Interim Report **2025**

bank of added value

Contents

2025

Foreword

On track for greater impact for the Netherlands

The investment challenge for the Netherlands and the public sector is significant. If we truly want to help the Netherlands move forward, we must take a step forward together. As BNG, we create financial space and bring calm, continuity, and trust. In doing so, we help public organisations invest in and build a livable, sustainable future.

A safe haven in an uncertain world

The first half of 2025 was marked by geopolitical tensions, economic uncertainty, and significant fluctuations in the financial markets. Rising oil prices, shifting monetary policies, and trade tensions put pressure on the capital markets. The Dutch economy remained resilient, with strong public and private balance sheets. This created room for targeted investments, particularly in housing construction and sustainability.

For our clients, we are a safe haven. This is reflected in our loan portfolio, which grew by EUR 1.2 billion, driven mainly by sustained demand from housing associations. Demand in the healthcare sector has also increased due to catch-up investments in renovation and expansion. In the Public Infrastructure and Energy portfolio, credit demand is growing as a result of investments in district heating networks and grid capacity. Among local governments, however, credit demand is lagging due to their limited budgetary scope. In the market, we are seeing a decline in the average maturity of new loans, a direct consequence of the rising yield curve and changing client preferences. The growth of the loan portfolio demonstrates that we are relevant in the market. In this, we consciously choose a role that goes beyond financing: that of a shaper of solutions to major societal challenges, a knowledge partner, and a connector between parties.

Strong position in capital markets and solid results

Despite international unrest, we have been able to generate stable, attractive, and sustainable funding in the capital markets — essential for both the growth and the affordability of our loan portfolio. Throughout the first half of 2025, there was consistently strong investor demand for both short- and long-term BNG debt securities. As in previous years, we issued new benchmark bonds. The highlight was our successful USD benchmark issue of USD 2 billion with a maturity of ten years — our largest ever in this maturity.

The market shows that investors remain committed to ESG investments. Of the total amount of EUR 15 billion in long-term funding, we raised EUR 4.7 billion through the issuance of ESG-format bonds. The proceeds from ESG bonds finance activities by Dutch municipalities and housing associations that have a positive impact on the environment and social services.

Our net profit amounted to EUR 142 million — a strong result despite increasing competition and pressure on margins. Our capital and liquidity position remained strong, with ratios well above the statutory minimum requirements.

Bank of added value

The world, technological developments, and the geopolitical climate are changing rapidly, customer expectations are evolving alongside them, and costs are rising due to factors such as regulatory pressure, cybersecurity measures, and inflation. We have also seen customer and market expectations increase, while organisational costs have risen significantly over the past ten years.

It is therefore time for change and renewal. Over the past few months, we have examined where our strengths lie and where there is room for improvement.

The strategy is clear: BNG is the bank of social and green added value. We remain the trusted provider of affordable loans to the public sector, with a focus on financing solutions for the most urgent issues. By investing in the energy transition, affordable housing, and sustainable public real estate, we are committed to delivering tangible progress for people and communities.

> *We remain the trusted provider of affordable loans to the public sector*

A more modern and agile organisation

To make that strategy possible, we have set course towards a more modern and agile organisation. This transformation has four pillars:

- A streamlined, low-hierarchy structure with clear responsibilities
- Customer-focused, standardised, and automated processes
- Inspired and highly professional employees
- A future-proof technology landscape

In this way, we are building an organisation in which modern, multidisciplinary ways of working, execution power, and the ability to take responsibility are central. This strengthens the quality of our services.

Outlook – solid foundation, sharp focus

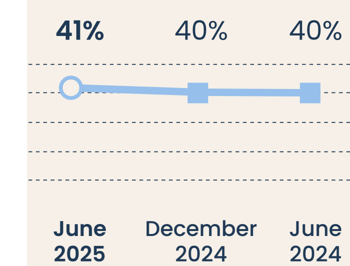
For the second half of 2025, we expect continued market volatility. Timing, flexibility, and customer focus will be crucial. With steadily rising customer demand, our robust funding plan, strong balance sheet, sharpened focus, and ongoing internal transformation, we have a solid foundation. This enables us to continue offering our clients certainty and perspective with great confidence. Together, we are building social and green added value for the Netherlands.

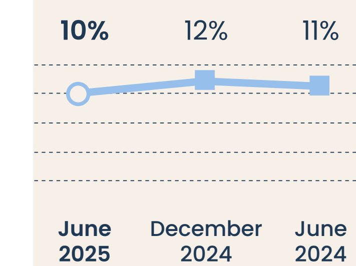
Philippine Risch
CEO BNG

First half year

Selected financial data 2025

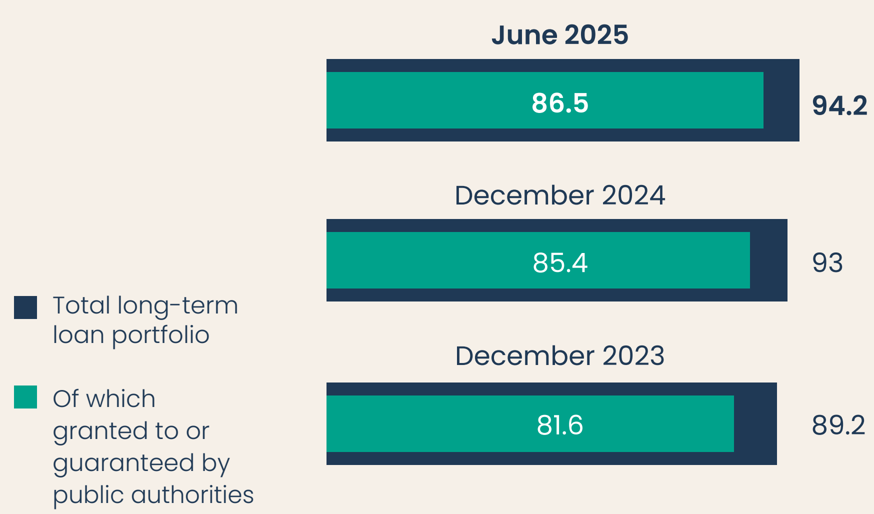
Volume of lending	Balance sheet total	Interest result	Net profit	Funding	Common Equity Tier 1-ratio	Leverage ratio
€ 5.3 billion	€ 132.2 billion	€ 246 million	€ 142 million	€ 15 billion	41%	10%





Total long-term loan portfolio

€ 94.2 billion



Loan portfolio and main SDGs per core sector

Decentralized authorities	€ 29 billion
Housing associations	€ 52.5 billion
Healthcare	€ 6.2 billion
Education	€ 1 billion
Public infrastructure and energy	€ 5 billion

1. Organisational developments

Corporate structure

BNG is a statutory two-tier public limited company under Dutch law. The bank's shareholders are Dutch public authorities exclusively. Half of the shares are held by municipalities, provinces and a district water board. The Dutch State holds the other half of the shares. BNG is a bank of national systemic importance under the direct supervision of the ECB and its balance sheet total makes it the fourth-largest bank in the Netherlands. BNG has a two-tier governance structure consisting of a Supervisory Board and an Executive Committee (ExCo). The ExCo consists of five directors, three of whom are directors under the articles of association who jointly constitute the board under the articles of association. The ExCo is responsible for the day-to-day management, the general course of affairs and the continuity of BNG. The Supervisory Board's task is to monitor the strategy of the bank, the policy of the ExCo and the general course of affairs in the company and its affiliated enterprise.

Together, we are building social and green added value for the Netherlands

Management changes

Appointment of CRO and interim COO, reappointment of CFO

As of 3 March 2025, Irene van Oostwaard has been appointed as Chief Risk Officer (CRO) for a term of four years. As of 1 April 2025, Amir Arooni has been appointed as interim Chief Operating Officer (COO) for a term of up to one year. As of 1 May 2025, Olivier Labe has been reappointed as Chief Financial Officer (CFO) for a term of two years. Following these appointments, the Executive Committee currently consists of Philippine Risch (CEO), Olivier Labe (CFO), Irene van Oostwaard (CRO), Peter Nijsse (CCO) and Amir Arooni (interim COO).

Irene van Oostwaard (born 1974) has been employed at BNG since 2019, most recently in the role of Head of Internal Audit. Previously, she worked at Oikocredit EDCS U.A., including as CFO/COO. As CRO of BNG, she is responsible for financial and non financial risk management and compliance.

Amir Arooni (born 1963) was, prior to joining BNG, employed as CIO at Discover Financial Services in the USA and at NN Group, and before that held various leadership roles at ING. At BNG, he is responsible for operations, processing, data governance and ICT.

Olivier Labe (born 1969) has been a member of BNG's Executive Board since 1 May 2015. In his role as CFO, he is responsible for financial reporting, funding and treasury, asset & liability management, capital management, investor relations, back office, financial restructuring and recovery, and legal and tax matters.

Supervisory Board

Reappointment of three members

At the General Meeting of 24 April 2025, Karin Bergstein, Leonard Geluk and Femke de Vries were reappointed as members of BNG's Supervisory Board for a second term of four years.

Karin Bergstein (born 1967) has held various positions at ING, including as a member of the management team of ING Bank Netherlands, and was a member of the Executive Board of a.s.r. Nederland. In her capacity as a Supervisory Board member, Bergstein serves as Chair of the Audit Committee and member of the Risk Committee.

Leonard Geluk (born 1970) is Director General at the Association of Netherlands Municipalities. Previously, he was Alderman for Youth & Education at the Municipality of Rotterdam, and Chair of the Executive Board of ROC Midden Nederland and The Hague University of Applied Sciences, respectively. Following his reappointment, Geluk has decided, for personal reasons, to step down as a Supervisory Board member in April 2026.

Femke de Vries (born 1972) has held various positions at De Nederlandsche Bank, including Director of the Supervision Expert Centres Division and Secretary-General. She then served as a member of the Executive Board of the Netherlands Authority for the Financial Markets. In her capacity as a Supervisory Board member, De Vries is Vice-Chair of the Supervisory Board, Chair of the Remuneration Committee and member of the Risk Committee and HR Committee.

2. Financial results

In the first half of 2025 we achieved strong financial results, with a high return, an expanding loan portfolio and robust capital and liquidity ratios. Net profit for the period amounted to EUR 142 million (first half of 2024: EUR 158 million), resulting in a return on equity of 5.9% (first half of 2024: 6.9%). The net profit is primarily driven by a net interest result of EUR 246 million (first half of 2024: EUR 258 million).

Results and return

In the first half of 2025, we reported a net interest result of EUR 246 million, representing a decrease of EUR 12 million compared to the same period in 2024. The decrease was mostly driven by lower interest rates leading to reductions in both interest income and expenses. However, interest income decreased more sharply than interest expenses. The growth of the loan portfolio had a positive effect, but this was more than offset by unfavorable money market developments and a decrease in spreads, partly caused by shorter maturities of customer loans.

The commission result decreased by EUR 5 million to EUR 12 million, mainly due to higher non-recurring commission income from treasury activities in 2024. Commission income continues to consist mainly of fees on payment services and commitment fees for clients.

The result on financial transactions was EUR 3 million negative in the first half of 2025, an improvement compared with EUR 8 million negative in the first half of 2024. The result on the revaluation of the credit and liquidity spreads of interest-bearing securities and structured loans amounted to EUR 1 million positive (first half of 2024: EUR 5 million negative). The result on hedge accounting was EUR 4 million negative, improving from EUR 7 million negative in the first half of 2024. The decrease in the value of derivatives lead to a positive change in counterparty credit risk of derivatives of EUR 5 million (first half of 2024: EUR 1 million).

A negative sales result of EUR 10 million was realised on the liquidity portfolio, slightly down from the EUR 9 million negative last year. Meanwhile, other market developments had a positive impact of EUR 5 million on the revaluation of other financial instruments, compared to EUR 12 million positive in the same period last year.

Total operating expenses increased by EUR 6 million to EUR 75 million in the first half year of 2025. This was mainly attributable to a EUR 4 million rise in staff costs, driven by a 4% salary adjustment under our Collective Labour Agreement effective 1 January 2025, as well as a 2% increase in the average number of employees. The increase in employees is aimed at strengthening the organisation, implementing new legislation and regulations and at reinforcing the our
IT infrastructure.

The result from impairment was EUR 7 million positive in the reporting period (first half of 2024: EUR 12 million positive). Total provisions for expected credit losses of decreased further by EUR 8 million to EUR 50 million in the first half of 2025. This reduction was mainly due to the settlement of a loan (EUR 2 million) and a EUR 4 million decrease in provisions due to improvements in credit risk profiles of loans.

On 30 June 2025, the corporate income tax charge amounts to EUR 46 million. This is EUR 6 million lower compared to the first half of 2024 and is caused by a lower pre-tax result.

Net profit decreased with EUR 16 million to EUR 142 million in the first half of 2025 (first half of 2024: EUR 158 million). This decrease is primarily driven by a EUR 12 million reduction in the net interest result and a EUR 5 million decline in the commission result.

Balance sheet developments

The balance sheet total rose by EUR 4.3 billion to EUR 132.2 billion in the first half of 2025.

We provided EUR 5.3 billion in new long-term loans in the first six months (first half of 2024: EUR 6.0 billion). Our long-term loan portfolio increased in balance sheet value further by EUR 1.3 billion to EUR 94.6 billion, of which EUR 7.7 billion is subject to solvency requirements. This represents a new all-time high, mostly driven by loans to housing associations. Short-term loans and advances increased by EUR 0.6 billion to EUR 1.8 billion, resulting in an increase in total loans and advances of EUR 1.9 billion to EUR 96.4 billion in the balance sheet item 'Loans and advances at amortised cost'.

We attracted EUR 15 billion in long-term funding during the first half of 2025, up from EUR 12.3 billion in the first half of 2024. This leads to a EUR 5.2 billion increase in outstanding long-term funding compared to 31 December 2024. Meanwhile, short-term funding decreased with EUR 0.4 billion. As a result, total debt securities rose by EUR 4.8 billion to EUR 108.2 billion. On the asset side of the balance sheet, the balance sheet item 'cash and balances held with central banks' increased by EUR 7.4 billion to EUR 14 billion.

BNG's equity remained unchanged at EUR 4.8 billion in the reporting period, despite the dividend payout of EUR 140 million.

Our liquidity and capital ratios remain robust. At 30 June 2025 the net stable funding ratio is 147% (31 December 2024: 139%) and the liquidity coverage ratio is 159% (31 December 2024: 217%). The risk-weighted assets remained stable at EUR 10.5 billion (31 December 2024: EUR 10.3 billion). As for the capital ratios, the Common Equity Tier 1 ratio is 41% and the Tier 1 ratio is 44%. At 31 December 2024, these figures were 40% and 43%, respectively. Due to the increase in balance sheet total, the leverage ratio declined to 9.7% from 11.6% at 31 December 2024. All of the capital and liquidity ratios remain well above the minimum levels set by the regulator and reflect our prudent risk management.

Outlook

We remain confident about the future, particularly in the areas of lending, portfolio development and funding. The bank levy for 2025 is estimated at EUR 36 million, up from EUR 31 million in 2024. The increase of 16% is primarily attributable to the growth in the balance sheet total at year-end 2024 compared to year-end 2023.

Future market value adjustments and the development of impairments remain inherently uncertain. Therefore, we do not consider it wise to provide a forecast on the net profit in 2025.

3. Declaration of responsibility

In the opinion of the executive board, the Interim Report provides a true and fair view of the assets, liabilities, the financial position and the results of BNG and the subsidiaries included in the consolidation. The Interim Report provides a true and fair view of the position on the balance sheet date, the performance during the first half year and the expected developments of BNG and its consolidated subsidiaries, whose figures have been included in the consolidated Interim Report.

The Hague, 5 September 2025

Executive board
Philippine Risch (CEO)
Olivier Labe (CFO)
Irene van Oostwaard (CRO)

4. Consolidated interim financial statements

Consolidated balance sheet

Amounts in millions of euros	NOTE	30-6-2025	31-12-2024
Assets			
Cash and balances held with central banks		13,995	6,625
Amounts due from banks		738	804
Cash collateral posted		4,530	3,545
Financial assets at fair value through the income statement		699	757
Derivatives		2,421	3,979
Financial assets at fair value through other comprehensive income		11,641	11,322
Interest-bearing securities at amortised cost		8,995	9,133
Loans and advances at amortised cost		96,435	94,537
Value adjustments on loans in portfolio hedge accounting		-7,285	-2,953
Associates and joint ventures		11	16
Property & equipment		29	17
Current tax assets		-	104
Other assets		15	55
Total assets		**132,224**	**127,941**

Amounts in millions of euros	NOTE	30-6-2025	31-12-2024
Liabilities			
Amounts due to banks		1,686	1,639
Cash collateral received		525	1,533
Financial liabilities at fair value through the income statement		235	254
Derivatives		6,253	5,546
Debt securities	1	108,195	103,383
Funds entrusted		10,304	10,517
Subordinated debts		20	19
Current tax liabilities		33	-
Deferred tax liabilities		6	39
Other liabilities		201	234
Total liabilities		**127,458**	**123,164**
Equity			
Share capital		139	139
Share premium reserve		6	6
Retained earnings		4,231	4,089
Revaluation reserve		-83	-172
Cash flow hedge reserve		-15	9
Own credit adjustment		8	9
Cost of hedging reserve		29	94
Net profit		142	294
Equity attributable to shareholders		**4,457**	**4,468**
Additional Tier 1 capital		309	309
Total equity		**4,766**	**4,777**
Total liabilities and equity		**132,224**	**127,941**

Consolidated income statement

Amounts in millions of euros	NOTE	first half of 2025	first half of 2024
• Interest revenue calculated using the effective interest method		2,450	3,021
• Other interest revenue		365	559
Total interest revenue		2,815	3,580
• Interest expenses calculated using the effective interest method		2,541	3,285
• Other interest expenses		28	37
Total interest expenses		2,569	3,322
Interest result	2	**246**	**258**
• Commission income		13	19
• Commission expenses		1	2
Commission result		**12**	**17**
Result on financial transactions	3	-3	-8
Results from associates and joint ventures		0	0
Other results		0	0
Total income		**255**	**267**

Amounts in millions of euros	NOTE	first half of 2025	first half of 2024
Staff costs		51	47
Other administrative expenses		23	21
Depreciation		1	1
Other operating expenses		-	0
Total operating expenses		**75**	**69**
Net impairment losses on financial assets	4	-7	-12
Net impairment losses on associates and joint ventures		-1	-
Total other expenses		**-8**	**-12**
Profit before tax		**188**	**210**
Income tax expense		46	52
Net profit		**142**	**158**
• of which attributable to the holders of Additional Tier 1 capital		12	12
• of which attributable to shareholders		130	146

Consolidated statement of comprehensive income

Amounts in millions of euros. All figures in the statement are after taxation.	first half of 2025	first half of 2024
Net profit	**142**	**158**
Recyclable results recognised directly in equity		
Changes in cash flow hedge reserve:		
• Unrealised value changes	-24	4
• Realised value changes transferred to the income statement	0	0
	-24	4
Changes in cost of hedging reserve:		
• Unrealised value changes	-62	18
• Realised value changes transferred to the income statement	-3	-9
	-65	9
Changes in the revaluation reserve for financial assets at fair value through other comprehensive income:		
• Unrealised value changes	77	-62
• Realised value changes transferred to the income statement	12	8
	89	-54
Total recyclable results	**0**	**-41**
Non-recyclable results recognised directly in equity:		
• Change in fair value attributable to change in credit risk of financial liabilities designated at FVTPL	-1	3
Total non-recyclable results	**-1**	**3**
Results recognised directly in equity	**-1**	**-38**
Total	**141**	**120**
• of which attributable to the holders of Additional Tier 1 capital	12	12
• of which attributable to shareholders	129	108

Consolidated cash flow statement

Amounts in millions of euros	first half of 2025	first half of 2024
Cash flow from operating activities		
Profit before tax	188	210
Adjusted for:		
• Depreciation	1	1
• Impairments	-8	-12
• Unrealised results through the income statement	-8	-1
Changes in operating assets and liabilities:		
• Changes in Amounts due from and due to banks (not due on demand)	111	276
• Changes in Cash collateral posted and received	1,266	2,343
• Changes in Loans and advances	-804	-1,798
• Changes in Funds entrusted	-212	1,038
• Changes in Derivatives	-253	212
• Corporate income tax paid	11	-31
• Other changes from operating activities	52	192
Net cash flow from operating activities	**344**	**2,430**
Cash flow from investing activities		
Investments and acquisitions pertaining to:		
• Financial assets at fair value through the income statement	-1	-2
• Financial assets at fair value through other comprehensive income	-1,224	-3,061
• Interest-bearing securities at amortised cost	-767	-977
• Property & equipment	-12	-1
Disposals and redemptions pertaining to:		
• Financial assets at fair value through the income statement	47	34
• Financial assets at fair value through other comprehensive income	956	2,568
• Interest-bearing securities at amortised cost	729	782
• Investments in associates and joint ventures	5	-
Net cash flow from investing activities	**-267**	**-657**

Amounts in millions of euros	first half of 2025	first half of 2024
Cash flow from financing activities		
Amounts received on account of:		
• Financial liabilities at fair value through the income statement	10	42
• Debt securities	180,935	209,863
Amounts paid on account of:		
• Financial liabilities at fair value through the income statement	-24	-56
• Debt securities	-173,472	-201,573
• Compensation on Additional Tier 1 capital	-15	-15
• Dividend distribution to shareholders	-140	-120
Net cash flow from financing activities	**7,294**	**8,141**
Net change in cash and cash equivalents	**7,371**	**9,914**
Cash and cash equivalents as at 1 January	6,627	1,619
Cash and cash equivalents as at 30 June	**13,998**	**11,533**
Cash and cash equivalents as at 30 June:		
• Cash and balances held with central banks	13,995	11,530
• Cash equivalents in the Amount due from banks item	3	3
	13,998	**11,533**
Notes to cash flow from operating activities		
Interest income received	3,621	4,047
Interest expenses paid	-3,117	-3,500
	504	**547**

Consolidated statement of changes in equity

Amounts in millions of euros. All figures in the statement are after taxation.	Share capital	Share premium reserve	Revaluation reserve	Cashflow hedge reserve	Own credit adjustment	Cost of hedging reserve	Retained earnings	Un-appropriated profit	Equity attri-butable to share-holders	Addi-tional Tier 1 capital	Total
Balance as at 01/01/2025	**139**	**6**	**-172**	**9**	**9**	**94**	**4,089**	**294**	**4,468**	**309**	**4,777**
Total comprehensive income	-	-	89	-24	-1	-65	-	142	**141**	-	**141**
Repayments on Additional Tier 1 capital	-	-	-	-	-	-	-	-	**-**	-	**-**
Dividend distribution to the bank's shareholders	-	-	-	-	-	-	-140	-	**-140**	-	**-140**
Compensation to holders of Additional Tier 1 capital	-	-	-	-	-	-	-12	-	**-12**	-	**-12**
Appropriation from previous year's profit	-	-	-	-	-	-	294	-294	**-**	-	**-**
Balance as at 30/06/2025	**139**	**6**	**-83**	**-15**	**8**	**29**	**4,231**	**142**	**4,457**	**309**	**4,766**

Amounts in millions of euros. All figures in the statement are after taxation.	Share capital	Share premium reserve	Revaluation reserve	Cashflow hedge reserve	Own credit adjustment	Cost of hedging reserve	Retained earnings	Un-appropriated profit	Equity attri-butable to share-holders	Addi-tional Tier 1 capital	Total
Balance as at 01/01/2024	**139**	**6**	**-8**	**6**	**4**	**41**	**3,970**	**254**	**4,412**	**309**	**4,721**
Total comprehensive income	-	-	-54	4	3	9	-	158	**120**	-	**120**
Repayments on Additional Tier 1 capital	-	-	-	-	-	-	-	-	**-**	-	**-**
Dividend distribution to the bank's shareholders	-	-	-	-	-	-	-120	-	**-120**	-	**-120**
Compensation to holders of Additional Tier 1 capital	-	-	-	-	-	-	-12	-	**-12**	-	**-12**
Appropriation from previous year's profit	-	-	-	-	-	-	254	-254	**-**	-	**-**
Balance as at 30/06/2024	**139**	**6**	**-62**	**10**	**7**	**50**	**4,092**	**158**	**4,400**	**309**	**4,709**

Accounting principles for the consolidated interim financial statements

General company information

BNG Bank N.V. (herafter: "BNG") is a statutory two-tier company under Dutch law. The bank focuses on the public domain and on increasing its social impact. 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. BNG has its registered office at Bordewijklaan 18, The Hague (listed under Chamber of Commerce number 27008387) in The Netherlands and has no branch offices.

Applicable laws and regulations

The Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union (EU).

These Interim Financial Statements do not include all the information and disclosures required in the Consolidated Financial Statements and should be read in conjunction with the 2024 Consolidated Financial Statements of BNG, which were prepared in accordance with the IFRS as adopted by the EU and the applicable articles of Part 9 of Book 2 of the Dutch Civil Code. The accounting policies used in this report are consistent with those set out in the notes to the 2024 Consolidated Financial Statements of BNG.

In general, BNG does not apply new or amended standards and interpretations issued by the IASB if they have not been adopted by the EU. BNG has, in principle, also decided against the early application of the amended standards and interpretations adopted by the EU, whose application is mandatory for the financial years beginning after 1 January 2025. Application of the following new or amended standards, interpretations and improvements has not led to significant adjustments in this 2025 Interim Report in respect of valuation, the determination of the result and the disclosures of the bank.

Applied accounting standards adopted by the EU effective on or after 1 January 2025

One standard became effective on 1 January 2025, which is not applicable to BNG:

- Minor amendments have been made to IAS 21 The Effects of Changes in Foreign Exchange Rates. They apply to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier. There is no impact on BNG as BNG uses exchangeable currencies.

Accounting standards not yet adopted by the EU which are not yet applied

There are other standards, amendment to IFRS 7 and IFRS 9, and a new standard, IFRS 18 that are expected to be effective in respectively 2026 and 2027. BNG is in process of analysing the impact of these standards.

Critical accounting principles applied for valuation and the determination of the result

The Interim Report is prepared on the basis of the going-concern principle. Most balance sheet items are measured at amortised cost. The balance sheet items Financial assets at fair value through the income statement, Financial assets at fair value through other comprehensive income, Derivatives and Financial liabilities at fair value through the profit and loss are measured at fair value. The balance sheet item Associates and joint ventures is stated according to the equity method. The balance sheet item Property & equipment is stated at cost less accumulated depreciation. Income is recognised if it is likely that the economic benefits will accrue to BNG and the income can be reliably determined. Expenses are allocated where possible to the period in which the services were provided or to the related income counterbalancing these expenses. For a detailed description, please refer to the accounting principles for the individual balance sheet items in the annual report 2024.

The euro is the functional and reporting currency used by BNG. All amounts in the consolidated financial statements are stated in millions of euros, unless stated otherwise.

Accounting principles for consolidation

The Interim Financial Statements of the parent company and its subsidiary, which is used to prepare the Interim Financial Statements, is drawn up on the same reporting date and based on the same uniform principles. All intra-group transactions and balances, including income, expenses and dividends, have been fully eliminated in the Interim Financial Statements. The reporting periods of subsidiary included in the consolidation coincide with those of BNG.

These Interim Financial Statements comprise the interim figures of the parent company and the subsidiary over which BNG has control. Control exists if BNG is exposed as an investor to variable returns due to its involvement and can influence these returns by exercising power over the relevant activities of the investment. Group companies are consolidated in full from the date control has been acquired until such time as control ceases to exist. In determining whether BNG has control over investment funds in which it holds units or shares, the financial interests held by BNG as a participant are taken into consideration.

Segmented information

When deciding on the deployment of resources and performance measurement, BNG distinguishes between lending activities and area development activities. In the management and set-up of its lending operations, BNG does not distinguish between different segments or business units. The bank's area development activities are not material compared to its lending activities. Therefore, no segmented information is included in this Interim Report.

Dividend

For the financial year 2024 a dividend of EUR 140 million was proposed to the General Meeting of Shareholders and was paid on 25 April 2025. The compensation of EUR 15 million to the holders of Additional Tier 1 capital was distributed in the first half of 2025. This distribution is deductible from corporate income tax. BNG has no plans to pay out an interim dividend on the result for the first half of 2025.

Notes to the consolidated interim financial statements

1. Debt securities

In the first half of 2025 debt securities increased by EUR 4.8 billion to EUR 108.2 billion. This is mainly due to a EUR 5.2 billion increase in long-term funding and a decrease of EUR 0.4 billion in short-term funding (in the form of Commercial Paper).

With regard to its long-term funding activities, BNG issued EUR 14.9 billion of long-term debt securities in the first half of 2025 (first half of 2024: EUR 12.3 billion). The total redemption value of long-term debt securities amounted to EUR 6.7 billion in the reporting period (first half of 2024: EUR 9.7 billion).

2. Interest result

	first half of 2025	first half of 2024
Interest revenue		
Interest revenue calculated by using the effective interest method:		
• Financial assets at amortised cost	1,304	1,345
• Financial assets at fair value through other comprehensive income	137	119
• Derivatives involved in hedge accounting	999	1,547
• Interest revenue on financial liabilities	10	10
	2,450	3,021
Other interest revenue:		
• Financial assets designated at fair value through the income statement	15	20
• Financial assets mandatory at fair value through the income statement	-	1
• Derivatives not involved in hedge accounting	100	94
• Other	250	444
	365	559
Total interest revenue	**2,815**	**3,580**

	first half of 2025	first half of 2024
Interest expenses		
Interest expenses calculated by using the effective interest method:		
• Financial liabilities at amortised cost	1,528	1,605
• Derivatives involved in hedge accounting	975	1,634
• Interest expenses on financial assets	38	46
	2,541	3,285
Other interest expenses		
• Financial liabilities designated at fair value through the income statement	4	5
• Derivatives not involved in hedge accounting	17	25
• Other	7	7
	28	37
Total interest expenses	**2,569**	**3,322**
Total interest result	**246**	**258**

3. Result on financial transactions

The table below presents a breakdown of the result on financial transactions into realised and unrealised market value changes.

	first half of 2025	first half of 2024
Market value changes in financial assets at fair value through the income statement resulting from changes in credit and liquidity spreads, consisting of:		
• Interest-bearing securities	2	-2
• Structured loans	-1	-3
	1	-5
Result on hedge accounting		
• Portfolio fair value hedge accounting	-26	3
• Micro fair value hedge accounting	22	-10
• Micro cash flow hedge accounting	0	0
	-4	-7
Change in counterparty credit risk of derivatives (CVA/DVA)	5	1
Realised sales and buy-out results	-10	-9
Other market value changes	5	12
Total	**-3**	**-8**

The results on financial transactions was EUR 3 million negative in the first half of 2025 (first half of 2024: EUR 8 million negative). The result on changes in credit- and liquidity spreads of interest bearing securities and structured loans amounted to EUR 1 million positive (first half of 2024: EUR 5 million negative). Market developments led to a result on hedge accounting of EUR 4 million negative (first half of 2024: EUR 7 million negative). The decrease in the value of derivatives lead to a positive change in counterparty credit risk of derivatives of EUR 5 million (first half of 2024: EUR 1 million). The realised disposals amounted to EUR 10 million negative in the first half of 2025 (first half of 2024: EUR 9 million negative). Other market developments had a positive impact of EUR 5 million on the revaluation of other financial instruments, compared to EUR 12 million positive in the same period last year.

4. Impairments on financial assets and off-balance sheet commitments

Breakdown of financial assets and off-balance sheet commitments into impairment stages

The following tables provide a breakdown of the financial assets and off-balance sheet commitments subject to impairment into the 3 impairment stages:

Stage 1: performing exposures without significant increase in credit risk since initial recognition.

Stage 2: performing exposures with significant increase in credit risk since initial recognition.

Stage 3: non-performing exposures.

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		Gross carrying amount			Allowance for credit loss		
	Carrying amount	**Performing**		**Non-performing**	**Performing**		**Non-performing**
		Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial assets subject to impairment							
Cash and balances held with central banks	13,995	13,995	-	-	-	-	-
Amounts due from banks	738	738	-	-	0	-	-
Cash collateral posted	4,530	4,530	-	-	-	-	-
Financial assets at fair value through other comprehensive income[1]	11,641	11,641	-	-	0	-	-
Interest-bearing securities at amortised cost	8,995	8,995	-	-	0	-	-
Loans and advances at amortised cost	96,435	95,596	578	311	-3	-9	-38
Total	**136,334**	**135,495**	**578**	**311**	**-3**	**-9**	**-38**

1 *The allowance for credit loss for financial assets at FVOCI is included in OCI and not in the (net) carrying amount.*

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	Nominal amount			Provision		
	Performing		Non-performing	Performing		Non-performing
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Off-balance sheet commitments						
Contingent liabilities	441	1	0	0	0	0
Revocable facilities	5,490	30	13	–	–	–
Irrevocable facilities	2,843	0	0	0	0	0
Total	**8,774**	**31**	**13**	**0**	**0**	**0**

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		Gross carrying amount			Allowance for credit loss		
	Carrying amount	Performing		Non-performing	Performing		Non-performing
		Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial assets subject to impairment							
Cash and balances held with central banks	6,625	6,625	-	-	-	-	-
Amounts due from banks	804	804	-	-	0	-	-
Cash collateral posted	3,545	3,545	-	-	-	-	-
Financial assets at fair value through other comprehensive income[1]	11,322	11,322	-	-	-	-	-
Interest-bearing securities at amortised cost	9,133	9,133	-	-	0	-	-
Loans and advances at amortised cost	94,537	93,534	600	460	-3	-10	-44
Total	**125,966**	**124,963**	**600**	**460**	**-3**	**-10**	**-44**

1 *The allowance for credit loss for financial assets at FVOCI is included in OCI and not in the (net) carrying amount.*

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	Nominal amount			Provision		
	Performing		Non-performing	Performing		Non-performing
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Off-balance sheet commitments						
Contingent liabilities	499	0	1	-	-	-1
Revocable facilities	5,296	72	14	-	-	-
Irrevocable facilities	3,168	0	6	-	-	-
Total	**8,963**	**72**	**21**	**0**	**0**	**-1**

Non-performing exposures totalled EUR 311 million as per 30 June 2025 (year-end 2024: EUR 460 million). The share of non-performing exposures in the total portfolio is 0,2% (year-end 2024: 0.4%) and concerns 17 debtors (year-end 2024: 21 debtors). BNG has received government guarantees totalling EUR 171 million (year-end 2024: EUR 279 million) with respect to non-performing exposures. The following table shows the development of non-performing exposures.

	First half of 2025	2024
Total non-performing exposure as at 1 January	**460**	**598**
Increase in existing non-performing exposures	1	1
Shift from performing to non-performing exposure	2	65
Shift from non-performing to performing exposure	-96	-138
Repayments on and settlement of non-performing exposure	-56	-48
Write-off	0	-18
Total non-performing exposure as at end of period	**311**	**460**

Movements in allowances and provisions for expected credit losses

The following tables show the movements in allowances for expected credit losses for financial assets and the provision for expected credit losses for off-balance sheet commitments.

first half of 2025

	Opening balance	Increases due to origination and acquisition	Decrease due to derecognition repayments and disposals	Changes due to change in credit risk (net)	Decrease in allowance account due to write-offs	Closing balance
Allowances						
Cash and balances held with central banks	-	-	-	-	-	-
Amounts due from banks	0	0	0	0	0	0
Financial assets at fair value through other comprehensive income	0	0	0	0	0	0
Interest-bearing securities at amortised cost	0	0	0	0	0	0
Loans and advances at amortised cost	-57	0	3	4	0	-50
	-57	**0**	**3**	**4**	**0**	**-50**
Provision						
Off-balance sheet commitments	-1	0	1	0	0	0

first half of 2024

	Opening balance	Increases due to origination and acquisition	Decrease due to derecognition repayments and disposals	Changes due to change in credit risk (net)	Decrease in allowance account due to write-offs	Closing balance
Allowances						
Cash and balances held with central banks	-	-	-	-	-	-
Amounts due from banks	0	0	0	0	-	0
Financial assets at fair value through other comprehensive income	0	0	0	0	-	0
Interest-bearing securities at amortised cost	1	0	0	-1	-	0
Loans and advances at amortised cost	99	2	-5	2	-9	89
	100	**2**	**-5**	**1**	**-9**	**89**
Provision						
Off-balance sheet commitments	6	0	0	-5	0	1

Modifications of contractual cash flows

During the first half of 2025, the modifications of contractual cashflows of financial assets with a loss allowance based on lifetime expected credit loss (i.e. stage 2 or 3) have not led to modification gains or losses.

Key inputs and assumptions

The Expected Credit Loss (ECL) of a financial asset is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk (SICR) has occurred. The total ECL is a discounted product of the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

Probability of default

PDs are used as a key component in the determination of ECLs and SICR. BNG has developed PD-models, largely based on expert judgements, for exposures for which no external rating is available. To ensure IFRS 9 compliance and so-called 'point-in-time' PDs, the bank developed overlay models that include forward-looking information (FLI). For staging purposes, credit ratings are used which are adjusted for FLI. BNG applies three externally developed scenario's based on economic forecasts created by Moody's Analytics. The economic forecasts are rigorously tested on their accuracy and contain similar scenario's compared to BNG's previous internal methods.

Loss given default

Because of its low default credit portfolio and the lack of historical internal LGD data, BNG is not able to create LGD models. Therefore, BNG applies a basic flat LGD approach, with four different LGD percentages for its entire exposure:

- 0% for exposures granted to or guaranteed by (Dutch) central or regional governments;
- 10% for government bonds issued by central or regional governments in the EU;
- 35% for exposure without a guarantee of a central or regional government and senior unsecured bonds; and
- 75% for subordinated loans.

Exposure at default

The EAD for loans and for interest-bearing securities (excluding securitisations) is based on contractual repayments owed by the obligor over a 12-month or lifetime period. Voluntary repayments or early redemptions are not taken into account, as these are historically infrequent. For securitisations, the future contractual repayments are based on estimated Constant Prepayment Rates which are derived from external sources. In case of committed (off-balance sheet) facilities, the maximum exposure is adjusted in order to reflect the expected drawdown behaviour for either a 12-month or lifetime period (in accordance with the impairment stage).

Significant increase in credit risk

BNG applies the Point-in-Time PD, which is adjusted for FLI, as an input parameter for the assessment of significant changes in credit risk since recognition. In addition, the bank uses forbearance measures as well as a 30-day past-due period as backstop criteria to determine a SICR. On the other hand, the bank also applies a low credit risk exemption for monitoring significant changes in credit risk since recognition. In this case, an impairment is measured using the 12-month ECL, without determining if a SICR has occurred. BNG will consider financial assets with an investment grade rating to be of 'low credit risk'. For bonds, BNG considers a BBB– or higher to be an investment grade.

With regards to loans, the bank uses its internal counterparty credit rating to determine whether it is investment grade. Internal counterparty credit ratings are derived from a number of market sector specific internal rating models, which have been externally validated.

BNG applies an expert judgement approach when determining the stage 3 impairment figures. The approach is performed on an instrument level by the Financial Restructuring & Recovery department.

Forward-looking macroeconomic information

Historic analysis are performed to identify the key macroeconomic variables. Weightings of the three scenarios have not been adjusted compared to the 2024 weightings. The historic analyses are provided on a quarterly basis. Expert judgement is applied and approved by the Asset and Liability Committee (ALCO).

There are no overlays applied as per June 2025. This has not changed compared to June 2024.

Government Bonds

Macroeconomic variable	Horizon as at 30-06-2025	Horizon as at 31-12-2024
Average CDS spread of 5 European governments	3 years	3 years
Scenario	**Weighting as at 30-06-2025**	**Weighting as at 31-12-2024**
Base scenario	46%	46%
Upward scenario	27%	27%
Downward scenario	27%	27%

Securitisations

Macroeconomic variable	Horizon as at 30-06-2025	Horizon as at 31-12-2024
Purchasing power parity conversion factor to official exchange ratio (Eurozone)	3 years	3 years
Unemployment Rate (Eurozone)	3 years	3 years
Real net exports of goods and services (Eurozone)	3 years	3 years
Scenario	**Weighting as at 30-06-2025**	**Weighting as at 31-12-2024**
Base scenario	46%	46%
Upward scenario	27%	27%
Downward scenario	27%	27%

Lending

Macroeconomic variable	Horizon as at 30-06-2025	Horizon as at 31-12-2024
Non-accelerating inflation rate of unemployment (NL)	3 years	3 years
Interest rate on government bonds 30y (NL)	3 years	3 years
Compensation of employees (NL)	3 years	3 years
Scenario	**Weighting as at 30-06-2025**	**Weighting as at 31-12-2024**
Base scenario	46%	46%
Upward scenario	27%	27%
Downward scenario	27%	27%

Non-performing exposures

BNG defines a financial instrument as in default, which is fully aligned with its definition of non-performing, when it meets one of the following criteria:

- BNG considers that the obligor is unlikely to pay its credit obligations to the bank; and
- the obligor is past due 90 days or more on any material credit obligation to the bank.

The bank employs the following indicators for ‘Unlikeliness to pay’:

- the obligor’s source of income is considered insufficient to meet its payment obligations;
- there are indications that future cash flows are under pressure;
- the obligor’s debt ratio has increased significantly;
- one or more covenants have been breached;
- BNG has called upon a guarantee or seized collateral;
- significant delayed payments to other creditors (recorded in a register);
- there is a crisis in the obligor’s market sector, in which the obligor is considered to be a weak party;
- the obligor can no longer be active in its market sector because of its financial difficulties; and
- another creditor has filed for the obligor’s bankruptcy.

Sensitivity analysis of credit loss allowances

In order to measure the sensitivity of the credit loss allowances to changes in the input factors, different scenarios are determined to (re)calculate the size of the credit loss allowances.

Scenario A:

In scenario A, the credit rating of all individual exposures subject to impairment are downgraded by 1 notch (e.g. from AAA to AA+). These (lower) credit ratings, as well as the accompanying PDs, are then applied in the staging assessment and the calculation of the credit loss allowances. As a result, a portion of the exposures migrated from stage 1 to stage 2. The EADs and LGDs are unchanged compared with the base line calculation.

Scenario B:

In scenario B, the exposures which normally have an LGD of 0% are assigned a 10% LGD. The LGD of exposures that are normally assigned a 10%, 35% or 75% LGD remain unchanged. The EADs, credit ratings and PDs are also unchanged compared with the base line calculation.

Scenario C:

In scenario C, the calculation of the credit loss allowances is performed using 'Through-the-Cycle' PDs rather than Point-in-Time PDs. In other words, PDs without incorporation of forward-looking macroeconomic information are used in the calculation. The EADs, credit ratings, stage levels and LGDs are unchanged compared with the base line calculation.

The following table shows the sensitivity of the total credit loss allowances of 3 scenarios:

30-6-2025

	Actual Balance	Scenario A (1 notch down)	Scenario B (LGD from 0% to 10%)	Scenario C (through-the-cycle PDs)
Allowances				
Cash and balances held with central banks	-	-	-	-
Amounts due from banks	0	0	0	0
Financial assets at fair value through other comprehensive income	0	0	0	0
Interest-bearing securities at amortised cost	0	1	1	1
Loans and advances at amortised cost	50	63	60	55
	50	**64**	**61**	**56**
Provision				
Off-balance sheet commitments	0	0	0	0

31-12-2024

	Actual Balance	Scenario A (1 notch down)	Scenario B (LGD from 0% to 10%)	Scenario C (through-the-cycle PDs)
Allowances				
Cash and balances held with central banks	-	-	-	-
Amounts due from banks	-	0	-	-
Financial assets at fair value through other comprehensive income	-	0	-	-
Interest-bearing securities at amortised cost	-	1	-	1
Loans and advances at amortised cost	57	69	67	62
	57	**70**	**67**	**63**
Provision				
Off-balance sheet commitments	1	2	2	1

5. Breakdown of financial instruments by category

30-6-2025

	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Cash and balances held with central banks	13,995	-	-	13,995
Amounts due from banks	738	-	-	738
Cash collateral posted	4,530	-	-	4,530
Financial assets at fair value through the income statement	-	699	-	699
Derivatives	-	2,421	-	2,421
Financial assets at fair value through other comprehensive income	-	-	11,641	11,641
Interest-bearing securities	8,995	-	-	8,995
Loans and advances	96,435	-	-	96,435
Value adjustments on loans in portfolio hedge accounting	-7,285	-	-	-7,285
Total financial assets	**117,408**	**3,120**	**11,641**	**132,169**
Amounts due to banks	1,686	-	-	1,686
Cash collateral received	525	-	-	525
Financial liabilities at fair value through the income statement	-	235	-	235
Derivatives	-	6,253	-	6,253
Debt securities	108,195	-	-	108,195
Funds entrusted	10,304	-	-	10,304
Subordinated debt	20	-	-	20
Total financial liabilities	**120,730**	**6,488**	**-**	**127,218**

31-12-2024

	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Cash and balances held with central banks	6,625	-	-	6,625
Amounts due from banks	804	-	-	804
Cash collateral posted	3,545	-	-	3,545
Financial assets at fair value through the income statement	-	757	-	757
Derivatives	-	3,979	-	3,979
Financial assets at fair value through other comprehensive income	-	-	11,322	11,322
Interest-bearing securities	9,133	-	-	9,133
Loans and advances	94,537	-	-	94,537
Value adjustments on loans in portfolio hedge accounting	-2,953	-	-	-2,953
Total financial assets	**111,691**	**4,736**	**11,322**	**127,749**
Amounts due to banks	1,639	-	-	1,639
Cash collateral received	1,533	-	-	1,533
Financial liabilities at fair value through the income statement	-	254	-	254
Derivatives	-	5,546	-	5,546
Debt securities	103,383	-	-	103,383
Funds entrusted	10,517	-	-	10,517
Subordinated debt	19	-	-	19
Total financial liabilities	**117,091**	**5,800**	**-**	**122,891**

6. Fair value of financial instruments

The fair value is the transfer price (not adjusted for transaction costs) which, regardless of the intention or capability, would be received if an asset was sold or the price which would be paid if a liability was transferred in an orderly transaction between market participants at the measurement date under the current market conditions. The assumption is that the valuation must be viewed from the perspective of market parties, whereby only the specific characteristics and limitations of the financial instrument are taken into consideration. A distinction is made between three levels of fair value, with the nature of the input factors and their significance for the total valuation being decisive for the correct classification in the hierarchy.

Fair value hierarchy

- **Level 1:** valuation based on (unadjusted) quoted market prices of the instrument itself or, if unavailable, of identical instruments, in an active market. A financial instrument is regarded as quoted in an active market if the quoted price is regularly available, and if these prices reflect current and regularly occurring arm's length market transactions. The quoted market prices for financial assets and liabilities are based on mid-market prices.
- **Level 2:** valuation based on a valuation technique using directly/indirectly observable market data other than quoted market prices as used at Level 1. This category includes instruments with a valuation that uses quoted prices in an active market for comparable instruments, quoted prices for identical or comparable instruments in markets deemed to be less than active or other valuation techniques whereby all significant input variables are directly or indirectly observable from market data.
- **Level 3:** valuation based on valuation techniques that make significant use of input data that are not publicly observable in the market. This category includes instruments with a valuation technique that uses input variables that are not based on observable market data and whereby the non-observable market data significantly influences the valuation of the instrument. This category also includes the instruments valued in accordance with the quoted prices for comparable instruments whereby significant not publicly observable changes or presumptions are necessary for expressing the differences between the instruments.

Where possible, BNG uses quoted market prices (Level 1) for determining pricing- and funding curves. BNG uses mid-market prices for valuation purposes. Using mid-market prices is permitted if the market risk of the financial assets and liabilities is offset.

In many cases, the bank is reliant on theoretical valuations (Level 2) in respect of its debtors. In such cases, the fair value is determined based on valuation models and techniques that are customarily used in the financial sector. These are mostly models based on net present value calculations and option pricing models. The input for these models is based on direct or indirect objectively observable input data, such as market prices, forward pricing, market-based yield curves for discounting, correlations, volatilities, cross-currency basis spreads, counterparty creditworthiness and other factors, estimates and assumptions which market parties would use to determine the price. The bank uses so-called spread curves to determine the fair value of financial instruments that involve credit and liquidity risk and for which a theoretical valuation is required. These spread curves are constructed based on the relevant interest rate curve and a spread for credit and liquidity risk. The credit risk spread is dependent on the creditworthiness of the debtor, taking into account the collateral received, guarantees and maturities. The liquidity risk spread depends on the degree of marketability of the instrument. The risk profiles of individual clients and financial instruments are assessed at least once per quarter. If necessary, the credit-risk spread will be adjusted.

In a limited number of cases, the valuation of the bank's financial instruments is based to a significant extent on input data and management estimates which are not observable in the market (Level 3).

In determining the fair value of derivative transactions, a credit valuation adjustment (CVA) and a debit valuation adjustment (DVA) are applied to all derivative transactions with all clients and financial counterparties with which the bank does not have an agreement for the daily exchange of collateral. CVA and DVA are also applied to all derivative transactions with clients or counterparties with which the bank has an agreement for the daily exchange of collateral but where significant thresholds are applicable in determining the collateral amount.

The bank applies a spread over the relevant swap curve to determine its own credit risk: the 'own credit adjustment (OCA)'. The OCA only relates to instruments included under Financial liabilities at fair value through the income statement.

Insofar as financial instruments have the character of a forward contract, official forward prices are used, including forward yield curves and forward exchange rates. In the case of complex instruments, the constituent parts of the instrument are measured separately on the basis of the above techniques and models. The fair value of the entire instrument is determined as the sum of the fair values of its constituent parts. BNG applies only recurring fair values, which are measured on an ongoing basis for processing in the financial position at the end of each reporting period.

	30-6-2025		31-12-2024	
	Balance sheet value	**Fair value**	**Balance sheet value**	**Fair value**
Cash and balances held with central banks	13,995	13,994	6,625	6,625
Amounts due from banks	738	758	804	825
Cash collateral posted	4,530	4,530	3,545	3,545
Financial assets at fair value through the income statement	699	699	757	757
Derivatives	2,421	2,421	3,979	3,979
Financial assets at fair value through other comprehensive income	11,641	11,641	11,322	11,322
Interest-bearing securities at amortised cost	8,995	8,848	9,133	8,901
Loans and advances at amortised cost	96,435	86,711	94,537	88,342
Total financial assets	**139,454**	**129,602**	**130,702**	**124,296**
Amounts due to banks	1,686	1,668	1,639	1,616
Cash collateral received	525	525	1,533	1,533
Financial liabilities at fair value through the income statement	235	235	254	254
Derivatives	6,253	6,253	5,546	5,546
Debt securities	108,195	107,064	103,383	101,738
Funds entrusted	10,304	10,148	10,517	10,365
Subordinated debt	20	21	19	21
Total financial liabilities	**127,218**	**125,914**	**122,891**	**121,073**

When effecting a transaction, the hierarchical classification of fair value is determined based on the relevant characteristics of the valuation, with the nature of the input factors and their significance for the total valuation being decisive for the classification. The classification takes place based on the lowest input level that is significant for the fair value in the transaction as a whole.

Significance is assessed by determining the influence of non-observable input factors on the outcome of the total valuation, with due regard for the range of possible alternative assumptions concerning those non-observable input factors. Each quarter, the hierarchical classification of each transaction is assessed and adjusted where necessary. The table below provides an overview of the fair value hierarchy for transactions recognised at fair value.

30-6-2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through the income statement	53	638	8	699
Derivatives	-	2,421	-	2,421
Financial assets at fair value through other comprehensive income	11,560	81	-	11,641
Total financial assets	**11,613**	**3,140**	**8**	**14,761**
Financial liabilities at fair value through the income statement	-	235	-	235
Derivatives	-	6,253	-	6,253
Total financial liabilities	**-**	**6,488**	**-**	**6,488**

31-12-2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through the income statement	57	692	8	757
Derivatives	-	3,979	-	3,979
Financial assets at fair value through other comprehensive income	11,243	79	-	11,322
Total financial assets	**11,300**	**4,750**	**8**	**16,058**
Financial liabilities at fair value through the income statement	12	242	-	254
Derivatives	-	5,546	-	5,546
Total financial liabilities	**12**	**5,788**	**-**	**5,800**

As per 30 June 2025 one asset is classified under Level 3. This is a subordinated loan where the interest rate risk has been hedged with a swap. This is a structured interest-bearing security that is rarely traded in the market. Therefore, the observable market data available for similar securities is not fully representative of the current fair value. The fair value of this transaction is determined on the basis of public market data that is adjusted using significant input variables not publicly observable in the market.

Fair value hierarchy of amortised cost transactions

The next table provides an overview of the way in which the fair value is determined for transactions recognised at amortised cost in the balance sheet.

The financial assets at amortised cost under Level 3 mainly relate to loans and advances subject to capital requirements to BNG's statutory clients. Loans and advances to statutory counterparties under government guarantees are included in Level 2, because of the strong correlation with bonds issued by the Dutch State. The financial liabilities at amortised cost under Level 1 in the Debt securities item relate to negotiable benchmark bonds issued by BNG. Private loans are classified as Level 3 in the Funds entrusted item.

As from one asset quoted information is available, we reclassified this bond from Level 2 to Level 1, per 30 June 2025.

30-6-2025

	Level 1	Level 2	Level 3	Total
Cash and balances held with central banks	13,994	-	-	13,994
Amounts due from banks	3	755	-	758
Cash collateral posted	-	4,530	-	4,530
Interest-bearing securities at amortised cost	3,280	5,347	221	8,848
Loans and advances	402	78,989	7,320	86,711
Total financial assets	**17,679**	**89,621**	**7,541**	**114,841**
Amounts due to banks	-	1,668	-	1,668
Cash collateral received	-	525	-	525
Debt securities	81,434	25,630	-	107,064
Funds entrusted	3,577	6,219	352	10,148
Subordinated debt	-	21	-	21
Total financial liabilities	**85,011**	**34,063**	**352**	**119,426**

31-12-2024

	Level 1	Level 2	Level 3	Total
Cash and balances held with central banks	6,625	-	-	6,625
Amounts due from banks	2	823	-	825
Cash collateral posted	-	3,545	-	3,545
Interest-bearing securities at amortised cost	3,332	5,336	233	8,901
Loans and advances at amortised cost	399	80,611	7,332	88,342
Total financial assets	**10,358**	**90,315**	**7,565**	**108,238**
Amounts due to banks	0	1,616	-	1,616
Cash collateral received	-	1,533	-	1,533
Debt securities	86,527	15,211	-	101,738
Funds entrusted	3,857	6,133	375	10,365
Subordinated debt	-	21	-	21
Total financial liabilities	**90,384**	**24,514**	**375**	**115,273**

7. Credit risk

Forborne exposures

Forbearance concerns credit agreements for which the credit conditions have been amended in the debtor's favour because of the debtor's precarious financial position, so as to enable it to fulfil its obligations.

30-6-2025		Of which: Forborne		
	Total exposure	Gross of impairment	Net of impairment	**in % of total**
Financial assets (excl. derivatives)				
Cash and balances held with central banks	13,995	-	-	0.0%
Amounts due from banks	738	-	-	0.0%
Cash collateral posted	4,530	-	-	0.0%
Financial assets at fair value through the income statement	699	-	-	0.0%
Financial assets at fair value through other comprehensive income	11,641	-	-	0.0%
Interest-bearing securities at amortised cost	8,995	-	-	0.0%
Loans and advances at amortised cost	96,435	351	341	0.4%
	137,033	**351**	**341**	**0.3%**
Off-balance sheet commitments				
Contingent liabilities	442	-	-	0.0%
Revocable facilities	5,533	26	26	0.5%
Irrevocable facilities	2,843	0	0	0.0%
	8,818	**26**	**26**	**0.3%**

31-12-2024		Of which: Forborne		
	Total exposure	Gross of impairment	Net of impairment	**in % of total**
Financial assets (excl. derivatives)				
Cash and balances held with central banks	6,625	-	-	0.0%
Amounts due from banks	804	-	-	0.0%
Cash collateral posted	3,545	-	-	0.0%
Financial assets at fair value through the income statement	757	-	-	0.0%
Financial assets at fair value through other comprehensive income	11,322	-	-	0.0%
Interest-bearing securities at amortised cost	9,133	-	-	0.0%
Loans and advances at amortised cost	94,537	346	318	0.4%
	126,723	**346**	**318**	**0.3%**
Off-balance sheet commitments				
Contingent liabilities	501	-	-	0.0%
Revocable facilities	5,383	15	15	0.3%
Irrevocable facilities	3,174	6	6	0.2%
	9,058	**21**	**21**	**0.2%**

The financial assets of which the contractual terms have changed as a result of the debtor's unfavourable financial position amounted to EUR 351 million (gross of impairment) at 30 June 2025 (year-end 2024: EUR 346 million). The share of forborne exposure in the total portfolio is 0.3% (year-end 2024: 0.3%) and concerns 13 debtors (year-end 2024: 12 debtors). Forbearance is used as a backstop indicator in the impairment staging assessment, as a result of which all forborne exposures are classified in impairment stage 2.

Non-performing

Please refer to Note 4 (Impairment on financial assets and off-balance sheet commitments) for disclosure of BNG's methodology of non-performing exposures. An exposure classified as non-performing can once again be regarded as performing if all of the following conditions are met:

- the debtor once again complies with all contractual terms (no default);
- the debtor’s situation has improved to the extent that the debtor is able to meet payment obligations according to an existing or adjusted payment profile (‘likely to pay’); and
- the debtor has no payment arrears exceeding 90 days.

Maturity analysis of performing past due exposures

The figures comprise of past due exposures that are not included in impairment stage 3 under IFRS 9.

	30-6-2025	31-12-2024
Less than 31 days	0	101
31 through 60 days	-	-
61 through 90 days	-	-
Over 90 days	-	-
Closing balance	**0**	**101**

Netting of financial assets and financial liabilities (derivatives)

Financial counterparties with which BNG is prepared to conclude derivatives transactions are offered netting agreements to reduce the credit risk. In addition, bilateral collateral agreements are concluded. These ensure that market value developments are mitigated daily by collateral. The agreements are updated where necessary in response to regulatory changes. These agreements are not eligible for balance sheet netting, unless the cash flows are offset through central clearing parties. The following table shows the gross positions before balance sheet netting and if the collateral agreements were taken into account.

30-6-2025

	Derivatives (assets)	Derivatives (liabilities)	Net
Netting of financial assets and financial liabilities (derivatives)			
Gross value of financial assets and liabilities before balance sheet netting	13,820	-17,652	**-3,832**
Gross value of the financial assets and liabilities to be netted	-11,399	11,399	**0**
Balance sheet value of financial assets and liabilities (after netting)	**2,421**	**-6,253**	**-3,832**
Value of financial netting instrument that does not comply with IAS 32 (netting of derivatives with the same counterparty) for netting purposes	-1,769	1,769	0
Exposure before collateral	**652**	**-4,484**	**-3,832**
Value of financial collateral that does not comply with IAS 32 for netting purposes	-395	4,326	**3,931**
Net exposure	**257**	**-158**	**99**

31-12-2024

	Derivatives (assets)	Derivatives (liabilities)	Net
Netting of financial assets and financial liabilities (derivatives)			
Gross value of financial assets and liabilities before balance sheet netting	14,874	-16,441	**-1,567**
Gross value of the financial assets and liabilities to be netted	-10,895	10,895	**0**
Balance sheet value of financial assets and liabilities (after netting)	**3,979**	**-5,546**	**-1,567**
Value of financial netting instrument that does not comply with IAS 32 (netting of derivatives with the same counterparty) for netting purposes	-2,111	2,111	**0**
Exposure before collateral	**1,868**	**-3,435**	**-1,567**
Value of financial collateral that does not comply with IAS 32 for netting purposes	-1,533	3,545	**2,012**
Net exposure	**335**	**110**	**445**

At 30 June 2025, the collateral posted for derivatives amounted to EUR 4.5 billion (year-end 2024: EUR 4.1 billion). A three-notch downgrade of BNG's credit rating would, as in 2024, not impact this amount. The strength of the bank's liquidity position is sufficient to meet, and to absorb fluctuations in collateral obligations.

	30-6-2025		31-12-2024	
	Reverse repos (assets)	Repos (liabilities)	Reverse repos (assets)	Repos (liabilities)
Netting of reverse repo and repo agreements				
Gross balance sheet value before balance sheet netting	2,799	-2,798	2,112	-2,110
Balance sheet netting of reverse repo and repo agreements	-2,798	2,798	-2,110	2,110
Net balance sheet value of financial assets and liabilities	**1**	**0**	**2**	**0**

Investments in interest-bearing securities (IBS)

BNG's IBS portfolio is held primarily for liquidity management purposes. The portfolio is composed of high-quality bonds, the majority of which are accepted as collateral by the central bank. BNG's total IBS portfolio can be subdivided into a liquidity portfolio and an ALM (Asset & Liability Management) portfolio. The liquidity portfolio consists exclusively of highly liquid securities and is subdivided according to the various Liquidity Coverage Ratio levels, as shown in the table below. The ALM portfolio is subdivided according to type of security. The portfolio developments are reported on a monthly basis. Using factors such as external ratings and internal ratings, the bank monitors the development on an individual basis. The assets within these portfolios undergo an impairment analysis twice a year.

The amounts shown below per rating category are remaining principal amounts in millions of euros. The total balance sheet value (gross of impairment) is also shown in the final column. The total value of EUR 21.1 billion (2024: 21.0 billion) is recognised in the balance sheet items Financial assets at fair value through other comprehensive income (EUR 11.6 billion), Interest-bearing securities at amortised cost (EUR 9.0 billion) and Financial assets at fair value through the income statement (EUR 0.5 billion).

30-6-2025	AAA	AA	A	BBB	Non-investment grade	Total nominal value	Total balance sheet value
Liquidity portfolio							
Level I – Government/ Supranational	6,786	2,995	90	46	-	9,917	9,744
Level I B – Covered bonds	2,928	-	-	-	-	2,928	2,955
Level II A – Government/ Supranational	-	58	-	-	-	58	53
Level II A – Covered bonds	165	-	-	-	-	165	169
Level II B – Corporates	-	-	-	-	-	0	0
Level II B – RMBS	1,325	-	-	-	-	1,325	1,334
	11,204	**3,053**	**90**	**46**	**-**	**14,393**	**14,255**
ALM portfolio							
RMBS	31	44	10	-	-	85	84
ABS	22	-	14	49	-	85	85
RMBS-NHG	2,373	34	78	-	-	2,485	2,487
Other	2,525	810	824	438	-	4,597	4,216
	4,951	**888**	**926**	**487**	**0**	**7,252**	**6,872**
Total	**16,155**	**3,941**	**1,016**	**533**	**0**	**21,645**	**21,127**

31-12-2024	AAA	AA	A	BBB	Non-investment grade	Total nominal value	Total balance sheet value
Liquidity portfolio							
Level I – Government/ Supranational	5,237	3,311	1,268	46	-	9,862	9,774
Level I B – Covered bonds	2,587	-	-	-	-	2,587	2,611
Level II A – Government/ Supranational	-	60	-	-	-	60	56
Level II A – Covered bonds	205	-	-	-	-	205	209
Level II B – Corporates	-	-	-	-	-	-	-
Level II B – RMBS	1,375	-	-	-	-	1,375	1,390
	9,404	**3,371**	**1,268**	**46**	**-**	**14,089**	**14,040**
ALM portfolio							
RMBS	22	69	21	-	-	112	114
ABS	26	-	-	68	-	94	94
RMBS-NHG	2,159	37	82	-	-	2,278	2,283
Other	2,497	899	767	358	-	4,521	4,440
	4,704	**1,005**	**870**	**426**	**0**	**7,005**	**6,931**
Total	**14,108**	**4,376**	**2,138**	**472**	**0**	**21,094**	**20,971**

Long-term foreign exposure

The following tables provide an overview of the long-term foreign exposures. Derivatives transactions and short-term transactions (including cash collateral with banks in particular) have not been included. The amounts shown are remaining principal amounts in millions of euros.

30-6-2025	AAA	AA	A	BBB	Non-investment grade	Total nominal value	Total balance sheet value
Supranational institutions	5,289	–	–	–	–	5,289	5,053
Multilateral development banks	194	–	–	–	–	194	184
Austria	–	1,227	–	–	–	1,227	1,189
Belgium	–	657	–	64	–	721	741
Denmark	36	–	–	–	–	36	36
Finland	–	449	–	–	–	449	428
France	952	690	–	–	–	1,642	1,659
Germany	975	184	39	–	–	1,198	1,175
Italy	–	–	14	41	–	55	55
Luxembourg	363	–	–	–	–	363	318
Portugal	9	–	–	–	–	9	9
Singapore	–	–	135	–	–	135	135
Spain	22	44	91	46	–	203	221
United Kingdom	165	532	141	381	14	1,233	1,125
Total	**8,005**	**3,783**	**420**	**532**	**14**	**12,754**	**12,328**

31-12-2024	AAA	AA	A	BBB	Non-investment grade	Total nominal value	Total balance sheet value
Supranational institutions	4,929	-	-	-	-	4,929	4,999
Multilateral development banks	208	-	-	-	-	208	200
Austria	-	1,227	-	-	-	1,227	1,185
Belgium	-	657	-	69	-	726	750
Denmark	36	-	-	-	-	36	35
Finland	-	449	-	-	-	449	428
France	741	1,008	-	-	-	1,749	1,775
Germany	915	200	42	-	-	1,157	1,136
Italy	-	-	-	-	-	-	-
Luxembourg	384	-	-	-	-	384	346
Portugal	11	-	-	56	-	67	67
Singapore	-	-	149	-	-	149	149
Spain	11	70	102	46	-	229	250
United Kingdom	205	536	148	371	32	1,292	1,197
Total	**7,440**	**4,147**	**441**	**542**	**32**	**12,602**	**12,517**

The total non-investment grade exposure in the United Kingdom of EUR 14 million (year-end 2024: EUR 32 million) concerns two private project financing schemes in the areas of education and healthcare. The total fair value of long-term foreign non-investment grade exposures amounted to EUR 13 million (year-end 2024: EUR 30 million).

Off-balance sheet items

Contingent assets

In the first half of 2023, BNG lost the court case concerning the TLTRO-III. In May of 2025, the court ruled against BNG in the appeal to this initial ruling. BNG has subsequently filed a cassation appeal with the Dutch Supreme Court challenging the decision.

Contingent liabilities

This includes all commitments arising from transactions for which the bank has issued guarantees on behalf of a third party. These so called Letters of Credit are covered by deposits or a counter guarantee from public authorities. BNG records contingent liabilities at the underlying principal amount that would need to be paid in the event of the borrower defaulting.

	30-6-2025	**31-12-2024**
Contingent liabilities	442	501

Revocable facilities

This includes all commitments attributable to revocable current-account facilities.

	30-6-2025	**31-12-2024**
Revocable facilities	5,533	5,383

Irrevocable facilities

This includes all irrevocable commitments that can lead to the granting of loans and advances. In the table below, these facilities are divided into credit facilities and future disbursements of contracted loans and advances.

	30-6-2025	**31-12-2024**
Outline agreements concerning the undrawn part of credit facilities	1,742	1,695
Contracted loans and advances to be distributed in the future	1,101	1,479
Total	**2,843**	**3,174**

Events after the balance sheet date

There are no events after the balance sheet date to report that require adjustments of the figures or disclosure in the Interim Report.

The Hague, 5 September 2025

Executive Board
Philippine Risch (CEO), statutory director
Olivier Labe (CFO), statutory director
Irene van Oostwaard (CRO), statutory director

Supervisory Board
Huub Arendse, Chair
Femke de Vries, Vice-chair
Karin Bergstein
Marja Elsinga
Marlies van Elst
Leonard Geluk
Constant Korthout

Independent auditor's review report

To: the executive board and the supervisory board of BNG Bank N.V.

Our conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements (hereafter: consolidated interim financial information) of BNG Bank N.V. for the six-month period ended 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union.

What we have reviewed

We have reviewed the accompanying consolidated interim financial information for the six-month period ended 30 June 2025 of BNG Bank N.V. (hereafter 'the company'), The Hague, which comprises the consolidated balance sheet as at 30 June 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement for the period then ended and the related selected explanatory notes comprising material accounting policy information and other explanatory information.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the consolidated interim financial information' section of our report.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

We are independent of BNG Bank N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

Responsibilities with respect to the consolidated interim financial information and the review

Responsibilities of the executive board and the supervisory board for the consolidated interim financial information

The executive board of the company is responsible for the preparation of the consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union. Furthermore, the executive board is responsible for such internal control as the executive board determines is necessary to enable the preparation of the consolidated interim financial information that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the review of the consolidated interim financial information

Our responsibility is to express a conclusion on the accompanying consolidated interim financial information. This requires that we plan and perform the review in a manner that allows us to obtain sufficient appropriate assurance evidence for our conclusion.

A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. The procedures performed consisted primarily of making inquiries of the executive board and others within the company, as appropriate, applying analytical procedures and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding in the company and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the consolidated interim financial information where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control, as it relates to the preparation of the consolidated interim financial information.
- Making inquiries of the executive board and others within the company.
- Applying analytical procedures with respect to information included in the consolidated interim financial information.
- Obtaining assurance evidence that the consolidated interim financial information agrees with or reconciles to the company's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether the executive board has identified all events that may require adjustment to or disclosure in the consolidated interim financial information.
- Considering whether the consolidated interim financial information has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Amsterdam, 5 September 2025

PricewaterhouseCoopers Accountants N.V.
Original has been signed by

M.S. de Bruin RA

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