NWB BANK

Pillar 3
Half Year Disclosure

NEDERLANDSE WATERSCHAPSBANK N.V.

2021

CONTENTS

PILLAR 3 HALF YEAR DISCLOSURE 2021

INTRODUCTION AND BASIS FOR PREPARATION

The international prudential regulatory framework for banks is based on a comprehensive set of measures developed by the Basel Committee on Banking Supervision (known as Basel III). Basel III has been implemented in the European Union through a Capital Requirements Directive (CRD) and a Capital Requirements Regulation (CRR). The Basel framework (and thus CRD/CRR) is based upon three pillars:

- The first pillar consists of minimum capital requirements for three main categories of risk: credit risk, market risk and operational risk;
- The second pillar provides a framework for banks to review their capital (and liquidity) adequacy for both the risks identified in Pillar 1 as well as all other risks (e.g. concentration risk, strategic risk, etc.). This internal review by banks is known as the Internal Capital/ Liquidity Adequacy Assessment Process (ICAAP/ ILAAP). Supervisors independently assess these processes in their Supervisory Review and Evaluation Process (SREP);
- The third pillar aims to introduce market discipline to complement the capital and liquidity requirements from the first and second pillar. Therefore, Basel III (CRD/ CRR) contains a set of disclosure requirements which will allow market participants to have sufficient understanding of a bank's activities, the risks that are involved and the controls that are implemented to manage these risks.

This Pillar III Half Year Disclosure Report 2021 relates to the third pillar and provides a comprehensive overview of the risk profile of NWB Bank. The Report discloses information on the capital adequacy of Nederlandse Waterschapsbank N.V. (NWB Bank) as specified in Part 8 of EU Capital Requirements Regulation (575/2013), later amended by CRR II regulation (2019/876) in compliance with the commision implementing regulations, delegated regulations and guidelines issues by EBA for publishing disclosures. In 2020, EBA published final implementing technical standard on public disclosures based on the mandate included in Article 434a of CRR II to specify uniform disclosure formats and associated instructions. These new disclosure requirements (EU 2021/637) apply from 28 June 2021 onwards and this Report has been prepared in accordance with updated regulation. The Articles mentioned at the start of each chapter and in the table of contents, correspond with to the Articles of the Main Act that was adopted by the European Commission and which lays down down the implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council. Information or templates identified as not applicable to NWB Bank have not been included in the Report.

The Pillar 3 disclosure framework seeks to promote transparency and market discipline through regulatory disclosure requirements. Most of the Pillar 3 disclosure items are reported in NWB Bank's Half Year report 2021 which was published on 27 August 2021 and has been subject to review by the Ernst & Young Accountants LLP. The information in this Report has not been audited.

ARTICLE 1: KEY METRICS AND OVERVIEW OF RISK-WEIGHTED EXPOSURE AMOUNTS

EU KM1 - KEY METRICS

Changes to the regulation of banks' capital adequacy (CRR II and CRD V) were applied at the end of June 2021. The Common Equity Tier 1 (CET1) ratio was 39.1% (year-end 2020: 45.1%). Including the hybrid capital (AT1) raised by the bank in 2015 and 2016, the capital as at 30 June 2021 amounted to €2,150 million, resulting in a Tier 1 ratio of 46.3% (year-end 2020: 53.5%). The decrease in the CET1 ratio and Tier 1 ratio is in line with the bank's strategy of more risk-weighted lending, but is mainly the result of the regulatory introduction of a new calculation method for counterparty credit risk (SA-CCR) applicable to our derivatives positions. Further information is set out below at EU OV1 Overview of risk-weighted exposure amounts.

The leverage ratio as at 30 June was 49.0% and comfortably exceeds the requirement according to CRR II applicable as of 28 June 2021. The ECB allows a temporary relief in the context of the COVID-19 pandemic, with deposits at central banks being excluded from the calculation. CRR II allows us, as a promotional bank, to exclude our lending to the public sector when calculating the leverage ratio. Because we excluded the position on the central bank from the calculation, a recalibration of the requirement has taken place.

At 201%, the Liquidity Coverage Ratio at the end of June was well above the minimum requirement of 100% (year-end 2020: 150%). The Net Stable Funding Ratio at the end of June amounted to 140% (minimum 100%, year-end 2020: 122%).

EU KM1 - KEY METRICS

	(x EUR 1,000 unless otherwise indicated)	a	b	c	d	e
		30 Jun 2021	31 Mar 2021[1)]	31 Dec 2020	30 Sep 2020[1)]	30 Jun 2020
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	1,762,174		1,728,907		1,725,227
2	Tier 1 capital	2,082,674		2,049,407		2,045,727
3	Total capital	2,082,674		2,049,407		2,045,727
	Risk-weighted exposure amounts					
4	Total risk exposure amount	4,501,816		3,832,913		3,721,796
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	39.14%		45.11%		46.35%
6	Tier 1 ratio (%)	46.26%		53.47%		54.97%
7	Total capital ratio (%)	46.26%		53.47%		54.97%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0.00%				
EU 7b	of which: to be made up of CET1 capital (percentage points)	-				
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	-				
EU 7d	Total SREP own funds requirements (%)	-				

(x EUR 1,000 unless otherwise indicated)		a	b	c	d	e
		30 Jun 2021	31 Mar 2021[1]	31 Dec 2020	30 Sep 2020[1]	30 Jun 2020
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	1.25%		1.25%		1.25%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-		-		
9	Institution specific countercyclical capital buffer (%)	-		-		
EU 9a	Systemic risk buffer (%)	-		-		
10	Global Systemically Important Institution buffer (%)	-		-		
EU 10a	Other Systemically Important Institution buffer (%)	-		-		
11	Combined buffer requirement (%)	5.75%		5.75%		5.75%
EU 11a	Overall capital requirements (%)	12.75%		12.75%		12.75%
12	CET1 available after meeting the total SREP own funds requirements (%)	26.39%		32.36%		33.60%
	Leverage ratio					
13	Total exposure measure	4,253,426		84,416,840		101,588,566
14	Leverage ratio (%)	48.96%		2.43%		2.01%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%				
EU 14b	of which: to be made up of CET1 capital (percentage points)	-				
EU 14c	Total SREP leverage ratio requirements (%)	-				
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	8.80%		3.00%		3.00%
EU 14e	Overall leverage ratio requirement (%)	8.80%		3.00%		3.00%

(x EUR 1,000 unless otherwise indicated)		a	b	c	d	e
		30 Jun 2021	31 Mar 2021[1]	31 Dec 2020	30 Sep 2020[1]	30 Jun 2020
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	23,720,690		12,892,885		18,528,493
EU 16a	Cash outflows - Total weighted value	13,078,492		9,092,476		13,442,036
EU 16b	Cash inflows - Total weighted value	1,275,648		505,298		1,129,050
16	Total net cash outflows (adjusted value)	11,802,844		8,587,179		12,312,986
17	Liquidity coverage ratio (%)	200.97%		150.14%		150.48%
	Net Stable Funding Ratio					
18	Total available stable funding	79,395,311		78,994,057		75,505,738
19	Total required stable funding	56,701,358		64,747,868		57,458,711
20	NSFR ratio (%)	140.02%		122.00%		131.41%

1) NWB reports semi-annually

EU OV1 - OVERVIEW OF RISK-WEIGHTED EXPOSURE AMOUNTS

At 28 June 2021, the Banking Package has come into effect. The Banking Package is a revision of the Capital Requirements Directive (CRD), the Capital Requirements Regulation (CRR), the Bank Recovery and Resolution Directive (BRRD) and the Single Resolution Mechanism Regulation (SRMR). As a result of the changes in regulation, a new calculation method for counterparty credit risk has become applicable: the Standardised Approach to Counterparty Credit Risk (SA-CCR). The SA-CCR has led to an increase in risk-weighted assets including the Credit Valuation Adjustment (CVA) of approximately €650 million.

EU OV1 - OVERVIEW OF RISK-WEIGHTED EXPOSURE AMOUNTS

(x EUR 1,000)		Total risk exposure amounts (TREA)		
		a	b	c
		30 Jun 2021	31 Mar 2021[1)]	30 Jun 2020[2)]
1	Credit risk (excluding CCR)	2,179,414		
2	Of which the standardised approach	2,179,414		
3	Of which the Foundation IRB (F-IRB) approach			
4	Of which slotting approach			
EU 4a	Of which equities under the simple riskweighted approach			
5	Of which the Advanced IRB (A-IRB) approach			
6	Counterparty credit risk - CCR	1,821,612		
7	Of which the standardised approach	794,461		
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP			
EU 8b	Of which credit valuation adjustment - CVA	1,027,151		
9	Of which other CCR			
10	Not applicable			
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk			

(x EUR 1,000)		Total risk exposure amounts (TREA)		
		a	b	c
		30 Jun 2021	31 Mar 2021[1]	30 Jun 2020[2]
16	Securitisation exposures in the non-trading book (after the cap)	158,663		
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)			
19	Of which SEC-SA approach	158,663		
EU 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk)			
21	Of which the standardised approach			
22	Of which IMA			
EU 22a	Large exposures			
23	Operational risk	342,128		
EU 23a	Of which basic indicator approach			
EU 23b	Of which standardised approach	342,128		
EU 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight)			
25	Not applicable			
26	Not applicable			
27	Not applicable			
28	Not applicable			
29	**Total**	**4,501,816**		

1) NWB reports semi-annually
2) No CRR2 on 30 june 2020.

ARTICLE 4: OWN FUNDS

EU CC1 - COMPOSITION OF REGULATORY OWN FUNDS

At the end of the reporting period, NWB Bank's Common Equity Tier 1 (CET1) capital amounted to €1,762 million. Including the hybrid capital (AT1), the Tier 1 capital and therefor the total capital of the bank as at 30 June 2021 amounted to €2,1 billion.
NWB Bank has no Tier 2 capital.

COMPOSITION OF REGULATORY OWN FUNDS - 30 JUNE 2021

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	6,823	(h)
	of which: Instrument type 1		
	of which: Instrument type 2		
	of which: Instrument type 3		
2	Retained earnings	1,773,451	
3	Accumulated other comprehensive income (and other reserves)	2	
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**1,780,276**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	(5,299)	
8	Intangible assets (net of related tax liability) (negative amount)	(6,684)	(a)minus (d)
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
20	Not applicable	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences		
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(6,119)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	(18,103)	
29	**Common Equity Tier 1 (CET1) capital**	**1,762,174**	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	320,500	(i)
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards	320,500	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**320,500**	
	Additional Tier 1 (AT1) capital: regulatory adjustments	**320,500**	
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	

		(a)	(b)
(x EUR 1,000)		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**320,500**	
44	**Additional Tier 1 (AT1) capital**	**320,500**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**2,082,674**	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	-	
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	**Tier 2 (T2) capital before regulatory adjustments**	**-**	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
54a	Not applicable		

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	-	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	
58	**Tier 2 (T2) capital**	**-**	
59	**Total capital (TC = T1 + T2)**	**2,082,674**	
60	**Total Risk exposure amount**	**4,501,816**	
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	39.1%	
62	Tier 1 capital	46.3%	
63	Total capital	46.3%	
64	Institution CET1 overall capital requirements	5.8%	
65	of which: capital conservation buffer requirement	1.3%	
66	of which: countercyclical capital buffer requirement	-	
67	of which: systemic risk buffer requirement	-	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	-	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	-	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	33.4%	
	National minima (if different from Basel III)		
69	Not applicable		
70	Not applicable		
71	Not applicable		

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	13,344	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	g
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

COMPOSITION OF REGULATORY OWN FUNDS - 31 DECEMBER 2020

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	6,823	(h)
	of which: Instrument type 1		
	of which: Instrument type 2		
	of which: Instrument type 3		
2	Retained earnings	1,737,951	
3	Accumulated other comprehensive income (and other reserves)	1,253	
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**1,746,027**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	(5,727)	
8	Intangible assets (net of related tax liability) (negative amount)	(6,359)	(a)minus (d)
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)		
EU-20c	of which: securitisation positions (negative amount)		
EU-20d	of which: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences		
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(5,035)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	(17,121)	
29	**Common Equity Tier 1 (CET1) capital**	**1,728,907**	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	320,500	(i)
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards	320,500	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**320,500**	
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
41	Not applicable	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**320,500**	
44	**Additional Tier 1 (AT1) capital**	**320,500**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**2,049,407**	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	-	
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	**Tier 2 (T2) capital before regulatory adjustments**		
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
54a	Not applicable	-	

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
56	Not applicable	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	-	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	
58	**Tier 2 (T2) capital**	**-**	
59	**Total capital (TC = T1 + T2)**	**2,049,407**	
60	**Total Risk exposure amount**	**3,832,913**	
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	45.1%	
62	Tier 1 capital	53.5%	
63	Total capital	53.5%	
64	Institution CET1 overall capital requirements	5.8%	
65	of which: capital conservation buffer requirement	1.3%	
66	of which: countercyclical capital buffer requirement	-	
67	of which: systemic risk buffer requirement	-	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	-	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	-	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	39.4%	
	National minima (if different from Basel III)		
69	Not applicable		
70	Not applicable		
71	Not applicable		

(x EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	
74	Not applicable	-	
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	14,332	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	g
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

EU CC2 - RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS

	(x EUR 1,000)	a Balance sheet as in published financial statements	b Under regulatory scope of consolidation	c Reference
		As at period end	As at period end	
	Assets - Breakdown by asset clases according to the balance sheet in the published financial statements			
1	Cash and cash balances at central banks	21,511,370	21,511,370	
2	Non-trading non-derivative financial assets measured at fair value to equity	1,000,310	1,000,310	
3	Non-trading debt instruments measured at a cost-based method	81,374,849	81,374,849	
4	Of which: Debt securities	3,771,537	3,771,537	
5	Of which: Loans and advances	77,603,312	77,603,312	
6	Derivatives – Hedge accounting	4,483,141	4,483,141	
7	Tangible assets	4,089	4,089	
8	Intangible assets	6,684	6,684	
9	other assets	36,970	36,970	
10	**Total assets**	**108,417,414**	**108417413.7**	
	Liabilities- Breakdown by liability clases according to the balance sheet in the published financial statements			
1	Non-trading non-derivative financial liabilities measured at a cost-based method	95,149,073	95,149,073	
2	Of which: Deposits	19,404,757	19,404,757	
3	Of which: Debt securities issued	75,744,316	75,744,316	
4	Derivatives – Hedge accounting	11,242,978	11,242,978	
5	Provisions	2,722	2,722	
6	Tax liabilities	16,321	16,321	
7	Other liabilities	158,989	158,989	
8				
9				
10	**Total liabilities**	**106,570,083**	**106,570,083**	

(x EUR 1,000)		a Balance sheet as in published financial statements As at period end	b Under regulatory scope of consolidation As at period end	c Reference
	Shareholders' equity			
1	Capital	6,823	6,823	
2	Retained earnings	1,773,451	1,773,451	
3	Revaluation reserves	2	2	
4	Profit or loss attributable to owners of the parent	67,054	67,054	
5				
6				
7				
8				
9				
10	**Total shareholders' equity**	**1,847,331**	**1,847,331**	
11	**Total liabilities and shareholders' equity**	**108,417,414**	**108,417,414**	

ARTICLE 5: COUNTERCYCLICAL CAPITAL BUFFERS

NWB Bank has no exposures subject to countercyclical capital buffers.

ARTICLE 6: LEVERAGE RATIO

EU LR1 - LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES

The leverage ratio requirement is part of the Capital Requirements Regulation (CRR). The ratio is defined as Tier 1 capital as a percentage of total assets of the bank. Since the entry into force of CRR II (27 June 2019), NWB Bank, as a promotional bank, may exclude its lending to the public sector in the total assets when calculating the leverage ratio. The ECB also allows a temporary relief in the context of the COVID-19 pandemic, with deposits at central banks being excluded from the calculation. The ECB announced this on 17 September 2020 and extended the relief in June 2021 until March 2022.

The leverage ratio as at 30 June 2021 was 49.0% and comfortably exceeds the requirement according to CRR II applicable as of 28 June 2021. In calculating this leverage ratio, we excluded our deposits with the central bank and the promotional loans. As said, as a promotional bank we may exclude our lending to the public sector when calculating the leverage ratio. Because we excluded the position on the central bank from the calculation, a recalibration of the requirement has taken place. Without this adjustment, the leverage ratio would be 2.7% (2020: 2.5%).

EU LR1 - LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES - 30 JUNE 2021

(x EUR 1,000)		a
		Applicable amount
1	Total assets as per published financial statements	108,417,414
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	(21,511,035)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustment for derivative financial instruments	(10,101,070)
9	Adjustment for securities financing transactions (SFTs)	
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	2,491,558
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	(12,803)
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	(75,030,623)
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12	Other adjustments	
13	**Total exposure measure**	**4,253,413**

EU LR1 - LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES - 31 DECEMBER 2020

(x EUR 1,000)		a
		Applicable amount
1	Total assets as per published financial statements	106,882,433
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustment for derivative financial instruments	(14,549,602)
9	Adjustment for securities financing transactions (SFTs)	
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,950,536
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12	Other adjustments	(9,869,238)
13	**Total exposure measure**	**84,414,129**

EU LR2 - LRCOM: LEVERAGE RATIO COMMON DISCLOSURE

EU LR2 - LRCOM: LEVERAGE RATIO COMMON DISCLOSURE

(x EUR 1,000)		a	b
		30 Jun 2021	31 Dec 2020
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	95,732,708	90,059,899
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	(12,803)	(11,394)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)		
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	1,365,849	1,152,436
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1,217,760	1,119,865
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	**Total derivatives exposures**	2,583,609	2,272,300

(x EUR 1,000)		a	b
		30 Jun 2021	31 Dec 2020
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions		
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets		
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	**Total securities financing transaction exposures**		
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	5,935,590	4,980,613
20	(Adjustments for conversion to credit equivalent amounts)	3,444,031	3,030,077
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)		
22	**Off-balance sheet exposures**	2,491,558	1,950,536
	Excluded exposures		
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	(21,511,035)	(9,857,213)
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	(3,224,005)	
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	(71,806,618)	
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)		
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	**(Total exempted exposures)**	(96,541,659)	(9,857,213)

(x EUR 1,000)		a	b
		30 Jun 2021	31 Dec 2020
	Capital and total exposure measure		
23	**Tier 1 capital**	2,082,674	2,049,407
24	**Total exposure measure**	**4,253,413**	**84,414,129**
	Leverage ratio		
25	Leverage ratio (%)	48.96%	2.43%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	2.63%	
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	1.98%	
26	Regulatory minimum leverage ratio requirement (%)	8.80%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b	of which: to be made up of CET1 capital		
27	Leverage ratio buffer requirement (%)	8.80%	3.00%
EU-27a	Overall leverage ratio requirement (%)	8.80%	3.00%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure		

(x EUR 1,000)		a	b
		30 Jun 2021	31 Dec 2020
	Disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable		
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables		
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		

EU LR3 - LRSPL: SPLIT-UP ON BALANCE SHEET EXPOSURES
CRR LEVERAGE RATIO EXPOSURE

(x EUR 1,000)		a	a
		30 Jun 2021	31 Dec 2020
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**95,732,708**	**80,203,317**
EU-2	Trading book exposures		
EU-3	Banking book exposures, of which:		
EU-4	Covered bonds	747,535	846,531
EU-5	Exposures treated as sovereigns	91,605,124	75,752,065
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	170,788	179,664
EU-7	Institutions	231,013	367,478
EU-8	Secured by mortgages of immovable properties		
EU-9	Retail exposures		
EU-10	Corporates	1,886,431	1,738,325
EU-11	Exposures in default		
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	1,091,830	1,319,254

ARTICLE 7: LIQUIDITY REQUIREMENTS

EU LIQ1: QUANTITATIVE INFORMATION OF LCR

In 2015, the Liquidity Coverage Ratio (LCR) was introduced as part of CRR/CRD IV. The LCR is an indicator that shows whether there are sufficient liquid assets to absorb a 30-day period of stress. At 201%, the Liquidity Coverage Ratio at the end of June 2021 was well above the minimum requirement of 100% (year-end 2020: 150%).

EU LIQ1: QUANTITATIVE INFORMATION OF LCR - 30 JUNE 2021

SCOPE OF CONSOLIDATION: (SOLO/CONSOLIDATED) (x EUR 1,000)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	30 Jun 2021	31 Mar 2021[1]	31 Dec 2020	30 Sep 2020[1]	30 Jun 2021	31 Mar 2021[1]	31 Dec 2020	30 Sep 2020[1]
EU 1b	Number of data points used in the calculation of averages	12		12		12		12	
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)	25,741,472		21,891,905		25,630,308		21,732,790	
	CASH - OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:								
3	*Stable deposits*								
4	*Less stable deposits*								
5	Unsecured wholesale funding	8,076,500		8,652,850		7,761,012		8,472,711	
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*								
7	*Non-operational deposits (all counterparties)*	525,813		300,232		210,325		120,093	
8	*Unsecured debt*	7,550,687		8,352,618		7,550,687		8,352,618	
9	*Secured wholesale funding*								
10	Additional requirements	11,289,921		10,171,163		8,407,578		7,640,485	
11	*Outflows related to derivative exposures and other collateral requirements*	8,087,318		7,359,299		8,087,318		7,359,299	
12	*Outflows related to loss of funding on debt products*								
13	*Credit and liquidity facilities*	3,202,603		2,811,864		320,260		281,186	
14	Other contractual funding obligations	27		158		27		158	
15	Other contingent funding obligations								
16	**TOTAL CASH OUTFLOWS**	**19,366,448**		**18,824,170**		**16,168,617**		**16,113,353**	

SCOPE OF CONSOLIDATION: (SOLO/CONSOLIDATED) (x EUR 1,000)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
	CASH - INFLOWS								
17	Secured lending (e.g. reverse repos)	24,321		80,231		1,023		117	
18	Inflows from fully performing exposures	2,132,158		2,329,007		1,719,250		1,871,215	
19	Other cash inflows	2,484		530		2,484		530	
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	**TOTAL CASH INFLOWS**	**2,158,963**		**2,409,768**		**1,722,757**		**1,871,862**	
EU-20a	*Fully exempt inflows*								
EU-20b	*Inflows subject to 90% cap*								
EU-20c	*Inflows subject to 75% cap*	2,158,963		2,409,768		1,722,757		1,871,862	
	TOTAL ADJUSTED VALUE	**2,158,963**		**2,409,768**		**1,722,757**		**1,871,862**	
EU-21	**Liquidity buffer**	**25,741,472**		**21,891,905**		**25,630,308**		**21,732,790**	
22	**Total net cash outflows**	**17,207,484**		**16,414,402**		**14,445,861**		**14,241,491**	
23	**Liquidity coverage ratio (%)**					**154.59%**		**158.06%**	

1) NWB reports semi-annually

EU LIQ2 : NET STABLE FUNDING RATIO

The Net Stable Funding Ratio (NSFR) is part of CRR II. The NSFR is also a liquidity ratio and aims to determine to what degree long-term assets are financed by more stable forms of funding. NWB Bank's NSFR at the end of June 2021 amounted to 140% (minimum 100%, year-end 2020: 122%).

30 JUNE 2021

(x EUR 1,000)		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
	Available stable funding (ASF) Items					
1	Capital items and instruments				**2,113,719**	**2,113,719**
2	*Own funds*				1,785,044	1,785,044
3	*Other capital instruments*				328,676	328,676
4	Retail deposits					
5	*Stable deposits*					
6	*Less stable deposits*					
7	Wholesale funding:		**17,663,176**	**6,526,456**	**73,760,770**	**77,263,273**
8	*Operational deposits*		366,965			183,482
9	*Other wholesale funding*		17,296,212	6,526,456	73,760,770	77,079,791
10	Interdependent liabilities					
11	Other liabilities:				**18,319**	**18,319**
12	*NSFR derivative liabilities*					
13	*All other liabilities and capital instruments not included in the above categories*				18,319	18,319
14	**Total available stable funding (ASF)**					**79,395,311**
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)	**26,128,538**				**1,498,538**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:					**52,471,821**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*					

(x EUR 1,000)		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*					
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		2,053,089	771,834	66,160,828	51,572,733
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		1,942,356	674,753	64,371,723	49,948,088
22	*Performing residential mortgages, of which:*					
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*					
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*				1,057,750	899,088
25	Interdependent assets					
26	Other assets:					**2,408,833**
27	*Physical traded commodities*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*	835,734			12,642	721,120
29	*NSFR derivative assets*		819,415			819,415
30	*NSFR derivative liabilities before deduction of variation margin posted*		15,693,412			784,671
31	*All other assets not included in the above categories*			4,086	113,152	83,628
32	Off-balance sheet items		**4,575,150**	**165,594**	**1,702,563**	**322,165**
33	**Total RSF**					**56,701,358**
34	**Net Stable Funding Ratio (%)**					140.02%

ARTICLE 8: EXPOSURES TO CREDIT RISK, DILUTION RISK AND CREDIT QUALITY

EU CR1-A: MATURITY OF EXPOSURES
30 JUNE 2021

(x EUR 1,000)		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances		2,621,050	5,029,282	61,505,851	8,447,128	77,603,312
2	Debt securities		928,679	1,286,863	2,556,305		4,771,847
3	**Total**	**-**	**3,549,729**	**6,316,145**	**64,062,157**	**8,447,128**	**82,375,159**

EU CR2: CHANGES IN THE STOCK OF NON-PERFORMING LOANS AND ADVANCES
30 JUNE 2021

(x EUR 1,000)		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	117,676
020	Inflows to non-performing portfolios	7
030	Outflows from non-performing portfolios	(445)
040	Outflows due to write-offs	
050	Outflow due to other situations	(445)
060	**Final stock of non-performing loans and advances**	**117,239**

EU CR1 : PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

Definitions for accounting purposes of "past due" and "impaired"

Past due is a loan payment that has not been made as of its due date. A borrower which is past due may be subject to penalty interest.

Starting 1 January 2020, NWB Bank uses the option to apply the 'expected credit loss impairment methodology' of IFRS 9. Given the risk profile of NWB Bank's counterparties, until 2020, there was no provision for uncollectible receivables in the incurred loss model. Under IFRS 9, NWB Bank recognises a provision for expected credit loss (ECL) for each customer with a credit facility. A provision is also taken for expected losses on loan commitments and financial guarantee contracts, so-called off-balance sheet positions. It should be noted that the majority of the bank's exposures are (local) government guaranteed. As a result, there is limited credit risk. The ECL methodology used by the bank consists of a scoring and rating model, a macro-economic model, models for Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), and scenarios (macro-economic forecasts). Each of these components is used to calculate the final ECL provision.

Exposures with payment arrears of 90 days or more fall under Stage 3 and are classified as default. However, Stage 3 also includes exposures that are identified as credit-impaired in line with the internally applied definition of default. Therefore, this also includes exposures that are forborne non-performing. If a client defaults, all exposures to that client are moved to Stage 3 and classified as credit-impaired.

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		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
(x EUR 1,000)		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accum-ulated partial write-off	On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	21,511,370	21,511,370													
010	Loans and advances	77,486,588	74,568,520	2,918,067	117,239		117,239	(515)	(515)						50,638,149	117,239
020	*Central banks*															
030	*General governments*	*66,530,280*	*63,624,413*	*2,905,867*	117,239		117,239	(45)	(45)						49,672,323	117,239
040	*Credit institutions*	*7,113,182*	*7,113,182*												174,923	
050	*Other financial corporations*	*1,387,140*	*1,387,140*												123,849	
060	*Non-financial corporations*	*2,455,985*	*2,443,785*	*12,200*				(470)	(470)						667,055	
070	*Of which SMEs*															
080	*Households*															
090	Debt securities	4,771,855	4,771,855					(7)	(7)						202,857	
100	*Central banks*															
110	*General governments*	*2,820,012*	*2,820,012*												202,857	

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
(x EUR 1,000)		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
120	*Credit institutions*	*894,085*	*894,085*					*(0)*	*(0)*							
130	*Other financial corporations*	*1,057,757*	*1,057,757*					*(7)*	*(7)*							
140	*Non-financial corporations*															
150	Off-balance-sheet exposures	*5,935,590*	*5,860,590*	*69,000*	*6,000*		*6,000*									
160	*Central banks*															
170	*General governments*	*3,938,881*	*3,863,881*	*69,000*	*6,000*		*6,000*									
180	*Credit institutions*	*22,346*	*22,346*													
190	*Other financial corporations*	*1,022,391*	*1,022,391*													
200	*Non-financial corporations*	*951,973*	*951,973*													
210	*Households*															
220	**Total**	**109,705,402**	**106,712,334**	**2,987,067**	**123,239**	**-**	**123,239**	**(522)**	**(522)**	**-**	**-**	**-**	**-**	**-**	**50,841,006**	**117,239**

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	(x EUR 1,000)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	9,857,287														
010	Loans and advances	86,007,896	73,727,536	338,398	132,127	-	132,127	(741)	(741)	-	-	-	-	-	55,448,201	132,127
020	*Central banks*															
030	*General governments*	*71,793,398*	*71,448,017*	*338,398*	132,127		132,127	(83)	(83)						54,826,165	132,127
040	*Credit institutions*	*9,557,657*	*178,274*												178,274	
050	*Other financial corporations*	*2,656,711*	*101,113*												101,113	
060	*Non-financial corporations*	*2,000,131*	*2,000,131*					(658)	(658)						342,648	
070	*Of which SMEs*															
080	*Households*															
090	Debt securities	5,779,479	4,755,514	-	-	-	-	(8)	(8)	-	-	-	-	-	172,867	-
100	*Central banks*															
110	*General governments*	*3,424,818*	*3,356,165*												172,867	

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
(x EUR 1,000)		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
120	*Credit institutions*	*1,063,664*	*108,352*					*(0)*	*(0)*							
130	*Other financial corporations*	*1,290,996*	*1,290,996*					*(7)*	*(7)*							
140	*Non-financial corporations*															
150	Off-balance-sheet exposures	*4,294,958*	*4,158,662*	*10,700*	*6,000*	-	*6,000*	-	-	-	-	-	-	-	-	-
160	*Central banks*															
170	*General governments*	*2,836,652*	*2,821,766*	*10,700*	*6,000*		*6,000*									
180	*Credit institutions*	*77,385*	*72,355*													
190	*Other financial corporations*	*265,386*	*149,006*													
200	*Non-financial corporations*	*1,115,535*	*1,115,535*													
210	*Households*															
220	**Total**	**105,939,620**	**82,641,711**	**349,098**	**138,127**	**-**	**138,127**	**(748)**	**(748)**	**-**	**-**	**-**	**-**	**-**	**55,621,068**	**132,127**

EU CQ1: CREDIT QUALITY OF FORBORNE EXPOSURES

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		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
(x EUR 1,000)		Performing forborne	Non-performing forborne	Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	Cash balances at central banks and other demand deposits								
010	Loans and advances	1,021						1,021	
020	*Central banks*								
030	*General governments*	1,021						1,021	
040	*Credit institutions*								
050	*Other financial corporations*								
060	*Non-financial corporations*								
070	*Households*								
080	Debt Securities								
090	Loan commitments given								
100	**Total**	**1,021**						**1,021**	

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(x EUR 1,000)		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne	Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	Cash balances at central banks and other demand deposits								
010	Loans and advances	1,052						1,052	
020	*Central banks*								
030	*General governments*	1,052						1,052	
040	*Credit institutions*								
050	*Other financial corporations*								
060	*Non-financial corporations*								
070	*Households*								
080	Debt Securities								
090	Loan commitments given								
100	**Total**	1,052						1,052	

EU CQ4 : QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY

The overview shows the exposures to the Netherlands. Exposures to all other countries are reported under 'Other countries'.

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	(x EUR 1,000)	a	b	c	d	e	f	g
		Gross carrying/nominal amount					Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing					
				Of which defaulted	Of which subject to impairment	Accumulated impairment		
010	**On-balance-sheet exposures**	**77,603,827**	**117,239**	**117,239**	**77,603,827**	**(515)**		
020	Netherlands	73,536,585	117,239	117,239	73,536,585	(515)		
030	Country 2							
040	Country 3							
050	Country 4							
060	Country N							
070	Other countries	4,067,241			4,067,241			
080	**Off-balance-sheet exposures**	**5,935,590**	**6,000**	**6,000**	**-**	**-**		
090	Netherlands	5,907,590	6,000	6,000				
100	Country 2							
110	Country 3							
120	Country 4							
130	Country N							
140	Other countries	28,000						
150	**Total**	**83,539,416**	**123,239**	**123,239**	**77,603,827**	**(515)**	**-**	**-**

EU CQ5: CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY

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	(x EUR 1,000)	a	b	c	d	e	f
		Gross carrying amount					Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment	Accumulated impairment	
				Of which defaulted			
010	Agriculture, forestry and fishing						
020	Mining and quarrying						
030	Manufacturing						
040	Electricity, gas, steam and air conditioning supply	569,286			569,286	(195)	
050	Water supply	1,073,592			1,073,592	(116)	
060	Construction						
070	Wholesale and retail trade						
080	Transport and storage						
090	Accommodation and food service activities						
100	Information and communication						
110	Financial and insurance actvities						
120	Real estate activities						
130	Professional, scientific and technical activities						
140	Administrative and support service activities	813,107			813,107	(158)	
150	Public administration and defense, compulsory social security						
160	Education						
170	Human health services and social work activities						
180	Arts, entertainment and recreation						
190	Other services						
200	**Total**	**2,455,985**	**-**	**-**	**2,455,985**	**(470)**	**-**

ARTICLE 9: USE OF CREDIT RISK MITIGATION TECHNIQUES

EU CR3: DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES

NWB Bank's primary business is to provide loans to the public sector in the Netherlands. Given the public-sector nature of the majority of the bank's clients which, moreover, are exempt from solvency requirements (due to guarantees), the credit risk of the loan portfolio is limited. Credit risks associated with the derivatives transactions entered into are largely mitigated by exchanging collateral. Since 2016, the bank's interest rate derivatives have been cleared by a central counterparty, which has further reduced counterparty risk.

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		a	b	c	d	e
(x EUR 1,000)		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
1	Loans and advances	77,603,312	50,755,388		50,755,388	
2	Debt securities	4,771,847				
3	**Total**	**82,375,159**	**50,755,388**	**-**	**50,755,388**	**-**
4	*Of which non-performing exposures*	117,239	117,239		117,239	
EU-5	*Of which defaulted*	117,239	117,239		117,239	

ARTICLE 10: CREDIT RISK STANDARDISED APPROACH

EU CR4 : CREDIT RISK EXPOSURE AND CRM EFFECTS

This table shows on- and off balance sheet exposures by exposure class before and after the application of conversion factors and any associated credit risk mitigation. It also shows the risk-weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure.

CREDIT RISK EXPOSURE AND CRM EFFECTS - 30 JUNE 2021

		a	b	c	d	e	f
(x EUR 1,000)		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
1	Central governments or central banks	21,596,691	50,000	71,352,178	1,063,437	4,664	0.0%
2	Regional government or local authorities	18,726,763	1,903,666	19,704,525	941,084	-	0.0%
3	Public sector entities	50,146,670	1,957,214	170,788	42,131	42,584	20.0%
4	Multilateral development banks	26,359	-	26,359	-	-	0.0%
5	International organisations	522,061	28,000	522,061	14,000	-	0.0%
6	Institutions	419,297	408,136	231,013	45,838	82,727	29.9%
7	Corporates	2,455,516	951,973	1,886,431	321,408	1,953,408	88.5%
8	Retail						
9	Secured by mortgages on immovable property						
10	Exposures in default						
11	Exposures associated with particularly high risk						
12	Covered bonds	747,535	-	747,535	-	74,754	10.0%
13	Institutions and corporates with a short-term credit assessment						
14	Collective investment undertakings						
15	Equity						
16	Other items	21,277	-	21,277	-	21,277	100.0%
17	**Total**	**94,662,168**	**5,298,990**	**94,662,168**	**2,427,898**	**2,179,414**	**2.2%**

CREDIT RISK EXPOSURE AND CRM EFFECTS - 31 DECEMBER 2020

	(x EUR 1,000)	a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
1	Central governments or central banks	10,235,614	50,000	64,829,287	892,594	-	0.0%
2	Regional government or local authorities	18,934,242	1,275,130	19,924,277	614,845	-	0.0%
3	Public sector entities	55,292,556	1,517,522	179,664	100	35,953	20.0%
4	Multilateral development banks	96,435	-	96,435	-	-	0.0%
5	International organisations	759,278	-	759,278	-	-	0.0%
6	Institutions	11,491,589	342,391	2,060,060	68,723	144,447	6.8%
7	Corporates	4,535,603	1,115,915	1,738,325	374,273	1,889,872	89.5%
8	Retail						
9	Secured by mortgages on immovable property						
10	Exposures in default						
11	Exposures associated with particularly high risk						
12	Covered bonds	846,531	-	846,531	-	84,653	10.0%
13	Institutions and corporates with a short-term credit assessment						
14	Collective investment undertakings						
15	Equity						
16	Other items	16,871	-	16,871	-	16,871	100.0%
17	**Total**	**102,208,719**	**4,300,958**	**90,450,729**	**1,950,536**	**2,171,796**	**2.4%**

EU CR5: STANDARDISED APPROACH

This table shows exposure values after the application of conversion factors and any associated credit risk mitigation by exposure classes and risk weight. Most of NWB Bank's lending comes under the category of a 0% risk weighting, which means the credit risk is considered very limited.

EU CR5: STANDARDISED APPROACH - 30 JUNE 2021

(x EUR 1,000)		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight															Total	Of which unrated
	Exposure classes	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
1	Central governments or central banks	73,363,692				23,318											73,387,011	
2	Regional government or local authorities	20,719,280															20,719,280	
3	Public sector entities					212,919											212,919	
4	Multilateral development banks	26,359															26,359	
5	International organisations	536,061															536,061	
6	Institutions		1,223			479,659		1,067,477				0					1,548,360	
7	Corporates										2,474,873						2,474,873	
8	Retail exposures																-	
9	Exposures secured by mortgages on immovable property																-	
10	Exposures in default																-	
11	Exposures associated with particularly high risk																-	
12	Covered bonds				747,535												747,535	
13	Exposures to institutions and corporates with a short-term credit assessment																-	
14	Units or shares in collective investment undertakings																-	
15	Equity exposures																-	
16	Other items										21,277						21,277	
17	**Total**	**94,645,393**	**1,223**	**-**	**747,535**	**715,897**	**-**	**1,067,477**	**-**	**-**	**2,496,150**	**0**	**-**	**-**	**-**	**-**	**99,673,675**	**-**

EU CR5: STANDARDISED APPROACH - 31 DECEMBER 2020

(x EUR 1,000)		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight															Total	Of which unrated
	Exposure classes	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
1	Central governments or central banks	66,667,971															66,667,971	
2	Regional government or local authorities	20,602,389															20,602,389	
3	Public sector entities					179,764											179,764	
4	Multilateral development banks	96,435															96,435	
5	International organisations	759,278															759,278	
6	Institutions		2,118,027			561,778		665,543				53					3,345,401	
7	Corporates										2,158,925						2,158,925	
8	Retail exposures																-	
9	Exposures secured by mortgages on immovable property																-	
10	Exposures in default																-	
11	Exposures associated with particularly high risk																-	
12	Covered bonds				846,531												846,531	
13	Exposures to institutions and corporates with a short-term credit assessment																-	
14	Units or shares in collective investment undertakings																-	
15	Equity exposures																-	
16	Other items										16,871						16,871	
17	**Total**	**88,126,073**	**2,118,027**	**-**	**846,531**	**741,541**	**-**	**665,543**	**-**	**-**	**2,175,796**	**53**	**-**	**-**	**-**	**-**	**94,673,565**	**-**

ARTICLE 13: EXPOSURES TO COUNTERPARTY CREDIT RISK

EU CCR1: ANALYSIS OF CCR EXPOSURE BY APPROACH

Counterpart Credit Risk (CCR) entails the potential impact on profit/capital because counterparties are not meeting their obligations in derivatives transactions. To limit the counterparty credit risks associated with these derivatives to the greatest extent possible, in principle, NWB Bank only enters into new transactions with counterparties with a single-A rating at a minimum. This applies when these derivatives can not been cleared centrally. Furthermore, limits are set to minimise the total exposure from derivatives.

This table contains the exposure values before and after the effect of the credit risk mitigation and the associated risk exposure amounts broken down by applicable method. Due to the CRR2 implementation, the Standardised Approach to Counterparty Credit Risk (SA-CCR) is now applied.

EU CCR1: ANALYSIS OF CCR EXPOSURE BY APPROACH - 30 JUNE 2021

		a	b	c	d	e	f	g	h
(x EUR 1,000)		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)								
EU-2	EU - Simplified SA-CCR (for derivatives)								
1	SA-CCR (for derivatives)	975,606	869,829		1.4	2,293,416	1,845,435	2,583,609	794,461
2	IMM (for derivatives and SFTs)								
2a	*Of which securities financing transactions netting sets*								
2b	*Of which derivatives and long settlement transactions netting sets*								
2c	*Of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)								
5	VaR for SFTs								
6	**Total**	**975,606**	**869,829**	**-**	**1**	**2,293,416**	**1,845,435**	**2,583,609**	**794,461**

EU CCR2: TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK

This table contains the exposure values after credit risk mitigation effects and the associated risk exposures for Credit Valuation Adjustment (CVA) capital charge. As said, the introduction of the Standardised Approach to Counterparty Credit Risk (SA-CCR) has led to a significant increase in risk-weighted assets and the CVA.

EU CCR2: TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK - 30 JUNE 2021

(x EUR 1,000)		a Exposure value	b RWEA
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3× multiplier)		
3	(ii) stressed VaR component (including the 3× multiplier)		
4	Transactions subject to the Standardised method	1,269,897	1,027,151
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	**Total transactions subject to own funds requirements for CVA risk**	**1,269,897**	**1,027,151**

EU CCR2: TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK - 31 DECEMBER 2020

(x EUR 1,000)		a Exposure value	b RWEA
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3× multiplier)		
3	(ii) stressed VaR component (including the 3× multiplier)		
4	Transactions subject to the Standardised method	810,639	714,007
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	**Total transactions subject to own funds requirements for CVA risk**	**810,639**	**714,007**

EU CCR3: STANDARDISED APPROACH - CCR EXPOSURES BY REGULATORY EXPOSURE CLASS AND RISK WEIGHT

This table shows classification of counterparty credit risk exposure value in exposure classes and risk weights after credit risk mitigation. As said, the recent introduction of the Standardised Approach to Counterparty Credit Risk (SA-CCR) has led to a significant increase in risk-weighted assets for counterparty credit risk and CVA.

EU CCR3: CCR EXPOSURES BY REGULATORY EXPOSURE CLASS AND RISK WEIGHT - 30 JUNE 2021

	(x EUR 1,000)	a	b	c	d	e	f	g	h	i	j	k	l
		Risk weight											
	Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	1,942,789											1,942,789
2	Regional government or local authorities	147,343											147,343
3	Public sector entities												-
4	Multilateral development banks												-
5	International organisations												-
6	Institutions		1,223			718,269	1,822,303						2,541,795
7	Corporates									534,067			534,067
8	Retail												-
9	Institutions and corporates with a short-term credit assessment												-
10	Other items												-
11	**Total exposure value**	**2,090,132**	**1,223**	**-**	**-**	**718,269**	**1,822,303**	**-**	**-**	**534,067**	**-**	**-**	**5,165,995**

EU CCR8: EXPOSURES TO CCPS

This table shows the exposure value to central counterparties and the associated risk exposures. NWB Bank only has exposures to Qualified CCPs.

EU CCR8: EXPOSURES TO CCPS - 30 JUNE 2021

	(x EUR 1,000)	a	b
		Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**24**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,223	24
3	(i) OTC derivatives	1,223	24
4	(ii) Exchange-traded derivatives		
5	(iii) SFTs		
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin	832,062	
8	Non-segregated initial margin		
9	Prefunded default fund contributions		
10	Unfunded default fund contributions		
11	**Exposures to non-QCCPs (total)**		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) SFTs		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions		

ARTICLE 14: EXPOSURES TO SECURITISATION POSITIONS

EU SEC1 : EXPOSURES TO SECURITISATION POSITIONS

NWB Bank has a portfolio of NHG RMBS notes (Residential Mortgage-Backed Securities, based on mortgages under the National Mortgage Guarantee [NHG] scheme), through which it contributes to the financing and affordability of government-guaranteed (green) private residential mortgages. NWB Bank only actively uses securitisation in its role as an investor, and it monitors the risks (credit, market and liquidity risks) during the period to maturity and firmly intends to hold the RMBS (NHG) notes until the expected expiry date. Credit risk is expressed in risk-weighted assets based on the Standard Approach to Securitisations as set out in Article 251 of the CRR, in which the ratings issued by S&P, Moody's or Fitch are used to indicate credit risk.

30 JUNE 2021

	(x EUR 1,000)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Subtotal	Traditional		Synthetic	Subtotal	Traditional		Synthetic	Subtotal
		STS		Non-STS					STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT		of which SRT									
1	**Total exposures**													**1,057,750**		
2	Retail (total)													1,057,750		
3	residential mortgage													1,057,750		
4	credit card															
5	other retail exposures															
6	re-securitisation															
7	Wholesale (total)															
8	loans to corporates															
9	commercial mortgage															
10	lease and receivables															
11	other wholesale															
12	re-securitisation															

EU SEC4: SECURITISATION EXPOSURES IN THE NON-TRADING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS

30 JUNE 2021

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	(x EUR 1,000)	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to 1250% RW	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
1	**Total exposures**	**1,057,750**							**1,057,750**				**158,663**				**12,693**	
2	Traditional securitisation	1,057,750							1,057,750				158,663				12,693	
3	Securitisation	1,057,750							1,057,750				158,663				12,693	
4	Retail underlying	1,057,750							1,057,750				158,663				12,693	
5	Of which STS																	
6	Wholesale																	
7	Of which STS																	
8	Re-securitisation																	
9	Synthetic securitisation																	
10	Securitisation																	
11	Retail underlying																	
12	Wholesale																	
13	Re-securitisation																	

ARTICLE 15: USE OF THE STANDARDISED APPROACH AND OF THE INTERNAL MODELS FOR MARKET RISK

NWB Bank defines market risk as the risk of losses in on- or off-balance positions caused by negative changes in market rates. Within market risk, one subtype is recognised: FX risk. The bank's policy is to eliminate all currency risks on loans granted and borrowings. Currency risks arise primarily in respect of funds borrowed by the bank. NWB Bank borrows significant amounts in foreign currency. The resulting currency risks are fully hedged immediately by entering into currency swaps. The bank does not hold trading book exposures.

ARTICLE 16: OPERATIONAL RISK

EU OR1: OPERATIONAL RISK OWN FUNDS REQUIREMENTS AND RISK-WEIGHTED EXPOSURE AMOUNTS

When calculating qualifying capital for operational risk, NWB Bank uses the standardised approach. Under this approach, 15% of the relevant indicator is taken as a benchmark for the operational risk. The relevant indicator is the three-year average of the total of the annual net interest income and the annual net non-interest income at the end of the financial year.

30 JUNE 2021

	(x EUR 1,000)	a	b	c	d	e
		Relevant indicator			Own funds requirements	Risk exposure amount
	Banking activities	2018	2019	2020		
1	Banking activities subject to basic indicator approach (BIA)					
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	185,798	174,192	187,415	27,370	342,128
3	*Subject to TSA:*					
4	*Subject to ASA:*					
5	Banking activities subject to advanced measurement approaches AMA					

INTEREST RATE RISK BANKING BOOK

NWB Bank predominantly lends to public sector clients through a limited offering of products. Its clients mainly request financing with long maturities, which may go beyond 50 years. The long maturities are generally aligned to the long-term public sector investments. NWB Bank borrows its funds exclusively through the debt capital markets and does not attract any (retail) deposits. NWB Bank generally provides fixed rate loans and borrows funds against a fixed coupon. As a result, NWB Bank is exposed to fluctuations in interest rates arising from the differences in the interest rates and tenors between loans provided (or securities bought) and funds borrowed (or securities issued). NWB Bank uses interest rate derivatives for both the loans provided and funds borrowed to manage IRRBB. NWB Bank primarily uses interest rate swaps to hedge its gap risk, and hedges the gap risk for almost all individual instruments on an individual basis as the timing, notional and tenors of individual loans provided and funds borrowed usually differ materially.

NWB Bank maintains a strategic interest rate risk position in order to achieve a result aimed at realising the level of return on equity agreed with the shareholders, i.e. the ten-year moving average yield on ten-year Dutch government bonds plus 200 basis points ('bps'), of which the 200 bps should primarily be achieved through the margin made on its loan portfolio.

NWB Bank uses several indicators to measure its exposure to IRRBB:

Gap analysis

NWB Bank uses 'gap analysis' to derive the duration profile of its IRRBB by allocating all relevant interest rate sensitive assets and liabilities to predefined time buckets according to the next contractual interest reset date or maturity date (whichever comes first). It measures the arithmetic difference (the gap) in absolute amounts between the amounts of assets and liabilities in each time bucket. The gap analysis method provides a visual impression of the interest rate risk dispersion relative to the repricing profile, reflecting NWB Bank's to parallel as well as non-parallel gap risk. It does not quantify this exposure in a single measure. NWB Bank uses gap analysis to report its exposure to parallel – and non-parallel gap risk with regards to both short-term and long-term exposures.

Earnings-based indicator

When using earnings-based measures, the focus for analysis is the impact of changes in interest rates on future accrued or reported earnings. NWB Bank uses 'Earnings at Risk ('EaR')' when measuring its vulnerabilities to IRRBB in the short-term and to assess its ability to generate stable earnings. NWB Bank's earnings are entirely related to (i) net interest income and (ii) fair value changes of interest rate sensitive instruments, recognized in results from financial transactions. In measuring its sensitivity, NWB Bank focuses only on net interest income. NWB Bank calculates EaR in order to measure the amount by which earnings will change in various future interest rate scenarios. The scenario outcomes are compared to a base scenario over a one and a two year horizon and are therefore a measure for the shorter-term interest rate risk. The measure does not take into account the effect of market value changes of instruments.

Economic value-based indicator

Under an economic value approach, the measure of IRRBB is the theoretical change in the net embedded market value of the whole banking book. NWB Bank uses 'Dollar Value of one basispoint ('DV01')' when measuring its vulnerabilities to both short- and long-term interest rate risk. DV01 is derived from cash flows of all interest rate sensitive instruments and measures the absolute change of the equity value resulting from a 1 basispoint (0.01%) parallel shift of the yield curve. In order to measure the sensitivity of non-parallel gap risk as well as parallel gap risk to its economic value, NWB Bank additionally uses 'Partial DV01', which similar in its nature as calculating DV01. Partial DV01 differs from DV01 as it does not shift the entire yield curve in parallel but only the yield curve segment corresponding to the time bucket. To capture the sensitivity of its aggregated interest rate risk exposure to its economic value, NWB Bank determines the 'Change in Economic Value of Equity ('Δ EVE'), which measures the change in the present value of asset cash flows, less the present value of liability cash flows, without including assumptions on the interest rate sensitivity of equity. In accordance with paragraph 82 of EBA's guidelines on the management of IRRBB, NWB Bank excludes margins and other spread components from this measure. To avoid the complexity of measuring total EV, NWB Bank focuses on measuring the level of change to the present value of its interest rate sensitive instruments under a number of interest rate shock scenarios. The relative change is a measure of the level of IRRBB.

The outcome of the EaR is within our risk appetite while the EVE outcome is within the boundaries of the outlier criterium.

		a	b	c	d
(x EUR 1,000)		Changes of the economic value of equity		Change of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	(276.5)	(208.8)	(8.3)	(3.7)
2	Parallel down	38.0	16.7	8.6	3.8
3	Steepener	(43.7)	(11.6)		
4	Flattener	(15.2)	(28.6)		
5	Short rates up	(97.9)	(94.6)		
6	Short rates down	26.5	16.8		

ANNEX III - CAPITAL INSTRUMENTS' MAIN FEATURES TEMPLATE

DISCLOSURE ACCORDING TO ARTICLE 3 IN COMMISSION IMPLEMENTING REGULATION (EU) NO 1423/2013

Capital instruments' main features template[1)]							
1	Issuer	Nederlandse Waterschapsbank N.V.	Nederlandse Waterschapsbank N.V.	Nederlandse Waterschapsbank N.V.	Nederlandse Waterschapsbank N.V.	Nederlandse Waterschapsbank N.V.	Nederlandse Waterschapsbank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	No unique identifier	No unique identifier	No unique identifier	No unique identifier	No unique identifier	No unique identifier
3	Governing law(s) of the instrument	Dutch	Dutch	Dutch	Dutch	Dutch	Dutch
	Regulatory treatment						
4	Transitional CRR rules	CET1	CET1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	CET1	CET1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
6	Eligible at solo/ (sub-)consolidated/solo & (sub-)consolidated	Solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Share Capital (A shares)	Share Capital (B shares)	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 5.805 mln	EUR 1,019 mln	EUR 200 mln	EUR 20.5 mln	EUR 50 mln	EUR 50 mln
9	Nominal amount of instrument	EUR 115	EUR 460	EUR 200 mln	EUR 20.5 mln	EUR 50 mln	EUR 50 mln
9a	Issue price	EUR 115	EUR 460	100 per cent	100 per cent	100 per cent	100 per cent
9b	Redemption price	N/A	N/A	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount
10	Accounting classification	Shareholders' equity	Shareholders' equity	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost

Capital instruments' main features template[1)]							
	Regulatory treatment (continued)						
11	Original date of issuance	May 5, 1954	January 1, 1961	September 1, 2015	May 3, 2016	August 12, 2016	August 15, 2016
12	Perpeptual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity
14	Issuer call subjet to prior supervisory approval	N/A	N/A	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	N/A	N/A	01-09-25 100 per cent of Nominal amount In addition Tax/ Regulatory call	05-05-31 100 per cent of Nominal amount In addition Tax/ Regulatory call	12-08-26 100 per cent of Nominal amount In addition Tax/ Regulatory call	15-01-24 100 per cent of Nominal amount In addition Tax/ Regulatory call
16	Subsequent call dates, if applicable	N/A	N/A	1 Sep of each year after first call date	3 May of each year after first call date	12 Aug of each year after first call date	15 Jan of each year after first call date
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Floating	Floating	Fixed to floating	Fixed to floating	Fixed to floating	Fixed to floating
18	Coupon rate and any related index	N/A	N/A	Fixed 3.1 per cent per annum, until first call date, thereafter 1 year swaprate with Euribor 6-months +2.00 per cent per annum	Fixed 4.025 per cent per annum, until first call date, thereafter 1 year swaprate with Euribor 6-months +2.25 per cent per annum	Fixed 2.34 per cent per annum, until first call date, thereafter 1 year swaprate with Euribor 6-months +2.00 per cent per annum	Fixed 2.41 per cent per annum, until first call date, thereafter 1 year swaprate with Euribor 6-months +2.00 per cent per annum
19	Existence of a dividend stopper	No	No	No	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary

Capital instruments' main features template[1)]							
	Coupons / dividends (continued)						
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	N/A	N/A	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	N/A	N/A	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger (s)	N/A	N/A	Common Equity Tier1 (CET1) below 5.125 per cent	Common Equity Tier1 (CET1) below 5.125 per cent	Common Equity Tier1 (CET1) below 5.125 per cent	Common Equity Tier1 (CET1) below 5.125 per cent

Capital instruments' main features template[1)]							
	Coupons / dividends (continued)						
32	If write-down, full or partial	N/A	N/A	Full or Partially	Full or Partially	Full or Partially	Full or Partially
33	If write-down, permanent or temporary	N/A	N/A	Temporary	Temporary	Temporary	Temporary
34	If temporary write-down, description of write-up mechanism	N/A	N/A	Under conditions write-up takes place in steps when CET1 is above 5.125 per cent	Under conditions write-up takes place in steps when CET1 is above 5.125 per cent	Under conditions write-up takes place in steps when CET1 is above 5.125 per cent	Under conditions write-up takes place in steps when CET1 is above 5.125 per cent
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1	Additional Tier 1	Other creditors	Other creditors	Other creditors	Other creditors
36	Non-compliant transitioned features	No	No	No	No	No	No
37	If yes, specifiy non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A

1) 'N/A' inserted if the question is not applicable