Aegon Bank N.V.

Investor Presentation
Soft Bullet Covered Bond Programme

May 2021

Helping people achieve a lifetime of financial security
Disclaimer 1/2

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Executive Summary

Soft Bullet Programme summary

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<tr>
<th>Issuer</th>
<th>Aegon Bank N.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme size</td>
<td>EUR 5 billion</td>
</tr>
<tr>
<td>Cover Pool</td>
<td>EUR 611 million¹</td>
</tr>
<tr>
<td>Format</td>
<td>Soft Bullet (SB)</td>
</tr>
<tr>
<td>Extension Period</td>
<td>Maximum of 1 year</td>
</tr>
<tr>
<td>Guarantor</td>
<td>Aegon SB Covered Bond Company B.V.</td>
</tr>
<tr>
<td>Ratings</td>
<td>AAA (S&amp;P)¹</td>
</tr>
<tr>
<td>Collateral</td>
<td>Prime Dutch residential mortgage loans</td>
</tr>
<tr>
<td>Regulatory Compliance</td>
<td>UCITS 52(4), CRR Art. 129, LCR eligible</td>
</tr>
<tr>
<td></td>
<td>Level 1, ECB repo eligible, CBPP3 eligible</td>
</tr>
<tr>
<td>Robust structure</td>
<td>✓ Registered programme with DNB</td>
</tr>
<tr>
<td></td>
<td>✓ Strong programme tests</td>
</tr>
<tr>
<td></td>
<td>(Asset Cover Test &amp; Amortisation Test)</td>
</tr>
<tr>
<td></td>
<td>✓ No interest rate swap counterparties²</td>
</tr>
<tr>
<td></td>
<td>✓ Exempted from bail-in</td>
</tr>
</tbody>
</table>

Strategy

- Aegon Bank N.V. is core to the strategy of Aegon Nederland N.V.
- Aegon Bank N.V. is one of the strategic assets of Aegon Nederland N.V., and is to be positioned as a digital gateway to individual retirement solutions
- In the medium term, Aegon Bank N.V. targets to grow its core customer base by 40,000 per year², reach a cost-to-income ratio of 60% and achieve a Return on Capital of 9%
- Aegon Bank N.V. is an experienced Covered Bond (CB) issuer that has been running a Conditional Pass-Through (CPT) CB programme since 2015. To date 5 CPT transactions have been successfully issued
- In May 2021, Aegon Bank N.V. established a Soft Bullet (SB) CB Programme and now debuts with an inaugural 15 year SB CB transaction

Highlights

- Aegon Bank N.V. has a strong capital and liquidity position with a Total Capital Ratio of 21.2%, a Leverage Ratio of 4.1% and a Liquidity Coverage Ratio of 164% per end of 2020
- Aegon Bank N.V. has a balance sheet of EUR 17.1 billion with EUR 12.5 billion in savings per end of 2020, and serves 516k customers
- Aegon is one of the top-four lenders in the Dutch residential mortgage market and has demonstrated the flexibility to adjust to changing market conditions
- Aegon has a high quality and low risk mortgage lending business, with a stable performance over the last ten years
- Successful arrears management and recovery procedures resulted in low default and loss rates

¹ Cut-off date March 31, 2021, being the same cut-off date used by S&P for their Presale report where S&P assigned the preliminary AAA rating for the covered bond issuance
² Portfolio swap and Interest rate swap are optional for the Programme
³ The medium-term target of 40k core customers net growth per year excludes customers that will be potentially off-boarded in case they do not comply with Knab’s KYC standards
Introduction
Aegon N.V.
Aegon N.V. at a glance

What we do
Life insurance, pensions & asset management for approximately 30.4 million customers (FY 2020)

History
Our roots date back more than 175 years

Employees
Over 22,300 employees (FY 2020)

Investments
Revenue-generating investments of EUR 921 billion (FY 2020)

1. Aegon N.V. has changed the name convention of its primary performance measure to improve alignment with industry practice. As of 2021, Aegon will no longer refer to underlying earnings for segment reporting purposes, instead Aegon will refer to Operating result.
2. Total number includes Holding and others (not shown in chart)
Aegon the Netherlands at a glance

What we do
In the Netherlands, Aegon is one of the best-known names in the Dutch financial sector, and a leading provider of life insurance, pensions and mortgages. Our operations in the Netherlands also include banking, general insurance and mortgages.

In December 2020, Aegon announced a new strategy that centers around reallocation of capital to businesses with a greater potential for an attractive Return on Capital. Aegon's Dutch mortgage business is one of these businesses, and therefore an integral part of the new strategy.

Locations
The Hague, Amsterdam, Leeuwarden and Groningen

Customers
All business lines use an intermediary channel. In recent years, Aegon Nederland N.V. began investing heavily in online capabilities to support customers and intermediaries

Employees
Over 3,500 employees
(FY 2020)

Earnings
(Operating result, FY 2020, in percentages)

- Life: 70%
- Mortgages: 17%
- Bank: 8%
- Workplace solutions: 5%

EUR 665 million
Position of the bank within Aegon

Aegon Bank N.V. is core to the strategy of Aegon Nederland N.V.

Position of the bank within Aegon N.V.

- Contributor to Aegon’s growth strategy
  - One of the fastest-growing banks in the Netherlands for self-employed through Knab (online banking platform) with a high level of customer satisfaction
  - Aegon Bank N.V. secured a strong market position in tax-friendly bank savings
  - Aegon Bank N.V. is one of the strategic assets of Aegon Nederland N.V., and is to be positioned as a digital gateway to individual retirement solutions

- Cornerstone of Aegon NL strategy
  - Aegon Bank N.V.’s retirement savings and investment solutions complement the existing offerings in Aegon’s retail and SME segments

Integration for future growth and to reach target scale

- Aegon Bank N.V. is currently one bank with two distinct labels, Aegon and Knab
- In 2019, a strategic review took place and the decision was made to integrate the banking operations of Aegon and Knab into one banking operation under the Knab label
- The integration of these two labels into Knab is expected to be finished in 2021
- The integration aims to increase focus, accelerate growth, reduce costs and add more value for our customers

1. Consisting of both Box 1 (fiscal friendly) and Box propositions
Successful Dutch mortgage loan operation

Mortgage debt outstanding
Source: Dutch Central Bank, FY 2020
In EUR billions

Overview of the Dutch mortgage market
Source: Centraal Bureau voor de Statistiek (CBS), Kadaster

- Per FY 2020, the total outstanding residential mortgage debt in the Netherlands was EUR 749 billion
- New mortgage lending through 2020 was EUR 139 billion (2019: EUR 123 billion)\(^1\)
- Mortgage originators in the Netherlands include banks, insurance companies and specialized mortgage originators
- The mortgage loan portfolio of Aegon NL grew significantly over the last years. Aegon views mortgage loans as an attractive asset class for its balance sheet, which offer a good risk and return profile

4th largest mortgage lender in the Netherlands
Source: Land Registry (Kadaster), FY 2020, in percentages

Mortgage loan portfolio Aegon NL
Source: Aegon (2006 - 2020)
In EUR billions

1. Please note that the Kadaster has changed their methodology for calculating mortgage production
2. Fee business constitutes no funding implications for Aegon (only servicing and no refinancing risk)
## Diversified funding of Aegon's mortgage loans

### Competitive advantages
- Strong position with independent financial advisors
- Straight through processing
- Leading mid-office capabilities
- Active in all maturities
- One IT platform

### Current origination vehicle
- Aegon Hypotheken B.V.

### Mortgage allocation
- Vertical slice model
- Similarity based on certain pre-specified risk-return characteristics guaranteed

### Nominal mortgage amounts per FY 2020 (in EUR billions)

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Covered Bond</td>
</tr>
<tr>
<td>6</td>
<td>RMBS – SAECURE Programme</td>
</tr>
<tr>
<td>8</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>26</td>
<td>Fee business</td>
</tr>
<tr>
<td>12</td>
<td>Aegon Life</td>
</tr>
<tr>
<td>&lt;1</td>
<td>Aegon non-life</td>
</tr>
</tbody>
</table>

### Main characteristics
- New EUR 5.0 billion SB CB Programme registered by DNB as of May 6, 2021
- All new CB issuances are expected to come from the SB CB
- Registered CPTCB programme since 2015, with a total nominal value of outstanding bonds of EUR 2.0 billion\(^1\)
- Funding diversification
- 20 deals issued since 2000, with SAECURE 16, 17, 18, 19\(^2\) and 20 still outstanding
- Mostly short interest rate reset periods
- Offering products to customers on both sides of the balance sheet
- Full risk transfer
- Attractive mortgage fund solutions (DMF I and DMF II) and tailored whole loan solutions (FMP)
- Long-dated assets
- Good match against liabilities
- Supports investment income

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1. Cover Pool is EUR 2.4 billion (including over-collateralization CPT programme) per December 31, 2020
2. SAECURE 19 is a Retained RMBS and is on the balance sheet of Aegon Bank N.V. Issued in May 2020
Aegon ratings

Objective to maintain strong long-term ratings

<table>
<thead>
<tr>
<th>S&amp;P Global Ratings</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance Financial</td>
<td>A+, stable</td>
</tr>
<tr>
<td>Strength rating, outlook</td>
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<tr>
<td>Aegon N.V.</td>
<td>A-, stable</td>
</tr>
<tr>
<td>Issuer credit rating, outlook</td>
<td></td>
</tr>
<tr>
<td>Aegon Bank N.V.</td>
<td>A, stable</td>
</tr>
<tr>
<td>Issuer credit rating, outlook</td>
<td></td>
</tr>
<tr>
<td>Aegon SB Covered Bond</td>
<td>AAA¹</td>
</tr>
<tr>
<td>Programme</td>
<td></td>
</tr>
<tr>
<td>Aegon Bank N.V. Issuer</td>
<td>February 22, 2021</td>
</tr>
<tr>
<td>credit ratings last affirmed</td>
<td></td>
</tr>
</tbody>
</table>

1. S&P assigned a preliminary AAA rating for the covered bond issuance
Introduction
Aegon Bank N.V.
Aegon Bank N.V. at a glance

Capital position
(FY 2020, in percentages)

- **Total Capital Ratio**: 21.2%
- **CET1 Ratio**: 21.0%
- **Leverage Ratio**: 4.1%

What we do
Retail banking with payment services, savings and investment products for 516k customers
(FY 2020)

History
Launched new online banking platform Knab in 2012

Size
Total assets EUR 17.1 billion
(FY 2020)

Employees
Over 380 employees
(FY 2020)

Investments
Approximately 70% of total assets invested in prime Dutch retail mortgages
(FY 2020)
Aegon Bank N.V.’s strategy execution

Successfully grew organization and built the first online bank in the Netherlands

2012  Restructured Aegon Bank N.V. and launched new online banking platform Knab
2013  First consumer loans on balance sheet
2015  Aegon Bank N.V. issued its first Conditional Pass-Through Covered Bond
       Knab successfully achieved the 100k customer base milestone
2017  First small business loans on balance sheet
2018  Knab successfully achieved the 200k customer base milestone
2019  Integrating processes and systems to maximize synergies between the two brands into one bank (Knab label)

Successively issued its first Senior Non-Preferred notes (MREL) of EUR 500 million in June 2019
Nadine Klokke started as the new CEO of Aegon Bank N.V. as of October 2019
2020  Aegon Bank N.V. successfully issued a retained RMBS (SAECURE 19) to create liquidity as a contingency measure
2021  Aegon Bank N.V. established a new registered Soft Bullet Covered Bond Programme
The business model of the bank

Focusing on growing retail and small business customers

Retail banking services

- Focus on being a scalable, modular retail bank with strong strategic alliances
- Growing online banking platform (Knab) with strong market position, focusing on retail and small business segment, specifically self-employed
- Knab’s mission is to “help entrepreneurs and their families feel comfortable about their current finances and achieve financial freedom later in life”
- Focus on cost reduction by realizing synergies through the integration of Aegon and Knab into one banking operation under the Knab label
- Full retail banking product suite with payment services, (retirement) savings products, investment products, financial planning tools and alerts
- Mortgage, online lending and investments provided through internal and external strategic partners

Net interest margin

- Asset mix mainly consists of high-quality mortgages originated and serviced through Aegon Hypotheken B.V.
- Consumer & small business loan origination and servicing through international partners
- Investment portfolio managed by Aegon Asset Management

Service management fees

- Fee business from retail banking services, including payment services and investment products
Full migration of two labels into Knab

Strong market position in self-employed market and bank savings

Aegon Bank N.V. provides:

1. Through its Knab label over 287k\(^1\) retail and small business customers with insight in their personal financial situation
   - Full retail banking product suite with payment services, savings products, investment products, financial planning tools and alerts
   - The leading bank in the Netherlands for self-employed on service: overall Knab received multiple awards and customer satisfaction is rated with 7.9 (scale 1-10, April 2021)\(^2\)
   - The number of Knab customers continued to grow in 2020 mainly by acquisition of new business account holders, while retail also showed a steady growth

2. Through its Aegon label over 229k retail customers with banking products for future income in addition to the 2\(^{nd}\) pillar pension
   - Savings and investment products with focus on 3\(^{rd}\) pillar tax-friendly solutions, directly and through intermediaries
   - Leverage leading position of Aegon Levensverzekering N.V. in 2\(^{nd}\) pillar pension market to drive future growth in 3\(^{rd}\) (Box 1) & 4\(^{th}\) (Box 3) pillar solutions
   - The significant reduction of customers in 2020 is a result of offboarding low balance accounts and closing the onboarding funnels of Box 3 savings products

3. In 2019, Aegon Bank N.V. decided to integrate Aegon and Knab into one banking operation under the Knab label. Full migration of the customer base to the Knab label will be completed in 2021

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1. Note that the sum of 133k and 177k (310k) is greater than the number of total customers (287k) due to a segment of customers having both a small business and a retail account
2. Source: https://opiness.nl/review/knab, dated on April 30, 2021
Clear goals and targets for the future

**Customer growth and high NPS**
- Maintain excellent service and high NPS
- Continue growth in self-employed, small business and entrepreneurial retail customers
- Integrate our daily banking and wealth accumulation offerings under the Knab label

**Sustainable profitability**
- Further increase fee business
- Realize cost synergies from integration of labels
- Ensure regulatory compliance with explicit focus on KYC/CDD and AML
- Continued investments in IT and compliance

<table>
<thead>
<tr>
<th>KPI</th>
<th>Medium-term target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Net Promoter Score (NPS)</td>
<td>+ 40</td>
</tr>
<tr>
<td>Annual net core customer growth</td>
<td>+ 40k²</td>
</tr>
<tr>
<td>Cost-to-income ratio</td>
<td>60%</td>
</tr>
<tr>
<td>Return on Capital</td>
<td>9%</td>
</tr>
<tr>
<td>Employee NPS</td>
<td>Increase</td>
</tr>
</tbody>
</table>

1. KYC: know your customer; CDD: customer due diligence; AML: anti money-laundering
2. The medium-term target of 40k core customers net growth per year excludes customers that will be potentially off-boarded in case they do not comply with Knab’s KYC standards
Managing the impact of COVID-19

• The COVID-19 outbreak has caused significant disruption to society, impacting our customers, employees, supplier and operations. The health and wellbeing of our customers and employees is our foremost concern.

• From an operational perspective: Knab has benefitted from being a digital bank as we have continued to provide high standard service to our customers despite working remotely.

• The bank experienced a growth in savings, which was driven by deposits made by existing customers, as well as the addition of new customers.

• For the business customers: Knab created an overview of all support schemes made available by the Dutch government. Useful articles, research reports and financial tips have been published in the Knab Library.

• The management of Aegon Bank N.V. is continuously monitoring the market and economic turbulence caused by the COVID-19 outbreak and its impact on Aegon Bank N.V.

Mitigating credit and liquidity risks

• Aegon Bank N.V. incurred impairment charges of EUR 92 million in 2020, mainly on the unsecured SME and consumer loan portfolio. Deterioration in the macroeconomic outlook was the largest driver of the significant increase in provisions as a result of the impact COVID-19 crisis.
  - Aegon Bank N.V. has maintained a solid capital position, withstanding credit losses.
  - It has gained access to secured government guaranteed SME lending.
  - The pricing for unsecured lending has increased, resulting in lower volumes.
  - The unsecured lending portfolio has been de-risked by focusing on higher-rated, unsecured retail loans.

• Aegon Bank N.V. operates a liquidity risk policy that focuses on holding sufficient liquid assets to meet liquidity requirements.
  - Performing very stringent hypothetical stress tests on a monthly basis.
  - Monitoring the inflow and outflow of savings deposits on a daily basis.
  - EUR 1.6 billion retained RMBS (SAECURE 19) set up in May 2020, which generated increased liquidity capacity.
  - Holding sovereign bonds that are readily saleable or redeemable, and funds at the Dutch Central Bank that can be immediately withdrawn.
Risk management

Impact of COVID-19 on mortgage loans; full compliance with KYC legislation

Payment Holidays

- Mortgage customers with (expected) payment difficulties are being handled on a case-by-case basis. So far, this mostly consists of (partial) payment holidays

- Special servicing department can be scaled up further if necessary, by using the available additional flexible workers with experience both in underwriting and (special) servicing

- As per 31 December 2020, 370 borrowers out of the total Aegon mortgage loan portfolio (61k borrowers) have been granted a payment holiday, of which 90 borrowers (which equals 15bps) are part of Aegon Bank N.V.’s loan portfolio

- Mortgage loans with a payment holiday > 3 months will be removed from the Soft Bullet cover pool

Know Your Customer legislation (KYC)

- KYC is a top priority for Aegon Bank N.V. and is executing a large-scale optimisation and enhancement programme
  - The renewed and more robust KYC framework, including a renewed Risk Appetite Statement increased the maturity level of transaction monitoring
  - Further refined the existing transaction monitoring rules and successfully designed and introduced additional sets of transaction monitoring rules for detecting potential risks with regard to money laundering, financing of terrorism, violation sanctions and tax evasion
  - The new KYC framework and transaction monitoring rules apply to both the remediation of historical transactions and enhancement of all existing customers onboarded
Agreement in principle and internal governance

In December 2020, Aegon Bank N.V. reached an agreement in principle on a settlement with Leaseproces B.V. for claims regarding Vliegwiel and Sprintplan represented by Leaseproces.

As at 31 December 2020, the provision for legal claims has been increased to reflect the best estimate of the outcome of the settlement process.

The settlement is subject to conditions precedent and further operational details are to be worked out.

Pending litigation is halted and full execution of the agreement is expected in 2021.

Security lease products

- Aegon Bank N.V. has been in litigation for over 15 years with respect to securities lease products.
- The litigation concerns two types of securities lease products:
  - Sprintplan, which Aegon Bank N.V. sold
  - Vliegwiel, which Aegon Financiële Diensten (AFD) sold
- In 2016, AFD merged into Aegon Bank N.V. Several hundred individual consumers and several class action organizations have litigated against Aegon.

Legal proceedings

- In July 2016, the consumer interest group Platform Aandelenlease (PAL) filed a class action against Aegon Bank N.V. over Aegon’s securities leasing product Sprintplan. In February 2020, the Dutch Court of Appeal rejected all of the PAL’s claims. This ruling has become final.
- Aegon Bank N.V. is also involved in claims for compensation and the cancellation or nullification of contracts concerning the Vliegwiel product, a variation on securities leasing products. Currently, proceedings are pending before the Dutch courts and the Financial Services Complaints Tribunal (Klachteninstituut Financiële Dienstverlening).

Settling proceedings brought by Leaseproces for Vliegwiel and Sprintplan
Balance sheet composition - Assets

Roughly 70% of total assets allocated to prime Dutch residential mortgage portfolio

Balance sheet
(FY 2020, in EUR billions)

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities &amp; Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage loans</td>
<td>17.1</td>
</tr>
<tr>
<td>Consumer, SME and other loans</td>
<td>12.0</td>
</tr>
<tr>
<td>Cash and amounts due from banks</td>
<td>1.7</td>
</tr>
<tr>
<td>Financial assets measured at fair value through other comprehensive income</td>
<td>1.7</td>
</tr>
<tr>
<td>Other assets</td>
<td>1.7</td>
</tr>
<tr>
<td>Savings deposits</td>
<td>2.6</td>
</tr>
<tr>
<td>Wholesale funding</td>
<td>1.3</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>0.7</td>
</tr>
<tr>
<td>Equity</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Mortgage loans
- Low-risk, high-quality mortgage portfolio, with low LtV and high NHG coverage
- Prime Dutch residential mortgage portfolio with an average LtV of approx. 70% per end of 2020
- Roughly 69% of Aegon Bank N.V.’s mortgage portfolio is guaranteed by Dutch state through NHG scheme per end of 2020

Consumer & small business loans
- High-return portfolio; credit risk managed through diversification
- Multi-channel approach for consumer & small business loans through alliances with international partners providing diversification and flexibility
- Actively managing and de-risking these portfolios through the current crisis

---

1. LtV: Loan-to-Value ratio. NHG: Nationale Hypotheek Garantie; this is a government guarantee scheme for retail mortgage debt
Balance sheet composition - Liabilities & Equity

Predominantly funded through savings and Covered Bonds

Balance sheet composition
(FY 2020, in EUR billions)

<table>
<thead>
<tr>
<th>Assets</th>
<th>17.1</th>
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<td>Financial assets measured at fair value through other comprehensive income</td>
<td>2.6</td>
</tr>
<tr>
<td>Other assets</td>
<td>1.3</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1.3</td>
</tr>
<tr>
<td>Equity</td>
<td>0.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities &amp; Equity</th>
<th>17.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings deposits</td>
<td>12.5</td>
</tr>
<tr>
<td>Wholesale funding</td>
<td>1.3</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>2.6</td>
</tr>
<tr>
<td>Equity</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Wholesale funding
- Approximately 80% of wholesale funding consists of covered bonds, collateralized by prime Dutch residential mortgage portfolio
- Per December 31, 2020 the wholesale funding consisted exclusively of:
  - Four covered bonds of EUR 500 million each, maturing in 2023, 2024, 2025 and 2027, respectively
  - Senior Non-Preferred bond (EUR 500 million, issued 2019) and retained RMBS (issued 2020)

The set-up of a new SB Covered Bond Programme
- On 6 May 2021, Aegon Bank N.V. registered its new SB Covered Bond Programme with the Dutch Central Bank from which all future CB issuances are expected to take place
- The SB Covered Programme will allow Aegon Bank N.V. to further diversify the debt investor base and to enhance flexibility with respect to longer bond tenors
Capital and liquidity position

Strong capital and liquidity position exceeding regulatory requirements

**Capital position**
(FY 2020, in percentages)

- **Total Capital Ratio**: 21.2%
- **CET1 Ratio**: 21.0%
- **Leverage Ratio**: 4.1%

**Liquidity position**
(FY 2020, in percentages)

- **Liquidity Coverage Ratio (LCR)**: 164%
- **Net Stable Funding Ratio (NSFR)**: 141%
- **Asset Encumbrance Ratio (AER)**: 18.3%

- Strong Total Capital Ratio of 21.2%, which is well above the Total SREP Capital Requirement (TSCR) Ratio of 12.0% during 2020
- Solid CET1 Ratio in place to ensure sufficient capitalization
- Leverage Ratio is comfortably above the current 3% regulatory requirement in the Netherlands

- The LCR and NSFR are both comfortably above the current regulatory requirements of 100%:
  - Sizeable buffer in place to withstand stress scenarios
  - Survival period of 24+ months, where 6+ months is required
  - Stable long-term funding profile
- Improved contingency liquidity measures by issuance of retained RMBS in May 2020 (SAECURE 19)
- Limited asset encumbrance, which is well below the internal and external AER requirements
Development of capital ratios over time

The bank maintains a strong capital position

- The Total Capital Ratio increased by 1.2% during 2020, which is due to a decrease of the Total Risk Exposure Amount (TREA)
- In 2018 and 2019, Aegon contributed EUR 50 million and EUR 75 million of CET1 capital to Aegon Bank N.V. for growth of the bank balance sheet
- Aegon Bank N.V. applies the Standardized Approach to calculate minimum capital requirements
- The decrease in TREA mainly results from redemptions on consumer and SME loans, partly offset by increased mortgage loans and a higher risk exposure amount for operational risk
- The Leverage Ratio complies with the external minimum requirement of 3%
- The decrease in Leverage Ratio is the result of the growth in the balance sheet combined with a decrease in the Tier 1 capital

### Total Capital Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Capital Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>21.9%</td>
</tr>
<tr>
<td>2019</td>
<td>20.0%</td>
</tr>
<tr>
<td>2020</td>
<td>21.2%</td>
</tr>
</tbody>
</table>

### Total Risk Exposure Amount (TREA)

<table>
<thead>
<tr>
<th>Year</th>
<th>TREA (in EUR millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2,863</td>
</tr>
<tr>
<td>2019</td>
<td>3,682</td>
</tr>
<tr>
<td>2020</td>
<td>3,329</td>
</tr>
</tbody>
</table>

### Leverage Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Leverage Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>4.4%</td>
</tr>
<tr>
<td>2019</td>
<td>4.6%</td>
</tr>
<tr>
<td>2020</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

1. Total Capital Ratio is total capital divided by Total Risk Exposure Amount
2. Leverage Ratio is Tier 1 capital divided by total non-risk weighted exposures
P&L results Aegon Bank N.V.

### Net interest margin
- Net interest margin decreased mainly due to the decreasing market interest rates

### Results from financial transactions
- Profit on financial transactions improved, mainly driven by the hedge ineffectiveness of Aegon Bank N.V.’s hedge accounting program

### Results affected by impairment losses
- The bank incurred impairment charges of EUR 92 million related to the IFRS 9 loan loss provisions in 2020 (2019: EUR 69.1 million), mainly on the unsecured SME and consumer loan portfolio
- Deterioration in the macroeconomic outlook was the largest driver of the significant increase in provisions as a result of the COVID-19 crisis

### Expenses
- Expenses increased predominantly due to integration costs, provision for legal claims, and regulatory project costs

### Income tax
- The future change of Dutch corporate income tax rates had a negative impact of EUR 4.3 million, which was processed through deferred taxes

### Income Statement¹
(2019 - 2020, in EUR millions)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest margin</td>
<td>238.8</td>
<td>232.0</td>
</tr>
<tr>
<td>Net fee and commission income</td>
<td>15.4</td>
<td>20.5</td>
</tr>
<tr>
<td>Result from financial transactions</td>
<td>9.8</td>
<td>40.3</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>(69.1)</td>
<td>(92.8)</td>
</tr>
<tr>
<td>Total income</td>
<td>194.8</td>
<td>200.1</td>
</tr>
<tr>
<td>Total expenses</td>
<td>155.6</td>
<td>235.8</td>
</tr>
<tr>
<td>Income / (loss) before tax</td>
<td>39.2</td>
<td>(35.8)</td>
</tr>
<tr>
<td>Income tax</td>
<td>(12.6)</td>
<td>4.3</td>
</tr>
<tr>
<td>Net income</td>
<td>26.6</td>
<td>(31.5)</td>
</tr>
</tbody>
</table>

¹. Financial information based on statutory annual reports, which differs from segment results for Banking reported by the Group for Aegon Nederland N.V. The difference is partly explained by the elimination of intra-group transactions and application of IFRS 9 (adopted per 2018 by Aegon Bank N.V.; for 2017 IAS 39 was applied) accounting principles at Aegon Bank N.V. legal entity level
Key financial metrics over time

Balance sheet growth and expense reduction initiatives, targeting a RoC of 9%

**Cost-to-income ratio**
- The cost-to-income ratio increased to 85% as the increase in operating expenses exceeded the increase in income
- Strong focus on cost control and expense reduction, targeting a cost-to-income ratio of 60%
- Expense reductions to be achieved by integrating processes and systems to maximize synergies between the Aegon and Knab label

**Return on Capital**
- Return on Capital (RoC) over the period 2018 - 2020 reflects scale-up phase
- In 2020 RoC decreases from 4.4% to 4.0% due to the decrease in operating result
- Balance sheet growth and expense reduction initiatives are expected to medium-term target RoC of 9%

---

1. Cost-to-income ratio is calculated as operating expenses divided by operating income as defined in the banks’ operating result before tax
2. Return on Capital is calculated as operating result after tax (applying a nominal tax rate) divided by average IFRS equity excluding the revaluation reserve
Summary

Strategic priorities and KPIs

- Customer satisfaction is a core strategic priority of the bank, aiming to maintain a Net Promotor Score at +40
- The bank needs to grow its customer base to achieve scale, targeting a net growth of 40k core customers per year
- Merging the two labels into Knab will reduce costs, increase efficiency, innovation and customer service
- Aegon Bank N.V.’s ambition is to grow the balance sheet to reach scale

Cornerstone of strategy

- Aegon Bank N.V. is a focused player in financial services and key to Aegon’s strategy
- Strong market position in self-employed market and banking savings
- High-quality assets, strong liquidity buffer and stable long-term profile

Business & Financials

- Knab maintains the growth rate of new customers and hence increasing fee income
- Increased cost control to ensure sufficient profitability with a 60% medium-term target cost-to-income ratio
- In the coming years capital generation will be a key priority with a medium-term target Return on Capital of 9%
- Strong focus on ensuring regulatory compliance with explicit focus on KYC/CDD and AML

Capital, Liquidity & Funding

- Maintained a solid capital and liquidity position, withstanding COVID-19 pandemic related economic shock
- No significant outflows of savings nor churn of customers as a result of the forced lockdown during the first COVID-19 wave
- Capital position impacted by additions to the IFRS 9 loan loss provisions for unsecured lending portfolios
The Dutch economy and housing market
Benefiting from resilience of the Dutch mortgage portfolio

- Structural features of economy and strict bankruptcy laws lead to limited loan losses
  - The Netherlands has strong social security and adequate unemployment benefits
  - Homeowners separating from each other is the main cause of defaults
  - Mortgage issuers have full recourse to borrowers’ assets and earnings
- Low level of defaults\(^1\) and arrears in the aftermath of the 2008 financial crisis despite pick-up in unemployment and decline in housing prices

### Development arrears and defaults\(^2\)
(1H 2020, in percentages)

### Defaults post financial crisis (2015-2020)\(^2\)
(House price in EUR, defaults in bps of net principal balance)

<table>
<thead>
<tr>
<th>Year</th>
<th>Average house price(^3)</th>
<th>Unemployment rate(^3)</th>
<th>Defaults</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>236k</td>
<td>6.9%</td>
<td>7bps</td>
</tr>
<tr>
<td>2020</td>
<td>344k</td>
<td>3.8%</td>
<td>0bps</td>
</tr>
</tbody>
</table>

1. Defaults here are defined as losses recorded divided by total net principal balance
2. For mortgages that are on the balance sheet of Aegon NL entities
3. Source of data: Centraal Bureau voor de Statistiek (CBS)
Dutch economy has been impacted by COVID-19

GDP growth (YoY change)

Unemployment rate (%)

Dutch EMU Debt & Balance (%GDP)

Inflation (%)

Source: Centraal Bureau voor de Statistiek (CBS)
Government support in response to COVID-19

A comprehensive package to support the economy

Temporary Emergency Scheme for Job Retention “NOW 3”
- “NOW 3” in place until July 1, 2021, divided into 3 quarters
- Payroll subsidy to compensate for up to 85% of a company’s payroll
- Since January 2021 demonstrated revenue loss must be at least 20% (in line with “NOW 1” and “NOW 2”)
- “NOW 1” and “NOW 2” are now both closed

Temporary self-employment income support “TOZO 4”
- Temporary social assistance “bijstand” until July 1, 2021 for self-employed professionals to bridge the loss of income
  - Income topped up to EUR 1,512 net per month for families (EUR 1,059 for singles)
  - Not means-tested, but tested on income of spouse
- “TOZO 4” started at April 1, 2021 and will run until July 1, 2021

Reimbursement Fixed Costs Scheme for Companies “TVL”
- Compensation for all affected companies for fixed costs other than wage costs. Compensation amount is linked to the revenue loss: since Q2 2021 85% for revenue loss of 100% capped at EUR 550,000 (for companies with max. of 250 employees) and EUR 600,000 (> 250 employees)
- Demonstrated revenue loss must be at least 30%
- Additional “TVL support” for retail businesses and hospitality businesses

Other measures
- Extension of the loan (state) guarantee system (GO-C) and the SME loan guarantee scheme (BMKB-C)
- New loan guarantee facility for smaller companies (KKC)
- Tax holiday for companies until June 30, 2021
- “TONK”: support for self-employed persons not entitled to other schemes
COVID-19 impact

Impact of COVID-19 on mortgage business has been limited so far

General Dutch measures

- Several actions have been taken by the Dutch government to preserve jobs and incomes
  - i.e. allowance in labor costs, temporary income support for self-employed persons, tax reliefs, bridge financing
- Dutch mortgage providers have restarted foreclosures due to payment arrears after temporarily not doing so in Q2 2020

Arrears management at Aegon Hypotheken

- No changes in arrears management procedure; loans which receive payment holidays are being reported as arrears
- Tailor-made solution for every mortgage customer who is expecting payment difficulties
- Possibility to increase staffing capacity (flexibility across different departments) via internal rotation pool and additional flexible workforce
- No significant increase in arrears as a result of the impact from COVID-19

Underwriting procedures

- Aegon is looking more closely at source of income, especially when the applicant works in a sector that is strongly affected by the COVID-19 pandemic; and if applicants have a temporary contract are self-employed
- High risk mortgage applications (LTV/LTI) require management approval
- After an initial increase in mortgage rates due to increased risk perception, rates are currently back at historical low levels

1. Foreclosures due to fraud, however, could proceed
Facts and figures Dutch mortgage market

Overview FY 2020

- Total mortgage production increased to record level of €155bn (+26%) in 2020
- Strongest growth in the refinancing segment (+48.5%)
- Residential property supply has increased by 75,000 in 2020 (+0.95%)
- Average transaction price came to a record level of €334,500

- Number of permissions for newly built properties increased (+10%)
- HDN registered a record number of mortgage applications in 2020 of 535,375 (+24.5%)
- Average LTI (-1%) and average LTV (-6% point) decreased per application
- ESG has become increasingly relevant in the Dutch mortgage market

Source: Centraal Bureau voor de Statistiek (CBS); Hypotheek Data Nederland (HDN), Kadaster
1. Please note that Kadaster has made a methodological change in calculating mortgage production. This figure (€155bn) is based on same methodology as used in 2019 for comparison purposes. Based on the new methodology mortgage production amounts to €139bn
## Policy developments Dutch mortgage market

### Aegon specific developments
- **2016**: Interest rate averaging offered to customers

### LTV & Interest deductibility

<table>
<thead>
<tr>
<th>Year</th>
<th>LTV (%)</th>
<th>Interest deductibility</th>
<th>Maximum amount set at</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>102%</td>
<td>50.5%</td>
<td>EUR 245k</td>
</tr>
<tr>
<td>2017</td>
<td>101%</td>
<td>50.0%</td>
<td>EUR 245k</td>
</tr>
<tr>
<td>2018</td>
<td>100%</td>
<td>49.5%</td>
<td>EUR 265k</td>
</tr>
<tr>
<td>2019</td>
<td>100%</td>
<td>49%</td>
<td>EUR 290k</td>
</tr>
<tr>
<td>2020</td>
<td>100%</td>
<td>46%</td>
<td>EUR 310k</td>
</tr>
<tr>
<td>2021</td>
<td>100%</td>
<td>43%</td>
<td>EUR 325k</td>
</tr>
</tbody>
</table>

**2020-2023**: Decrease by 3% per year gradually restructured income tax system to 2 tariffs in 2021

### Tax regulations
- **2020**: Transfer tax abolished for first time buyers and increased to 8% for investors
- **2021**: NHG fee reduced to 0.7% of loan amount

### NHG
- **2021**: Maximum amount set at EUR 325k

### Other Regulations

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>Phase out ‘Hillen-arrangement’ (tax relief for nearly repaid mortgages) over 30 years</td>
</tr>
<tr>
<td>2017</td>
<td>NHG fee reduced to 0.7% of loan amount</td>
</tr>
<tr>
<td>2018</td>
<td>Partner income counts for 80% in calculating maximum mortgage amount allowed (up from 70%)</td>
</tr>
<tr>
<td>2019</td>
<td>Partner income counts for 90% in calculating maximum mortgage amount allowed (up from 80%)</td>
</tr>
</tbody>
</table>

1. As per 1 April 2021, this exemption will be limited to house prices up to EUR 400k
Dutch housing market

Changing household composition requires more supply

Dutch household composition

Dutch house supply

Source: Centraal Bureau voor de Statistiek (CBS)
The pandemic makes the outlook for the Dutch housing market uncertain. This is shown by Rabobank expecting a housing price increase of 8.0% in 2021 and 4.4% in 2022 in their latest forecast, while ING expects a housing price increase in 2021 of 5.0%.

For FY 2020, the increase in house prices was 7.8%, up from 6.9% for FY 2019, according to CBS.

Source: Eurostat
1. Rabobank’s Dutch Housing Market Quarterly – “Housing shortage and low interest rates are driving up house prices”, March 2021
2. ING’s Articles – “Housing markets in the eurozone”, March 2021
Focus on ESG

We enable our customers to make conscious financial decisions for a lifetime of financial security

<table>
<thead>
<tr>
<th>Focus Aegon NL</th>
<th>A greener environment and lifetime of financial security through:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Investing responsibly</td>
</tr>
<tr>
<td></td>
<td>• Enabling customers in making conscious financial decisions</td>
</tr>
<tr>
<td></td>
<td>• Caring for our employees</td>
</tr>
</tbody>
</table>

| Focus Aegon Hypotheken | • We enable our customers in making conscious financial decisions for a lifetime of financial security |
|                       | • Throughout our customers’ lifecycle we provide responsible and sustainable financing solutions |
|                       | • We help our customers in making their property more sustainable by pro-actively providing knowledge and financing solutions |
|                       | • We enable our mortgage advisors to provide customers with the best advice regarding sustainable solutions |
|                       | • We offer funders the possibility to invest in Dutch mortgages with a healthy spread and low risk and which contributes to making the Dutch housing market more sustainable |

| Focus Aegon Bank | • We help self-employed and their families feel comfortable about their current finances and achieve financial freedom later in life |
ESG targets Aegon mortgages

Step-by-step moving towards an energy-neutral mortgage portfolio in 2050

Short term targets (2021 - 2022)

- Setting up infrastructure required to fully support customers in improving the energy efficiency of their homes
  - Setting up partner network sustainable improvements and integrate in our offerings to clients (through mortgage advisors and sustainability tool)
  - Enable mortgage advisors to discuss sustainable improvements in every meeting with their clients, for example by following an education on sustainable mortgage advice
  - Offer our customers accessible and easy to understand information on sustainability (for example through our sustainability tool)
- Expanding our product offerings in order to offer customers a responsible financing solution throughout their lifecycle
  - Re-introduction of interest rate averaging or introduction of 106% LTV mortgages for sustainable measures
  - Making it easier for mortgage advisors to pro-actively help their customers in making the right financial decisions, i.e. by sharing more data on a client's mortgage with their advisor (a successful pilot has been done at the end of last year)

Medium term targets (2021 - 2025)

- Focus on improving the sustainability of properties of existing and new mortgage clients with an energy label D-G to at least label C
  - Offer client’s insight in most efficient measures to take towards a sustainable house (start with insulating your home)
  - Possibility for additional financing if required and responsible

Yearly evaluation on our targets and progress and shift priorities if necessary
Responsibility Aegon Bank N.V.

It is our mission to make our customers feel comfortable about their finances

Environmental
• Focus on measuring and reducing the greenhouse gas emissions (and CO₂ emissions in particular) associated with our investments
• Mortgages are by far Aegon Bank N.V.’s largest asset class. Per end of 2020, 96% (2019: 94%) of the collateral has an energy efficiency label, the total footprint was 231,120 tCO₂e (2019: 215,000 tCO₂e), and the average energy rating label was C (2019: D)

Social
• We help Buzz Women with their mission to help women to develop their entrepreneurial skills and self-confidence and to finally overcome poverty on their own by creating a digital library in India and Africa
• We support the Silver Starters personal learning program where people aged 50+ learn the basics of entrepreneurship to turn their ideas into their own business

Governance
• Complying with external laws, regulations and social standards and internal Code of Conduct
• Aegon Bank N.V.’s remuneration policy is designed in line with applicable national and international regulations
• Under supervision of Dutch Central Bank (DNB) and the Authority for the Financial Markets (AFM)

Investments carbon footprint
(FY 2020)  

<table>
<thead>
<tr>
<th></th>
<th>Value (EURm)</th>
<th>Carbon footprint (tCO₂e)</th>
<th>Coverage (% of assets)</th>
<th>Relative intensity (tCO₂e/EURm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>1,650</td>
<td>0</td>
<td>100%</td>
<td>0</td>
</tr>
<tr>
<td>Sovereign bonds</td>
<td>729</td>
<td>79,800</td>
<td>41%</td>
<td>269</td>
</tr>
<tr>
<td>Corporate credit</td>
<td>434</td>
<td>1,400</td>
<td>18%</td>
<td>18</td>
</tr>
<tr>
<td>Mortgages</td>
<td>11,978</td>
<td>231,200</td>
<td>96%</td>
<td>20</td>
</tr>
<tr>
<td>Unmeasured assets</td>
<td>2,344</td>
<td>Not yet measured</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>17,137</td>
<td>312,400</td>
<td>79%</td>
<td>23</td>
</tr>
</tbody>
</table>

Mortgages energy label
(2019 - 2020, in percentages)

[Graph showing the energy label distribution for Mortgages, comparing 2019 and 2020]
Soft Bullet Covered Bond Programme
Aegon Bank N.V.
## Soft Bullet Covered Bond Programme

### Programme summary

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Aegon Bank N.V. (Aegon Bank)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme size</td>
<td>EUR 5 billion</td>
</tr>
<tr>
<td>Cover Pool</td>
<td>EUR 611 million¹</td>
</tr>
<tr>
<td>Format</td>
<td>Soft Bullet (SB)</td>
</tr>
<tr>
<td>Extension Period</td>
<td>Maximum of 1 year</td>
</tr>
<tr>
<td>Ratings</td>
<td>AAA (S&amp;P)¹</td>
</tr>
<tr>
<td>Collateral</td>
<td>Prime Dutch residential mortgage loans</td>
</tr>
<tr>
<td>Over Collateralisation</td>
<td>• Regulatory Minimum OC of 5%</td>
</tr>
<tr>
<td></td>
<td>• Asset Percentage of 96.7%</td>
</tr>
<tr>
<td></td>
<td>• Current OC of 22%</td>
</tr>
<tr>
<td>Robust structure</td>
<td>✓ Registered programme with DNB</td>
</tr>
<tr>
<td></td>
<td>✓ Strong programme tests</td>
</tr>
<tr>
<td></td>
<td>(Asset Cover Test &amp; Amortisation Test)</td>
</tr>
<tr>
<td></td>
<td>✓ No interest rate swap counterparties²</td>
</tr>
<tr>
<td></td>
<td>✓ Back-up administrator in place</td>
</tr>
<tr>
<td></td>
<td>✓ External bank account</td>
</tr>
<tr>
<td></td>
<td>✓ Exempted from bail-in</td>
</tr>
</tbody>
</table>

### Key benefits

#### Dual recourse
- Highly rated issuer: Aegon Bank N.V. ‘A’ (S&P)
- Obligation for Aegon Bank N.V. to redeem the bond at expected maturity date (no optionality)
- Recourse to CBC in case of default of Aegon Bank N.V.

#### Covered Bonds are expected to:
- Qualify as LCR eligible (Level 1)
- Be Solvency II eligible
- Be ECB CBPP3 eligible
- Be UCITS and CRR article 129 compliant
- Be ECB repo eligible
- Have ECBC Covered Bond Label

#### Favourable regulatory treatment
- Weighted average CLtIMV of 53.8%
- Contains a high % of NHG of 69.4%
- All mortgage loans backed by eligible collateral

---

¹ Cut-off date March 31, 2021, being the same cut-off date used by S&P for their Presale report where S&P assigned the preliminary AAA rating for the covered bond issuance.
² Portfolio swap and Interest rate swap are optional for the Programme.
# Highlights Soft Bullet Covered Bond Programme

## Key Programme Parties

<table>
<thead>
<tr>
<th>Role</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Originators</td>
<td>Aegon Hypotheken / Aegon Leven / Aegon Bank</td>
</tr>
<tr>
<td>Transferor</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>Issuer</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>Servicer</td>
<td>Aegon Hypotheken</td>
</tr>
<tr>
<td>Administrator</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>Back-up Administrator</td>
<td>Intertrust</td>
</tr>
<tr>
<td>Asset Monitor</td>
<td>PwC</td>
</tr>
<tr>
<td>Director CBC</td>
<td>Intertrust</td>
</tr>
<tr>
<td>Security Trustee</td>
<td>Stichting Security Trustee Aegon SB Covered Bond Company</td>
</tr>
<tr>
<td>CBC Account Bank</td>
<td>BNG Bank</td>
</tr>
<tr>
<td>Principal Paying Agent</td>
<td>Citibank</td>
</tr>
<tr>
<td>Custodian</td>
<td>ABN AMRO</td>
</tr>
</tbody>
</table>

## Transaction Structure

1. Portfolio swap and Interest rate swap are optional for the Programme
Event of Default

- The Asset Cover Test (ACT) will be replaced by the Amortisation Test.
- If on the Final Maturity Date of the SB CB an Issuer Event of Default takes place and the CBC has insufficient funds to redeem the Covered Bonds (CBs) this will not trigger a CBC Event of Default.
- As a result, the Final Maturity Date will be extended for a period of maximum 12 months.
- During this extension period the administrator undertakes to sell (a part of) the cover pool and uses the proceeds thereof to (partially) repay the specific SB CB series on every Interest Payment Date within this period.
- If the structure has insufficient funds to repay a specific series on the Extended Due for Payment Date, this will trigger a CBC default and result in all CBs becoming due and payable.
- A breach of the Amortisation Test would also constitute a CBC Event of Default and results in all CBs becoming due and payable.
# Highlights Soft Bullet Covered Bond Programme

## Cover Pool characteristics

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal balance</td>
<td>EUR 632,953,918</td>
</tr>
<tr>
<td>Value of saving deposits</td>
<td>EUR 22,196,919</td>
</tr>
<tr>
<td>Net principal balance</td>
<td>EUR 610,756,999</td>
</tr>
<tr>
<td>Number of loans</td>
<td>3,731</td>
</tr>
<tr>
<td>Number of loan parts</td>
<td>6,959</td>
</tr>
<tr>
<td>Average principal balance (borrower)</td>
<td>163,698</td>
</tr>
<tr>
<td>Weighted average current interest rate</td>
<td>3.01%</td>
</tr>
<tr>
<td>Weighted average remaining fixed rate period (yrs)</td>
<td>13.77</td>
</tr>
<tr>
<td>Weighted average seasoning (yrs)</td>
<td>5.68</td>
</tr>
<tr>
<td>Weighted average CLtOMV</td>
<td>73.98%</td>
</tr>
<tr>
<td>Weighted average CLtIMV</td>
<td>53.75%</td>
</tr>
<tr>
<td>NHG (%)</td>
<td>69.40%</td>
</tr>
</tbody>
</table>

1. Cut-off date: March 31, 2021

## Product Types

- Annuity: 57%
- Interest Only: 31%
- Bank Savings: 6%
- Life Insurance: 5%
- Linear: 1%
Highlights Cover Pool

Interest rate buckets

- 0% - 1%: 56%
- 1% - 2%: 21%
- 2% - 3%: 15%
- 3% - 4%: 1%
- 4% - 5%: 1%
- 5% - 6%: 1%
- > 6%: 0%

Time to interest reset date (yrs)

- 0-1: 36%
- 1-2: 31%
- 2-3: 1%
- 3-4: 2%
- 4-5: 1%
- 5-6: 2%
- 6-7: 1%
- 7-8: 1%
- 8-9: 1%
- 9-10: 4%
- 10-15: 7%
- 15-20: 0%
- 20-25: 0%
- 25-30: 0%

CLtIMV

- NHG Guarantee: 69%
- < -20%: 1%
- 20% - 40%: 9%
- 40% - 50%: 8%
- 50% - 60%: 6%
- 60% - 70%: 5%
- 70% - 80%: 2%
- 80% - 90%: 0%
- 90% - 100%: 0%

Current loan balance (in EUR)

- 0-100k: 7%
- 100 - 200k: 29%
- 200 - 300k: 6%
- 300 - 400k: 2%
- 400 - 500k: 2%
- >= 500k: 2%

1. Cut-off date: March 31, 2021
Asset Cover Test

Asset Monitoring Agreement

- Adjusted Aggregate Asset Amount\(^1\) >= outstanding Covered Bonds
- First Regulatory Current Balance Amount >= 105% of outstanding Covered Bonds
- Second Regulatory Current Balance Amount >= 100% of outstanding Covered Bonds

Adjusted Aggregate Asset Amount = A + B + C + D - Z

- The calculation of ‘A’ includes:
  - 96.7% asset percentage
  - 80% LTMV cut-off
  - Deductions of savings deposits above EUR 100k (if issuer rating trigger (below ‘A’) is hit)
  - Deduction of arrears (>90 days) and defaulted receivables
  - Deduction of construction deposits
  - Deduction of long-term mortgage loans if > 15% of Cover Pool

- ‘B’ represents any unapplied cash
- ‘C’ and ‘D’ represent cash (including Reserve Account) and substitution assets
- ‘Z’ represents the amount equal to the ‘Interest Cover Required Amount’

---

1. Please refer to Base Prospectus (section 16) for a detailed overview
<table>
<thead>
<tr>
<th>Comparison to other Dutch Covered Bond programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Guarantor</strong></td>
</tr>
<tr>
<td><strong>Issuer Rating (S/M/F)</strong></td>
</tr>
<tr>
<td><strong>Programme Rating (S/M/F)</strong></td>
</tr>
<tr>
<td><strong>Mortgage lending position</strong></td>
</tr>
<tr>
<td><strong>Indexed Valuation</strong></td>
</tr>
<tr>
<td><strong>LTV Cut-Off (ACT)</strong></td>
</tr>
<tr>
<td><strong>Asset Percentage</strong></td>
</tr>
<tr>
<td><strong>Total Return Swap Provider</strong></td>
</tr>
<tr>
<td><strong>UCITS Compliant</strong></td>
</tr>
<tr>
<td><strong>CRR Article 129 Compliant</strong></td>
</tr>
<tr>
<td><strong>DNB Registration</strong></td>
</tr>
<tr>
<td><strong>Comments</strong></td>
</tr>
</tbody>
</table>

1. Source: Company April 2021 Covered Bond Monthly Investor Reports
2. Source: Dutch Land Registry FY 2020 (Kadaster)
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