NIBC

GREEN BOND
INVESTOR PRESENTATION

August 2021

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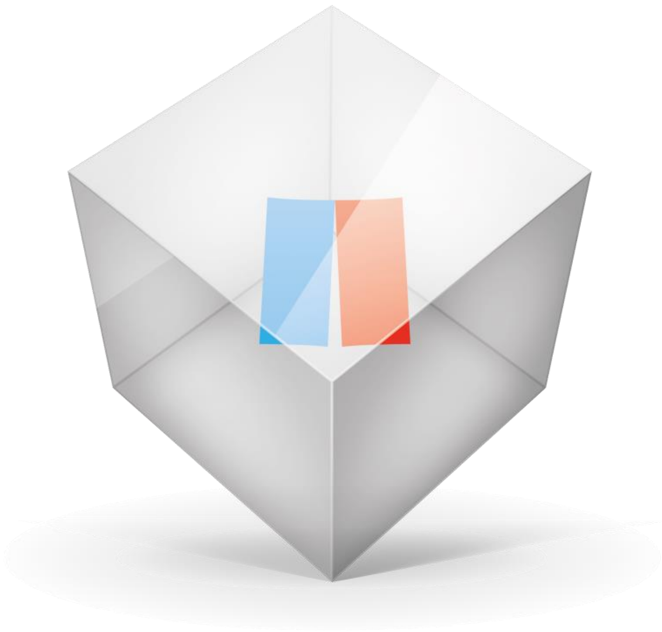


INTRODUCING NIBC

INTRODUCING NIBC

Our business model

CORPORATE CLIENT OFFERING

■ Focus on mid-market corporate clients

■ Focus on specific sectors and product solutions, ranging from advice and structuring to financing and investments

■ Using both own balance sheet and Originate-to-Manage concepts

■ Growth engines, such as leasing, originating more granular exposures in niche markets

■ Brands: NIBC, OIMIO, Beequip, yesqar

EUR 9.5 billion client exposures

Typical ticket size: EUR 0.1 - 50 million

RETAIL CLIENT OFFERING

■ Mortgages ranging from owner occupied, buy-to-let, both own book and Originate-to-Manage

■ Mortgage origination for institutional investors

■ Online savings

■ Brands: NIBC Direct, Lot Hypotheken, Hypinvest Hypotheek, NIBC Vastgoed Hypotheek, Lendex

EUR 18.8 billion client exposures

Typical ticket size: EUR 0.1 - 2.5 million

INTRODUCING NIBC

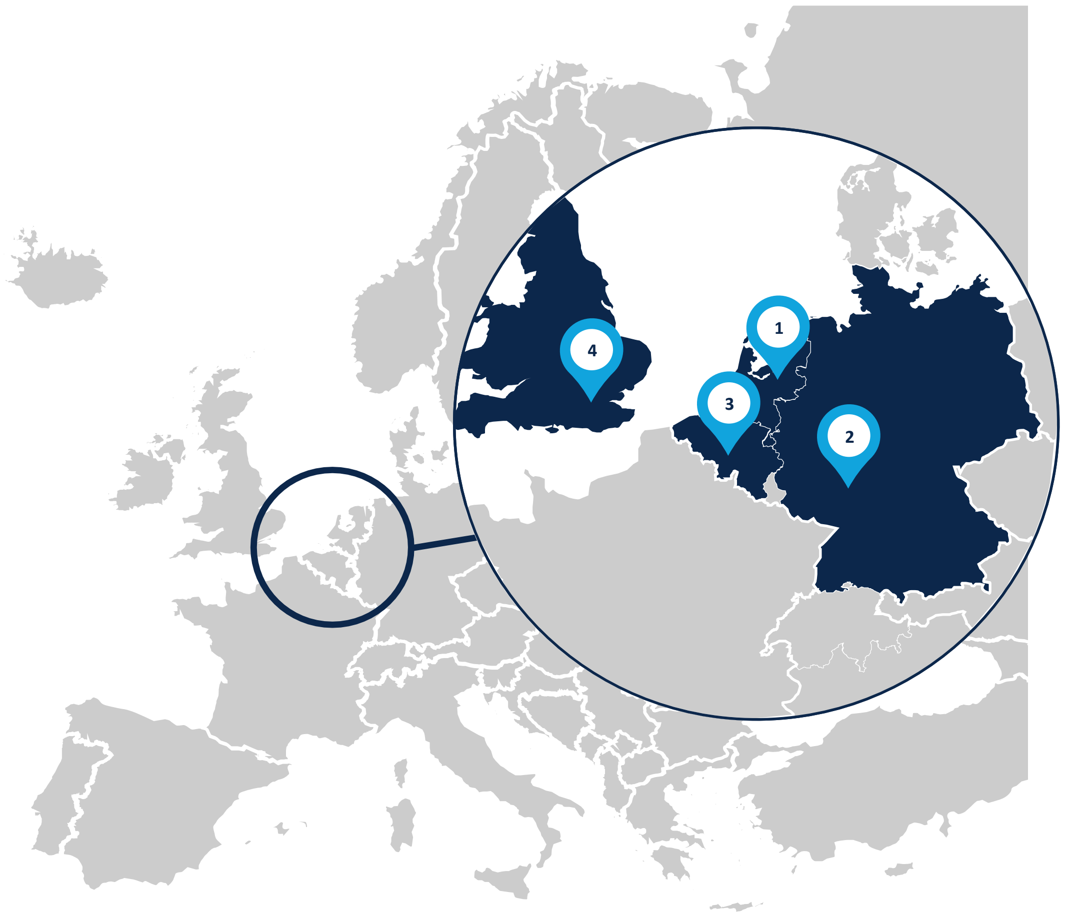
Our markets – Focus on north-western Europe

1 **Netherlands (The Hague)**
EUR 18,742 million Retail exposure
EUR 5,667 million Savings
EUR 6,836 million Corporate exposure
656 FTE

2 **Germany (Frankfurt am Main)**
EUR 11 million Retail exposure
EUR 3,681 million Savings
EUR 1,387 million Corporate exposure
47 FTE

3 **Belgium (Brussels)**
EUR 1,136 million Savings
6 FTE

4 **United Kingdom (London)**
EUR 1,234 million Corporate exposure
24 FTE



SUSTAINABILITY AT NIBC

SUSTAINABILITY RATINGS AND CREDENTIALS

Our target with respect to sustainability ratings:

To maintain our position in the top quartile among our peers

We are proud to have received strong sustainability ratings from many of the main global sustainability rating providers.

STRONG SUSTAINABILITY RATINGS

ISS ESG (formerly OEKOM)	C+/Prime
SUSTAINALYTICS	22/Medium Risk 199 out of 1006
MSCI[1]	AA
REPRISK	AA

[1] NIBC Bank rating

NIBC IS STRONGLY ROOTED IN ITS OBLIGATIONS TOWARDS SOCIETY

- NIBC was established in 1945 to help rebuild the Netherlands after the Second World War.
- Today our purpose is much the same – making a difference at decisive moments.

*“Our purpose is to create a **sustainable** franchise for the future, so we can continue to make a difference for our clients by focusing on their most decisive moments in business and in life.”*

- We view sustainability as an opportunity for our stakeholders and ourselves. It’s an opportunity to engage with our diverse stakeholders, to work with clients to overcome challenging issues and to innovate and develop better ways of doing business.

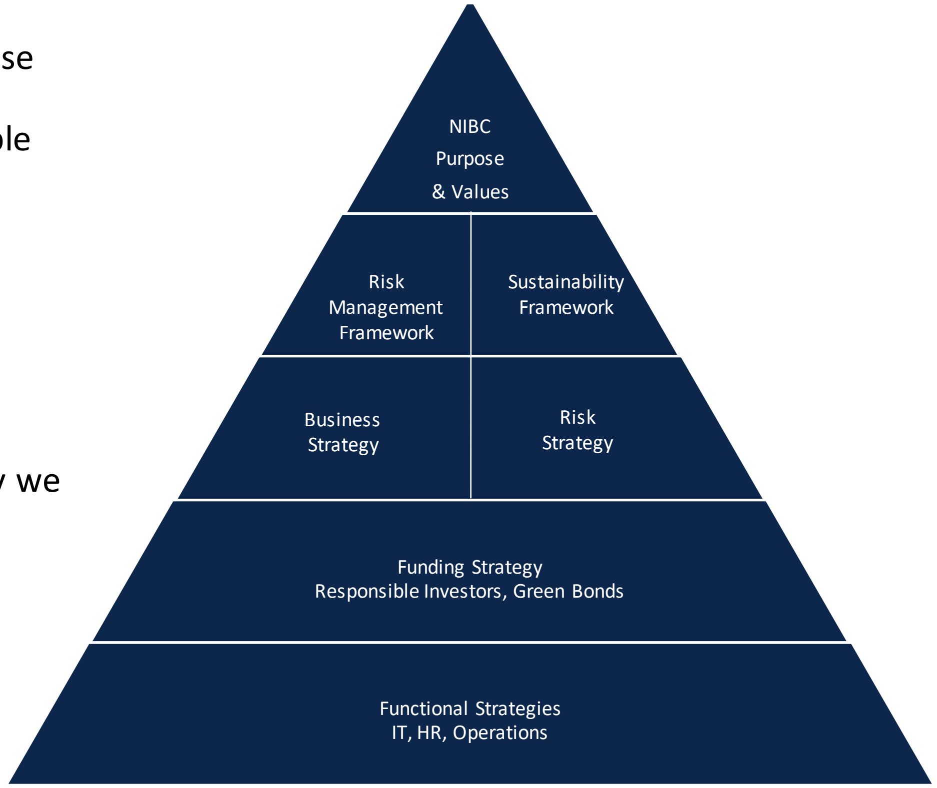
SUSTAINABILITY EMBEDDED IN OUR STRATEGY

Supporting companies and consumers in their transition towards a sustainable future

Our starting points:

- ✓ We work in a professional manner and with integrity
- ✓ We comply with all relevant legislation
- ✓ We look to treat people, the environment and the communities in which we operate, with the greatest possible care
- ✓ We strive to ensure our services are responsible and sustainable
- ✓ We strive that the companies we finance operate in a sustainable manner
- ✓ We aim to support our clients in achieving their ambitions and enable them to build a better society for future generations

- Tone from the top
  - Clearly defined corporate purpose and values, emphasis on being responsible and doing responsible business
- Integrated approach
  - Clear governance structure
  - Managing Board is ultimately responsible for all sustainability matters
  - Sustainability integral to the way we do business and embedded throughout NIBC's strategy framework



SUSTAINABILITY EMBEDDED IN OUR STRATEGY

Supporting companies and consumers in their transition towards a sustainable future

Our long-term targets:

- Zero greenhouse gas emissions before 2050
- At least a 55% emission reduction by 2030

Supporting our clients to transition and adapt

Continue to take steps in our own operations

Green asset ratio for corporate loan portfolio YE2020[1]:
4%

100%
ESG due diligence and assessments for new corporate loans (2019; 2020; H1 2021)

0
Fines or sanctions for non-compliance with laws and regulation (2019; 2020; H1 2021)

NORTH WESTERLY VI ESG CLO

- UN PRI: ESG best practice in securitised products
- IFLR Structured Finance and Securitisation Deal of the Year
- Innovation ESG screening, due diligence, scoring and transparent investor reporting
- First fully ESG-compliant CLO

SHIP RECYCLING STANDARDS

- Founded by NIBC and two other peer banks, currently involves 11 leading ship financiers
- Aims to improve human rights, environmental, and transparent practices throughout the shipping value chain
- Promotes responsible business aligned to the OECD Guidelines, UN Guiding Principles on Business & Human Rights

LOT HYPOTHEKEN

- Reduced rates for energy-efficiency improvements
- Free energy audits, independent advice
- Two trees planted for every mortgage closed – one in the NL and one abroad

NGO BOULEVARD

- In 2015, we launched the NIBC NGO Boulevard
- NIBC houses 5 NGOs operating from our headquarters in The Hague

[1] *Based on first estimates, unaudited. NIBCs corporate exposures are comprised of 132 NACE activities. Of these, draft taxonomy alignment coefficients (TACs) were available for 19. For NACE activities where a TAC was not available, we have conservatively assumed a TAC of 0. Only the objective Climate Change Mitigation is considered in the coefficients.*

SUSTAINABILITY GOVERNANCE

Supervisory Board	NIBC Supervisory Board’s Risk Policy & Compliance Committee monitors and periodically discusses sustainability matters. Sustainability is discussed quarterly with NIBC’s Supervisory Board.
Managing Board & ExCo	NIBC's Managing Board is ultimate responsible for all sustainability matters. ExCo members discuss and advise on sustainability strategy, targets, planning and budget.
Risk Management Committee	New sustainability policies and material changes to NIBC’s Sustainability Framework and underlying policies are reviewed and approved by NIBC’s Risk Management Committee.
Transaction, Investment & Engagement Committee	Sustainability risks related to corporate clients and transactions are presented in transaction proposals at the relevant risk committee. The Sustainability Officer reviews assessments and is invited to join committee meetings in the event increased sustainability risks have been identified and further discussions are warranted.
Asset & Liability Committee	NIBC’s Asset & Liability Committee is responsible for any Green Bond issuance.
Internal Audit	Processes and controls are audited by NIBC’s internal auditors.
Senior Sustainability Officer	Responsible for overseeing NIBC's sustainability agenda.

COMMITMENTS, FRAMEWORKS AND POLICIES, REPORTING

Commitments

Commitments | Frameworks and policies | Reporting

A number of externally-developed economic, environmental and social charters, principles, or other initiatives are endorsed and applied within NIBC's sustainability and corporate governance policies. Additional principles and charters applied by NIBC are mentioned in our sector and issue-specific policies.

- Dutch Banking Codes
- Equator Principles (member institution)
- UN Global Impact (signatory)
- UN Guiding Principles on Business and Human Rights (by policy)
- IFC Performance Standards (by policy)
- Dutch IMVO/SER banking sector agreement (signatory)

- Universal Declaration of Human Rights (by policy)
- OECD Guidelines for Multinational Enterprises (by policy)
- ILO Core Conventions (by policy)
- UN Principles for Responsible Investment – UNPRI (by policy)
- UNEP FI (by policy)
- UN Convention on the Elimination of All Forms of Discrimination again Women (by policy)

- UN Declaration on the Rights of Indigenous Peoples (by policy)
- UNICEF Convention on the Rights of the Child (by policy)
- Wolfsberg Principles (by policy)
- FATF recommendations (by policy)
- Partnership for Carbon Accounting Financials – PCAF (member institution)

COMMITMENTS, FRAMEWORKS AND POLICIES, REPORTING

Frameworks and policies

Commitments	**Frameworks and policies**	Reporting

As part of our client risk-assessment process, the sustainability standards we expect our clients to meet are clearly set out in our Sustainability Policy. We also operate a Sustainability Framework, which describes the processes and tools we use and designates those responsible for these processes at NIBC.

- Sustainability Framework
- Sustainability Policy
- Human Rights Policy Supplement
- Environment Policy Supplement
- Commercial Real Estate Policy
- Financial Institutions Policy
- Food, Agri, Retail & Health Policy
- Indirect Investment Policy

- Industrials Manufacturing Policy
- Infrastructure Policy
- Offshore Energy Policy
- Renewables Policy
- Retail Services
- Shipping & Intermodal Policy
- Weapons and Defense Policy

- All corporate clients and transactions at NIBC undergo robust human rights, environmental and governance due diligence;
- Positive and negative screening;
- Meaningful activity exclusions, among others, oil & tar sands and shale oil & gas (fracking)

(please refer also to the slide ESG at NIBC in practice)

COMMITMENTS, FRAMEWORKS AND POLICIES, REPORTING

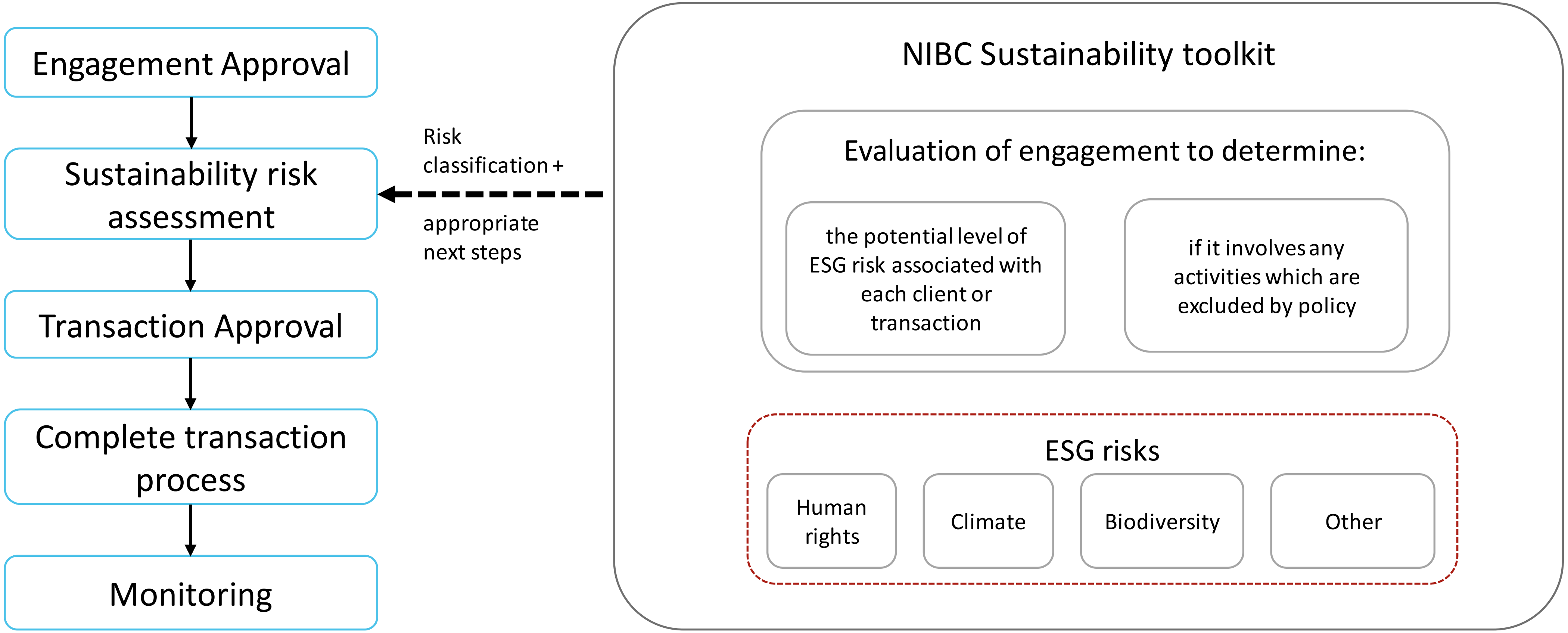
Reporting

Commitments | Frameworks and policies | **Reporting**

- NIBC Bank's 2020 annual report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. Our GRI Content Index and a materiality assessment can be found on the NIBC Annual Report website.
- Our annually updated Sustainability Report serves as the main sustainability report for both NIBC Holding and NIBC Bank and as a public guide to our policies and practices. It also supplements the most material sustainability aspects and statements which are disclosed in our Annual Reports.
- Our Taskforce on Climate-Related Financial Disclosures (TCFD) Report serves as NIBC's climate risk disclosure and our UN Global Compact Communication on Progress (COP) serves as NIBC's sustainable development goal (SDG) report.
- For an overview of all our commitments, frameworks, policies and reports with respect to sustainability, please visit our dedicated webpages at https://www.nibc.com/about-nibc/sustainability/ and https://www.nibc.com/about-nibc/sustainability/sustainability-governance/

ESG AT NIBC IN PRACTICE – CORPORATE CLIENT OFFERING

Before NIBC engages with a new corporate client the business team is responsible for completing the following steps:



ESG AT NIBC IN PRACTICE – SECTOR EXAMPLES

Infrastructure

- NIBC recognises that the development of any infrastructure project can have potential environmental and human rights (ESG) impacts and that these make infrastructure development a sensitive sector if these impacts are not managed appropriately.
- NIBC is committed to taking ESG criteria into account in every aspect of our decision-making for financings and investments in the infrastructure sector.

- NIBC Infrastructure provided John Laing Environmental Assets Group (JLEN) with the required capital to acquire a range of renewable energy assets across the UK and Europe, to maintain its status as one of the leading renewable energy investment funds in the UK.

- The interest charged in respect of the revolving credit facility is linked to the Company's ESG performance, with JLEN incurring a premium or discount to its margin and commitment fee based on performance defined targets.

JLEN

- Imagine is an innovative Irish company that provides broadband to underserved rural areas in Ireland, a critical service, even more following the COVID-19 pandemic.
- Having financed many broadband fibre network companies across Europe, NIBC was able to draw on this experience to design a flexible finance structure.

ESG AT NIBC IN PRACTICE – SECTOR EXAMPLES

Commercial Real Estate

- NIBC aims to improve the energy, water and waste efficiency of our CRE portfolio each year, in support of national and international efforts aligned to local, national and international efficiency goals and the UN SDGs.
- We estimate that up to 20% of our CRE portfolio is improved on one or more of these sustainability aspects each year. All our development and construction financing projects have superior energy qualifications and contribute to the reduction of the substantial Dutch housing shortage. More than two thirds of NIBC's investments in office buildings already have an energy label of C or higher.

- NIBC financed the construction of a student housing project in Utrecht, named The Cube, taking off pressure from the currently overheated Utrecht student housing market.
- The sustainability aspect is very high; there are numerous solar panels on the roof, LED lightning and the use of sustainable construction materials.

- NIBC closed a development financing for The Grace towers in The Hague.
- The Grace is a highly sustainable project with a global innovation, which makes it the first fully electric skyscrapers powered by a solar field as wide as 4.500 m^2.
- Sustainable and energy-efficient materials will be used for construction.

ESG AT NIBC IN PRACTICE – RETAIL CLIENT OFFERING

Lot Mortgages

- Maximum Loan-to-Value above 100% possible, up to 106% in case of energy saving facilities
- Free energy audit
- Separate sustainability mortgage to finance energy-efficiency improvements at reduced interest rates
- Two trees planted for every sustainability mortgage closed
- Mortgage label Lot has a focus on NHG mortgages, which are particularly suitable for first time buyers

NIBC Direct

- Maximum Loan-to-Value above 100% possible, up to 106% in case of energy saving improvements
- Tailor made mortgage solution for seniors
- Possibility to obtain a mortgage for self-employed
- Offers NHG mortgages, which are particularly suitable for first time buyers

ESG AT NIBC IN PRACTICE

Our own operations

Promoting Diversity & Inclusiveness

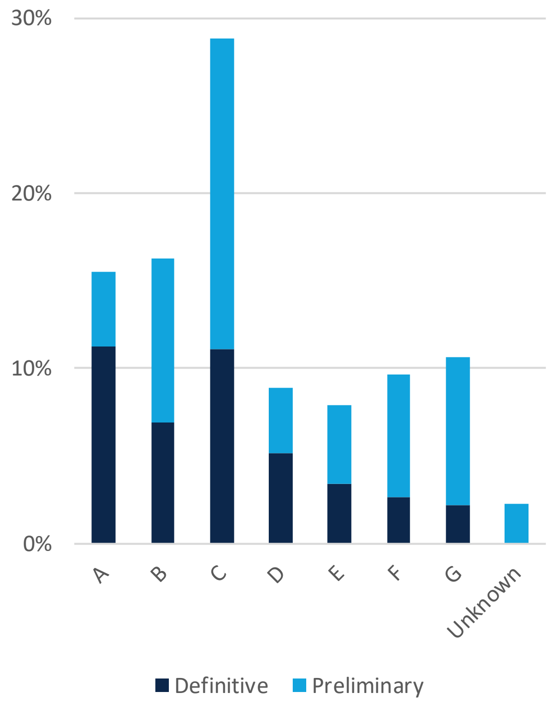
- **66% / 34%** male / female ratio
- **36** Nationalities across 4 countries from which we operate
- Gender pay ratio **Close to 1** At every level

NIBC Environmental Management Program

- Improvement to average energy label A for our building complex in The Hague, from average energy label D in 2012
- CO_2 neutral head office
- Energy-star certified equipment
- Equipment recycling and school donation program
- Electric charge-points for employees and visitors
- Certified gold-standard carbon offsets purchased from NGOs to compensate for any remaining Scope 1 & 2 emissions

ESG AT NIBC IN PRACTICE - ASSETS

Residential mortgages by energy label, own book[1]



Estimated emissions related to NIBC financings and investments (1,000 tCO2e)	2020	2019
Retail real estate portfolio	193	239
Commercial real estate emissions	n/a	n/a
Corporate client emissions	612	830
Factor for emissions we can not yet estimate	*228*	*228*
Total	**1,033**	**1,295**
Total estimated tCO2e per mln NIBC balance sheet	49.98	57.93
% of NIBC total exposures included in emissions estimate	86%	84%

- Exposures to governments and central banks are not currently included in the estimates above. Estimated emissions for Commercial real estate is currently not available as we continue our work to build estimates for this portfolio.
- Across our full CRE portfolio, about 42% of collateral objects have label A, B or C. 13% have label D, E, or F. Finally, 32% are not yet known or are currently in development and 14% are ineligible.

1 Per 30 June 2021

UN SUSTAINABLE DEVELOPMENT GOALS

- NIBC has been a signatory of UN Global Compact (UNGC) since 2010 and supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption as well as the broader UN goals.
- Several UN SDGs are prioritised as part of our business strategy. This is based both on internal reflections as well as on discussions with clients and other stakeholders. These SDGs include Responsible Consumption and Production (SDG12), Economic Growth (SDG8), Industry & Innovation (SDG9), Sustainable Communities (SDG11) and Clean Energy (SDG7).
- By focusing on these SDGs, we believe we will also contribute towards several other goals including Good Health (SDG3), Gender Equality (SDG5) and Climate Action (SDG13) among others.
- Each year, we have published a Communication on Progress (COP) on our corporate website and on the UNGC website.

GREEN BOND FRAMEWORK

RATIONALE FOR ISSUING GREEN BONDS

NIBC aims to issue green bonds in order to…

Address our role in and responsibility towards society

- Enhance and underline our commitments
- Recognize the role and importance of financial institutions to promote climate and environmental objectives

Live up to our purpose to create a sustainable franchise for the future

- Support the origination of sustainable fields of businesses
- Incentivize to increasingly integrate sustainability in products and policies

Strengthen our funding profile

- Foster long-term investor relationships
- Diversify our investor base
- Diversify our funding profile

USE OF PROCEEDS

Green Category	Definition	Eligibility criteria	UN SDG
Renewable Energy	The financing or refinancing of renewable energy in the EU and UK	▪ Wind energy ▪ Solar Energy	
Green Buildings	The financing or refinancing of energy efficient commercial or residential real estate in the Netherlands	▪ Buildings with the construction year 2021 or later: Energy performance is at least 10% lower than NZEB[1] requirements ▪ Buildings constructed prior to 2021: The better of 1. EPC Label A or higher registered after 1/1/2013 or the construction date after 1/1/2013 (residential real estate only), or 2. Top 15% low-carbon residential or commercial buildings in the Netherlands	

[1] *Nearly Zero-Energy Building requirements in the Netherlands implementing Directive 2010/31/EU of the European Parliament and of the Council.*

GREEN BOND ELIGIBLE ASSETS

EUR 1,241 million
Green bond eligible residential real estate assets[1]

EUR 191 million
Green bond eligible commercial real estate assets[1]

EUR 20 million
Green bond eligible renewable energy infrastructure assets[1]

- The current green bond eligible assets represent part of NIBC's balance sheet for which Taxonomy alignment can be verified by means of readily available internal or external data.
- We are in the process of verifying Taxonomy compliance for other sectors and sub-sectors.
- As such, we have taken a conversative approach in determining our green bond eligible asset base and we intend to expand our framework with other Taxonomy aligned activities.

1 Per 30 June 2021

PROJECT EVALUATION AND SELECTION

- NIBC's Green Bond Working Group (GBWG) is responsible for approving asset selection, guided by the Green Bond Framework. The GBWG monitors that all Green Eligible Assets comply with national and international environmental and social standards, the EU Taxonomy and its technical screening criteria (TSC) and do no significant harm criteria (DNSH), and local laws and regulations.
- The GBWG will manage any future updates to the Framework, including expansions to the list of Eligible Categories, and oversee its implementation. Changes to the Framework will be subject to the approval of NIBC's Asset & Liability Committee (ALCO).
- The GBWG is chaired by NIBC's Sustainability Officer.

NIBC Green Bond Working Group

Corporate client offering

Retail client offering

Treasury

Sustainability department

MANAGEMENT OF PROCEEDS

- The Green Bond proceeds will be managed by NIBC on a portfolio basis.
- As long as Green Bonds are outstanding, it is intended to exclusively allocate an amount equivalent to net proceeds of these instruments to a portfolio of Green Eligible Assets which meet the eligibility criteria and other criteria as described in the Framework.
- If an Eligible Asset is divested or does no longer meet the eligibility criteria as outlined in the Framework, NIBC will remove this asset from the portfolio and will strive to replace it with another Eligible Asset as soon as reasonably practicable.
- Pending the allocation of the net proceeds of issued Green Bonds to the portfolio of Eligible Assets, or in case insufficient Eligible Assets are available, the Issuer commits to manage the unallocated proceeds in line with its Treasury criteria.
- The allocation of the net proceeds of issued green finance instruments to the portfolio of Eligible Assets will be reviewed and approved by NIBC's Green Bond Working Group on at least an annual basis, until full allocation of the net proceeds of issued green finance instruments.
- NIBC intends to reach full allocation, on a best effort basis within 24 months after issuance.
- NIBC may issue Green Bonds in different structures, such as Senior (Non-)Preferred Notes and Covered Bonds

REPORTING

- NIBC commits to report in line with market practice.
- NIBC intends to appoint one or more external verifiers that are asked to provide a pre-issuance verification and a post-issuance verification.

Allocation Reporting

- Total amount of Green Bonds Outstanding
- Total amount of Green Bond proceeds allocated
- An overview of Green Eligible Assets per category
- An overview of geographical distribution of allocated assets
- The balance of unallocated proceeds (if any)
- The share of new financing and refinancing

Impact Reporting

Renewable Energy

- Total capacity and renewable energy generation (estimated) in MWh
- Estimated avoided emissions in kt CO2e

Green Buildings

- Estimated annual reduced/avoided emissions in t CO2e

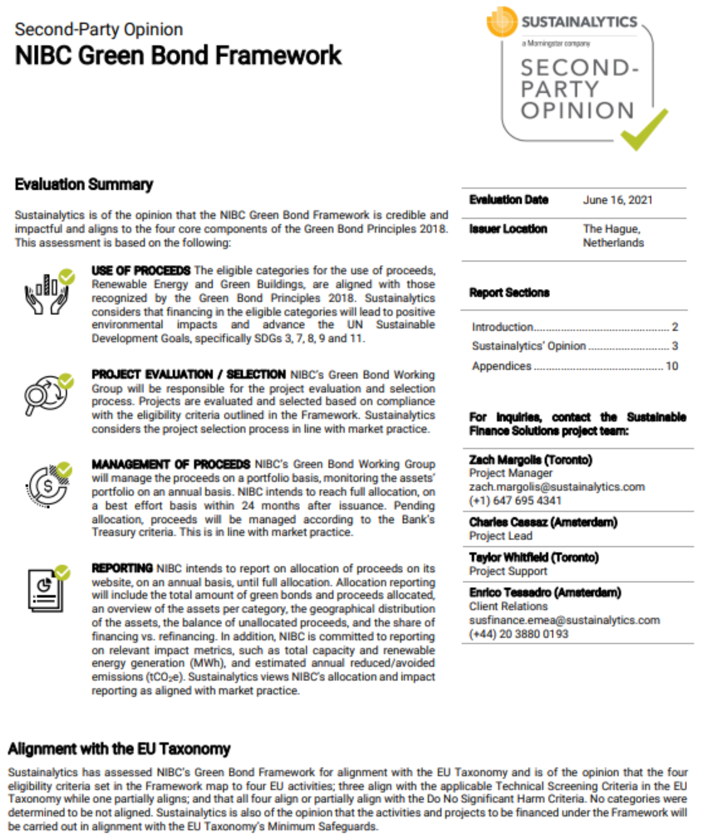
EXTERNAL REVIEW

Sustainalytics is of the opinion that the NIBC Green Bond Framework is

- ✓ Credible
- ✓ Impactful
- ✓ Robust
- ✓ Transparent
- ✓ Aligns to the four core components of the **Green Bond Principles 2018**.

Sustainalytics has assessed NIBC’s Green Bond Framework for alignment with the **EU Taxonomy** and is of the opinion that

- ✓ The four eligibility criteria set in the Framework map to four EU activities.
- ✓ Three align with the applicable Technical Screening Criteria in the EU Taxonomy while one partially aligns.
- ✓ All four align or partially align with the Do No Significant Harm Criteria.
- ✓ No categories were determined to be not aligned.
- ✓ The activities and projects to be financed under the Framework will be carried out in alignment with the EU Taxonomy’s Minimum Safeguards.



Second-Party Opinion

NIBC Green Bond Framework

SUSTAINALYTICS a Morningstar company SECOND-PARTY OPINION

Evaluation Summary

Sustainalytics is of the opinion that the NIBC Green Bond Framework is credible and impactful and aligns to the four core components of the Green Bond Principles 2018. This assessment is based on the following:

USE OF PROCEEDS The eligible categories for the use of proceeds, Renewable Energy and Green Buildings, are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that financing in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 3, 7, 8, 9 and 11.

PROJECT EVALUATION / SELECTION NIBC’s Green Bond Working Group will be responsible for the project evaluation and selection process. Projects are evaluated and selected based on compliance with the eligibility criteria outlined in the Framework. Sustainalytics considers the project selection process in line with market practice.

MANAGEMENT OF PROCEEDS NIBC’s Green Bond Working Group will manage the proceeds on a portfolio basis, monitoring the assets’ portfolio on an annual basis. NIBC intends to reach full allocation, on a best effort basis within 24 months after issuance. Pending allocation, proceeds will be managed according to the Bank’s Treasury criteria. This is in line with market practice.

REPORTING NIBC intends to report on allocation of proceeds on its website, on an annual basis, until full allocation. Allocation reporting will include the total amount of green bonds and proceeds allocated, an overview of the assets per category, the geographical distribution of the assets, the balance of unallocated proceeds, and the share of financing vs. refinancing. In addition, NIBC is committed to reporting on relevant impact metrics, such as total capacity and renewable energy generation (MWh), and estimated annual reduced/avoided emissions (tCO_2e). Sustainalytics views NIBC’s allocation and impact reporting as aligned with market practice.

Evaluation Date	June 16, 2021
Issuer Location	The Hague, Netherlands

Report Sections

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Alignment with the EU Taxonomy

Sustainalytics has assessed NIBC’s Green Bond Framework for alignment with the EU Taxonomy and is of the opinion that the four eligibility criteria set in the Framework map to four EU activities; three align with the applicable Technical Screening Criteria in the EU Taxonomy while one partially aligns; and that all four align or partially align with the Do No Significant Harm Criteria. No categories were determined to be not aligned. Sustainalytics is also of the opinion that the activities and projects to be financed under the Framework will be carried out in alignment with the EU Taxonomy’s Minimum Safeguards.

NIBC CREDIT PROFILE

NIBC PERFORMANCE IN H1 2021

- NIBC had a strong half year, with operating income benefitting from positive results of the equity investment portfolio and an increase in fee income
- Interest income equals EUR 188 million (-9%), following development of both portfolio volumes and spreads. The net interest margin (1.87%) showed resilience, benefitting from lower funding costs
- Cost/income ratio of 46%, including continued investments in both strategic initiatives and projects to address new regulatory requirements and process improvements
- Credit losses have decreased considerably to EUR 14 million in H1 2021 (from EUR 84 million in H1 2020), reflecting the improved economic situation and outlook
- Continued strong capital position with a CET 1 ratio of 20.0% (2020: 19.9%) and an ROE of 10.2% (H1 2020: 0.3%)
- All-in-all, this has led to a net profit attributable to shareholders of EUR 91 million (H1 2020: EUR 3 million)

ADDRESSING THE CHALLENGES FROM COVID-19

First priority remains safeguarding health of our staff and families and ensuring business continuity

OUR PEOPLE

- The COVID-19 pandemic deeply changed our ways of working, maximizing working from home
- During H1 2021, supported by increased vaccination levels and technological innovation, more working from the office in a safe way was made possible
- Intensified communication to all staff implemented during 2020 continued in 2021, with regular Corona news releases and periodic video updates by an ExCo member
- Intensified contact by managers with their teams with increased one on one meetings

OUR BUSINESS

- As was the case in 2020, alertness on business continuity under COVID-19 continues, managed by both the CRO and CFO with bi-weekly update calls
- The focus on liquidity management remains a priority in the COVID-19 environment, maintaining NIBC's liquidity buffers at a high level.
- There are no material funding transactions maturing in the remainder of 2021
- In July 2021 NIBC Bank announced the acquisition of the loan portfolio of EUR 1.5 billion of Finqus B.V. The closing is expected to take place in Q4 of 2021 (subject to approval by the regulators DNB and ACM)

OUR CLIENTS

- NIBC continued to prudently extend credit to businesses of all sizes for working capital and general corporate purposes
- Intensified client interaction and increased monitoring and reporting on the portfolio (also using the tools of our partner OakNorth) have helped to address issues head on
- Cautious origination on the corporate client side; with a focus on specific asset classes and on portfolio management
- NIBC actively continued to support the growth initiatives Beequip, yesqar, OIMIO and Lendex to support new client groups. All these initiatives displayed growth in H1 2021
- Overall, our clients have weathered COVID well as also displayed by the decreased level of credit losses

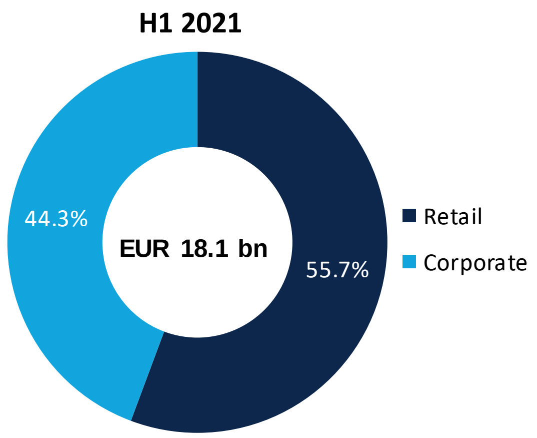
FOCUSED TRANSFORMATION

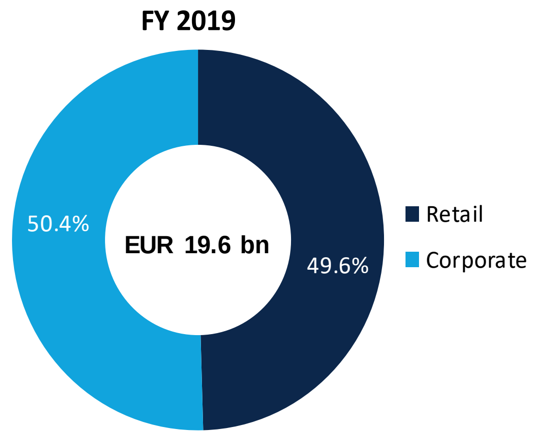
Continued rebalancing of our portfolios towards more resilience

NIBC PORTFOLIO TRANSFORMATION SINCE 2019

in EUR billion	H1 2021	FY 2019	H1 2021 vs. FY 2019
Energy	0.4	0.7	-51%
Shipping	0.8	1.0	-21%
Financial Sponsors & Leveraged Finance	0.7	1.0	-27%
Commercial Real Estate (incl. OIMIO)	1.3	1.6	-17%
Fintech & Structured finance	0.8	1.0	-26%
Mobility (incl. yesqar)	0.6	0.7	-2%
Infrastructure	1.7	1.7	-4%
Mid Market Corporates	0.6	1.1	-44%
Total corporate loans (drawn & undrawn)	**6.9**	**8.9**	**-22%**
Beequip and other lease receivables	0.7	0.5	41%
Investment loans	0.2	0.2	-28%
Equity investments	0.3	0.3	-17%
Total corporate client assets	**8.0**	**9.9**	**-19%**
Owner-occupied mortgage loans	9.2	9.0	2%
Buy-to-Let mortgages	0.9	0.7	25%
Total retail client assets	**10.1**	**9.7**	**4%**
OTM Retail client assets	8.7	4.3	101%
OTM Corporate client assets	1.4	0.8	87%
Originate-to-manage assets	**10.1**	**5.1**	**99%**

COMPOSITION NIBC'S CLIENT OWN BOOK ASSETS





COMMENTS

- The overall decrease in all portfolios are due to two factors:
  - Lower origination during 2020 due to COVID-19
  - The deliberate reduction of certain asset classes continued in H1 2021
- Total client assets - including originate-to-manage - increased by 14% since 2019
- Clients' assets for NIBC's own book displayed continuous rebalancing towards a higher share of retail and other granular asset classes:
  - Growth of the mortgage book by 2%
  - Growth of higher margin businesses such as leasing incl. Beequip (+41%) and Buy-to-Let (+25%)
  - Decreased exposure in the cyclical sectors Shipping, Energy and Leveraged Finance by 31%
- Strong growth of the originate-to-manage offering from EUR 5.1 billion in 2019 to EUR 10.1 billion in H1 2021

RETAIL CLIENT OFFERING

Strong mortgage origination results in market share of 4%, despite price volume competition

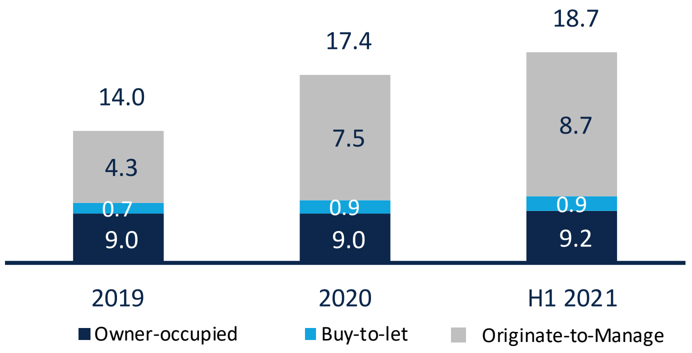
MORTGAGE LOAN ORIGINATION

STRONG ORIGINATION

2.5bn

MORTGAGE LOAN PORTFOLIO

In EUR bn



GROWTH

MARKET SHARE ORIGINATION[1]

4%

LOW RISK PORTFOLIO

- Strong growth OTM portfolio from EUR 7.5 billion to EUR 8.7 billion
- Total OTM mandates over EUR 12 billion
- Growth in the Buy-to-Let portfolio of 25% since 2019
- 64% loan to value on own book residential mortgage portfolio
- Retail savings increased in 2021 by 7% to EUR 10.5 billion

CLIENTS

- Number of clients +6% since 2020
- Total number of clients 141k

- Total number of clients 310k

FACTS AND FIGURES

7.9 NIBC DIRECT CUSTOMER SURVEY SCORE SAVINGS

8.0 NIBC DIRECT CUSTOMER SURVEY SCORE MORTGAGES

[1] Based on market volumes

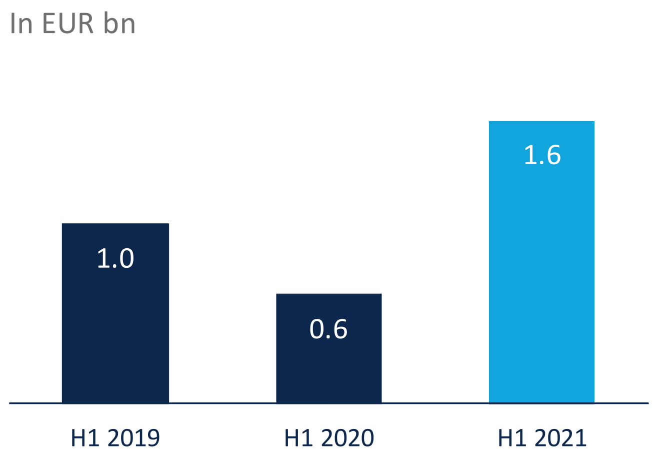
CORPORATE CLIENT OFFERING

Progressing with rebalancing and de-risking strategy, ready to grow again

CORPORATE LOAN ORIGINATION

SELECTIVE ORIGINATION

1.6 bn



REBALANCING THE PORTFOLIO

ACTIVELY MANAGED CORPORATE EXPOSURE

8.0 bn

- Increased origination following the subdued level in 2020 during COVID-19 pandemic
- Continued de-risking in Energy and Leveraged Finance
- Continued focus of margin over volume
- Increased focus in H1 2021 on growing in Infrastructure, Commercial Real Estate and Leasing

ENTREPRENEURIAL SPIRIT OF NEW GROWTH ENGINES IN 2021

BEEQUIP OIMIO yesqar.

- The lease receivables portfolio incl. BEEQUIP displayed growth in H1 2021 of 14%
- OIMIO - the Bank's commercial real estate offering for small Dutch SMEs launched in 2020 - grew its book by 55% to more than EUR 100m in H1 2021
- yesqar - the Bank's asset data driven auto-motive offering launched in Q3 2020 - grew to a portfolio of nearly EUR 30 million in H1 2021

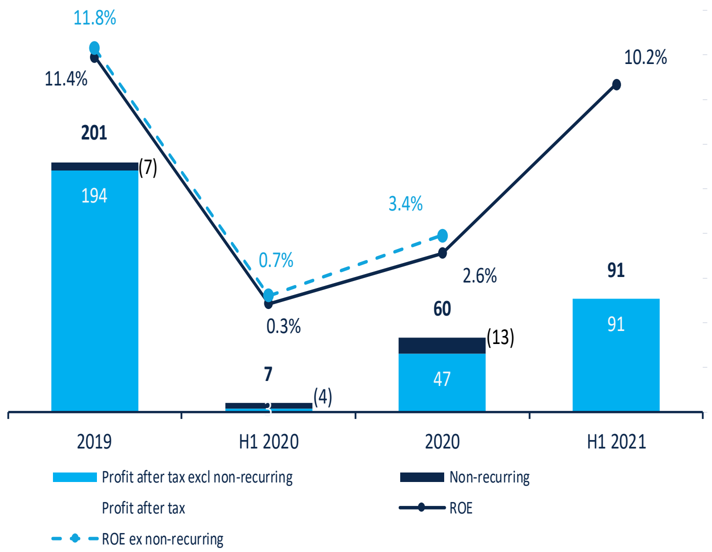
INCOME STATEMENT

Strong performance in H1 2021, re-bouncing from the subdued level in 2020

INCOME STATEMENT

in EUR millions	H1 2021	H1 2020	2020	2019	H1 2021 vs. H1 2020
Net interest income	188	208	403	426	-9%
Net fee and commission income	21	19	43	40	7%
Investment income	43	5	7	60	>100%
Other income	-8	-17	-21	10	-54%
Operating income	**244**	**215**	**431**	**537**	**14%**
Personnel expenses	54	55	108	119	-2%
Other operating expenses	44	49	102	97	-10%
Depreciation and amortisation	3	3	6	6	-12%
Regulatory charges and levies	13	10	16	15	26%
Operating expenses	**113**	**117**	**232**	**237**	**-3%**
Net operating income	**131**	**98**	**199**	**300**	**34%**
Impairments of financial and non financial assets	14	84	141	49	-84%
Tax	21	5	-2	45	>100%
Profit after tax	**97**	**9**	**59**	**206**	**>100%**
Profit attributable to non-controlling shareholders	6	6	12	12	0%
Profit after tax attributable to shareholders of the company	**91**	**3**	**47**	**194**	**>100%**

PROFIT AFTER TAX AND RETURN ON EQUITY



COMMENTS

- The overall performance for H1 2021 is strong
- The profit after tax is back to our pre-COVID-19 levels
- Increased operating income displays the balance of:
  - High investment income from successful exits and positive revaluations in our equity portfolio
  - Increased fee income on the back of further growth in the originate-to-manage portfolios
  - Subdued net interest income from lower origination of corporate loans in 2020 as well as decreasing spreads in the mortgage market
- The decrease in operating expenses reflects active cost management on the bank's base activities, ensuring the ability to continue to invest in new initiatives and improvement projects, strengthening the Bank's processes
- Credit loss expenses are significantly lower than in H1 2020, which were elevated due to the COVID-19 pandemic

PERFORMANCE H1 2021

Strong performance on profitability, cost control and capital in H1 2021

METRICS	MEDIUM-TERM OBJECTIVES	H1 2021
Return on Equity (Holding)	10 - 12%	10.2%
Cost/income (Holding)	< 45%	46%
CET 1 (Holding)	≥ 14%	20.0%
Dividend pay-out (Holding)	≥ 50%	TBD
Rating (Bank)	BBB+	BBB+ **Stable** Outlook

COMMENTS

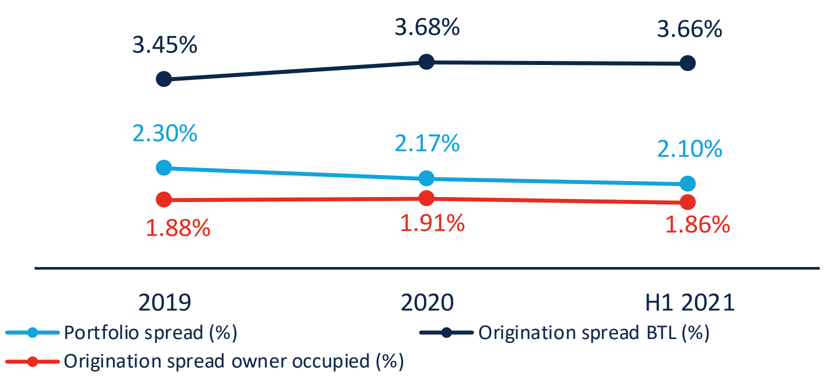
- Profitability improved to 10% ROE from the subdued level in 2020, reflecting a H1 2021 net profit of EUR 91 million
- The fully-loaded cost/income ratio improved in H1 2021 to 46%, from 54% in H1 2020
- The CET 1 ratio of 20.0% increased marginally from the year-end 2020-level and displays a significant buffer above minimum SREP requirements
- Following the decision by the ECB to not extend its recommendation that banks limit dividend payments beyond 30 September 2021, the management and supervisory boards of NIBC deem payment of the final dividend 2019 to its two previous major shareholders J.C. Flowers & Co. and Reggeborgh Invest B.V. feasible and appropriate. As this remaining part of the final dividend 2019 has been recorded as a dividend liability, pay-out will not affect NIBC's capital ratios.

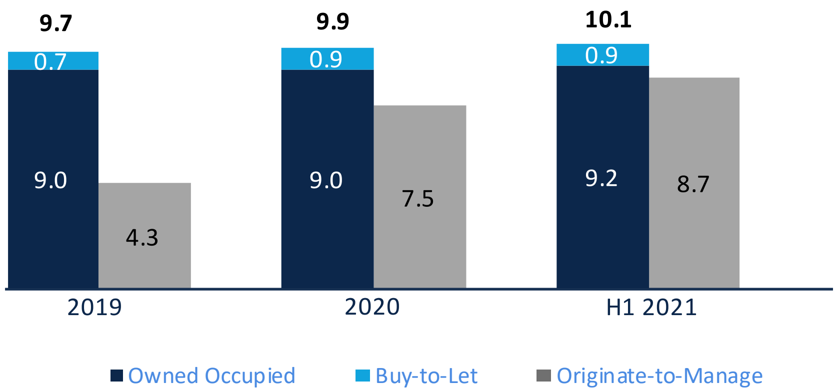
Rating reflects S&P's long-term issuer credit rating on NIBC Bank

PORTFOLIO VOLUMES AND SPREADS

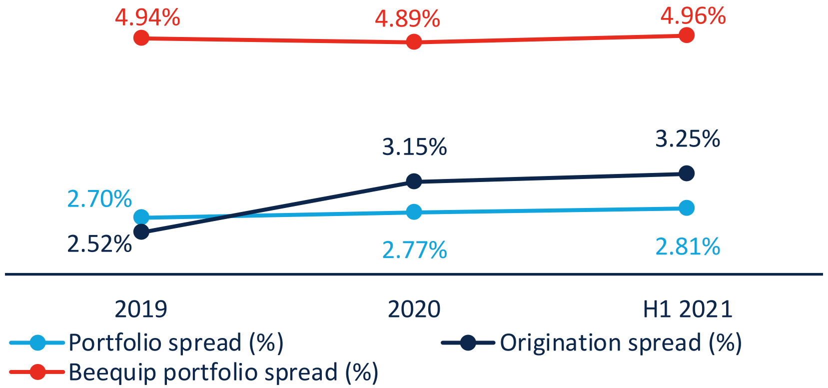
Successful development towards a more granular portfolio, decreasing cyclical exposures

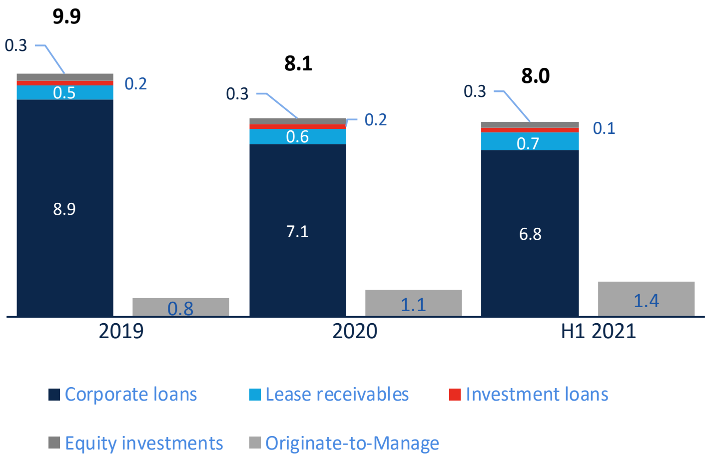
RETAIL ASSET SPREADS & VOLUMES





CORPORATE LOAN SPREADS & VOLUMES





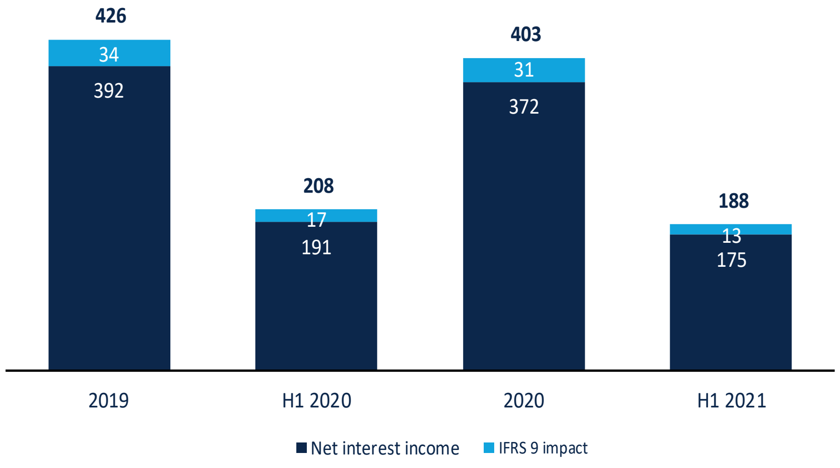
COMMENTS

- Retail client assets:
  - The own book portfolio of mortgage loans increased in H1 2021 by 2% to EUR 9.2 billion, with continued pressure on origination spreads
  - Buy-to-let increased by 3% to EUR 0.9 billion at stable origination spreads
  - OTM assets increased by 15% to EUR 8.7 billion and the mandate further increased from EUR 9.8 billion to EUR 12.2 billion
- Corporate client assets:
  - The rebalancing was accompanied by an increase in the average portfolio spread to 2.8%, mainly driven by a further increase of the average origination spread
  - The sectors targeted for growth all displayed an increase, mainly in commercial real estate incl. OIMIO (+19%), the lease portfolio incl. Beequip (+14%), Core infrastructure (+9%) and Mobility incl. yesqar (+2%)
  - OTM assets increased by 36% to EUR 1.4 billion, mainly driven by the North Westerly VII transaction, issued in H1 2021

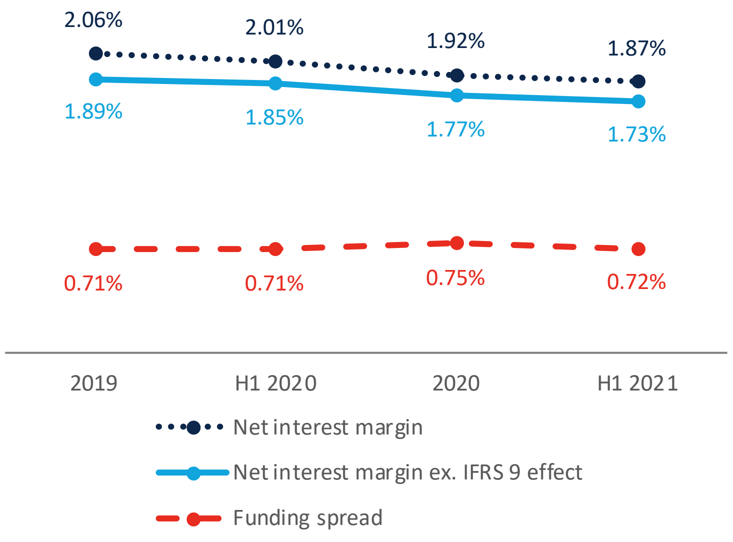
NET INTEREST INCOME

Decreased net interest income in 2021 is impacted by lower corporate origination in the previous year

NET INTEREST INCOME
(EUR million)



NET INTEREST MARGIN & FUNDING SPREAD



COMMENTS

Net interest income decreased by 9% compared to H1 2020 due to:

- downward pressure on the portfolio spread of the mortgage loan portfolio
- the lower volume of the corporate loan book from low origination in 2020

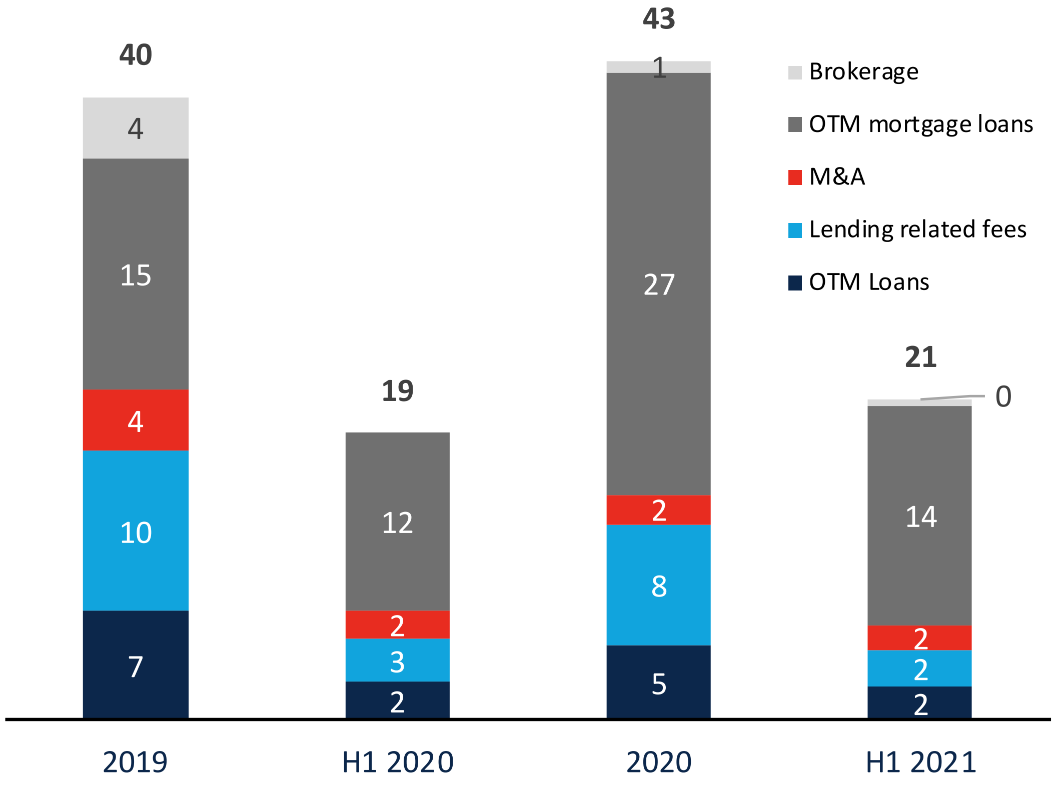
The average funding spread decreased by 3 basis points, mainly driven by:

- The issuance of a EUR 500 million covered bond with a maturity of 10 years in Q2 2021
- The increase of the volume in retail savings by 7% combined with lower interest rates on the on-demand retail savings portfolio

NET FEE AND COMMISSION INCOME

Focus on originate-to-manage continues to pay off

NET FEE AND COMMISSION INCOME
(EUR million)



COMMENTS

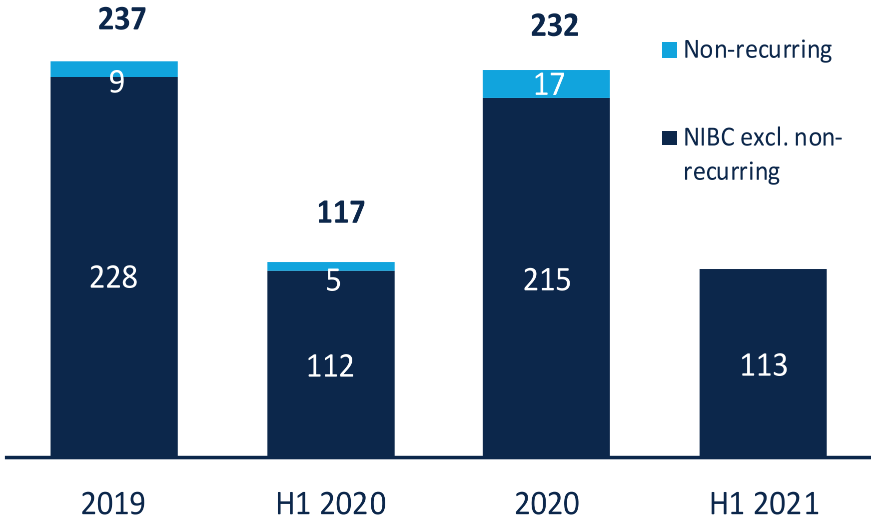
- Total fee income increased in H1 2021 by 7% to EUR 21 million compared to H1 2020, fully driven by the increase in OTM fees from retail client assets, which increased by over 20% from EUR 12 million to EUR 14 million
- This mirrors the growth of the underlying mortgage assets under management
- All other fee categories remained stable in H1 2021 at the H1 2020 levels

OPERATING EXPENSES

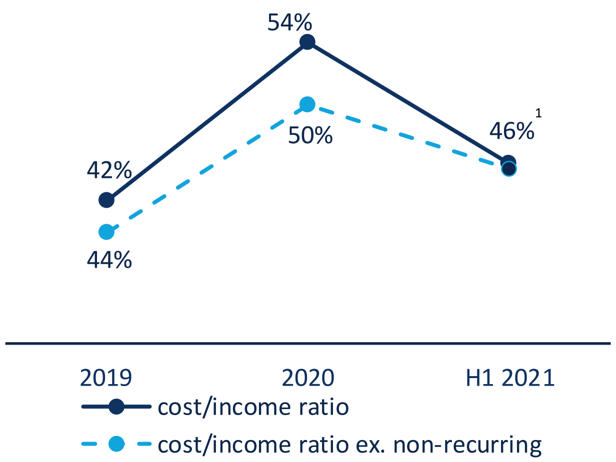
Strong improvement of fully loaded cost/income ratio

DEVELOPMENT OF OPERATING EXPENSES

(in EUR million)



COST/INCOME RATIO



COMMENTS

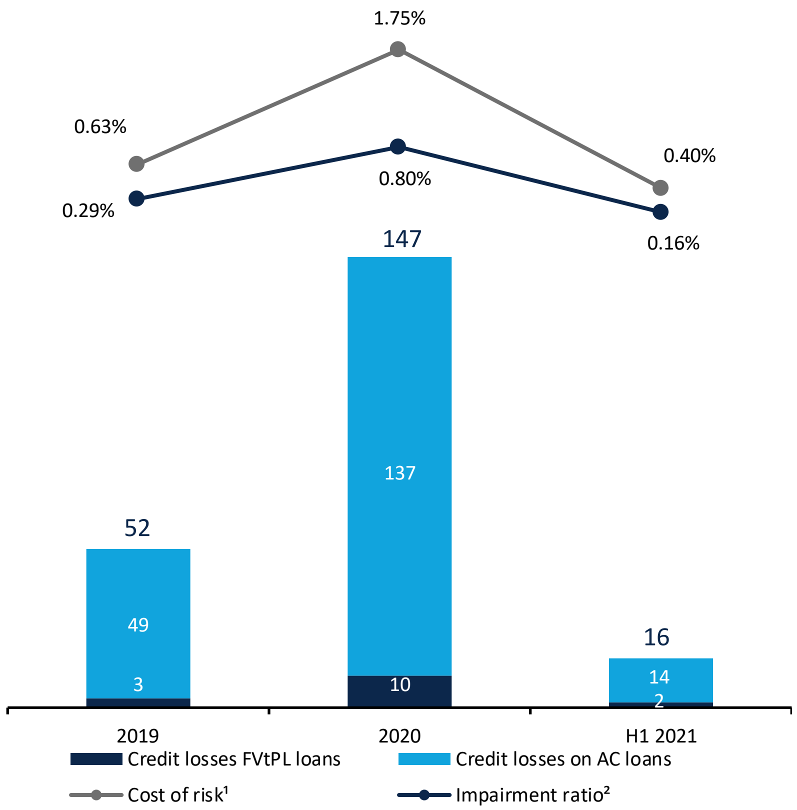
- Operating expenses decreased by 3% to EUR 113 million due to continued active cost management and lack of non-recurring expenses
- NIBC continues its efforts to increase efficiencies in its base operations, allowing for additional investments in both new business opportunities and in further strengthening its operational and technological capabilities
- Overall, headcount is relatively stable, with a minor movement towards the growth initiatives
- In the 2021 cost base there are significantly higher direct regulatory costs (+ EUR 3 million) related to the DGS, partially driven by the relative position of NIBC in Dutch savings volumes
- Higher income and lower expenses led to an improvement of the cost/income ratio from 54% at year-end 2020 to 46% at H1 2021

[1] There are no non-recurring items in H1 2021

CREDIT LOSS EXPENSES

Credit loss expense rebounds back to a lower level than 2020

DEVELOPMENT OF COST OF RISK AND IMPAIRMENT RATIO



KEY FIGURES ASSET QUALITY

	H1 2021	2020	2019
Impairment coverage ratio	35%	36%	33%
Non-performing loan ratio	2.7%	2.0%	2.4%
Exposure corporate arrears > 90 days	3.0%	2.1%	1.2%
Exposure residential mortgage loans arrears > 90 days	0.1%	0.2%	0.1%
LtV Dutch residential mortgage loans	64%	64%	68%
LtV BTL mortgage loans	53%	53%	52%

COMMENTS

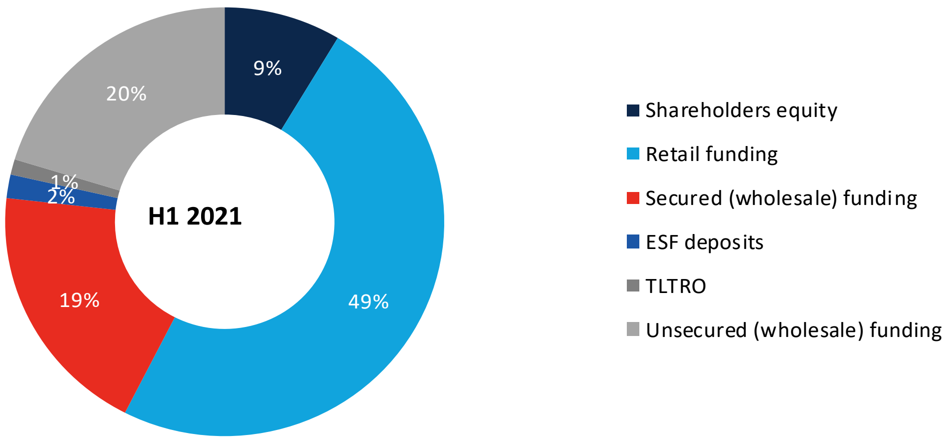
- Credit loss expenses are significantly lower than in H1 2020 as a result of an improved economic situation, in combination with continued active portfolio management and de-risking
- Credit loss expenses of the corporate client offering of EUR 16 million include:
  - EUR 20 million additions on stage 3 and POCI assets, mainly related to specific impairments in the Energy and Fintech & Structured Finance portfolios
  - a release of EUR 5 million on the stage 1 and stage 2 corporate exposures, including lease receivables
- Credit loss expenses of the Retail Client Offering displayed a small release, mainly driven by increasing house prices, improving the loan-to-value of the existing portfolio
- In line with the end of 2020, NIBC continued to apply a management overlay of EUR 15 million reflecting the still uncertain external environment. The amount is unchanged and therefore has no impact on credit loss expenses in H1 2021

1. Cost of risk = annualised credit loss expense and other credit losses divided by average RWAs
2: Impairment ratio = annualised credit loss expense divided by average assets loans & mortgages

FUNDING PROFILE DOMINATED BY LONGER MATURITIES

No material redemptions in the remainder of 2021

FUNDING COMPOSITION



MATURING FUNDING AS OF 30/06/2021

in EUR billion	H2 2021	2022	2023	2024	2025	2026
Covered bonds	-	0.5	-	-	-	0.5
Other secured funding	-	0.1	0.5	-	-	-
Senior unsecured	0.1	0.6	0.9	0.5	0.7	-
Subordinated	-	-	-	-	0.1	-
Total:	**0.2**	**1.1**	**1.4**	**0.6**	**0.7**	**0.6**

COMMENTS

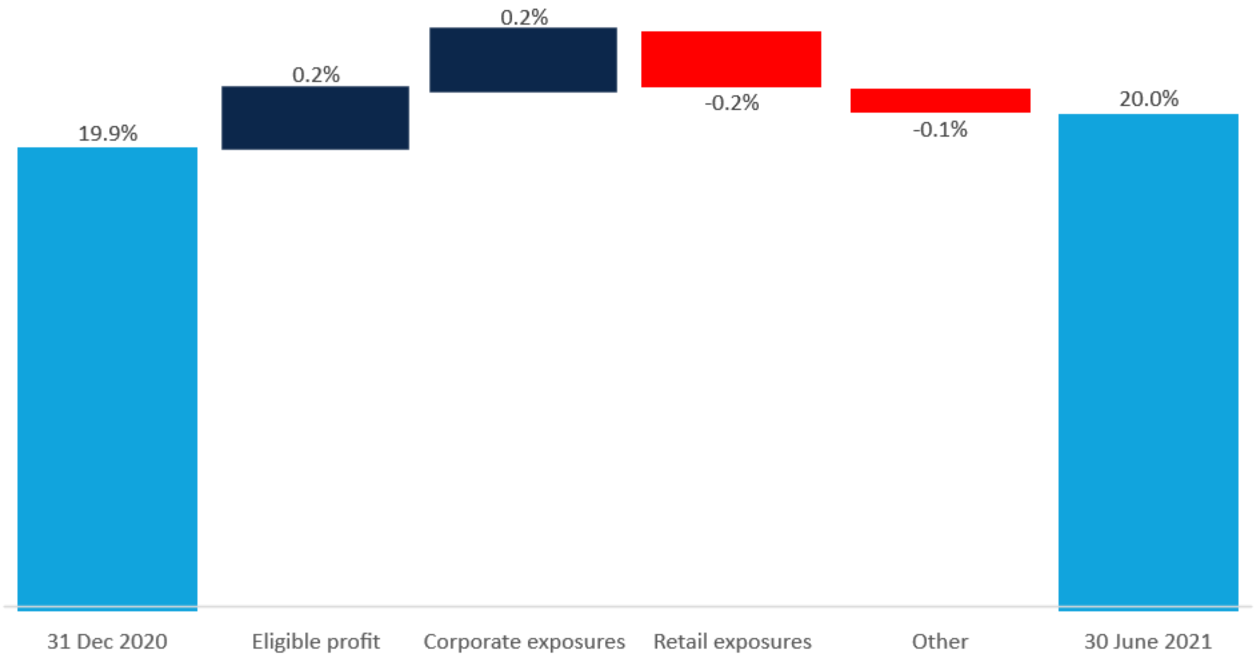
- NIBC's funding profile continues to benefit from a diversified funding composition
- Retail savings increased by 7% in H1 2021 to EUR 10.5 billion
- NIBC has a range of wholesale funding instruments available to access various segments of the funding market
- In Q2 2021 we issued a EUR 500 million covered bond with a maturity of 10 years. The transaction was met with strong demand from across Europe, evidenced by a final orderbook of EUR 1.35 billion
- NIBC's liquidity position is strong:
  - NIBC increased its liquidity buffers further in H1 2021, also in preparation of the closing (anticipated in Q4 2021) of the acquisition of the EUR 1.5 billion Finqus mortgage loan portfolio
  - Comfortable and high liquidity ratios improved in H1 2021 to 258% (LCR) and 131% (NSFR)

Financials for NIBC Holding as per 30 June 2021

CAPITAL POSITION

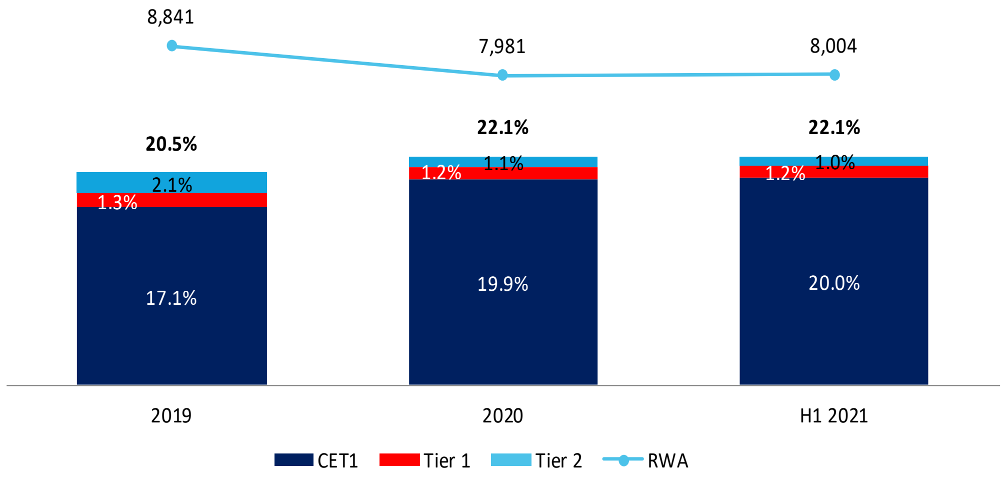
Strong solvency ratios

CET 1 DEVELOPMENT IN H1 2021



COMMENTS

- NIBC has a strong capital position reflected in a CET 1 ratio of 20.0% at H1 2021, displaying a marginal increase compared to the 2020 level of 19.9%
- As per H1 2021 CRR II is implemented:
  - In H1 2021 this resulted in an increase in our RWA position from the implementation of SA-CCR for corporate derivatives
  - The implementation of the prudential backstop did not have any effect in H1 2021.
- The RWA-level compared to 2020 is mainly impacted by the reduced corporate exposures, increasing the CET1 ratio with 0.2%-points.



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Frameworks, policies and reports with respect to sustainability (including Sustainalytics SPO):

https://www.nibc.com/about-nibc/sustainability/

https://www.nibc.com/about-nibc/sustainability/sustainability-governance/

Debt Investor Relations:

https://www.nibc.com/about-nibc/investor-relations/debt-investors/

NIBC

Notes to the presentation

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