.49 - Land transport and transport via pipelines*	198	-	-	-	-	-	-	-	-	-	-	73	-	-	126	18
47	*H.50 - Water transport*	5	-	-	-	-	-	-	-	-	-	-	5	-	-	-	5
48	*H.51 - Air transport*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	*H.52 - Warehousing and support activities for transportation*	585	482	-	-	98	-	-	-	11,882	-	-	280	180	123	3	8
50	*H.53 - Postal and courier activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	I - Accommodation and food	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	service activities																
52	L - Real estate activities	48,079	6	-	-	141	-	-	-	466,957	-	-	6,242	8,992	10,698	22,146	22
53	**Exposures towards sectors other than those that highly contribute to climate change***	**4,461**	**-**	**-**	**454**	**108**	**-40**	**-7**	**-32**	**87,311**	**9,660**	**-**	**619**	**942**	**1,622**	**1,277**	**16**
54	K - Financial and insurance activities	664	-	-	-	-	-	-	-	-	-	-	50	14	121	479	23
55	Exposures to other sectors (NACE codes J, M - U)	3,797	-	-	454	108	-40	-7	-32	87,311	9,660	-	569	928	1,501	798	14
56	**TOTAL**	**59,061**	**850**	**-**	**458**	**518**	**-74**	**-7**	**-65**	**631,377**	**14,000**	**-**	**8,332**	**11,661**	**14,243**	**24,825**	**20**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
31-12-2023	**Gross carrying amount/nominal amount**					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**			**GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)**		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
(in million EUR)		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which: Stage 2 exposures	Of which: non-performing exposures		Of which Scope 3 financed emissions						

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			in accordance with Article 12 (1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818														
1	**Exposures towards sectors that highly contribute to climate change***	**50,647**	**532**	**-**	**64**	**397**	**-31**	**-1**	**-29**	**494,249**	**268**	**-**	**7,227**	**9,210**	**12,173**	**22,037**	**144**
2	A - Agriculture, forestry and fishing	0	-	-	0	-	-0	-0	-	-	-	-	0	-	-	-	-
3	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	*B.05 - Mining of coal and lignite*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	*B.06 - Extraction of crude petroleum and natural gas*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	*B.07 - Mining of metal ores*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	*B.08 - Other mining and quarrying*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
8	*B.09 - Mining support service activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	C - Manufacturing	9	-	-	-	-	-	-	-	-	-	-	2	2	5	-	10
10	*C.10 - Manufacture of food products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	*C.11 - Manufacture of beverages*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*C.12 - Manufacture of tobacco products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	*C.13 - Manufacture of textiles*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	*C.14 - Manufacture of wearing apparel*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	*C.15 - Manufacture of leather and related products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	plaiting materials																
17	*C.17 - Manufacture of pulp, paper and paperboard*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	*C.18 - Printing and service activities related to printing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	*C.19 - Manufacture of coke oven products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	*C.20 - Production of chemicals*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	*C.21 - Manufacture of pharmaceutical preparations*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	*C.22 - Manufacture of rubber products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	*C.23 - Manufacture of other non-metallic mineral products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	*C.24 - Manufacture of basic metals*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	*C.25 - Manufacture of*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	fabricated metal products, except machinery and equipment																
26	*C.26 - Manufacture of computer, electronic and optical products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	*C.27 - Manufacture of electrical equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	*C.30 - Manufacture of other transport equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	*C.31 - Manufacture of furniture*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	*C.32 - Other manufacturing*	9	-	-	-	-	-	-	-	-	-	-	2	2	5	-	10

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
33	*C.33 - Repair and installation of machinery and equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	D - Electricity, gas, steam and air conditioning supply	785	-	-	62	10	-5	-1	-4	-	-	-	45	84	653	2	30
35	*D35.1 - Electric power generation, transmission and distribution*	685	-	-	62	10	-5	-1	-4	-	-	-	45	84	554	2	6
36	*D35.11 - Production of electricity*	556	-	-	57	-	-1	-1	-	-	-	-	11	77	466	2	10
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	99	-	-	-	-	-	-	-	-	-	-	-	-	99	-	14
38	*D35.3 - Steam and air conditioning supply*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	E - Water supply; sewerage, waste management and remediation activities	640	-	-	0	-	-0	-0	-	-	-	-	152	267	221	-	9

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
40	F - Construction	2,414	-	-	-	143	-22	-	-22	13,506	-	-	546	328	518	1,023	31
41	*F.41 - Construction of buildings*	2,157	-	-	-	143	-22	-	-22	13,409	-	-	487	326	433	912	12
42	*F.42 - Civil engineering*	235	-	-	-	-	-0	-	-	97	-	-	48	-	75	111	9
43	*F.43 - Specialised construction activities*	22	-	-	-	0	-0	-	-	-	-	-	10	2	10	-	10
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	63	29	-	-	-	-0	-	-	23	-	-	1	8	55	-	12
45	H - Transportation and storage	774	497	-	-	99	-0	-	-	12,897	268	-	131	386	122	135	35
46	*H.49 - Land transport and transport via pipelines*	179	-	-	-	-	-	-	-	1,015	-	-	47	-	-	132	19
47	*H.50 - Water transport*	5	-	-	-	-	-0	-	-	-	-	-	5	-	-	-	5
48	*H.51 - Air transport*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	*H.52 - Warehousing and support activities for transportation*	590	497	-	-	99	-0	-	-	11,882	268	-	79	386	122	3	11
50	*H.53 - Postal and*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	courier activities																
51	I - Accommodation and food service activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	L - Real estate activities	45,961	6	-	2	145	-4	-	-3	467,823	-	-	6,349	8,134	10,600	20,877	17
53	**Exposures towards sectors other than those that highly contribute to climate change***	**4,824**	**-**	**-**	**678**	**84**	**-51**	**-11**	**-29**	**84,247**	**9,660**	**-**	**554**	**1,085**	**1,663**	**1,522**	**37**
54	K - Financial and insurance activities	593	-	-	-	3	-0	-	-	-	-	-	3	-	85	505	21
55	Exposures to other sectors (NACE codes J, M - U)	4,231	-	-	678	81	-51	-11	-29	84,247	9,660	-	551	1,085	1,577	1,018	16
56	**TOTAL**	**55,471**	**532**	**-**	**742**	**481**	**-82**	**-12**	**-58**	**578,495**	**9,928**	**-**	**7,780**	**10,295**	**13,836**	**23,560**	**181**

The data in this template includes exposures to non-financial corporations with activities in the defined sectors, classified according to their NACE code. The predominant sector in this overview is "L: real estate". This sector includes the exposures of BNG to housing associations, which is one of the main financing sectors of BNG. Local governments, another important financing sector for BNG is not included in this overview.

Template 2 - Banking book – climate change transition risk: loans collateralised by immovable property – energy efficiency of the collateral

In template 2, banks are required to disclose the climate transition risk related to loans collateralised by immovable property as per 31-12-2022. BNG mortgage portfolio (HVO portfolio) was sold in 2022 and has been liquidated in 2023. As BNG does not have such specific portfolios containing immovable properties, this template is not applicable.

Template 3 - Banking book - Climate change transition risk: Alignment metrics

30-6-2024

	a	b	c	d	e	f	g
	Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mn EUR)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
1	Power	3511, 3513, 3514, 4321	840	-	-	-	-
2	Fossil fuel combustion	3521, 4671	125	-	-	-	-
3	Automotive	-	-	-	-	-	-
4	Aviation	5223	62	-	-	-	-
5	Maritime transport	5222, 5224	512	-	-	-	-
6	Cement, clinker and lime production	-	-	-	-	-	-
7	Iron and steel, coke, and metal ore production	-	-	-	-	-	-
8	Chemicals	-	-	-	-	-	-
9	Real estate activities	6820	47,583	kgCO2e/m2	2022	*140.76%*	11,04 kg CO2e/m2
10	Construction of buildings	4110	1,950	kgCO2e/m2	2022	*140.76%*	11,04 kg CO2e/m2
11	Human health services and social work activities	8610	2,763	kgCO2e/m2	2022	*211.40%*	25,08 kg CO2e/m2
12	Waste-to-energy companies	3821, 3832	530	-	-	-	-

BNG has set targets for various sectors aligned with the NZE2050 objectives. While these sectors do not fall under the mandatory NACE codes, they represent key customer groups within our portfolio. The established targets are consistent with the Science-Based Targets initiative (SBTi) goals. These targets are expected to be submitted for approval by the SBT by the end of 2024, validation will take place in 2025. The target for the year of reference plus three years (column G) consists of the targets for 2030. This is because BNG has not set targets for 2025 in line with the 1.5% benchmark. Exposures falling under the mandatory NACE sectors currently do not have targets aligned with the NZE2050 criteria. Due to the use of an alternative internal selection method for the identification of counterparty sectors, not all counterparties are included under the NACE code. In the coming period, the selection methods will be discussed internally, with the aim of standardising them across all reports. For transparency, these exposures are still included in the template, though columns d to g remain blank for these entries. Further details on our climate strategy and sector-specific targets can be found in our published climate plan available on our website.

Template 4 - Exposures in the banking book to the top 20 carbon-intensive firms in the world

BNG does not compile a top 20 list but uses available lists. In the determination which list BNG would use, several criteria are taken into consideration. The measurement date of the emission data used, the selection of companies made, the scope of the emission data used and the Carbon equivalents are criteria that are included.

The following lists were assessed based on the abovementioned criteria:
- Carbon Majors Database from the Carbon Disclosure Project;
- Thomson Reuters Global 500 Greenhouse gas performance;
- Thomson Reuters Global 500 Fossil fuel energy sectors.

BNG has selected the top 20 list provided by the Carbon Majors Database from the Carbon Disclosure Project. This database uses 2018 as a reference period, which was found to be the most recent one available compared to other lists under consideration. In addition the Carbon Majors Database includes scope 3 emissions in their ranking. However, this list only includes fossil fuel- and cement companies, thereby leaving other sectors out.

Template 5 - Banking book – climate change physical risk: exposures subject to physical risk

Changes compared to previous report:
- For housing associations the location data used are the owned dwellings at the municipal-level. In the previous iteration the maximum physical climate event value for this area has been used whereas in this report the mean values are used. With the reason being that there are a large amount of physical climate values within a municipal area due to the granularity of the physical climate event scenario’s and the data is not normally distributed, thereby leading to a significant overestimation of risk when using the maximum value.
- Flood scenarios for flooding from regional water systems have been added to the flood risk heatmap. In addition the likelihood scales of this heatmap have been changed: where previously floods from national water systems with an Annual Exceedance Probability (EAD) of 1/1.000 year were classified as ‘likely’, in this report they are classified as ‘unlikely’.

Methodology

Template 5 shows exposure that is subject to acute and/or chronic physical climate risks, aggregated at the NACE sector level. This is measured at the asset-level as opposed to activity-level. Depending on the availability of physical asset locations and the relevance of asset types to physical climate events, one of three location types is used:

1. Building addresses (3% of exposure):
   Applicable to sectors where building addresses are available and make up a significant part of their total physical asset value (currently limited to Healthcare and Education clients).
2. Municipality-level building locations (85% of exposure):
   Applicable to Housing Associations where only municipal-level building locations are known.
3. Postal code (10% of exposure)[5]:
   In cases where data from the first two methods is unavailable or irrelevant, the statutory postal code serves as a proxy. Please note that the methodology for physical risk measurement is being improved incrementally with the aim to replace this proxy with a more valid indicator.

Depending on the location type and physical climate event, sensitivity is determined employing one of two methods:

1. Method 1: flood damage relative to equity
   When physical asset locations consists of building addresses (and when available), clients' sensitivity to flooding is determined by relating expected flood damage to buildings to their equity.
2. Method 2: climate scenario threshold value
   In all other cases, sensitivity is determined by means of a threshold for the physical climate event value (e.g. a flood of >=1 meter). Subsequently, the percentage of asset locations that exceed this threshold is determined. By a minimum of 10 percentage the client is categorized as being sensitive to the event. In the case of a statutory postal sensitivity is determined when this single location exceeds the event threshold.

Method 1: flood damage relative to equity

For healthcare organizations and educational institutions sensitivity to flood risk has been measured by estimating the damage to buildings that would occur given certain flood scenarios and by relating this damage amount to their equity reserves. This process can be divided into three steps:

[5] Please note that 2% of exposure is foreign and excluded due to its limited materiality

Step		Description
1	Measuring flood hazard and exposure	Flood hazard consists of the flood depths and exposure consists of the amount of assets exposed to that hazard.
1.1	Select flood map/scenario	Flood maps are used that indicate the water depth of hypothetical flood events with different probabilities of occurrence.
1.2	Couple flood map values to physical asset location	These flood depth values are linked to building locations of clients using a Geographic Information System (GIS).
2	Determining corresponding flood damage (vulnerability)	Damage functions capture the vulnerability of assets to the physical risk event.
2.1	Select flood damage function	A flood damage function measures the damage that would occur at a certain flood depth.
2.2	Calculate damage amounts	The flood depths resulting from step 1.2 are used as input for the damage function in combination with the amount of m2 of the buildings.
3	Determine sensitivity	A heatmap is constructed based on the damage amount relative to the equity of a client and the probability of the flood.

Measuring flood hazard and exposure

The flood hazard maps have been retrieved from the National Information system for Water and Flooding (LIWO). LIWO provides scenario's for four flood types: flooding from national water systems into outer dike areas (type A), flooding from national water systems into inner dike areas (type B), flooding from regional water systems into inner dike areas C, and flooding from regional water systems into outer dike areas (D).[6] The corresponding annual return periods are:

- Scenario A: 1/100, and 1/10
- Scenario B: 1/100
- Scenario C: 1/ 100
- Scenario D: 1/100, and 1/10

By means of a Geographic Information System (GIS) the flood depth values from these scenarios were mapped to physical asset locations.

Determining corresponding flood damage

The SSM2017 (standard method Damage and Victims Module) flood damage model as developed by Deltares has been used. This model's damage functions denotes the flood damage that would occur (per m2) to an asset (building) that occurs at specific water depths. The damage is estimated by means of a damage factor that captures the relationship between flood depth and damage with respect to a maximum damage amount. These functions are based on historic flood damage data and specific to

[6] https://basisinformatie-overstromingen.nl

the flood type (type A and B), and building type (the ones used are residential building, commercial building with a healthcare function, and commercial building with an educational function). Additionally, only the functions for direct flood damage have been used (omitting indirect damage due to business disruption). Lastly, buildings with a residential function have functions specific to the floor level. As this information is not yet available, it is assumed all buildings are at groundlevel.

Thus, this model estimates the damage amounts at the building level. The standard formula for the damage calculations is:

$$S = \sum_{i=1}^{n} a_i n_i s_i$$

Where:
- a = the damage factor
- n = the number of units (building area size in M2)
- S = the maximum damage amount (maximum damage per m2 of a building)
- i = the damage category

In order to select to correct function, building purpose (*BAG gebruiksdoel*) have been retrieved from the *BAG register* (register for addresses and buildings). Additionally, the building size (in m2) at the level of the object of residence (*BAG verblijfsobject*) was retrieved from this register. When buildings have more than one purpose, a function weighted damage calculation is made (e.g. when a building has a residential function as well as a healthcare function, the average damage amount from these two functions is calculated). Estimated flood damage has been calculated for each flood type (A, B, C and D) and their corresponding periods.

Determining sensitivity

Sensitivity is determined by relating the equity amounts of a client to the flood damage of each flood in combination with probability of occurrence of that flood. This is shown graphically in the following heatmap:

Likelihood	Impact: low <10% flood damage compared to equity	Impact: medium >=10%, <25% flood damage compared to equity	Impact: high >=25% flood damage compared to equity
High (1/10 yr) Relevant flood types: A, D		Sensitive	Sensitive
Medium (1/100 yr) Relevant flood types: A, B, C, D			Sensitive
Low (1/1,000 yr) Relevant flood types: A, B, C, D			
Unlikely (1/10,000 , 1/100,000 yr) Relevant flood types: A, B			

Note. Flood types indicate: A. flood from national water systems into outer dike areas, B. flood from national water systems into inner dike areas, C. flood from regional watersystems into inner dike areas, and D. flood from regional watersystems into outer dike areas.

Method 2: climate scenario threshold value

This method measures clients' sensitivity to physical climate risk by means of indicators that assess the exposure of asset locations to a threshold value for physical climate events, and subsequently relating this exposure to the percentage of assets that exceed the threshold. This method consists of three steps which are summarized in the table below.

Step		Description
1	Indicator development	Indicators are developed that measure the impact of a climate risk event on an asset location in terms of a threshold value (e.g. location is exposed to a flood of >=1 meter). This is a dummy indicator at the asset/location level with a score of 1 or 0.
2	Measurement	Indicators are measured by coupling scenarios for these physical climate events to asset locations.
2.1	Physical climate events	Physical climate events are measured by means of scenario's retrieved from the Climate Impact Atlas.
2.2	Location data	Location data on physical assets is retrieved from public and internal sources and consists of building addresses, municipal-level dwellings, and statutory postal codes.
3	Sensitivity	Sensitivity of a client to a physical climate event is determined when a minimum of 10% of the physical asset locations score a 1 on the physical climate event threshold dummy indicator (e.g. >=10 of client asset locations (or single postal code) are exposed to a flood of >=1 meter).

Indicator development

Indicators are formulated based on the in the RMA identified material physical climate events. The following indicators are used to measure the risks at counterparty level:
- Pole rot: asset/postal code location in a geographic area that currently has a moderate to very high exposure to pole rot;
- Wildfire: asset/postal code location within an geographic area with currently a high likelihood of wildfires;
- Flooding: asset/postal code location in geographic areas with a potential flood depth of 1 meter or higher in the current medium likelihood scenario. Please note that where no asset location is available the statutory postal code is used.

Measurement

A physical risk indicator principally consist of two components that need to be measured:
- Climate events;
- Locations

By connecting these components, the degree to which a location is exposed to physical climate events can be estimated. Connecting these data components was done by means of a Geographic Information System (GIS) as both components consist of geographically referenced information.

The climate scenarios are retrieved from the *Klimaat Effect Atlas* (KEA). The scenarios have a regional scale and reflect the best publicly available data. The geographic area of these scenarios is The Netherlands. We consider this a suitable area as almost all of BNG's clients are based in The Netherlands.

The following scenarios were used:

- Risk of pole rot | current situation

Scenario for the risk of pole rot at the neighborhood level estimated by combining the percentage of buildings in a neighborhood on wooden pole foundations and the vulnerability of these wooden pole foundations to damage. The latter is measured by e.g. the mean lowest groundwater level, type of subsoil and year of construction.

- Wildfires | current situation

The probability of wildfires developing in an area is based on e.g. flammable vegetation, precipitation deficit, average lowest groundwater level and soil type.

- Flood depth | medium probability

Provides the estimated maximum flood depth in an area with a probability of flooding once every 100 years.

By coupling these scenarios to the asset locations of counterparties, their exposure to chronic and acute physical climate events is estimated. As can be derived from the scenario names, the selected time horizon is ‘current’. The method for longer-term horizons is under development.

Locations

As outlined in the first paragraph in the ‘Methodology’ chapter, three types of locations are used: building addresses for healthcare and educational institutions, municipal-level building locations for housing associations, and statutory postal code as a proxy when physical asset location data is unavailable. Please note that for housing associations the mean physical climate event value in the municipal area is used, whilst precise point coordinates are used for the other location types.

Sensitivity

A client is classified as sensitive to a physical climate risk event when a minimum of 10 percentage of their physical asset locations are exposed the event-related threshold value. For flooding this is a value of '1 meter or higher' in a medium likelihood scenario (annual exceedance probability of 1/100), for pile rot when the value is 'moderate' to 'very high', and for wildfire when the value is 'high' (see subchapter 'indicator development'). As statutory postal codes consists of only one location exposure of this location to the physical climate event threshold value leads to a classification of 'sensitive'.

Method and sourcing overview

In the below table an overview is provided for the different developed methodologies and which resources are used:

<table>
<tr><th>Sector</th><th colspan="2">Hazard</th><th>Exposure</th><th>Vulnerability</th><th>Sensitivity</th></tr>
<tr><td rowspan="3">Healthcare & Educational institutions</td><td>Flood</td><td>LIWO
Maximum flood depth:
• Flood type A: return period 10 and 100.
• Flood type B: return period 100.
• Flood type C: return period 100.
• Flood type D: return period 10 and 100.</td><td>Building locations & floor area</td><td>Depth-Damage Functions SSM1017</td><td>• Flood probability = 1/10 and damage relative to equity >=10%
OR
• Probability 1/100: damage relative to equity >=25%</td></tr>
<tr><td>Wild fire</td><td>Climate Impact Atlas (Wildfires - current situation)</td><td rowspan="2">Building locations</td><td rowspan="2">N/A</td><td>>=10% of buildings score 'high'</td></tr>
<tr><td>Pole rot</td><td>Climate Impact Atlas (Risk pole rot - current situation)</td><td>>=10% of buildings score => 'modarate'</td></tr>
<tr><td rowspan="3">Housing associations</td><td>Flood</td><td>LIWO
Maximum flood depth</td><td rowspan="3">Dwellings at the municipal level</td><td rowspan="3">N/A</td><td>>=10% of dwellings score >=.1m
(mean value in municipal area is used)</td></tr>
<tr><td>Wild fire</td><td>Climate Impact Atlas (Wildfires - current situation)</td><td>>=10% of dwellings score 'high'
(mean value in municipal area is used)</td></tr>
<tr><td>Pole rot</td><td>Climate Impact Atlas (Risk pole rot – current situation)</td><td>>=10% of buildings score => 'modarate'
(mean value in municipal area is used)</td></tr>
<tr><td rowspan="3">Other</td><td>Flood</td><td>LIWO
Maximum flood depth (general map, return period 1/100)</td><td rowspan="3">Statutory postal codes</td><td rowspan="3">N/A</td><td>Flood depth >=1m</td></tr>
<tr><td>Wild fire</td><td>Climate Impact Atlas (Wildfires - current situation)</td><td>Wild fire risk = high</td></tr>
<tr><td>Pole rot</td><td>Climate Impact Atlas (Risk pole rot – current situation)</td><td>Pole rot risk >= moderate</td></tr>
</table>

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	0
	30-6-2024	Gross carrying amount/nominal amount (in million EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket				Average weighted maturity	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Total		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years								Of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	0	-	-	-	-	-	-	-	-	-	-	-0	-0	-
2	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	C - Manufacturing	10	-	-	-	-	-	-	-	-	-	-	-	-	-
4	D - Electricity, gas, steam and air conditioning supply	1,311	-	3	3	-	13	-	5	-	-	-	-0	-0	-
5	E - Water supply; sewerage, waste management and remediation activities	1,440	5	100	106	-	12	-	211	-	-	-	-2	-0	-2
6	F - Construction	2,905	2	-	-	-	4	-	2	-	-	-	-30	-	-30
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	66	-	-	-	-	-	-	-	-	-	-	-0	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	0
8	H - Transportation and storage	789	-	-	-	-	-	-	-	-	-	-	-0	-	-
9	L - Real estate activities	48,080	1,428	2,164	2,564	5,533	22	140	11,549	-	-	-	-0	-	-
10	Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	4,471	141	126	160	117	14	178	349	17	25	56	-40	-7	-32

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	0
	31-12-2023		**Gross carrying amount/nominal amount (in million EUR)**												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket				**Average weighted maturity**	**of which exposures sensitive to impact from chronic climate change events**	**of which exposures sensitive to impact from acute climate change events**	**of which exposures sensitive to impact both from chronic and acute climate change events**	**Of which Stage 2 exposures**	**Of which non-performing exposures**	**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**		
	Total		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years								Of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture,	0	-	-	-	-	-	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	0
	forestry and fishing														
2	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	C - Manufacturing	9	-	-	-	-	-	-	-	-	-	-	-	-	-
4	D - Electricity, gas, steam and air conditioning supply	785	2	8	0	-	8	-	11	-	-	-	-5	-1	-4
5	E - Water supply; sewerage, waste management and remediation activities	640	4	19	1	-	8	13	12	-	-	-	0	0	-
6	F - Construction	2,414	162	126	33	85	9	374	386	354	-	7	0	-	-
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	63	-	-	-	-	-	-	-	-	-	-	0	-	-
8	H - Transportation and storage	774	5	13	12	3	13	6	28	-	-	-	0	-	-
9	L - Real estate activities	45,961	4,843	7,028	8,357	15,044	16	15,581	35,178	15,487	-	-	-3	-	-3
10	Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Loans collateralised by	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	0
	commercial immovable property														
12	Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	4,824	144	199	237	366	0	377	864	360	88	56	-39	-8	-29

The exposures reported in this template include loans and advances, debt securities and equity instruments in the banking book of BNG toward non-financial corporates in the Netherlands that are exposed to potential chronic and / or acute physical climate-related risks. BNG does not have any significant exposures in other geographical areas.

Template 6 - Summary of GAR KPIs

		a	b	c	d
	30-6-2024	KPI			% coverage (over total assets)*
		Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
1	GAR stock	0.20%	-	0.20%	10%
2	GAR flow	-	-	-	-
	- % of assets covered by the KPI over banks´ total assets				

		a	b	c	d
	31-12-2023	KPI			% coverage (over total assets)*
		Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
1	GAR stock	0.26%	-	0.26%	12%
2	GAR flow	-	-	-	-
	- % of assets covered by the KPI over banks´ total assets				

Template 7 - Mitigating actions: Assets for the calculation of GAR

As per 2024, BNG is required to disclose the Green Asset Ratio (GAR) over 2023. The GAR is based on eligible and aligned assets on the balance sheet. The criteria of qualifying assets is stated in EU Taxonomy. The amount of covered assets under GAR is relatively low for BNG due to the nature of the portfolio.

For the template below, the following assumptions has been made:
- Financial corporations mainly consists of collateralised loans which are not eligible or aligned;
- Exposure to Households is reclassified to 'non-financial corporates'. This because items under households mainly consists of exposures to local foundations such as sport clubs, cultural institutions and other social initiatives. It is not expected that these transactions will be Taxonomy eligble or aligned.
- Because the use of proceeds is unknown, exposures to local governments (Gemeenten) are stated under 'Sovereigns' and excluded from both the numerator and denominator of the GAR. This in line with the draft commission notice of 23 December 2023. Although this notice refers to the annual report, for the sake of consistency, we have also applied it to this template.

30-6-2024		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
	(in million EUR)	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	12,577	3,198	147	-	-	-	-	-	-	-	-	3,198	147	-	-	-
2	Financial corporations	12,577	3,198	147	-	-	-	-	-	-	-	-	3,198	147	-	-	-
3	Credit institutions	7,029	3,198	147	-	-	-	-	-	-	-	-	3,198	147	-	-	-
4	Loans and advances	3,798	816	22	-	-	-	-	-	-	-	-	1,934	90	-	-	-
5	Debt securities, including UoP	3,232	2,382	125	-	-	-	-	-	-	-	-	1,264	57	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
7	Other financial corporations	5,547	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

30-6-2024		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
11	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
20	Non-financial corporations (subject to NFRD disclosure obligations)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
24	Households	-	-	-	-	-	-						-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-						-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-						-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-						-	-	-	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**TOTAL GAR ASSETS**	**12,577**	**3,198**	**147**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,198**	**147**	**-**	**-**	**-**

		a
	Assets excluded from the numerator for GAR calculation (covered in the denominator)	
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	64,410
34	Loans and advances	63,640
35	Debt securities	770
36	Equity instruments	-
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	974
38	Loans and advances	53
39	Debt securities	921
40	Equity instruments	-
41	Derivatives	2,885
42	On demand interbank loans	3
43	Cash and cash-related assets	0

30-6-2024		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
44	Other assets (e.g. Goodwill, commodities etc.)	(6,790)															
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	**74,059**															
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	39,971															
47	Central banks exposure	11,530															
48	Trading book	-															
49	**TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR**	**51,500**															
50	**TOTAL ASSETS**	**125,559**															

31-12-2023		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**					**TOTAL (CCM + CCA)**				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
	(in million EUR)	Total gross carrying amount			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	14,365	5,871	195	-	-	-	-	-	-	-	-	5,871	195	-	-	-
2	Financial corporations	14,365	5,871	195	-	-	-	-	-	-	-	-	5,871	195	-	-	-
3	Credit institutions	8,183	5,871	195	-	-	-	-	-	-	-	-	5,871	195	-	-	-
4	Loans and advances	4,868	4,252	116	-	-	-	-	-	-	-	-	4,252	116	-	-	-
5	Debt securities, including UoP	3,314	1,619	79	-	-	-	-	-	-	-	-	1,619	79	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
7	Other financial corporations	6,183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31-12-2023		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
20	Non-financial corporations (subject to NFRD disclosure obligations)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
24	Households	-	-	-	-	-	-						-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-						-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-						-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-								-	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**TOTAL GAR ASSETS**	**14,365**	**5,871**	**195**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,871**	**195**	**-**	**-**	**-**
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	60,501															
34	Loans and advances	60,300															
35	Debt securities	201															
36	Equity instruments	-															
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	1,012															
38	Loans and advances	53															
39	Debt securities	959															
40	Equity instruments	-															
41	Derivatives	3,011															
42	On demand interbank loans	2															
43	Cash and cash-related assets	0															
44	Other assets (e.g. Goodwill, commodities etc.)	(4,923)															

31-12-2023		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	**73,969**															
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	40,044															
47	Central banks exposure	1,617															
48	Trading book	-															
49	**TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR**	**41,662**															
50	**TOTAL ASSETS**	**115,631**															

Template 8 - GAR (%)

30-6-2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
	KPIs on stock																KPIs on flows															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)						Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered	Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
		Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable						Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable			
% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling				Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
1 **GAR - Covered assets in both numerator and denominator**	**4%**	**0.20%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**25%**	**0.20%**	**0**	**0**	**0**	**10%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	25%	1.17%	0%	0%	0%	-	-	-	-	-	25%	1.17%	0	0	0	10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 **Financial corporations**	25%	2.09%	0%	0%	0%	-	-	-	-	-	25%	2.09%	0	0	0	10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Credit institutions	45%	2.36%	0%	0%	0%	-	-	-	-	-	45%	2.36%	0	0	0	6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Other financial corporations	0%	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 **Non-financial corporations (subject to NFRD disclosure obligations)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 **Households**	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-
11 of which loans collateralised by residential immovable property	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-
12 of which building renovation loans	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-
13 of which motor vehicle loans	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-
14 **Local government financing**	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-

30-6-2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
15 Housing financing	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-
16 Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-						-	-	-	-	-	-	-	-	-	-	-						-	-	-	-	-	-

31-12-2023	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
	KPIs on stock																KPIs on flows															
	Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**					**TOTAL (CCM + CCA)**						**Climate Change Mitigation (CCM)**					**Climate Change Adaptation (CCA)**					**TOTAL (CCM + CCA)**					
	Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered	Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
		Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable						Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable			
% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling				Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
1 **GAR - Covered assets in both numerator and denominator**	**8%**	**0.26%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**41%**	**0.26%**	**0**	**0**	**0**	**12%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	41%	1.36%	0%	0%	0%	-	-	-	-	-	41%	1.36%	0	0	0	12%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 **Financial corporations**	41%	2.38%	0%	0%	0%	-	-	-	-	-	41%	2.38%	0	0	0	12%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Credit institutions	72%	2.38%	0%	0%	0%	-	-	-	-	-	72%	2.38%	0	0	0	7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Other financial corporations	0%	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 **Non-financial corporations (subject to NFRD disclosure obligations)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 **Households**	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-

31-12-2023	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
11 of which loans collateralised by residential immovable property	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-
12 of which building renovation loans	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-
13 of which motor vehicle loans	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-
14 **Local government financing**	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-
15 Housing financing	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-
16 Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-						-	-	-	-	-	0%	-	-	-	-	-						-	-	-	-	-	-

Template 10 - Other climate change mitigating actions

The portfolio of BNG does not contain financial instruments that serve to mitigate climate risk (transition risk or physical risk) that are not covered by the EU Taxonomy Regulation. Therefore, this template is not applicable to BNG.

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bank of
added value