

Rating Object	Rating Information
<p>BNG Bank N.V. (Group)</p> <p>Creditreform ID: 46721</p>	<p>Long Term Issuer Rating / Outlook: AAA / stable</p> <p>Short Term: L1</p> <p>Type: Update / Unsolicited</p>
<p>Rating Date: 08 December 2023</p> <p>Monitoring until: withdrawal of the rating</p> <p>Rating Methodology: CRA "Bank Ratings v.3.2"</p> <p>CRA "Rating of Bank Capital and Unsecured Debt Instruments v.2.1"</p> <p>CRA "Government-Related Banks v.2.1"</p> <p>CRA "Environmental, Social and Governance Score for Banks v.1.0"</p> <p>CRA "Rating Criteria and Definitions v.1.3"</p> <p>Rating History: www.creditreform-rating.de</p>	<p>Rating of Bank Capital and Unsecured Debt Instruments:</p> <p>Preferred Senior Unsecured (PSU): AAA</p> <p>Non-Preferred Senior Unsecured (NPS): -</p> <p>Tier 2 (T2): -</p> <p>Additional Tier 1 (AT1): -</p>

Rating Action

Creditreform Rating affirms BNG Bank N.V.'s (Group) Long-Term Issuer Rating at AAA (Outlook: stable)

Creditreform Rating (CRA) affirms BNG Bank N.V.'s (Group) Long-Term Issuer Rating at AAA. The rating outlook is stable.

CRA affirms BNG Bank N.V.'s Preferred Senior Unsecured Debt at AAA

Please find a complete list of rating actions regarding the bank and its affected subsidiaries at the end of this rating update.

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Key Rating Drivers

- High probability of support in case of need by the highly rated Dutch government
- Good asset quality metrics and excellent regulatory capital figures by industry standards
- Elevated credit concentration mitigated by government guarantees covering a substantial part of the loan book
- Strong reliance on market funding but diverse investor base and a well staggered maturity profile

Executive Summary

Quantitative:	Good	
Earnings	Satisfactory	
Assets	Good	
Capital	Very Good	
Liquidity	Very Good	
Qualitative:	Good	

The rating of BNG Bank N.V. (BNG) is prepared on the basis of group (BNG Bank N.V.) consolidated accounts.

BNG's credit rating affirmation is primarily driven by its close links with and the high probability of support by the government of the Netherlands (CRA Rating: AAA/stable as of 19.05.2023) and its public authorities in the event of financial distress. On a stand-alone basis, BNG Bank N.V. continues to exhibit good asset quality metrics, as well as and very strong regulatory capital figures, further underpinning the lenders ratings.

The decisive factor for the rating is the support of the Kingdom of the Netherlands. Creditreform Rating therefore adjusts the Long-Term Issuer Rating to the rating of the Kingdom of the Netherlands (AAA (stable) as of 19 May 2023).

Company Overview

BNG Bank N.V. (hereinafter: BNG or the bank) is the fourth largest bank in the Netherlands in terms of total assets. The headquarters of BNG are located in The Hague and the bank operates without any branches. As of 2022 the number of employees stood at 397 (2021: 360). The bank's shareholders are exclusively public authorities of the Netherlands, whereby half of the bank's share capital is held by the Dutch State and the other half by municipal authorities, provincial authorities and a district water board. Furthermore, BNG's articles of association allow only public shareholders.

BNG operates in the Netherlands as a national promotional Bank. Its objective is to support government policies by providing financing/loans to public sector institutions and local authorities in the Netherlands in order to minimize financing costs. The bank acts primarily in the area of housing, healthcare, education, energy and infrastructure. Moreover, BNG participates to a small extent in public-private partnerships in the Netherlands. The bank provides principally customized financial services ranging from loans, advances and funds transfers to consultancy, as well as electronic banking and investments.

BNG has two subsidiaries, both fully owned by BNG. BNG Gebiedsontwikkeling BV provides capital to public authorities and participates directly or indirectly in projects, either with or on behalf of public authorities or institutions affiliated with public authorities. However, this subsidiary does not initiate new projects since 2018. By contrast, the objective of Hypotheekfonds voor Overheidspersoneel BV (HVO) is the financing of mortgage loans taken out by civil servants employed by an affiliated public or semi-public institution with which a cooperation agreement is in place. However, HVO stopped issuing new mortgages after 2013.

Creditreform Rating examines the extent to which a bank is government related. As a result, Creditreform Rating comes to the conclusion that in the case of BNG's Long-Term Issuer Rating, there is a strong connection between BNG and the Dutch state. This enables additional notching, which finally leads to an equavalization of NWB's ratings with that of the Kingdom of the Netherlands.

While the Dutch government does not explicitly guarantee BNG's financial obligations, we assume a high probability of support in case of need due to the bank's policy mandate and its key role in funding the broader public sector including, social housing associations, municipalities and healthcare institutions. With Nederlandse Waterschapsbank N.V. there is only one alternative bank that extends low cost funds to the public sector and the vast majority of BNG loans are covered by government guarantees, providing a further incentive to support the bank in our view. Our support assumption is further underpinned by the ownership structure of the bank. Half of the bank's share capital is held by the state of the Netherlands and the other half by more than 95% of all the municipal authorities, 11 of the 12 provincial authorities and a water board.

Business Development

Profitability

Operating income increased for the second year in a row to EUR 626mn (+18.3% yoy) in 2022. Net trading & securities income rose by 13% to EUR 113mn. This increase was primarily due to a significant improvement in the area of gains measured at fair value, which more than doubled year-on-year to EUR 67mn. Hedge accounting, on the other hand, lost ground and fell by 46.4% to EUR 30mn.

As in previous years, net interest income was the main profit driver for BNG in 2022. It accounts for around three quarters of operating income and recorded an increase of 18.2% in 2022. Apart from the more constructive interest rate environment due to several increases of key interest rates, growth of the net interest result benefitted the fact that BNG received the bonus rate of the Targeted Longer-Term Refinancing Operation (TLTRO) in 2022 again. In 2021, the bank had not qualified for the conditional bonus rate worth EUR 57mn due to a procedural error.

Turning to operating expenses, 2022 saw a moderate increase (+3.7% yoy) over the previous year. Personnel expense was up 31.6% yoy to EUR 75mn, following the bank's hiring of temporary external staff. Other expenses came in lower than in 2021. In particular, the bank levy which fell to EUR 32mn in 2022 (2021: EUR 53mn). Other administrative expenses, which started stabilizing in 2021 after the Covid pandemic, decreased to EUR 38mn.

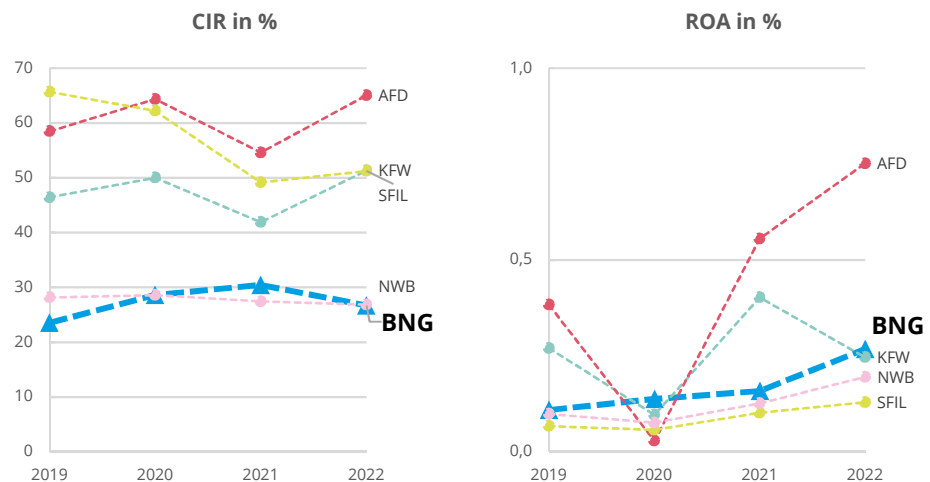
Credit risk provisions amounted to EUR 52mn, significantly above 2021 levels (EUR 18mn). According to bank disclosures, most of the increase was driven by a less favorable economic outlook, that led to stage transfers from stage 1 to stage 2. That being said, the bank did not suffer any actual write-offs in its loan book.

As in previous years, the cost/income ratio (CIR) remained at an excellent level and even fell further. Thanks to cost containment and robust growth in operating income, the CIR fell to 26.7% (2021: 30.4%). As of 2022, the bank's net financial margin and its return on equity (ROE) posted at 0.53% and 6.5%, respectively. The return on assets (ROA) amounted to 0.27%. Thus, all key profitability metrics we consider in our rating assessment showed year on year improvements. That being said, BNG's performance in terms of profitability is average compared with peers while cost efficiency is superb (see Chart 1).

In general, the bank displays a relatively wide gap between core (RoE; RoA) and risk weighted profitability metrics, such as RoRWA. Risk weighted profitability metrics benefit from the bank's low RWA-density inherent in its business model as a public sector lender. Dutch municipalities, housing associations and healthcare entities carry a risk weight of 0%, thereby supporting the institution's risk-weighted returns.

In the 2023 interim report, the Bank reported a sharply lower net profit compared to the first half of 2022. On the whole, net income fell from EUR 206mn to 141mn in H1-23. While net interest income continued to grow vividly, and fee income also exhibited moderate growth, the result on financial transactions turned negative to EUR -28mn (H1-22: EUR +92mn), reflecting increasing credit and liquidity spreads following the regional banking turmoil in the US in spring 2023.

Chart 1: CIR & ROA of BNG Bank N.V. in comparison to the peer group | Source: eValueRate / CRA



Asset Situation and Asset Quality

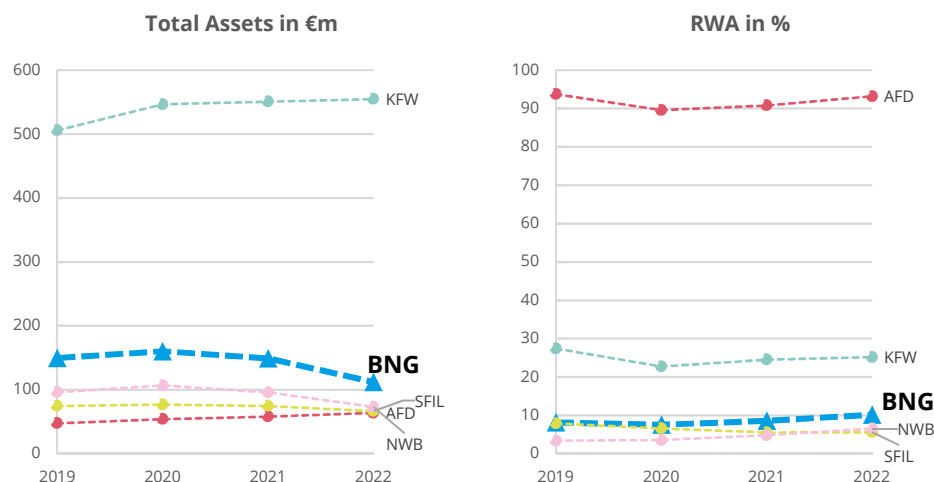
BNG's balance sheet is mainly characterized by lending operations, with net loans to customers representing more than 80% of the total asset base. The majority of loans are long-term loans, which are splitted across four main customer groups. In general, the bank displays a fairly concentrated borrower base. Dutch Housing associations account for more than half of the long-term loan portfolio, followed by municipalities. The remaining portion is attributable to healthcare institutions and other borrowers, including among others the education sector and public utilities. In light of government backstopped guarantees, that cover BNG's housing (Waarborgfonds Sociale Woningbouw) and healthcare (Waarborgfonds voor de Zorgsector) related loan exposures, we generally consider BNG's lending activities to be of low risk.

Despite the fact that net loans remained broadly stable and only shrank about 0.4% compared to 2021, BNG's total assets markedly contracted in 2022 (-28.8% yoy). Last years increase in long-term interest rates triggered, as already in 2021, a sharp value adjustment of loans in portfolio hedge accounting from EUR 13.6bn to EUR -8.7bn, which explains the steep decline in derivative assets. Other financial assets including the banks cash collateral posted with third parties under netting agreements, also dropped precipitously.

Given the fact that over 90% of BNG's loans are issued to or guaranteed by the Dutch public authorities, credit risk is generally very low, resulting in impressive asset quality ratios. Despite a yoy-increase of the NPL-ratio from 0.9 to 1.5%, the overall level of non-performing loans remains low, both compared to the bank's total exposure, but also to other banks. The share of potential problem loans (Stage 2) within BNG's loan portfolio rose from 0.7% to 3.5% in 2022, also a fairly low ratio.

In a peer comparison, BNG is among the larger promotional and development banks in terms of total assets, although significantly smaller than German based KfW. Its RWA ratio is broadly aligned with French SFIL and its domestic peer NWB, but significantly lower than KfW's and AFD's.

Chart 2: Total assets & RWA ratio of BNG Bank N.V. in comparison to the peer group | Source: eValueRate / CRA



Asset quality should hold up relatively well in the near term. Our assessment is underpinned by BNG's asset quality metrics at the end of June 2023. The NPL ratio decreased to 1.2%, while NPL coverage coverage exceeded 90%. More generally, we believe that credit quality at BNG should prove more resilient than with Dutch commercial banks, given the specific characteristics of its customer base and extensive government backstops.

Refinancing, Capital Quality and Liquidity

Like most promotional banks, BNG heavily relies on wholesale markets to fund its operations. Most of the banks outstanding debt securities (about 90%) are bond loans, with the remainder being made-up of commercial papers and privately placed debt securities. Nevertheless, the outstanding amount of debt securities fell from EUR 101.3bn to EUR 90.7bn in 2022, mirroring a slowdown in issuance activity. Also, Bbank deposits were sharply reduced last year. This was due to the fact that BNG paid back EUR 15bn of TLTRO funds as the financial conditions of the program had worsened.

In view of CRA, risks associated with BNG's reliance on wholesale funding are mitigated by its strong links with the Dutch government (AAA). Given its strategic importance as a promotional bank and largely government backed business activities, BNG enjoys a very good capital market access. Favourable investor sentiment towards the bank is among others reflected by a well-diversified investor base, its staggered maturity profile and its proven ability to issue foreign currency denominated debt (USD, GBP, AUD, CAD, NOK, SEK) on a regular base. Against this backdrop, we believe that refinancing risks are negligible as long as the Dutch state maintains its creditworthiness.

CRA considers solvency to be a key rating strength of BNG. In terms of the banks capital resources, 2022 witnessed a rising CET1 ratio. BNG's continues to exhibit excellent solvency ratios (CET1: 34.8%; Total Capital: 37.5%), which remain far higher than seen with most European banks. Also in light of upcoming regulatory changes, we expect BNG to retain sizeable capital buffers above its regulatory requirements. As BNG does not use the IRB approach to calculate its credit risk and operational RWA's. Thus, the scheduled implementation of an output floor under Basel III is not expected have any material impact on the banks capital metrics.

BNG continues to exhibit strong liquidity metrics. The LCR improved from 173.6% to 183% in 2022, owing to the build-up of its liquidity portfolio that mainly comprises highly rated government debt securities. During the first half of the year, the LCR slightly reduced to 171.4%, mirroring a EUR 2bn reimbursement of TLTRO funds. Generally, we believe, that the LCR understates BNG's ability to access additional liquidity in case of need. In particular, BNG could use its large, solvency free promotional loan book as collateral to gather additional central bank liquidity.

Due to BNG's bank capital and debt structure, as well as its status as a O-SII, the Group's Preferred Senior Unsecured Debt instruments are not notched down in comparison to the Long-Term Issuer Rating.

Environmental, Social and Governance (ESG) Score Card

BNG N.V. has one significant and two moderate ESG rating drivers

- Corporate Governance is identified as a highly significant rating driver. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated positive due to BNG's strong and sustainable earning figures.

- Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated neutral due to relatively low amount of green bonds, Coporate Behaviour is rated positive.

**ESG
Bank Score**

3,6 / 5

Score Guidance

> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
<= 1,75	Poor

Factor	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	3	()
	1.2 Exposure to Environmental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated negative in terms of the CRA ESG criteria.	2	(-)
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Social	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	2	(+)
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Governance	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated positive in terms of the CRA ESG criteria.	4	(+)
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
()	Neutral
(-)	Negative
(- -)	Strong negativ

The ESG Score is based on the Methodology "Environmental, Social and Governance Score of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage <https://creditreform-rating.de/en/about-us/regulatory-requirements.html>. In addition, we refer to CRA's position paper "Consodering the Impact of ESG Factors".

Outlook

The outlook of the Long-Term Issuer Rating of BNG is stable. In the medium term, CRA expects BNG to retain its key credit strengths, in particular strong asset quality and excellent capitalisation, as well as sound liquidity buffers. However, profitability should remain modest, commensurate with BNG's business model as a promotional bank. Most importantly, we do not expect the bank's close ties with the Dutch government to weaken that underpin our government support assessment.

Scenario Analysis

In a scenario analysis, the bank is able to reach a Long-Term Issuer Rating of AAA in the "Best-Case-Scenario" and a Long-Term Issuer Rating of AA+ in the "Worst-Case-Scenario". The ratings of Bank Capital and Senior Unsecured Debt would respond similarly based on our rating methodology. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

An upgrade of BNG's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt is not possible, as BNG already achieved the highest possible rating.

By contrast, a downgrade of BNG's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt is highly likely if we see a downgrade of the Dutch sovereign rating or a lower probability of support by the Dutch government. Moreover, a lasting and significant decline of NWB's profitability, weakening asset quality and / or a reduction of the banks' capital ratios could also result in a downgrade.

Best-case scenario: AAA

Worst-case scenario: AA+

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

Appendix

Bank ratings BNG Bank N.V.

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

Long-Term Issuer / Outlook / Short-Term **AAA / L1 / stable**

Bank Capital and Debt Instruments Ratings BNG Bank N.V.

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred Senior Unsecured (PSU): **AAA**
 Non-Preferred Senior Unsecured (NPS): -
 Tier 2 (T2): -
 Additional Tier 1 (AT1): -

Rating History

Please consult our website www.creditreform-rating.de for additional information regarding the dates of publication.

Figure 1: Rating History

Bank Issuer Rating	Rating Date	Result
Initialrating	06.04.2018	AAA / stable / L1
Monitoring	04.07.2018	AAA / stable / L1
Rating Update	17.09.2019	AAA / stable / L1
Monitoring	29.05.2020	AAA / watch unknown/ L1
Rating Update	06.11.2020	AAA / stable / L1
Rating Update	27.08.2021	AAA / stable / L1
Rating Update	15.12.2022	AAA / stable / L1
Rating Update	08.12.2023	AAA / stable / L1
Bank Capital and Debt Instruments	Rating Date	Result
Senior Unsecured / T2 / AT1 (Initial)	06.04.2018	AAA / A+ / A
Senior Unsecured / T2 / AT1	04.07.2018	AAA / n.r. /n.r.
PSU	17.09.2019	AAA
PSU	29.05.2020	AAA (watch unknown)
PSU	06.11.2020	AAA
PSU	27.08.2021	AAA
PSU	15.12.2022	AAA
PSU	08.12.2023	AAA

Tables BNG Bank N.V.

Figure 2: Income statement¹ | Source: eValueRate / CRA

Income Statement (EUR m)	2022	%	2021	2020	2019
Income					
Net Interest Income	481	+18,2	407	477	435
Net Fee & Commission Income	19	+11,8	17	25	30
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	113	+13,0	100	-17	37
Equity Accounted Results	12	> +100	4	3	3
Dividends from Equity Instruments	-	-	-	-	-
Other Income	1	+0,0	1	1	1
Operating Income	626	+18,3	529	489	506
Expense					
Depreciation and Amortisation	2	-33,3	3	3	3
Personnel Expense	75	+31,6	57	49	41
Tech & Communications Expense	-	-	-	-	-
Marketing and Promotion Expense	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other Expense	90	-10,9	101	88	75
Operating Expense	167	+3,7	161	140	119
Operating Profit & Impairment					
Operating Profit	459	+24,7	368	349	387
Cost of Risk / Impairment	52	> +100	18	17	160
Net Income					
Non-Recurring Income	-	-	-	-	-
Non-Recurring Expense	-	-	-	-	-
Pre-tax Profit	407	+16,3	350	332	227
Income Tax Expense	107	-6,1	114	111	64
Discontinued Operations	-	-	-	-	-
Net Profit	300	+27,1	236	221	163
Attributable to minority interest (non-controlling interest)	-	-	-	-	-
Attributable to owners of the parent	279	+32,2	211	202	142

Figure 3: Key earnings figures | Source: eValueRate / CRA and Pillar III

Income Ratios (%)	2022	%	2021	2020	2019
Cost Income Ratio (CIR)	26,68	-3,76	30,43	28,63	23,52
Cost Income Ratio ex. Trading (CIRex)	32,55	-4,98	37,53	27,67	25,37
Return on Assets (ROA)	0,27	+0,11	0,16	0,14	0,11
Return on Equity (ROE)	6,50	+1,84	4,66	4,34	3,34
Return on Assets before Taxes (ROAbT)	0,36	+0,13	0,23	0,21	0,15
Return on Equity before Taxes (ROEbT)	8,82	+1,90	6,91	6,51	4,64
Return on Risk-Weighted Assets (RORWA)	2,63	+0,78	1,85	1,82	1,33
Return on Risk-Weighted Assets before Taxes (RORWAbT)	3,57	+0,83	2,74	2,74	1,85
Net Financial Margin (NFM)	0,53	+0,19	0,34	0,29	0,32
Pre-Impairment Operating Profit / Assets	0,41	+0,16	0,25	0,22	0,26

Change in %-Points

¹ Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets | Source: eValueRate / CRA

Assets (EUR m)	2022	%	2021	2020	2019
Cash and Balances with Central Banks	6.821	-26,4	9.264	2.312	1.272
Net Loans to Banks	346	> +100	163	120	66
Net Loans to Customers	89.895	-0,4	90.271	89.569	88.970
Total Securities	14.999	-8,1	16.316	18.443	18.059
Total Derivative Assets	-4.942	< -100	19.240	29.356	26.466
Other Financial Assets	4.809	-65,0	13.731	20.361	14.643
Financial Assets	111.928	-24,9	148.985	160.161	149.476
Equity Accounted Investments	24	-14,3	28	31	35
Other Investments	-	-	-	-	-
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	0	-100,0	8	-	-
Tangible and Intangible Assets	13	-13,3	15	17	18
Tax Assets	-	-	-	1	30
Total Other Assets	109	> +100	21	149	130
Total Assets	112.074	-24,8	149.057	160.359	149.689

Figure 5: Development of asset quality | Source: eValueRate / CRA and Pillar III

Asset Ratios (%)	2022	%	2021	2020	2019
Net Loans to Customers / Assets	80,21	+19,65	60,56	55,86	59,44
Risk-weighted Assets ¹ / Assets	10,17	+1,61	8,56	7,56	0,00
NPL ² / Loans to Customers ³	1,46	+0,54	0,92	0,70	0,53
NPL ² / Risk-weighted Assets ¹	7,45	+3,14	4,30	3,26	2,36
Potential Problem Loans ⁴ / Loans to Customers ³	3,54	+2,85	0,69	2,80	2,55
Reserves ⁵ / NPL ²	85,39	-4,04	89,44	53,67	113,79
Cost of Risk / Loans to Customers ³	0,09	+0,06	0,03	0,03	0,29
Cost of Risk / Risk-weighted Assets ¹	0,46	+0,31	0,14	0,14	1,30
Cost of Risk / Total Assets	0,05	+0,03	0,01	0,01	0,11

Change in %-Points

1 RWA: Pillar 3, EU CR1

2 NPL: Gross; Non-Performing Loans of the categories Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

3 Loans to Customers: Gross; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

4 Potential Problem Loans: Stage 2; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

5 Reserves: Impairment & Provisions and Collateral & Guarantees; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

Figure 6: Development of refinancing and capital adequacy | Source: eValueRate / CRA

Liabilities (EUR m)	2022	%	2021	2020	2019
Total Deposits from Banks	4.012	-79,5	19.525	12.220	1.933
Total Deposits from Customers	4.785	+5,7	4.525	5.599	5.575
Total Debt	90.997	-10,5	101.701	109.306	113.368
Derivative Liabilities	6.129	-63,8	16.935	26.965	22.651
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	1.173	+19,2	984	858	1.137
Total Financial Liabilities	107.096	-25,5	143.670	154.948	144.664
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	-
Tax Liabilities	25	-77,1	109	98	78
Provisions	23	> +100	2	2	2
Total Other Liabilities	315	+47,2	214	214	58
Total Liabilities	107.459	-25,4	143.995	155.262	144.802
Total Equity	4.615	-8,8	5.062	5.097	4.887
Total Liabilities and Equity	112.074	-24,8	149.057	160.359	149.689

Figure 7: Development of capital and liquidity ratios | Source: eValueRate / CRA and Pillar III

Capital Ratios and Liquidity (%)	2022	%	2021	2020	2019
Total Equity / Total Assets	4,12	+0,72	3,40	3,18	3,26
Leverage Ratio ¹	13,00	+2,37	10,63	3,50	3,60
Common Equity Tier 1 Ratio (CET1) ²	34,77	+2,80	31,97	33,40	32,26
Tier 1 Ratio (CET1 + AT1) ²	37,48	-0,24	37,72	39,44	38,24
Total Capital Ratio (CET1 + AT1 + T2) ²	37,48	-0,24	37,72	39,44	38,24
CET1 Minimum Capital Requirements ¹	9,13	-0,14	9,27	9,27	9,35
Net Stable Funding Ratio (NSFR) ¹	125,15	-0,54	125,68	121,46	n/a
Liquidity Coverage Ratio (LCR) ¹	182,99	+9,37	173,62	133,35	147,00

Change in %-Points

1 Pillar 3 EU KM1

2 Regulatory Capital Ratios: Pillar 3 EU KM1

Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following table clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website www.creditreform-rating.de. The rating was carried out on the basis of the following methodologies and [Rating Criteria and Definitions \(v1.3\)](#):

- [Bank ratings \(v3.2\)](#)
- [Rating of bank capital and unsecured debt instruments \(v2.1\)](#)
- [Government-Related Banks \(v2.1\)](#)
- [Environmental, Social and Governance Score for Banks \(v1.0\)](#)

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions are published on our homepage:

<https://www.creditreform-rating.de/en/about-us/regulatory-requirements.html>

On 08 December 2023, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to BNG Bank N.V., and the preliminary rating report was made available to the bank. There was no change in the rating.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

In 2011 Creditreform Rating AG was registered within the European Union according to EU Regulation 1060/2009 (CRA-Regulation). Based on the registration Creditreform Rating AG (CRA) is allowed to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation.

Rating Endorsement Status: The rating of BNG Bank N.V. (Group) was not endorsed by Creditreform Rating AG from a third country as defined in Article 4 (3) of the CRA-Regulation.

Conflict of Interests

No conflicts of interest were identified during the rating process that might influence the analyses and judgements of the rating analysts involved or any other natural person whose services

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- No ancillary services in the regulatory sense were carried out for this rating object.

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The approval of credit ratings and rating outlooks follows our internal policies and procedures. In line with our policy "Rating Committee," all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, CRA has used following substantially material sources:

1. Aggregated data base by eValueRate
2. Annual Report and interim reports
3. Investors relations information and other publications
4. Website of the rated bank
5. Public and internal market analyses
6. Internet research

There are no other attributes and limitations of the credit rating or rating outlook other than displayed on the CRA website. Furthermore CRA considers satisfactory the quality and extent of information available on the rated entity. In regard to the rated entity Creditreform Rating AG regarded available historical data as sufficient.

Between the disclosure of the credit rating to the rated entity and the public disclosure no amendments were made to the credit rating.

The "Basic data" information card indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In case where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating and indicates how the different methodologies or these other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

The meaning of each rating category, the definition of default or recovery and any appropriate risk warning, including a sensitivity analysis of the relevant key rating assumptions, such as mathematical or correlation assumptions, accompanied by worst-case scenario credit ratings

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The date at which the credit rating was released for distribution for the first time and when it was last updated including any rating outlooks is indicated clearly and prominently in the rating report or in the "Basic data" card as a "Rating action"; first release is indicated as "initial rating", other updates are indicated as an "update", "upgrade or downgrade", "not rated", "confirmed", "selective default" or "default".

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