



VAN LANSCHOT
KEMPEN

2024 annual report

Notes to the reader

Disclaimer

This document is only a website version and is not the official annual report, including the audited financial statements thereto pursuant to article 361 of Book 2 of the Dutch Civil Code. The official annual report, including the audited financial statements and the auditor's opinion thereof, are included in the single report package which can be found via <https://www.vanlanschotkempen.com/annual-report-2024-xbrl>.

In case of any discrepancies between the website version and the annual report package, the annual report package will prevail.

Note that the auditor's opinion included in the website version does not relate to the website version but only to the official annual report. No rights can be derived from using the website version, including the unofficial copy of the auditor's opinion. Our auditors did not determine (nor do they need to) that the website version is identical to the official version.

Changes to our reporting segments

As of 2024, we manage our business and report on our results according to four client segments: Private Clients Netherlands, Private Clients Belgium, Investment Management Clients and Investment Banking Clients. Both Private Clients Switzerland and Evi are reported under Private Clients Netherlands.

In this annual report, when discussing comparative figures from 2023, these have been adjusted accordingly.

Unrounded figures

Amounts in this annual report may not add up due to being rounded up or down. The total amounts may therefore deviate from the sum of the parts. Percentage changes are based on the unrounded figures.

Changes to comparative figures

Some amounts may differ from previously published reports; in these cases, explanations are given in the footnotes.

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Message from the Chair

Dear reader,

We are proud of what we achieved together in 2024; a year in which we continued building momentum as a trusted adviser to entrepreneurs, families and institutional clients while navigating a challenging external environment. In line with our core value of being personal, we remained close to our clients, who entrusted us with more of their wealth, and we welcomed many new clients, resulting in significant growth. We cherish this trust and strive to protect it through our services and personal relationships.

Close to our clients

It was impressive to see how we increased commercial momentum while reducing complexity in our organisation. All four of our business segments contributed to our bottom line in 2024 and client satisfaction increased further, underlined by our high Net Promoter Scores.

In private banking, we combine expertise in wealth management with advisory and institutional asset management solutions to offer a broad range of services, including private markets and philanthropy solutions. We increased our market share, with strong inflows from new and existing clients, in the Netherlands, Belgium and Switzerland. In the asset management space, we successfully rebuilt our small caps team, resulting in significant inflows. We also made steps in private equity and private debt with an expanded and improved offering, though we see the need to further improve our private markets solutions for our clients. Our investment bank advised on a number of high-profile transactions and returned to profitability; however our focus there remains on improving commercial momentum.

At the same time, we made great strides in our disciplined acquisition strategy. Following meticulous preparations in 2023, we launched Mercier Van Lanschot in Belgium at the start of the year. Its clear and unique proposition made it a challenger in the market, with great appeal to clients and prospects. We also acquired and integrated Accuro in Belgium, adding both clients and staff to our platform. In the Netherlands, we made good progress on the integration of Robeco's online investment platform into Evi. We expect the integration to be completed in 2025.

As part of our purpose to preserve and create wealth for our clients and for society in a sustainable way, we take a long-term view. As entrepreneurs look to sell their businesses or transfer wealth to their children, what will their future needs look like? How can we maintain our strong relationships from generation to generation? We also look to diversify our client base to reflect the many facets of our society, for example by targeting next-generation clients and start- and scale-up entrepreneurs, offering financing solutions and network potential. This requires us to continuously look at our offering and our employee base.

Guiding and guarding in uncertain times

There was a duality to 2024, where a turbulent geopolitical environment saw elections in many countries as well as several major conflicts. At the same time, global markets performed well against the backdrop of decreasing interest rates, and we saw overall wealth increasing. We are proud to be able to not only guide our clients through this pivotal transition but also provide re-investment and liquidity opportunities.

Meanwhile, we continue to recognise the urgency of climate change and our role in mitigating its effects. This report outlines the steps we are taking on ESG topics. Our focus areas are climate change, biodiversity, and inclusion and diversity. As a firm that places high importance on dialogue, we engage with our stakeholders to make a positive impact in these areas. For example, through impact investing, including via our SDG Farmland Fund and our mortgage proposition. We also have an annual reduction target for our own operations, which will be driven mostly by better mobility options and reducing the energy consumption of our offices. Our new office in Amsterdam from 2027 will also place sustainability at the heart of its design. Finally, data availability and quality are key to the achievement of our targets. We are working to improve our insights and increase transparency, and are in continuous dialogue with our clients on where we can make improvements.

As we work through the transitions brought about by evolving geopolitical and environmental circumstances, we take our responsibility as an adviser seriously. Our clients entrust us with their wealth and financial well-being and, in turn, we help to guide them through the changing world we live in.

People make the difference

We are firm believers that, in the current tight labour market, we must aim to be the employer of choice in the wealth management field. Offering a place where people work together for our clients and, by doing so, can grow and prosper. Clients deserve the best and most passionate team to serve them. That's part of our DNA. We were able to attract young talent to our Young Private Banking Programme, as well as for AI-related positions and other technology roles. We also strengthened our leadership and attracted additional senior bankers in Switzerland, to ensure our next growth chapter there.

We also saw changes to the Management Board this year, as former Chief Risk Officer Wendy Winkelhuijzen took up the role of Head of Private Clients Netherlands and Investment Banking Clients. Damla Hendriks joined us as our new Chief Risk Officer in June. The new composition of our Board has brought a fresh dynamic and energy to our team. At the same time, we are grateful for the contributions of Richard Bruens, who stepped down from the Board after ten years.

Growing further together

Looking ahead, our "Growing further together" strategy is designed to build on our positive momentum and continue fostering a growth mindset. This resonated well with our shareholders and the wider market when we presented the strategy and associated targets on our Investor Day in June 2024.

We are already well underway towards our financial and non-financial targets. At the same time, we must continue to monitor the impact of external developments and keep an eye out for well-suited, bolt-on acquisition opportunities.

There are three key ingredients to delivering our "Growing further together" strategy, which we refer to as "Grow, Scale and Excel". Growth is linked to growing our product and service offering, for example in our private markets offering, as well as our target of 10% average annual growth in assets under management while maintaining a capital-light business model. Scalability will be driven by enhancing our digital capabilities, such as by on-boarding more Belgian clients to our shared platform, and by using AI to automate manual tasks, all the while maintaining our high security and privacy standards as well as our personal touch. Excel refers to how we develop talent, how our staff collaborate to provide the best solutions for our clients, and how we will continue investing in our brand to be an adviser of choice for a broader range of client groups.

Because this is what it all comes down to: being close to our clients as their trusted adviser. I would like to thank our clients, colleagues and shareholders for how they have contributed to building impactful relationships in 2024. Whether we're navigating a pivotal moment in one's life or responding to situations in the world around us, we will continue to drive real conversations about the things that matter, now and for generations to come.

's-Hertogenbosch, the Netherlands, 26 February 2025



Maarten Edixhoven
Chair of the Management Board

Van Lanschot Kempen at a glance

2024 key figures

Net result

€142m

2023: €125m

Cost/income ratio

70.1%

2023: 71.6%

CET 1 ratio

19.4%

2023: 19.6%

Return on CET 1

16.2%

2023: 14.2%

AuM

€149bn

2023: €127bn

Net AuM inflow

€9.2bn

2023: €5.3bn

NPS Private Clients Netherlands

45

2023: 34

NPS Private Clients Belgium

62

2023: n/a

Employee engagement score

90%

2023: 90%

Annual WACI reduction AuM¹

17.4%

2023: n/a

¹ Annual weighted average carbon intensity reduction for discretionary AuM.

Why clients choose to join – and grow with – Van Lanschot Kempen



“

There's always a familiar face available when you need us

Both Cassandra and Charles emphasise personal relationship management as a key reason for clients choosing Van Lanschot Kempen. "People come to us for an investment management experience and proximity with their adviser that they can't find elsewhere," says Charles.

Cassandra agrees: "We often hear that our personal approach is what makes the difference. We have direct contact with clients, and we do what we say we'll do. As we say in Dutch, *'afspraken is afspraken'* – an agreement is an agreement!"

This personal approach helps to build trust and, ultimately, increase investment or referrals. "We gain trust by being there for our clients and their families at important moments in their life. With this trust, they're more likely to use the same provider for all their assets," says Cassandra.



“

There's a proximity to their adviser that they can't find elsewhere

Charles adds: "New clients often have friends or acquaintances who are already clients of ours or are part of our private bankers' network."

Other factors come into play too. As Charles explains, these include "the quality and discipline of our investment management, the simplicity and transparency of our offering, and how assets are considered in their entirety."

Finally, we provide continuity, as Cassandra concludes: "Colleagues tend to stay a long time at the company. So, there's always a familiar face available when you need us."

Cassandra Smith (L)

Director of Private Banking, Wassenaar & Oegstgeest,
Private Clients Netherlands

Charles Kesteloot (R)

Head of Estate Planning, Mercier Van Lanschot, Belgium

Growing further together

We are the oldest independent financial institution in the Netherlands. Nevertheless, we're firmly focused on the future, driven by our purpose to preserve and create wealth for our clients and for society in a sustainable way.

That means taking the long view as we move forward with our clients, standing by them at every step with our welcoming, personal and expert touch.

A trusted steward

In an ever-changing world, our clients seek a steady hand in the moments that matter, whether it's growing or selling a business, investing or planning a wealth transfer. And in the face of environmental and social change, consumers and businesses alike are becoming increasingly aware of the importance of how we shape the world for future generations.

Our close to 300-year heritage stands us in good stead as we support our clients with long-term wealth planning. Over the years we have helped our clients navigate social, political and economic change and we will continue to do so in the years to come. With our strong, specialist position in private banking, investment management and investment banking, we provide products and services to our clients with a unique personal approach.

As our clients plan to grow their wealth, prepare a nest egg for retirement, make a transfer to the next generation or make an impact through philanthropy, we provide stewardship with an entrepreneurial edge, grounded in sound knowledge and clear investment principles.

A guiding compass

Our four values, shown below, steer the way we work together, make decisions and deliver on our strategy, helping us fulfil our promise: Onwards together (*Kom verder*). This promise encapsulates how we work with clients to tailor their investments, offering a uniquely personal and specialist service led by experts committed to them and their future success.

These values were shaped with input from stakeholders such as our employees, clients and the Works Council, to embed their perspectives within these principles.

Our values are underlined by our code of conduct, which sets out the commitments we expect from our colleagues, including our three ethical principles:

- We are respectful towards others;
- We act with discretion;
- We think across generations.

You can read our full code of conduct at vanlanschotkempen.com/en-nl/about-us/who-we-are/compliance.

Our values



Personal

Our driven, proactive people put their clients' interests centre stage as their trusted partner. Being close to our clients at moments that matter is in our DNA.



Specialised

Our deep expertise in investments, capital flows and wealth preservation, together with our strong track record and reputation for high quality, set us apart.



Entrepreneurial

We are ambitious and adaptable, achieving the changes that will bring the best results for our clients and society. We look for opportunities to do better and take responsible risks.



Decisive

We are passionate but clear-headed, taking decisive action in challenging situations. Our flat and agile organisation allows for quick responses and fast decision-making.

What we do and who we do it for

Our organisation delivers private banking, investment management and investment banking services, supported by enabling departments. We work with our clients to deliver the right products and solutions for them through our business activities: private banking in the Netherlands, Belgium and Switzerland; online wealth management via Evi; investment management in Western Europe; and investment banking in Western Europe and the US.

Private banking is the foundation of our business. Our teams in the Netherlands, Belgium and Switzerland support clients with expert advice tailored to their needs. With an in-depth understanding of their personal situation and goals, our bankers are trusted to help preserve and create wealth for generations to come.

We take a long-term view of investing, building a deep understanding of our clients and their goals. Our clients choose to work with us for several reasons. First and foremost is the personal experience we offer, underlined by our belief that building relationships is key to sustainable growth. We're there for our clients as their trusted adviser through any and every stage in life, from building a business to transferring wealth to giving back to society.

We're also known for our high-quality service, delivered by knowledgeable people who are experts in their field. We bring our clients and our networks together, enabling meaningful connections. What's more, we provide our clients access to our investment management and investment banking services. And finally, as a highly focused mid-sized wealth manager, our flat organisation and entrepreneurial spirit enable us to move fast, with the scale to stay ahead of technological and regulatory developments and preserve wealth for our clients.

Our excellent client service is made possible by the dedicated experts in our organisation. We cultivate their expertise, entrepreneurship and personal approach through:

- **Investing in talent development:** for instance through the Van Lanschot Kempen Academy and our young talent and trainee programmes such as the Young Private Banking programme;

- **Nurturing employee engagement:** with an employee engagement score of 90% in 2024 (2023: 90%);
- **Fostering collaboration across segments:** such as partnerships between private banking and investment banking.

How we invest

We are active investors with a firm belief in responsible ownership. We look for investee companies with a strong and unique position in the market, a clear leadership vision and skin in the game, such as share ownership or incentivisation. Starting from our client's wishes, we follow three investment principles in everything we do, from selecting individual securities to establishing investment building blocks:

- A strong unique selling point;
- Clear focus;
- Alignment of interests.

Private Clients Netherlands

In the Netherlands, we are the leading private bank, offering our clients savings and investment products, mortgages, private and business financing, semi-institutional services, wealth transfer and philanthropy services. Our private banking clients include entrepreneurs, wealthy individuals and families, business and healthcare professionals, foundations and associations, as well as affluent clients.

Besides our private banking activities in the Netherlands, we are also the only Dutch bank with a Swiss subsidiary, combining local expertise and an international organisation to serve Dutch and Belgian clients in Switzerland. And our online investment platform Evi serves clients directly and via intermediaries, to meet the diverse needs of our affluent clients.

Private Clients Belgium

Mercier Van Lanschot is our brand in Belgium, bringing together the former Mercier Vanderlinden and Van Lanschot Belgium. We are the challenger in a very attractive market, offering entrepreneurs and wealthy individuals and families comprehensive wealth management services, wealth planning and Lombard loans.



Investment Management Clients

Our investment management business consists of investment services for our private banking clients, wholesale investment services for institutional clients across Western Europe and fiduciary management for institutional clients in the Netherlands and the UK. With solid investment management and active, high-conviction strategies, our investment experts bring a hands-on, entrepreneurial spirit to manage complex investment challenges. This segment offers:

- **Investment services** for our private banking clients;
- **Our own funds:** small caps, dividends, sustainable equity, credits and listed real assets, alternative credit, non-listed real assets, private markets, farmland and multi-asset impact;
- **Fiduciary management** for pension funds in the Netherlands and the UK.

Investment Banking Clients

Our specialist investment bank has an international, sector-focused approach in European real estate, life sciences & healthcare, tech & fintech and infrastructure. We serve European corporates, international institutional clients and private banking clients in the Benelux region, offering specialist services such as M&A, equity capital markets transactions, debt advisory services and equities research and trading.

Where we're going

To continue delivering excellent services to our clients as a focused, independent wealth manager, it's imperative to keep growing our company. Our "Growing further together" strategy aims to expand our position as a leading wealth manager in Western Europe, with a solid foundation in the Netherlands and Belgium.

We aim to increase our market share and unlock additional growth in our targeted markets. We will also continue our successful bolt-on acquisition strategy and focus on increasing synergies and cross-selling between our business activities for the benefit of our clients. In particular, investment management and investment banking are organised to increase collaboration with and support for private banking while being profitable on a standalone basis.

At our Investor Day in June 2024, we presented financial targets for 2027 that will enable us to grow in a scalable way. Moreover, our "Growing further together" strategy also sets out several sustainability targets to guide us.

Financial targets

Continued strong growth	➤	10% average annual AuM growth
Scalable business model	➤	67–70% cost/income ratio
Solid capital position	➤	17.5% CET 1 ratio
Attractive returns	➤	>18% return on CET 1 capital
High dividend distribution	➤	70–90% dividend pay-out ratio

Our strategy centres around generating growth that is scalable, profitable and sustainable for the long term, while maintaining a capital-light business model. We have set a target to grow assets under management (AuM) by 10% a year on average across our client segments, to be achieved through a combination of organic growth, bolt-on acquisitions and market performance.

We aim to continue our current commercial momentum, as we are well-positioned to capture the opportunities arising in our markets. We continue to increase our market share by offering our current and new clients the right services to manage their wealth. And there are many additional opportunities for growth, such as the increase in company sales, a growing number of wealth transfers and significant reforms in the pension space: key moments where a trusted adviser like us can make a difference.

And through our bolt-on M&A strategy, we seek to acquire companies that offer a clear financial, cultural, client and market fit.

We will continue to focus on cost control and increasing efficiency to ensure our growth is scalable. Therefore, we target a cost/income ratio of 67–70%, with a solid capital position – a 17.5% Common Equity Tier 1 (CET 1) ratio according to Basel IV fully loaded.

For all these reasons, we expect our strategy to deliver rewarding returns for our shareholders, with a return on CET 1 capital (RoCET 1) target of >18% by 2027 and an attractive dividend pay-out ratio of 70–90%, reflecting our capital-light business model.

Sustainability targets

Discretionary AuM: annual weighted average carbon intensity 7% reduction (baseline year 2019)
Own organisation: annual average carbon intensity per FTE 8% reduction (baseline year 2019)
Mortgages: annual carbon footprint per m² 9.5% reduction (baseline year 2023)
Gender balance among senior staff: >30% female and >30% male
Corrected gender pay gap: <2.0%

The wealth that we preserve and create must be both profitable and sustainable. Our purpose and ethical principles underline our sustainability beliefs:

- We help our clients to navigate transitions by collaborating, sharing insights and developing solutions for future generations;
- We are active investors with a strong belief in responsible ownership through dialogue;
- We lead by example, integrating sustainability into all our roles and expertise.

We help our clients navigate the important transitions of our time. We focus our actions on the themes where we believe we can achieve the biggest results (based on our scale, activities and specialist knowledge). With that in mind, we've selected three focus themes: climate, biodiversity, and inclusion and diversity. We have set key performance indicators (KPIs) for these themes; for more information, see our sustainability statement.

As a firm that strongly believes in dialogue, we work closely with our clients to advise them on the most suitable ways to meet their goals, with a range of sustainable investment solutions that support these transitions. And while we make these options available, our clients always make the final decision on the direction of their investments.

We have set a target of a 7% annual weighted average carbon intensity (WACI) reduction for discretionary AuM, and a 9.5% annual reduction in the carbon footprint per square metre of our mortgage portfolio. We also engage with investee companies to encourage progress on their own sustainability targets, and where we do not see enough improvement, we may decide to divest.

When it comes to our own operations, we are working to reduce our carbon emissions. In support of this, we have set a target to lower our annual average carbon intensity per FTE by 8%, which we will achieve through reducing energy consumption at our offices and emissions through commuting and international travel. In 2024, we announced that we will be moving our Amsterdam office to a new, more energy-efficient location from 2027.

You can read more about our sustainability policies, targets and progress in our sustainability statement.

Delivering on our strategy, together

To successfully execute our strategy, we will pursue several key themes in the years to come:

Grow: We aim to continue to grow as a company alongside our clients in our consolidating industry, by focusing on:

- Continuing to drive organic growth momentum;
- Growing our client base in the ultra-high-net-worth segment;
- Strengthening our private markets and discretionary portfolio management;
- Executing bolt-on acquisitions.

Scale: We aim to increase the scalability of our business to ensure our growth is profitable, by focusing on:

- Streamlining value chains;
- Further harmonising our way of working across the Netherlands and Belgium;
- Improving data quality and implementing additional AI and IT tools;
- Fostering a high change velocity.

Excel: We aim to continue to deliver the best possible service to our clients, by focusing on:

- Client excellence: delivering unparalleled value to our clients;
- Personal excellence: growing through development and performance management;
- Team excellence: cooperating strongly across and within our client segments;
- Incorporating sustainability as part of our daily operations;
- Further building our brand.

Progress on our strategy is monitored against a set of KPIs.

KPIs	Targets		Performance in 2024	Performance in 2023
1. CET 1 ratio (Basel IV fully loaded)	17.5%	●	19.3%	18.6%
2. Return on CET 1 capital	>18% in 2027; progress ahead of our growth path of 1 percentage point per year	●	16.2%	14.2%
3. Cost/income ratio	67-70%	●	70.1%	71.6%
4. Three-year relative performance of our managed propositions	>benchmark	●	-1.1%	-0.2%
5. Employee engagement score (EES)	>80%	●	90%	90%
6. Gender balance among senior staff	>30% female and >30% male by 2029; progress in line with our growth path of 2% per year (2024 target: 21%)	●	21.1%	19.0%
7. Corrected gender pay gap ¹	<2.0%	●	1.4%	3.0%
8. Employee turnover	8-12%	●	9.5%	n/a
9. Own organisation: annual average carbon intensity per FTE	8% reduction (baseline year 2019) 2024: <1.60 tonnes CO ₂ e per FTE	●	1.43 tonnes CO ₂ e per FTE	1.65 tonnes CO ₂ e per FTE
10. Discretionary AuM: annual WACI	7% reduction (baseline year 2019)	●	17%	n/a
11. Net Promoter Score				
a. Private Clients Netherlands	≥20	●	45	34
b. Private Clients Belgium	≥20	●	62	n/a
c. Evi	≥10	●	11	0
d. Investment Management Clients ²	≥20		n/a	30
e. Investment Banking Clients	≥20	●	46	n/a
12. Percentage of employees who believe they have a responsibility to behave ethically	≥benchmark (85%) ≥last pulse/EES (if below benchmark)	●	92%	89%

● KPI more than achieved

● KPI achieved

● KPI almost achieved

● KPI not achieved

● KPI far from achieved

¹ As of 2024, the number of gender pay gap correction variables has changed and includes all employees; the 2023 number includes employees in the Netherlands.

² We only measure the NPS for wholesale and institutional clients once every two years.

Double materiality assessment

As we preserve and create wealth for clients and society, we maintain a regular dialogue with our stakeholder groups and conduct a materiality assessment every other year to identify the most significant (potential) impacts.

In 2023, we introduced double materiality, which recognises the interdependence between financial materiality and impact materiality, considering both the financial impacts of environmental and social factors on a company, and the impacts of the company's activities on the environment and society.

Our double materiality assessment (DMA) was conducted in preparation for reporting according to the Corporate Sustainability Reporting Directive (CSRD). The material topics identified in our DMA form the basis of the sustainability statement in our 2024 annual report. Our material topics are shown in the following tables.

We value our relationships with all our stakeholders. We seek input and inspiration from various groups, including an advisory board. We aim to maintain an open dialogue, through stakeholder events and conversations on specific topics and themes such as culture and behaviour, inclusion and diversity, client interests, sustainability, technology and investment. The outcomes of these help shape our views and provide input for our strategic cycle.

You can see a full overview of our stakeholders and material topics in the "General disclosures" section of the sustainability statement on page 26.

Our 2023 DMA formed the basis for our KPIs for the 2024–25 period and for our non-financial reporting in the 2024 annual report.

In aligning our DMA to the CSRD, some changes were made to the list that was published in the 2023 annual report. All of Van Lanschot Kempen's material topics are listed below, including topics that are not considered a "sustainability matter" as defined in the CSRD. The topics "Resource use and circular economy via AuM", "Opportunities related to sustainability in products and solutions", "Payment practices with regard to business partners" and "Corruption and bribery" are no longer considered material compared with the list included in the 2023 annual report. Nevertheless, the topic "Opportunities related to sustainability in products and solutions" is now covered by the material topic "Climate". Moreover, the topic "Corruption and bribery" is now covered by the material topic "Business conduct and compliance".

Material topic overview (CSRD-aligned)

Impact materiality	Financial materiality	Double materiality
Biodiversity	Business conduct and compliance	Climate
Own workforce – inclusion and diversity	Growth ³	Own workforce – quality of the workforce
Workers in the value chain (AuM)		Own workforce – working conditions
Quality and relevance of our solutions		Privacy
		Client interests ³
		Client experience ³
		Contribution to clients' wealth ³
		Cybersecurity ³
		Profitability and cost effectiveness ³
		Sound risk and capital management ³

³ Topics that are not considered a "sustainability matter" as defined in the CSRD.

Full material topic list

Material topic	Description
Biodiversity	Impacts and dependencies in relation to biodiversity caused by our own organisation and/or AuM.
Inclusion and diversity	The impact on employees of promoting inclusion and diversity among the workforce and management, particularly in terms of gender and age, including equal pay for work of equal value and actions to reduce the gender pay gap.
Workers in the value chain (AuM)	Our policies that address the management of material impacts on workers in the value chain via investee companies (AuM).
Quality and relevance of our solutions	The impact on clients via the development of innovative solutions that answer evolving, individual client needs. Clients have access to a broad and diverse range of solutions. Our advisory services also bring added value (quality, suitability and execution power).
Business conduct and compliance	How we maintain a healthy corporate culture, develop and promote good business conduct and adhere to laws and regulations – and the impact of non-compliance with laws and regulations on financial performance or our stakeholders.
Growth	The impact of long-term, sound growth in AuM and revenues – by attracting new clients due to a strong market position and/or making bolt-on acquisitions – on our financial performance and direct stakeholders.
Climate	Our strategy to align our business model (including own operations, balance sheet and AuM) with the goal to limit global warming to +1.5°C as specified in the Paris Agreement. The impact or potential impact of climate change-related physical and transition risks – financial and non-financial – on our financial performance and management of these risks.
Quality of the workforce	Our workforce consists of talented employees who have the relevant expertise and required skill sets. Opportunities are offered to employees to develop themselves and expand their skill sets.
Working conditions	The impact on employees in terms of working conditions, including security of employment, remuneration, social dialogue, freedom of association, collective bargaining, work-life balance, absence and health and safety.
Privacy	The impact on our clients of confidentiality, availability, and/or integrity of client data.
Client interests	The impact on clients in terms of making sure that the products and services we offer are appropriate for our clients and achieve what we promise, coupled with the unique Van Lanschot Kempen client experience.
Client experience	The impact on clients in terms of easy-to-access, seamless client journeys via various channels (e.g. app, face-to-face, phone) and providing clients with services and solutions at the right time, leading to high levels of client satisfaction.
Contribution to clients' wealth	The impact on clients in terms of the positive financial contribution to their wealth via our investment, advisory, lending and investment banking solutions.
Cybersecurity	The impact of data protection, in particular on clients, against potential security breaches and attacks, and the impact of any breaches or attacks that occur.
Profitability and cost effectiveness	The impact of our profitability and cost effectiveness (by maintaining an adequate return on CET 1 capital and strong cost/income ratio) on our direct stakeholders, such as shareholders, bondholders and employees.
Sound risk and capital management	Our strategic, operational, compliance, sustainability, credit, market, interest and liquidity risk profile and appetite, and how we ensure that these risks are being well managed via sound risk management.

Our fundamental conviction approach to investing



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Our strong fundamental analysis enables us to invest with greater conviction

Van Lanschot Kempen is an active investor: we only invest in assets that we understand and where we have a certain conviction. Stéphane says: "A conviction approach means that you don't follow the markets blindly, but invest solely in sectors, regions or companies you know. The result is a focused portfolio, not diversified over hundreds of stocks."

Investment teams have concentrated portfolios, with specialist teams focused on finding quality companies at an attractive price. "This is most visible in small caps," says Jan Willem, "where we select around 65 companies from a global universe of around 4,000 stocks. Our strong fundamental analysis enables us to invest with greater conviction and make clear choices."

When investing, Stéphane believes the worst mistake an investor can make is to "panic at the worst moment and sell everything". As he explains: "To avoid this, one should go over every line with one's banker. By doing so, you understand what you hold in your portfolio." People are key to the success of our investment approach.



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We have the people, know-how and experience to be convinced of the way to go

"We have the people, the know-how and the experience to be convinced of the way to go," Stéphane continues. "Our analysts know certain sectors and companies well, so they can buy or sell when opportunities arise."

Jan Willem echoes the importance of in-house investment expertise: "We've created a knowledge pool in small caps, dividend, real estate, credit and private markets that we can leverage across our teams. As an active shareholder, we also provide companies with our feedback, either by voting at AGMs or by engaging with them, for example on their sustainability practices, on behalf of our clients."

He's proud of the reputation we've built for our portfolios: "For example, Kempen Orange Fund and Kempen Oranje Participaties both have over 30-year track records of double-digit annualised investment returns. We saw strong demand for actively managed small-cap portfolios in 2024."

Jan Willem Berghuis (L)

Head of Small Caps, Investment Management Clients

Stéphane Mercier (R)

Chief Investment Officer, Mercier Van Lanschot

A year in review

The world around us in 2024

As a financial institution, we are impacted by, and have an impact on, the world around us. Our stakeholders expect us to adjust our products and services to match evolving client needs, market conditions, and environmental and geopolitical challenges. We take this responsibility seriously and respond to shifts where needed, to provide a stable home for our clients' wealth that can weather the winds of change and stand the test of time.

Our operating environment

After a strong first half of the year, market performance was more stable by the end of 2024, with markets, especially in the US, continuing to rise. With inflation slowly abating, central banks lowered interest rates, which helped to prevent a recession. Markets were dominated by a couple of central themes as around 50% of the world's population elected new political leaders. There was a strong focus on technology stocks, with AI-related stocks in particular outperforming the general stock market.

Inflation in the Netherlands declined to 3.3% by year-end 2024 and the situation was similar in Belgium, where inflation dropped to 4.4%. Corporate balance sheets generally remained in good shape and consumer spending remained strong. However, challenges with labour shortages continue, especially in hospitality, construction and IT.

As our clients' steward, we are well-placed to navigate economic and political volatility and their consequences while making wealth work for the benefit of clients, society and the planet. The ongoing consolidation of the European wealth management market creates opportunities for portfolio optimisation, regional hubs and increased market share in a time of ageing populations and technological disruption. We also see acquisitions as a tool to drive growth and profitability, and our M&A focus is on opportunities in private banking and investment management in our core markets.

The global landscape

Geopolitical tensions such as conflict and trade restrictions remain a risk to economic stability.

Russia's ongoing war on Ukraine has created devastating human impacts and pressures on energy security in Europe in recent years. We remain watchful of the situation and are here to guide our clients through their security concerns.

In addition, the situation in the Middle East remains tense. Aside from the significant human impact, the economic impact is limited to Israel and Lebanon. However, if the conflict were to spread further to a regional war, this would bring potential market disruption from inflated oil prices and supply chain turbulence.

In November, the Republican party won the US presidential election. We will keep a close eye on developments with regard to the programme of the Trump administration and its implications for financial markets, and adjust our investment strategies accordingly.

Lastly, we are seeing sentiment shift further towards deglobalisation in areas such as trade and immigration. As a firm that relies on international talent, we see a potential risk to the labour market as a result of closed borders.

The local landscape

The European Parliament elections took place in June 2024. While the centrist European People's Party retained their majority, right-wing and anti-EU populist parties won their highest-ever number of seats, further confirming a shift to the right in European political sentiment.

The new Dutch government was sworn in on 2 July 2024, and its first programme presented plans with potential implications for our clients, in areas such as socioeconomic security, taxes, entrepreneurship, climate and philanthropy. Federal and local elections were held in Belgium in 2024, where a proposal for a capital gains tax is a key topic on the table.

In our role as a long-term wealth manager, we recognise the uncertainty this shifting landscape can cause for our clients. We monitor developments closely and discuss any potential consequences as part of the regular dialogue with our clients.

Dutch pension reform

Our society is ageing, and fewer people stay with the same employer for the entirety of their working lives. In response to this changing labour market, the Dutch Future Pensions Act (*Wet toekomst pensioenen*) came into effect in 2023 and was effective for the first full year in 2024. The shift from a collective defined contribution (CDC) set-up to a more collective individual defined contribution (CIDC) set-up means that every pension fund member has a more bespoke risk/return pension profile depending on age. Pension funds have, in most cases, already chosen between one of two possible pension contracts, one more explicitly and one more implicitly CIDC. All pension providers are expected to complete the transition by 1 January 2028.

As an investment solution provider for pension funds and other institutional investors, we work closely with our clients to navigate these changes and ensure our fiduciary management and alternative investment solutions can meet their evolving needs. In addition, we continue to provide an excellent personal online pension experience through Evi.

Growth in wealth transfers

Transferring the ownership of a family business is a pivotal moment in life that brings both rational and emotional considerations. For example, families often face financial consequences, such as the Netherlands' business succession scheme (*bedrijfsopvolgingsregeling*), as well as uncertainty about who is eligible to inherit the business when there are multiple owners.

In May 2024, it was estimated that more than 85,000 family businesses in the Netherlands – almost a third – were in the process of transferring ownership.

Research carried out by Nyenrode Business University, in collaboration with Rotterdam School of Management and Van Lanschot Kempen, studied 232 family businesses. It showed that 50% of owners want their business to remain in the family, with other options including a sale to a strategic buyer (16%) or a private equity firm (5%).

The various options that family businesses face to ensure the next generation of their business call for strategic, long-term wealth planning. As a trusted partner to our clients, we provide families with the overview, flexibility and peace of mind to preserve their wealth across generations and assist with the sale of their business, with the support of our investment bank if they opt to do so.

Technology

Advances in generative AI tools powered by large language models have led to a surge in investment and innovation as organisations become aware of their potential. Many are embracing AI, with the ambition to drive efficiency and productivity in the short term, and boost innovation and growth in the longer term.

We see strong technological capabilities as a key enabling factor for the scalable growth we want to achieve, and we take a responsible approach to maintaining privacy and ethical standards. Van Lanschot Kempen has leveraged AI in several ways: to reduce time spent on manual tasks, to simplify our processes, extract knowledge and generate personalised insights for our clients. Our AI-driven tools are designed to support our colleagues in their work, and the final responsibility over our and our clients' data and the decisions we make with its insights always lies with a human. Our widely used AI applications include our internal ChatGPT environment, Leonardo, and an analytics assistant for our bankers, ClientCenter, which includes dynamic contact planning and meeting preparation features.

Cybercrime

The incidence of cybercrimes such as ransomware and fraud continues to rise. Ransomware attacks often result from vulnerabilities in IT systems, overly permissive access rights or flaws in system architecture. And in recent years, we have also observed a general trend in bank help desk fraud. These trends pose risks for financial firms such as Van Lanschot Kempen and for our clients, underlining the importance of strong system integrity.

We have implemented extensive measures to prevent, detect and resolve such vulnerabilities, including firewall rules, advanced anti-virus software and additional fraud rules to detect abnormalities. We also provide awareness training to ensure our colleagues understand the sensitive nature of the (client) data we handle at Van Lanschot Kempen.

For information on our approach to managing cyber risk, see "Risk and capital management" on page 114.

Sustainability

The window of opportunity to meet the targets of the Paris Agreement is closing fast. There is a clear and urgent need to reduce greenhouse gas emissions to keep the Earth's temperature under control and safeguard vulnerable communities. In 2024, we saw extreme weather events such as heatwaves, floods and hurricanes, which have been linked to climate change.

The 29th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, known informally as COP29, aimed to ensure all parties commit to ambitious national plans while recognising the role of financial institutions in enabling this action. A significant outcome of COP29 was the commitment of developed nations to support developing countries financially as they deal with the effects of climate change.

At the same time, we see some diverging views on the direction of sustainability efforts, partly driven by geopolitical shifts. We continue to take the long-term view and assist our clients in navigating the current transitions, through dialogue and at their preferred pace.

2024 was also the first year that large and listed companies, such as Van Lanschot Kempen, reported under the Corporate Sustainability Reporting Directive (CSRD). This was done on a voluntary basis as, at the time of writing, the CSRD was not yet transposed into Dutch law. We aim to stay on top of sustainable finance regulation and use it as a driver of positive impact.

Key risk themes for Van Lanschot Kempen

The developments mentioned above contribute to specific risks that we face in our sector. In 2024, the key risk themes were:

- **Rapid decline of markets:** responding to turns in the equity markets;
- **Interest rate decline:** responding to turns in the interest rate cycle and changing market circumstances;
- **Operational and digital resilience:** adapting operating frameworks to meet client expectations and evolving regulatory standards;
- **Cyber risk:** protecting against cybercrime;
- **Data management:** in response to the increased volume and complexity of our data;
- **Compliance risk:** risk-based client due diligence and integrating sustainability requirements into our products and services.

See "Risk and capital management" from page 114 onwards for more details on our risk themes.

2024 highlights



Driving growth

Shared “**Growing further together**” strategy

Launched **Mercier Van Lanschot** in Belgium

17% growth in assets under management

★ Introduced **third European private equity fund**

20% growth in commission income



Investing in talent

c. **2,200** colleagues

↗ **381 new** colleagues

c. **70%** of our employees are shareholders, collectively holding c. **10% in our company**

35% of vacancies filled by internal talent

10 participants in Young Private Banking Programme



Creating impact

↓ CO₂ per FTE down **44%** versus 2019

382 engagements

Further reduced the corrected **gender pay gap** to 1.4%

Partnership with Collective Action

2,500+ hours spent on community impact via our Foundation



Connecting our network

Connected **10,000+** private banking clients at network meetings

Hosted c. **500** corporate and institutional clients at our investment banking conferences



Held **83** recruitment events

150 participants at GenAI hackathon, generating **22** solutions for clients and colleagues

Sharing success together

- › **Best Private Bank** in the Netherlands
- › Fiduciary Manager of the Year in the UK
- › Rise & Lead award for pay parity



- › Proposed 2024 dividend: **€2.75** per share
- › Proposed capital return: **€1.40** per share



**VAN LANSCHOT
KEMPEN**

Van Lanschot Kempen in 2024

In June 2024, we presented our "Growing further together" strategy to become a leading wealth manager in Western Europe, building on our solid foundation in the Netherlands and Belgium. By generating sustainable and profitable growth with a capital-light business model, we were able to deliver value for our clients, employees and wider society.

Delivering on our strategy

Financial growth

At our Investor Day in June 2024, we laid out financial targets for 2027 to solidify our position in our key markets. Our performance in 2024 showed good progress against these targets as we continued to unlock growth opportunities together.

Our assets under management (AuM) in 2024 reached a total of €149.3 billion, a 17% increase from 2023. This was driven by organic growth, positive market performance and an acquisition. Our commission income increased by 20% to €511.2 million due to a higher AuM base; however, our interest income fell by 11% to €175.4 million, mainly due to net interest margins declining as expected.

We remained strongly focused on improving our scalability and adhering to cost discipline, resulting in a cost/income ratio of 70.1%. All client segments contributed to our net result of €141.9 million, a 13% increase from 2023. In line with our financial targets, we maintained a solid capital position, with a 19.3% Common Equity Tier 1 (CET 1) ratio (based on Basel IV fully loaded).

In 2024, we also continued our track record of disciplined bolt-on acquisitions. In the Netherlands, we made good progress on the integration of Robeco's online distribution platform with Evi, and in Belgium we completed the acquisition of Belgian investment adviser Accuro, which added €0.7 billion in AuM.

Our growth in Belgium was underlined by the launch of Mercier Van Lanschot in January 2024. Together, we benefit from the combination of a strong entrepreneurial culture and the infrastructure and shared services of a larger corporation.

Growth of our business activities

Our private banking segments are the foundation of our business, offering comprehensive wealth management services for entrepreneurs, wealthy individuals and families, business and healthcare professionals, foundations and associations. In line with our values, we offer our private banking clients a personal experience and support throughout transformative moments. In addition to our private banking activities, we are also active in investment management and investment banking.

Private Clients Netherlands

In the Netherlands, 2024 was a strong year for our private banking business. We grew at a faster pace than the market, with notable growth in wallet share and referrals. We saw growth across the country, driven by our personal approach, discipline and deep presence in local networks. Net AuM inflows came in at €2.1 billion, bringing total AuM to €43.7 billion. Operating profit before tax stood at €134.9 million. Growth in lending picked up in the second half of the year, mainly driven by lower interest rates compared with the start of the year.

AuM growth was driven by both new and existing clients, who entrusted us with a larger portion of their wealth or converted savings into investments. We were selected for our investment expertise, our combined offering of discretionary portfolio management (DPM) and investment advice, alternatives and mortgages, as well as for access to the services and expertise of our Investment Banking Clients and Investment Management Clients segments. Our unique market position also enabled us to acquire larger clients and volumes in the private office and family solutions space, including ultra-high-net-worth clients.

We saw increased demand for alternative investments in both the Netherlands and Belgium. To meet this need, we offer DPM with a personal touch, with "core" investments combined with alternatives such as alternative debt, private equity and impact investments on the basis of client preferences, managed by Investment Management Clients. This provides our clients with more choice than the standardised approach of larger banks.

The power of our client service was reflected in our high Net Promoter Score (NPS) of 45 and in the higher number of referrals from clients to their network contacts. In 2024, we saw an increase in company sales as well as a greater number of business transfers inviting the next generation of owners to step up to the plate. As well as our day-to-day relationship management, we also offered our clients educational courses and networking events to equip them with useful knowledge and connections.

In November, Van Lanschot Kempen was named Best Private Bank in the Netherlands in 2024 at the annual Global Private Banking Awards, organised by *Professional Wealth Management* and *The Banker* – both part of *The Financial Times*. We were recognised in particular for our client appreciation, growth strategy, sustainability and inclusivity.

In Switzerland, we further strengthened the organisation through investments in operational excellence and hiring for key positions to support our current and future growth. We combine the open-minded and social culture of the Benelux region with Swiss stability and financial market access.

The breadth and depth of our service offering in Switzerland allows for highly customised services, from tailored mandates to wealth planning across the globe. In 2024, our Swiss clients appreciated our new mobile banking app, which optimises their experience even further.

At **Evi**, our focus was on the integration with Robeco's online investment platform and on the roll-out of our new pension proposition, in line with the new pension system in the Netherlands. The proposition is a competitively priced solution for affluent clients to build their desired pensions. We also expanded our pension platform to offer an even better user experience, including a new and improved app, which contributed to an NPS of 11.

Private Clients Belgium

In **Belgium**, 2024 was our first full year as **Mercier Van Lanschot**, a new brand with deep roots from the former **Mercier Vanderlinden** and **Van Lanschot Belgium**. Our clients recognise our track record as well as our entrepreneurial capabilities for future growth in this attractive market. Simplicity continued to be a strength in 2024, thanks to our clear product offering, transparent pricing and distinctive approach. We saw exceptional net AuM inflows of €2.2 billion, bringing total AuM to €15.1 billion, growing 38% in one year. Operating profit before tax stood at €37.8 million. We also completed the integration of **Accuro**, strengthening our investment advisory services in Belgium.

Looking ahead, we aim to be the top-of-mind private bank in Belgium, driven by our impeccable service and distinctive approach. We are a trusted partner to family businesses as they navigate transitions such as sales or transfers. In 2024, we achieved an NPS score of 62, showing that we continued to deliver excellent client service throughout the acquisition and integration period.

Investment Management Clients

Our investment engine offers distinctive investment solutions for private, institutional and wholesale clients. We generated €4.9 billion in net inflows from mainly new clients, bringing total AuM to €90.5 billion. Operating profit before tax more than doubled to €24.9 million (2023: €10.1 million).

We are firmly positioned for greater scalability and profitability, following a two-year programme focused on efficiency and strengthening our commercial impact. Our wholesale business performed well and saw new inflows in global small caps and European credit. In November, we introduced our third European private equity fund, which gives private banking clients access to small and medium-sized companies in Northwestern Europe. This is part of our broader private equity roadmap.

In August, we announced that we had been selected to manage an active sustainable European small-cap mandate for Pension Fund PNO Media, with an initial value of €195 million. This strategy selects high-quality, listed small-cap businesses with attractive valuations, sustainable characteristics, long-term competitive advantages and strong management teams for long-term capital growth. Our long track record, our expertise in small caps and our sustainability-focused investment policy were decisive factors for the pension fund.

In the fiduciary segment, we aimed to maintain and grow our position in the Netherlands during a period of change, by focusing on efficiency and preparation for the Dutch pension reform (*Wet toekomst pensioenen*). In the UK, we leveraged our reputation as a large, trusted player in the Netherlands to develop relationships with several new clients and to demonstrate our expertise in sustainable and impact investing.

We were delighted to be named Fiduciary Manager of the Year at the Professional Pensions UK Pensions Awards in June 2024. In a competitive market with low margins, we remain focused on increasing scale as a key driver of profitability.

Investment Banking Clients

Our Investment Banking Clients segment saw a return of market momentum in 2024 after a challenging 2023. Commission income was up by 10% to €40.2 million, driven by strong results in tech & fintech as well as positive trading results across sector teams. Our debt advisory services were extended from real estate into life sciences, bringing further diversity to our portfolio. Operating profit before tax stood at a modest €3.9 million, and we will look to further increase momentum in this client segment.

We increased cross-collaboration with our private banking teams, generating targeted leads with high conversion rates, totalling over €200 million in inflows. Going forward, we continue to focus on further improving our results by continuing to increase commission income and balancing cost control with capacity building, such as by optimising team composition and attracting young talent.

Growing together: our organisation and capabilities

Values and engagement

Our engagement is directly influenced by employee experience, from on-boarding to remuneration, retention and succession. In 2024, our values became more deeply embedded in our organisation – in our employee engagement survey, 92% of colleagues rated their connection with our values as favourable. Our values give direction to the client-centric behaviour we want to see in our company. They are embedded in our organisation from the top down and will form part of our performance management process going forward, ensuring that we assess our employees from both a commercial and a behavioural point of view.

Attracting and developing talent to support our growth

In 2024, we welcomed almost 400 new colleagues (headcount, net increase of c. 125). However, as we look to the future, talent shortages continue to pose challenges to our industry. We are responding to these by driving throughflow and increasing productivity across our organisation, as well as by ensuring we are an attractive employer to potential and existing talent, not least through the development opportunities we offer.

The introduction and continuation of our young talent and trainee programmes, such as the Young Private Banking programme in 2023 and 2024, have contributed to bringing talented people to our company. For existing employees, we have focused our learning and development portfolio on creating a robust and rewarding experience from recruitment to retention, such as by providing opportunities for internal career moves.

To help our employees develop their craftsmanship, our HR department collaborates with our commercial teams to run business programmes focusing on core skills. We also offer management skills training to equip managers with the tools to get the best out of their teams.

Fostering an inclusive workplace

Inclusion and diversity are embedded in our HR processes – from the on-boarding experience to throughflow and remuneration. In recent years we have focused on driving greater gender equality in our businesses, and we are taking steps towards our goal of at least 30% female representation in senior staff by 2029. In 2024, this stood at 21%.

From 2025, we will continue to focus on ethnic diversity, to make our organisation more inclusive and representative of the diverse talent groups in our society. We are also committed to allyship at a senior leadership level, with Board members acting as sponsors of various communities to help foster gender diversity, ethnic diversity and LGBTQ+ inclusion.

Better together: growth through acquisitions

Our approach to bolt-on acquisitions focuses on opportunities in private banking and investment management in our core markets.

The integration of Robeco's online investment platform has been progressing well and has brought important capabilities in the affluent market to our team, combining our expertise with an important player in the Netherlands. What's more, the addition of the Accuro team has further complemented our advisory capabilities in Belgium.

Besides commercial benefits, a strong cultural fit is a key element of our selection process for acquisitions. We look for partners with whom we can grow together, for the benefit of our people, clients and wider society.

Growth for our shareholders

Thanks to our financial performance in 2024, we aim to distribute €116.5 million in dividends and €59.3 million in excess capital to our shareholders in June 2025.

Our capital position remained strong in 2024, with a CET 1 ratio of 19.3% (based on Basel IV fully loaded).

In February, we announced a share buy-back programme in which we repurchased 700,000 of our own shares for a total amount of €22 million. The programme was completed in May and contributed to our remuneration policy, share plans and the acquisitions of Mercier Vanderlinden and Accuro.

Our growth and sustainability profile was once again recognised in 2024 by our continued inclusion in Euronext's AMX Index and AEX ESG Index.

Growth for society: putting wealth to work

In 2024, we made progress on our sustainability targets with regard to our own operations, with an 44% total reduction in our carbon footprint per FTE (since the baseline year 2019). We also decided, in addition to our current reduction measures, to purchase biofuel as a source of sustainable aviation fuel (SAF) for all flights as of 2025, ensuring that 100% of our air travel is powered by SAF.

Since the majority of our impact is made through our investments, we have set a target of a 7% annual weighted average carbon intensity reduction for discretionary AuM. In 2024, this stood at 17%, far ahead of our target.

We regularly engage with investee companies to encourage sustainable practices throughout the value chain. In 2024, we conducted 382 engagements and voted at 432 shareholder meetings. However, when engagement fails to lead to improvement, we may decide to divest.

In 2024, our Investment Management Clients segment partnered with Collective Action, experts in private markets impact. Through this collaboration, we aim to further broaden our expertise in impact investing and grow our access to the impact solutions market.

We also took steps to prepare for the CSRD, which aims to create more transparency in sustainability reporting. This has resulted in our first sustainability statement, which provides further details on how we acted on ESG matters in 2024.

Collaborating for the best sustainable solutions for our clients



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We engage with our clients and investee companies to challenge their sustainability standards

Our purpose, to preserve and create wealth in a sustainable way, informs our sustainability beliefs: to promote dialogue, to help our clients navigate transitions and to lead by example. We work with our clients to find the most relevant solutions for their financial and societal goals.

Anne says: "We've selected three focus themes where we're a relative leader through our own operations and where we can engage with our clients and investee companies to raise their sustainability standards as well. Those themes are climate, biodiversity, and inclusion and diversity. For each focus theme, we've identified a set of KPIs."

Kim is an ESG ambassador for her team at Investment Management Clients, maintaining a strong link between the business and the ESG team as we work towards our goals. "We take ESG credentials into account for every company we invest in, as well as their financials," she explains. "Different clients have varying appetites for sustainability, and we have options for all levels. But our commitment goes across the board – to deliver on our purpose and comply with all relevant regulation."



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We're very happy to have such strong in-house sparring partners

The Corporate Sustainability team works closely with our portfolio managers to learn from – and challenge – each other. When it comes to EU regulations, for example, Anne and Kim work together to translate guidelines into tangible implementation steps, such as exclusion criteria. "We help by advising and connecting people," says Anne. "If client-facing teams have questions, we're able to move fast, and I can also approach them about sharpening our goals and reporting on our progress."

Kim adds: "We also work together on our engagement activities, which this year mainly focused on biodiversity. Our portfolio managers learned more about this topic from Anne and were able to ask the right questions in our engagement meetings. We're very happy to have such strong in-house sparring partners."

Anne Crijns (L)

ESG Associate, Corporate Sustainability

Kim Lubbers (R)

Senior Portfolio Manager, Investment Management Clients

Sustainability statement

Sustainability targets overview

Material impact	Value chain	2024	2024 target	Short-term target	Long-term ambition
Environment					
Environmental impact (tCO ₂ e)					Net-zero
Own organisation (per FTE)	Upstream and own organisation ¹	1.43	<1.60	8% from baseline year 2019	
Mortgages (per m ²)	Downstream	22.61	<21.97	9.5% from baseline year 2023	
GHG emissions reduction					Net-zero
Own organisation (per FTE)	Upstream and own organisation ¹	11%	8% from baseline year 2019	8% annually	
Mortgages (per m ²)	Downstream	6.9%	9.5% from baseline year 2023	9.5% annually	
Assets under management (WACI)	Downstream	17%	7% from baseline year 2019	7% annually	
Social					
Inclusion and diversity	Own organisation				>30%/>30% male/female
Gender diversity in new hires		49%	50%/50% inflow		
Gender diversity in senior staff		21.1%	>21%		
Corrected gender pay gap		1.4%	<2.0%		
Quality of the workforce	Own organisation				
Employee turnover		9.5%	8-12%		
Throughflow		36.1%	≥30%		
Percentage of employees who believe they have the opportunity for personal development		83%	Up to 5% above last EES or above benchmark		
Working conditions	Own organisation				
Absence from work		2.9%	Lower than the financial sector average		
Governance					
Business conduct and compliance	Own organisation				
Percentage of employees that take the banker's oath within three months of their on-boarding		99.8%	100%		
Percentage of employees who believe they have a responsibility to behave ethically		92%	Higher than the sector average or higher than the last pulse EES if the last pulse EES was below the sector average		
Percentage of employees who believe the company culture holds everyone to the same standards of ethical behaviour and promotes transparent communication		87%	Higher than the sector average or higher than the last pulse EES if the last pulse EES was below the sector average		

¹ Scope of upstream emission is travel of our colleagues (employee commuting and international travel), water consumption and paper consumption.

General disclosures

This sustainability statement is based on the European Sustainability Reporting Standards (ESRS) as required by the Corporate Sustainability Reporting Directive (CSRD).

Since the CSRD has not yet been implemented into Dutch law, its application remains voluntary. However, by complying with the CSRD we aim to enhance transparency and accountability. A key aspect of the CSRD is the concept of double materiality. This means we assess and report on how our activities impact the environment and society as well as how ESG topics affect our financial performance.

Basis for preparation

How we report

This sustainability statement is made on a consolidated basis for Van Lanschot Kempen and covers the whole value chain (upstream, own operations and downstream). The scope of consolidation is the same as for the financial statements. No subsidiary undertakings are exempt from consolidated sustainability reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU.

The following information is incorporated by reference to other parts of this annual report:

- The role of the administrative, management and supervisory bodies (ESRS 2 GOV-1): "Report of the Supervisory Board" and "Corporate governance";
- Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (ESRS 2 GOV-2) and integration of sustainability-related performance in incentive schemes (ESRS 2 GOV-3): "Report of the Supervisory Board" and "Corporate governance";
- Strategy, business model and value chain (ESRS 2 SBM-1): "Van Lanschot Kempen at a glance";
- Sustainability risk management (IRO-1): "Risk and capital management";
- Disclosure requirements in ESRS covered by the undertaking's sustainability statement (ESRS 2 IRO-2): "ESRS Content Index" within "Sustainability notes" on page 66).

The sustainability statement offers an overview of the main developments in the 2024 financial year. In preparing this report, we determined the expectations of our stakeholders to enable us to address the themes that are most important to them. No relevant pieces of information were omitted for reasons related to classified and sensitive information or information on intellectual property. In addition, Van Lanschot Kempen has not used any exemptions provided under Article 29a of Directive 2013/34/EU of the European Parliament and of the Council of the European Union in the preparation.

The sustainability statement was prepared with reference to the ESRS issued by the European Financial Reporting Advisory Group (EFRAG), with specific information reported in accordance with the Greenhouse Gas (GHG) Protocol and the Partnership for Carbon Accounting Financials (PCAF) as specified by the ESRS. All disclosure requirements included in the environment, social, and governance sections were assessed as material according to our double materiality assessment (DMA).

In defining short, medium and long term in the sustainability statement, we followed the time horizon scale provided by the ESRS:

Time horizon	
Short term	Less than 1 year
Medium term	1 to 5 years
Long term	More than 5 years

In applying reporting requirements, we need to make judgements and estimates that may be material to the data reported such as data reported from our upstream and/or downstream value chain. This includes prospective information such as ambitions, objectives, targets and expectations. Inherent to this information is the fact that the actual results may differ in the future, and that information is therefore uncertain. Where feasible, the quantitative data in this report is presented alongside comparative data from the previous financial year for context and clarity. In instances of changed definitions, we have restated the comparative data. No comparative data is available or disclosed for indicators that were new in 2024. With regard to the sustainability statement, there were no errors in prior reporting years that need to be disclosed. We disclose the resulting level of accuracy, the estimation of outcome uncertainty and, where applicable, planned actions to improve the accuracy and outcome uncertainty of sustainability information in future annual reports, for each material topic in the related chapters in this sustainability statement.

Information included in this sustainability statement is deemed to be material if it relates to the mandatory requirements of the applicable ESRS standards or provides insights into the material impacts, risks and opportunities (IROs), how we manage those IROs through actions and policies, the indicators we use to measure the effectiveness of our actions in achieving our targets, and other contextual information that helps readers of the sustainability statement understand our disclosures.

Another key piece of legislation with regard to sustainability reporting standards and frameworks in this sustainability statement is the EU taxonomy, details of which can be found in the "Environment" section and in the notes to this statement.

Assurance on sustainability information

In addition to the audit of our financial statements, limited assurance procedures have been performed by our external auditors PwC on the sustainability statement, including references made to other parts of the report and related appendices. See their limited assurance report on page 296.

Governance

Our actions on sustainability are needed to drive positive environmental and social change while also presenting an opportunity to create long-term value. To ensure effective delivery on our sustainability goals, as well as robust coordination, policy development and risk management, we have established a sustainability governance structure. At the heart of this structure is the Sustainability Board, which is responsible for embedding and integrating sustainability throughout our organisation.

The Sustainability Investment Council is responsible for overseeing sustainable investments, ensuring alignment between our financial decisions and our commitment to sustainability.



The various committees, departments and officials involved in sustainability are briefly explained in our sustainability governance document on our website: vanlanschotkempen.com/sustainability-governance-structure.

For an overview of our overall governance structure and processes, see "Corporate governance" on page 152.

With regard to sustainability topics, we follow the general administrative hierarchy which is described in the sections "Report of the Supervisory Board" and "Corporate governance", pages 133 and 152. There are no climate-related factors integrated in the remuneration of the management Board, Supervisory Board and administrative bodies. The remuneration policy for the Management Board, the remuneration policy for the Supervisory Board and the 2024 remuneration report all comply with the requirements set by the Shareholder Rights Directive (SRD II). This directive, Directive (EU) 2017/828, amends the 2007 directive. Hence, the remuneration policies adhere to Articles 9a and 9b of Directive 2007/36/EC. This policy describes how remuneration is organised at Van Lanschot Kempen.

Risk management

The management of sustainability risks is an integral part of our risk management framework and is incorporated in our regular risk management processes. For more information on how we consider sustainability-related risks within our risk management framework and risk assessments, see the "Risk and capital management" section in this integrated annual report.

To monitor sustainability risks, we have an internal sustainability control framework in place. In addition, our internal reporting on sustainability-related risk metrics is incorporated in the risk reports of the applicable risk management departments. The metrics and corresponding risk appetite limits with regard to sustainability risk, which are set out in our risk appetite statement, are reported on in the quarterly risk appetite report. This report is created by Financial Risk Management with input from several business stakeholders. Lastly, an annual sustainability risk report is created by Financial Risk Management in collaboration with several first and second line of defence stakeholders, which includes a description of the most relevant sustainability

risks for our business activities, a detailed account of all sustainability risks that are assessed, and an assessment of their materiality.

Although the sustainability risk report is an internal document, it is used in interactions with our external auditor and supervisors. Reviewed and approved by the Sustainability Board, the sustainability risk report currently only covers environmental risks, in line with the European Central Bank's (ECB) guidance on climate-related and environmental risks. In 2025, the European Banking Authority will provide guidelines on ESG risks, which will likely also steer towards assessment of social and governance items.

We have, where possible, aligned the risks and opportunities of the material topics (disclosed in each section of this statement) to the risks in our annual sustainability risk report.

Due diligence within Van Lanschot Kempen

Sustainability has become a crucial aspect of due diligence processes. Integrating sustainability into these processes ensures that we are able to identify, prevent and mitigate the actual and potential negative impacts on the environment and on people connected with our business. These include negative impacts connected with our own operations and our upstream and downstream value chain, as well as through our relationships with our business partners. Due diligence is an ongoing practice that responds to and may trigger changes in our strategy, business model, activities, business relationships, operating, sourcing and selling contexts relevant for stakeholder groups. The DMA process may also be impacted in time by sector-specific standards to be adopted. The sustainability statement may therefore not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important in its own assessment.

We have integrated sustainability in the following existing due diligence processes:

Investment due diligence

We undertake a thorough sustainability risk scoring due diligence of external managers, which covers the governance of sustainability issues, relevant policies, their implementation and disclosure. We are increasingly seeking evidence from external managers on their sustainability efforts and proactively engage with them on these. In our capacity as an adviser on external third party funds, we also take sustainability risks into account and, where applicable, consider principal adverse impacts of investment decisions on sustainability factors in our due diligence process in the selection and ongoing monitoring of investments.

Client due diligence

In 2024, we aligned our client due diligence policy with the ECB's guidance on climate-related and environmental risks. Besides that, our responsible lending policy takes environmental and social impact into consideration. This policy covers periodic sustainability screening (due diligence), via a risk filter, of all existing and new business loans, and includes factors such as human rights, social and labour issues, environment and anti-corruption and bribery. See page 114 of "Risk and capital management" for more information on the screening.

Business partner due diligence

As working with business partners can bring certain risks, we carry out assessments prior to working with our suppliers. This involves identifying and assessing the risks and determining whether suppliers meet the standards we set out for our business partners. This process may be repeated during the collaboration. Working with our suppliers is essential to achieving our sustainability ambitions, not least because we want to make sure they share our sustainability values and meet certain social and environmental standards. For this reason, we have set out a number of sustainable procurement principles that apply to all goods and services:

1. We aim to limit our environmental and social impact, and ask our business partners to do the same;
2. We encourage our business partners to pitch their most sustainable solutions and share their latest ideas with us;
3. We regularly evaluate whether we're achieving the sustainability goals we set with our strategic business partners;
4. We reserve the right to terminate collaboration with any supplier if they cause significant adverse impact;
5. We encourage anyone who has any information about controversies caused by us or our business partners to come forward.

Strategy, business model and value chain

Van Lanschot Kempen provides private banking, investment management and investment banking services, supported by enabling departments. We listen to our clients so that we can deliver the right products and solutions for them through our business activities: private banking in the Netherlands, Belgium and Switzerland, online wealth management via Evi; investment management in Western Europe; and investment banking in Western Europe and the US. For a full account of our strategy, business model, value chain and related sustainability goals, see "Van Lanschot Kempen at a glance", from page 9.

Our value creation and stakeholders

For us, value creation means growth that is scalable, profitable and sustainable for the long term. We create this value through the long-standing relationships with our clients, colleagues and other value chain partners. In line with our strong focus on relationship building, we aim to contribute to growth for key groups, namely our clients, employees, shareholders and society. We want to contribute to sustainable growth of our clients' wealth, help our people grow by being an attractive employer, remain a smart investment choice for our shareholders and put wealth to work where we can for the benefit of society and the environment.

We engage with our stakeholders in different ways. For example, for private banking clients we organise client events, including lunches at or near our offices, often with a member of the Management Board. Feedback and input are also sought during these events.

For employees, we host regular town hall meetings with Management Board members, dialogue sessions on our values, strategy and code of conduct, and sessions related to our half-year and annual financial results.

For shareholders, activities include the annual general meeting (AGM) and one-on-one meetings. We have also participated in workstreams and analyses prepared by financial sector associations such as the Dutch Fund and Asset Management Association and the Association of Securities-Issuing Companies. These activities help us assess the potential impact of new legislation packages on our business.

The outcomes of these stakeholder dialogues, which gather stakeholder views, including on sustainability-related topics, will be reported to the Sustainability Board and Management Board. For more information on how we engage with our stakeholders, see our stakeholder engagement policy: vanlanschotkempen.com/-/media/files/documents/corporate/sustainability/stakeholder-engagement-policy.ashx. An overview of our stakeholders can be found in the table on the following page.

Stakeholder group	Description
Affected stakeholders	
Private banking clients	Within our Private Clients segments, we serve entrepreneurs, family businesses, high-net-worth individuals, business professionals and executives, foundations and associations and affluent individuals in the Netherlands, Belgium and Switzerland.
Investment management clients	Within our Investment Management Clients segment, we serve institutional clients such as pension funds and wholesale clients in Western Europe.
Investment banking clients	Within our Investment Banking Clients segment, we serve European corporates, international institutional clients and private banking clients, focusing on the following sectors: European real estate, life sciences & healthcare, tech & fintech and infrastructure.
Investors and analysts	Our investors have provided us with the financial capital to be able to conduct our business, for which they expect an appropriate return on their investment. Analysts expect us to provide transparent information, both financial and non-financial.
Suppliers	We consider our main suppliers to be business partners as they are key to our ability to generate value for our stakeholders.
Employees	The Works Council represents our employees, without whom the organisation would not exist nor be able to deliver on its purpose.
Users of the sustainability statement	
Peers	Our peers are best positioned to benchmark our impacts and the impact of certain topics on our organisation, since they are in a similar position.
NGOs	NGOs represent the voice of society at large and are well positioned to assess our impact on society.
Academics	Similar to our peers, academics are well positioned to assess our impacts and the impact of certain topics since they closely follow the industry. Their views provide a valuable lens through which to view our impacts.
Silent stakeholders	
Nature	Nature and ecosystems, unlike human stakeholders such as employees or clients, cannot directly communicate their interests, concerns or the impacts they endure due to corporate activities. Despite this, nature plays a crucial role in the sustainability and success of businesses and societies.
Governments and regulators	While government and regulators are not always actively involved in day-to-day business decisions, they play a crucial role in shaping the environment in which we operate.

Value chain

Our value chain encompasses a wide range of activities in different parts of the value chain; upstream, own operations and downstream.

The upstream value chain consists of our procurement activities and relationships with suppliers. Most of the procurement activities are in IT services (mainly software-as-a-service – SaaS – solutions) and consulting services. The quality and stability of the services and systems provided by our suppliers, including aspects such as IT security, privacy, and discretion, are crucial for our core activities. Additionally, suppliers' willingness to commit to sustainability targets is essential for us to fulfil our sustainability goals.

The own operations value chain mainly comprises the tasks carried out by our employees (e.g. travel) and facilities.

These are geographically assigned to the locations of our own operations (the Netherlands, Belgium, Switzerland, the UK, the US and France).

The downstream value chain comprises the activities in which we can have the most impact with relation to sustainability and includes our assets under management (AuM) for Private Clients and Investment Management Clients, our investment banking activities, and our balance sheet. We help our clients navigate through the important transitions of our time.

As a firm that strongly believes in dialogue, we work closely with our clients to advise them on the most suitable solutions to meet their goals, with a range of sustainable investment solutions that support these transitions.

The table below gives an overview of our value chain.

	Upstream	Own operations	Downstream			
	Procurement	Operations	AuM Private Clients	AuM Investment Management Clients	Investment banking activities	Balance sheet activities
Activity overview	Procurement of goods and services (mainly IT and consulting services) with the right balance of risk, value and costs. Van Lanschot Kempen does not procure raw materials. The total spend to business partners in 2024 was c. €112 million.	Our employees have the skills, knowledge, and abilities to carry out the tasks needed by Van Lanschot Kempen. Facilities include own offices, business travel and commuter travel activities. Shareholders provide us with financial capital to conduct our business.	Wealth management services for entrepreneurs, wealthy individuals and families, business and healthcare professionals, foundations and associations. We also offer online wealth management services for affluent individuals via Evi. Total AuM for Private Clients is €58.8 billion.	Meeting pension fund clients' needs in the pensions transition, leveraging our strengths by offering investment products to our private and institutional clients and maximising the effectiveness of our value chains to be able to respond more quickly to client wishes and developments around us. Total AuM for Investment Management Clients is €90.5 billion.	Delivering value to our clients in our selected sectors within corporate finance, equity capital markets and debt advisory, while generating additional deal flows between Private Clients and Investment Banking Clients.	We have a liquidity and investment portfolio (c. €6 billion), a Dutch residential mortgage portfolio (c. €7 billion, including those distributed by third parties) and other loans (c. €2 billion). Other loans include Lombard loans, real estate loans, current accounts and loans to executives and entrepreneurs.

Double materiality assessment

2024 is our first year carrying out a DMA in accordance with the ESRS. The DMA is an essential step in implementing and complying with the CSRD. The objective of our DMA is to identify the sustainability matters and information that are material to our business. This includes both the topics that have an impact on our performance (outside-in, financial materiality) and those that we have an impact on (inside-out, impact materiality).

The assessment aims to understand and take into account the perspectives of various stakeholders, including clients, employees, shareholders, regulators and business partners. This helps to ensure that our sustainability approach aligns with stakeholder expectations and interests. Moreover, the DMA seeks to identify and evaluate impacts, risks and opportunities related to sustainability issues, allowing us to manage these risks effectively and incorporate them into strategic decision-making processes and risk management process. For the disclosures in our sustainability statement, we followed a structured DMA process with the following steps:

1. Value chain and stakeholder mapping

We started with an analysis of our value chain to gain a comprehensive understanding of our business activities, including the identification of our internal and external stakeholders relevant to potential sustainability matters. We used our previous materiality assessments and input from stakeholder engagement activities, and we conducted a value chain mapping exercise to gain a comprehensive understanding of the business context in relation to our upstream value chain, own operations and downstream value chain, including an analysis of our AuM. We did not identify any high risk factors related to specific activities, geographies or business relationships that gave rise to heightened risk of adverse impacts.

2. Identification of potential sustainability matters

We listed the potential sustainability matters in accordance with all topics as specified by the ESRS appendix C and enriched this with potentially relevant sustainability matters based on insights from stakeholder engagement, prior materiality assessments and sector analyses. The sustainability matters on this list comprise impacts, risks and opportunities that could potentially have a short-, medium- or long-term effect in a part of the value chain.

3. Assessment of sustainability matters

We have carried out a comprehensive assessment of the potential and actual impacts, risks and opportunities of each sustainability matter that influences or is likely to influence future cash flows and therefore the value of our organisation in the short, medium or long term.

We assessed the sustainability matters on impact materiality and financial materiality. We assessed a sustainability matter as material from an impact perspective if it is connected to actual or potential significant impacts by Van Lanschot Kempen on people or the environment over the short, medium or long term. We assessed the impact materiality based on the severity and likelihood of potential impacts.

A sustainability matter is material from a financial perspective if it triggers or may trigger significant financial effects on Van Lanschot Kempen over the short, medium or long term. We assessed the financial materiality from a CSRD perspective based on a combination of the likelihood of occurrence and the potential magnitude of financial effects, determined on the basis of appropriate thresholds on a scale from 1 to 5 and a threshold of ≥ 3.5 . We have considered connection from the risks and opportunities that may arise from identified impacts throughout the process.

4. Validation of outcome

After completion of the assessment, we hosted feedback rounds for validation with internal experts and rounds for approval from the Sustainability Board and Management Board. This was followed by approval from the Supervisory Board.

Material sustainability matters

The table on the next page lists the topics that are considered sustainability matters as defined in the CSRD and descriptions of how these relate to Van Lanschot Kempen.

Sustainability risks and opportunities

As part of the DMA, we identified and assessed risks and opportunities related to the material topics. This analysis shed light on the financial, operational, and reputational risks and opportunities that Van Lanschot Kempen might face.

Environment

The assessment revealed a liquidity risk related to our mortgage portfolio due to physical climate risk factors (e.g. flood, drought or wildfire). This risk relates to clients who use their savings to repair their homes, which could impact our liquidity position.

Another financial risk is potential public scrutiny. We note that sustainability actions and comments are under high scrutiny from various stakeholders. We aim to mitigate this risk by setting clear and measurable goals according to our strategy. By strategically steering capital towards net-zero initiatives, we aim to not only contribute to our sustainability goals, but also mitigate the risk of public scrutiny.

We also acknowledge the financial and operational risks associated with inadequate energy supply, high energy consumption and an inappropriate energy mix. To mitigate these risks, we have implemented energy efficiency measures and use biogas, green electricity and district heating where available, resulting in a reduced environmental footprint.

Social

Our assessment further highlighted the financial risk and operational disruption that may be caused by high employee turnover or absence from work, resulting from a suboptimal work-life balance. We believe that employee satisfaction is an important mitigation factor and we achieve this by offering competitive wages and promoting a healthy work-life balance. This approach not only reduces the risk of financial losses but also positions Van Lanschot Kempen as an attractive employer, facilitating our appeal to external talent and providing financial opportunities.

We recognise the positive impact that balanced work-life practices have on our employees, significantly contributing to their overall well-being. However, we also acknowledge the financial and operational risks, including disruption and financial losses, that can result from high employee turnover or absenteeism caused by suboptimal work-life balance. Additionally, the negative impact on employees' health and safety, such as increased absence due to stress from higher work pressure, poses a financial risk that we must manage carefully.

We are committed to fostering equal opportunities by ensuring the representation of different genders within Van Lanschot Kempen, which positively impacts our employee satisfaction. Conversely, unequal representation or opportunities can have a negative effect on our employees, clients and wider business performance. Transparent and equal remuneration policies are essential for maintaining high employee satisfaction, and the lack thereof can negatively impact morale.

Good talent management is another area where we see significant positive impacts on employee satisfaction, and it also presents a financial opportunity through reputational gain and the attraction of external talent. However, insufficient talent management can lead to higher employee turnover and operational disruption, posing a financial risk.

In addition, we recognise the financial risk of reputational damage and potential litigation costs arising from privacy security incidents and inadequate client privacy protection. To mitigate this risk, we have implemented robust policies and processes to safeguard client privacy, ensuring regulatory compliance and safeguarding the company's reputation.

Governance

We acknowledge the financial risk of unethical incidents and a potential decline in revenue resulting from a weakened ethics and integrity culture. To mitigate this risk, we place strong emphasis on maintaining an ethical culture within the organisation, promoting integrity and responsible business practices.

Based on the more extensive assessment in our annual sustainability risk report, these sustainability-related risks are currently not material for our business activities. The sustainability risk report helps us in creating relevant mitigation actions. However, as sustainability risks evolve and the expectations from both clients, regulators and society regarding these themes change, we will continue to extend our sustainability risk management capabilities.

Sustainability matter	Description
Environment	
Climate	Our strategy to align our business model (including own operations, balance sheet and AuM) with the goal to limit global warming to +1.5°C as specified in the Paris Agreement. The impact or potential impact of climate change-related physical and transition risks – financial and non-financial – on our financial performance and management of these risks.
Biodiversity	Our impacts and dependencies in relation to biodiversity caused by our own organisation and/or AuM.
Social	
Inclusion and diversity (own workforce)	The impact on employees by promoting inclusion and diversity among the workforce and management, particularly in terms of gender and age, including equal pay for work of equal value and actions to reduce the gender pay gap.
Quality of the workforce (own workforce)	Our workforce consists of talented employees who have the relevant expertise and required skill sets. Opportunities are offered to employees to develop themselves and expand their skills.
Working conditions (own workforce)	The impact on employees in terms of working conditions, including security of employment, remuneration, social dialogue, freedom of association, collective bargaining, work-life balance, absence from work and health and safety.
Workers in the value chain (AuM)	Our policies that address the management of material impacts on workers in the value chain via investee companies (AuM).
Privacy	The impact on our clients of confidentiality, availability, and/or integrity of client data.
Quality and relevance of our solutions	The positive impact on our clients of adequate digital practices and processes resulting in lower prices and/or an improved quality of service.
Governance	
Business conduct and compliance	How we maintain a healthy corporate culture, develop and promote good business conduct and adhere to laws and regulations – and the impact of non-compliance with laws and regulations on financial performance or our stakeholders.

Environment

Climate

The world around us is changing – demanding fundamental transitions in how we consume energy, food and other resources. We're focused on helping our clients navigate through these transitions, with an active, engaged approach based on our investment principles. We have set clear targets in all areas in which we as Van Lanschot Kempen have an impact – and regularly report our progress.

Through our double materiality assessment (DMA), we identified several material topics that are critical to our long-term climate strategy:

- Climate change mitigation;
- Climate change adaptation;
- Energy consumption.

Impact, risks and opportunities (IROs)

Qualitative IRO description
The positive impact of capital deployment towards net-zero solutions contributing to climate change mitigation
The negative impact on climate change mitigation of not enough capital deployment towards net-zero solutions
The financial risk of public scrutiny due to insufficient net-zero capital deployment
The financial opportunities of steering capital towards net-zero solutions
The financial risk of loss in liquidity due to clients who use their savings to repair their homes
The financial risk and operational risk as a result of inadequate energy supply, high energy consumption and the wrong energy mix
The financial opportunity of creating cost savings through energy efficiency measures

Transition plan for climate change mitigation

Our transition plan, also known as our climate strategy and action plan, describes our strategy for transforming our business model to combat climate change and contribute to limiting this climate change to +1.5°C. Our climate strategy and action plan outline our priorities and decarbonisation levers, together with the policies and actions we have implemented to meet our targets, which are compatible with the EU Paris-aligned benchmarks.

Van Lanschot Kempen has a Sustainability Board in place (with two members from the Management Board and involvement of the risk management department) to which the Management Board has delegated responsibility for driving and implementing the sustainability strategy and policies for the whole of our company. This includes our strategy on climate change and its related targets and actions. Our Management Board is responsible for developing a vision for long-term value creation and an appropriate strategy, including the transition plan for climate change mitigations.

In 2002, we published our first corporate social responsibility report, marking our initial step in sustainability reporting. In the years that followed, we launched several sustainability initiatives, introduced sustainable product offerings and began measuring our carbon emissions to better understand and mitigate our environmental impact.

A significant milestone was reached in 2019, when we implemented a comprehensive climate policy. This policy, together with our climate strategy and action plan, underscores our commitment to addressing climate change and outlines our strategic approach to reducing our carbon footprint.

We are committed to help limit climate change to +1.5°C by the end of this century compared with pre-industrial levels (in accordance with the Paris Agreement), and have substantiated this commitment by joining initiatives including:

- The Climate Commitment of the Dutch Financial Sector;
- The Net-Zero Asset Managers Initiative;
- The Institutional Investors Group on Climate Change;
- Climate Action 100+;
- The Dutch Climate Coalition;
- The Anders Reizen Coalition.

To reduce our carbon footprint effectively, we identified three major decarbonisation levers to help limit the effects of climate change:

- Minimising the carbon footprint of our own operations;
- Encouraging our clients with residential mortgages to reduce their carbon intensity;
- Lowering the carbon intensity of the investments we manage on behalf of our clients.

Our transition plan is embedded via our non-financial key performance indicators (KPIs) and yearly reduction targets. In setting the targets and monitoring our progress on these decarbonisation levers, we apply the Greenhouse Gas (GHG) Protocol and standards developed by the Partnership for Carbon Accounting Financials (PCAF). While PCAF's methodology for financed emissions accounting already covers various asset classes, the calculation methodology for facilitated emissions is still in development. Once this methodology is further developed by PCAF and mandated by the European Sustainability Reporting Standards (ESRS), we will integrate it into our assessment to determine whether it is significant enough within our value chain to report on. In 2023, we set targets for 2024 and 2025. In 2025, we will review these targets and set new ones for 2026 and 2027, which we will further align with ESRS requirements.

Our baseline year, 2019, was the last year before the pandemic in which economic and operational conditions were stable. It provides a reliable reference point for measuring changes in emissions in the subsequent years. By using 2019 as the baseline year, we can more accurately assess the impact of our emission reduction efforts without the disruptive effects of the pandemic.

At this time, we conclude that we do not need to make significant investments (opex and capex) to reach the targets set out in our climate strategy and action plan. As a result, we do not currently have any assets at material physical risk.

We have also carefully considered whether committing to the Science Based Targets initiative (SBTi) would complement the above objectives. The outcome of this consideration is that it would not. The initiative itself is still in development, and we cannot currently foresee to what extent this initiative aligns with our goal of encouraging companies in which we invest to align their strategies with transition pathways derived from the aim to limit climate change to +1.5°C.

Our decision not to commit to the SBTi does not change our commitment to help limit climate change to +1.5°C. In addition, we will continue to connect to standards and initiatives that help mitigate climate change and help us meet our objectives.

Our targets in this area

To make our commitments actionable, we have set short- and long-term targets in the following three areas:

- Own operations;
- Residential mortgages;
- Assets under management (AuM).

Own operations

While the emissions from our own operations are relatively small compared with our downstream activities, we believe in leading by example. For this reason, we have an annual 8% reduction target for the carbon footprint of our own operations in all countries per FTE (from baseline year 2019). To achieve this, we have identified the main sources of our carbon emissions – such as company car use and international travel – and we have come up with initiatives to address these, such as moving to an all-electric car fleet and promoting train travel for international business trips. So far, we've achieved a remarkable 44% reduction in our carbon footprint between 2019 and 2024. As part of our ambition to continue to reduce carbon emissions towards 2030, we expect the GHG reduction measures we have implemented to result in a drop in our GHG emissions to a "hard-to-abate" level, which we will offset. Hard-to-abate GHG emissions are emissions that are difficult to reduce or eliminate due to technological limitations or economic challenges.

Residential mortgages

We offer our clients in the Netherlands residential mortgages that include incentives for improving the energy efficiency rating of their homes, thereby reducing carbon intensity.

For this, we use a combination of the Carbon Risk Real Estate Monitor (CRREM) +1.5°C pathways for single family homes and multi-family homes in the Netherlands. The CRREM provides the real estate industry with transparent, science-based decarbonisation pathways aligned with the Paris Agreement goal of limiting global temperature rise to +2.0°C, with ambition towards +1.5°C. The carbon intensity of our mortgage clients' homes currently lies above the CRREM pathway. To converge to the CRREM pathway by 2037, an annual reduction target of the carbon footprint per m² by on average 9.5% (from base line year 2023) is required.

We provide our clients with access to external experts for advice on how to improve energy efficiency. However, meeting this ambition also depends to a large extent on factors beyond our control as a wealth manager and provider of mortgages. Examples of such factors include:

- Incentives from governments for home owners to invest in energy efficiency measures;
- The increased availability of renewable energy and implementation of natural gas-free neighbourhoods;
- Technological developments.

In view of this, we continue to actively seek collaboration with other actors and peers to search for solutions to improve data and help reduce their carbon footprint.

We will review our ambitions in this respect every two years based on the latest insights into the energy transition and/or adjustments to relevant transition pathways (e.g. updates to CRREM).

Assets under management

We aim to be a net-zero investor by 2050 by aligning our AuM with a long-term carbon intensity reduction pathway of on average -7% per year, in terms of weighted average carbon intensity (WACI). We use 2019 as our baseline year for the long-term WACI reduction of portfolios.

When this is not available, we use the first year for which data is available. This pathway is derived from the Paris Agreement and EU climate benchmarks. The WACI measures a portfolio's exposure to carbon-intensive issuers and serves as a proxy for a portfolio's exposure to climate transition risks. By 2030, our discretionary AuM should be on this pathway.

A challenge in meeting this target is the availability of actionable data on the carbon footprint of investee companies, as well as gaining the necessary insight into the opportunities and risks related to climate change perceived by their management. We will continue to work on data improvement and anticipate that regulations such as the Corporate Sustainability Reporting Directive (CSRD) and related ESRS will prompt more companies to disclose this information.

Risks and opportunities

Climate change is a threat for humanity as a whole. Regardless of the business implications, we see a moral imperative to make a positive contribution. In addition, an adequate response is also a matter of sound business conduct. These are key topics of interest for our current clients and even more so for the next generation of clients. If we don't adequately respond by offering relevant solutions that reflect this, we risk losing market share. At the same time, offering relevant and attractive solutions and services also allows us to attract new clients and capture a larger share of wallet among existing clients. One such solution is our SDG Farmland Fund, which provides worldwide access to sustainable land ownership with the aim to drive a paradigm shift from a conventional to a regenerative farming system, while growing the value of our clients' assets.

Besides our sustainable investment solutions, we offer residential mortgages where clients' interest rates are linked to the registered energy label of their home. The more energy-efficient the home, the lower the mortgage interest rate. Moreover, the mortgage interest rate will automatically come down if clients improve their home's energy label to a C or better.

Beyond the availability of specific services and solutions, we are seeing clients increasingly seeking companies that align well with their personal values. This means that it is not sufficient for Van Lanschot Kempen to only offer relevant solutions – we must also incorporate sustainability more broadly in our own operations (such as through our carbon reduction targets). In the context of our bolt-on acquisition strategy, we aim to verify that target companies hold similar sustainability views to ours and contribute to our sustainability goals. A concrete reflection of this is our approach to post-merger integration planning, which includes accounting for how the acquired business will implement sustainability requirements and start contributing to our sustainability goals. In addition, we seek targets that will enhance our capabilities and solutions for clients. This specifically includes targets that offer relevant sustainable investment solutions primarily related to climate change.

We recognise that our business is inextricably linked to the rest of society and the health of the broader economy. Considering the risk that climate change poses to society in general and the economy in particular, Van Lanschot Kempen does not in any way consider itself insulated from the direct impacts of climate change.

We are committed to making a difference through our services and solutions as well as through our own operations. Due to the relatively limited scope of our own operations, the tangible contribution of the latter is limited. However, we believe that it is important to walk the talk to signal this commitment to our stakeholders.

Risk policy and sustainability risk report

The main internal policy we have developed to manage the impacts, risks and opportunities of our business activities is our sustainability risk policy. This policy describes our high-level sustainability risk strategy, our definitions of sustainability risk, our governance structure, roles and responsibilities, and the way we manage sustainability risks within our risk appetite. Setting this policy is in line with our sustainability governance and stakeholder engagement process, as stated in "General disclosures" on page 27 and 28.

In line with our sustainability risk policy, we create an annual internal sustainability risk report which provides input for discussion on further improvements to our sustainability risk management efforts, including scenario analysis with respect to climate-related physical and transition risks. All relevant conclusions of this sustainability risk report are included in "Risk and capital management" from page 114. Our assessment spans the majority of our activities, ranging from our upstream activities to own operations and our downstream activities. Targeted towards internal stakeholders, our external auditors and our regulators, the report specifically focuses on the financial repercussions for us and aims to provide nuanced insights into our sustainability risks to enable strategic decision-making. Overall, we conclude that sustainability risks are currently not material and therefore do not require capitalisation beyond the capital taken into account in the internal capital adequacy assessment process (ICAAP) and do not require additional stage 1, 2 and 3 provisions under IFRS9. However, as climate and nature-related risks evolve and the expectations from our stakeholders increase, we will continue to extend our sustainability risk management capabilities.

When analysing sustainability risks for Van Lanschot Kempen, we distinguish between direct exposures (via our balance sheet and operations) and indirect exposures via our AuM. The sustainability risks through our balance sheet are mainly manifested through credit risk, market risk and liquidity risk.

From a credit risk perspective, our main exposure is to residential mortgages, which are exposed to sustainability risks through both physical risk (e.g. flood risk and drought risk) and transition risk (e.g. energy efficiency risk and climate label risk). Other sustainability risks through lending are limited, given our very limited exposure to (possibly climate-sensitive) business loans and general preference for secured lending. Moreover, our liquidity investment portfolio almost exclusively consists of highly creditworthy debt securities (AA-rated or higher) issued by governmental

and semi-governmental issuers and agencies or covered bonds and residential mortgage-backed securities with significant buffers. From a market risk perspective, there is limited net exposure through our trading activities and limited exposure related to the co-investments in our own investment funds through our management book. From a liquidity risk perspective, the sustainability risks are mostly related to client deposit withdrawals in the event of a major physical climate incident.

In addition, there is a sustainability-related risk within our business model through our commission income. Our commission income could be impacted as a result of a decline in AuM following an impact on financial markets due to materialising physical or transition climate risks.

The sustainability risk drivers used in our analysis, assessment and monitoring can differ per business activity. For both physical and transition risks, we distinguish between multiple risk drivers that are selected, based on their relevance for us, from a broader set of European Central Bank (ECB)-listed risk drivers. For example, when analysing credit risk, liquidity risk and operational risk, we group physical risks into droughts, riverine and sea floods; heatwaves and wildfires; and hail, storms and hurricanes. For transition risks, a distinction is made between environmental taxation, regulatory requirements, policy and behavioural changes and technological developments. For some risk types, we analyse a subset or combination of risk drivers. The set of risk drivers is susceptible to change as our business activities and sustainability risk insights evolve.

The main risk from our IROs is the financial risk of loss in liquidity due to clients who use their savings to repair their homes. We have assessed this sustainability risk via the materiality assessment in our sustainability report, as shown in the table on the following page. In this assessment, we define transmission channels as ways in which risk drivers can impact business activities through general risk types. For instance, a flood event will have an effect on the valuation of (mortgage) collateral, impacting negatively on capital and P&L, while at the same time impacting our liquidity position as clients withdraw funds to cover costs of repairs. Recent initiatives to gain insights into these risks include: the development of quantitative climate-oriented stress tests for our portfolios; the creation of a sustainability risk matrix to visualise our sustainability risk materiality assessment; and qualitative analyses facilitated by in-house experts. This integrated approach enables us to proactively navigate the intricate challenges presented by climate and environmental risks within risk management. For more information about our risk management framework and risk assessments, see "Risk and capital management".

The transmission channels are defined and mapped according to the different ways the risk drivers impact our activities per risk type.

In contrast with our IRO analysis, we assess materiality within our sustainability risk report in line with ECB guidance, based on a prudential and IFRS 9 perspective. The time horizon definitions are aligned with guidance from De Nederlandsche Bank (DNB): short term (0-5 years), medium term (5-10 years) and long term (>10 years). From a data availability and efficiency perspective, it is not always feasible or efficient to assess the materiality of every transmission channel over multiple time horizons.

For that reason, we have chosen the following approach in our materiality assessment, which is all-encompassing yet efficient:

- We assess the materiality on the horizon we expect to be most impactful;
- If the risk is deemed immaterial on the most impactful horizon, the risk is deemed, by definition, to be immaterial on all time horizons;
- If the risk is deemed possibly material on the most impactful time horizon, further assessment on other horizons is required, with corresponding outcomes.

Climate risk drivers		Transmission channels	Time horizon
Physical	Droughts	Direct foundation damage to property used as collateral	Long term
	Riverine and sea floods	Direct flood damage to property used as collateral	Long term
	Heatwaves and wildfires	Direct wildfire damage to property used as collateral	Long term
	Hail, storms and hurricanes	Direct storm damage to property used as collateral	Long term
Transition	Environmental taxation	Direct carbon emission taxes	Medium term
	Regulatory requirements	Minimum energy label for residential property	Short term
	Policy and behavioural changes	Consumer aversion to polluting activities	Short term
	Technological developments	Breakthrough in low-cost energy	Medium term

Climate change mitigation and adaptation policies

We identified that we can make a significant impact on climate change mitigation and adaptation in our downstream value chain through our investment management activities and within our own operations via our approach to business travel, including commuting. By focusing on these key areas, we aim to drive meaningful progress and contribute to our climate-related targets. We have set two main policies:

- Climate change policy for our investment management activities;
- Business travel policy for our own organisation.

Investment management activities

As a long-term investor, we believe climate change represents a systemic risk facing the economy, society and the environment, and we want to consider the risks and opportunities this presents for our investments in the decades to come. Climate is one of our sustainability focus areas, and we are convinced that we can contribute to progress in this area. We believe in sustainable value creation through long-term stewardship. We have embedded these activities in our climate change policy: vanlanschotkempen.com/-/media/files/documents/investment-management/esg/policies/climate-change-policy.ashx. Our Sustainability Investment Council approves this policy according to our sustainability governance, and it is reviewed annually. We also use the input from our stakeholder engagement process in setting this policy. We organise our sustainable investment efforts across four pillars:

Pillar 1: Exclusion

We do not want to invest in companies and countries involved in activities with severe negative impact on people and/or the environment. Such activities may be product or services-based or related to conduct.

We have assessed several activities which are likely to be detrimental to the transition towards a low-carbon economy and to meeting the Paris Agreement goals. During the transition, we believe that thermal coal mining and oil sands have the most adverse impact on climate change and the environment, and can be substituted. As part of our climate change policy, we are therefore committed to not investing in companies breaching revenue-based thresholds from thermal coal mining and/or oil sands.

For more details about all our exclusions, see our exclusion policy: vanlanschotkempen.com/-/media/files/documents/investment-management/esg/policies/exclusion-policy.ashx.

Pillar 2: ESG integration

To ensure that climate risks and opportunities are adequately considered in our funds' investment process, we prefer to invest in companies (via our internal and external fund managers) that integrate their climate risks and opportunities into their organisation, and have the ability and show willingness to move towards a low-carbon economy.

Pillar 3: Active ownership

We believe that effective shareholder engagement with investee companies contributes to positive change. Hence, portfolio managers and the Sustainability & Impact Investing team collectively engage with companies, fund managers and stakeholders on a wide array of strategic, financial and ESG topics to mitigate risks and unlock opportunities. The engagement process is integrated in the work of our investment professionals. For more details on our engagement approach, see our stewardship & engagement policy: vanlanschotkempen.com/-/media/files/documents/investment-management/esg/policies/stewardship-and-engagement-policy.ashx.

Moreover, portfolio managers and the Sustainability & Impact Investing team collectively engage on a wide array of strategic, financial and ESG topics to mitigate sustainability-related risks and unlock opportunities.

We aim for an integrated approach by working closely across investment teams and strategies. Exercising voting rights is an important instrument of engagement and stewardship, and is central to a well-functioning governance system. For more details on our climate voting, see our voting policy: vanlanschotkempen.com/-/media/files/documents/investment-management/esg/policies/voting-policy.ashx.

Pillar 4: Positive impact

We recognise that solutions contributing to limiting climate change are also needed, so we provide these solutions to our clients for different asset classes where possible. Currently, we have our Global Impact Pool which contributes to solving global problems around the food, water, health and climate nexus, while explicitly targeting a market-rate financial return, and our SDG Farmland Fund which invests in sustainable agricultural land and is committed to promoting regenerative agricultural practices, including improving biodiversity and reducing GHG emissions.

Own organisation

We are committed to enhancing sustainability in our own organisation. To achieve this, we have identified business travel and commuting as primary sources of our carbon emissions. We promote sustainable mobility choices for our business travel, such as train use (instead of flying) for international travel less than 700 kilometres and using electric lease cars instead of fossil fuel cars. To embed this in our organisation, we have a business travel policy in place.

Our business travel policy enhances climate change mitigation within our own organisation by describing how we travel at Van Lanschot Kempen to achieve our reduction targets. The main principles for our domestic and international business travel policy cover sustainability, "our way of working" (i.e. hybrid working), travel comfort, total travel time and travel expenses. The policy applies to all employees of Van Lanschot Kempen and is reviewed yearly and updated in line with our organisation's ambition and wider society. The policy is published on our intranet, and new policies are communicated and forwarded via HR newsletters.

To complement these efforts, we have joined the Anders Reizen Coalition of over 70 large organisations, representing over 550,000 employees. The shared ambition of this coalition is to reduce GHG emissions and promote more sustainable travel choices. By joining it, we have committed to the Anders Reizen guidelines (best practices).

Energy consumption

Due to the nature of our business, our impact on energy consumption is confined to our own operations. Our gas and electricity usage has been steadily declining for several years, thanks to improved utilisation of available office space, various energy-saving measures and hybrid working, all implemented since the pandemic.

Currently, most office locations in the Netherlands are heated using 100% biogas or district heating. In addition to increasing our use of biogas and district heating, we also aim to reduce our overall gas consumption. Further gas-saving measures include thermostatic valves.

We have made our office operations more energy-efficient by using more sensor lighting, energy-efficient monitors and laptops, smart energy meters and other energy-saving technologies. Most of our Dutch offices now use "green" electricity. As a result, carbon emissions related to electricity consumption are minimal for our Dutch office locations. However, it's important to note that while we have made significant strides in our Dutch offices, we are in the process of implementing similar energy-saving measures and sustainability practices in our international locations. This includes:

- Transitioning to green electricity sources when available;
- Transitioning to biogas sources when available.

By extending our approach to our non-Dutch offices, we aim to achieve the same level of energy efficiency and sustainability across all our offices. Given these ongoing efforts and the significant progress we have already made, we do not believe that a policy on energy consumption is needed at this time.

The table below summarises our overall energy consumption under Scopes 1 and 2 for 2023 and 2024, categorised by energy type. For the calculations, we use the registered data from our energy providers in the Netherlands, Belgium, the UK and Switzerland.

Energy source	Consumption 2023 (MWh)	Consumption 2024 (MWh)	% 2024/2023
Fossil energy	6,611	5,154	78
Fossil fuel lease cars	4,814	3,301	69
Natural gas combustion in buildings	1,104	1,077	98
Purchased fossil electricity	693	775	112
Nuclear energy	0	0	0
District heating	1,255	1,574	125
Renewable energy	6,843	5,563	81
Biogas combustion in buildings	1,143	763	67
Purchased renewable electricity	5,700	4,800	84
Total energy consumption	14,709	12,290	84

Energy source definitions

Fossil fuel lease cars: total diesel and gasoline usage from our lease cars, converted into MWh.

Natural gas combustion in buildings: total natural gas (m³) consumption for our office buildings, converted into MWh.

Purchased fossil electricity: the purchased fossil electricity consumed in our buildings (MWh).

District heating: the amount of district heating in Gigajoule purchased, converted into MWh.

Biogas combustion in building: the amount of biogas (m³) purchased, converted into MWh.

Purchased renewable electricity: the electricity consumed in buildings (MWh) and by electric lease cars (MWh).

Metrics and results 2024

Our progress on sustainability is also monitored against a set of key performance indicators (KPIs) for 2024–25, which are presented on page 12 in "Van Lanschot Kempen at a glance". Our targets related to our own operations, mortgages and

AuM are presented in the table with the overview of our sustainability targets on page 25. Besides our own targets, we measure our GHG emissions in line with the ESRS, and these figures can be found in the table below.

In ktCO ₂ e	2019 (baseline year)	2023	2024	% 2024/ 2023
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	3.01	1.55	1.19	77
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	n/a	1.47	1.40	95
Gross market-based Scope 2 GHG emissions	0.08	0.18	0.19	101
Significant Scope 3 GHG emissions				
Purchased goods and services	n/a	n/a	2.02	n/a
International business travel				
<i>Air</i>	1.04	0.50	0.60	119
<i>Train</i>	n/a	0.01	0.01	105
Employee commuting				
<i>Car</i>	0.18	0.91	0.90	100
<i>Public transport</i>	0.02	0.05	0.08	155
Investments				
<i>Loans</i>	n/a	n/a	224.56	n/a
of which Scope 1 and 2			40.03	
of which Scope 3			184.53	
<i>Mortgages</i>	n/a	n/a	44.80	n/a
<i>AuM</i>	n/a	n/a	67,831.95	n/a
of which Scope 1 and 2			14,665.39	
of which Scope 3			53,166.56	
Gross Scope 3 GHG emissions	n/a	n/a	68,104.92	n/a
Total GHG emissions	n/a	n/a	68,106.30	n/a

In tCO ₂ e/€	2023	2024	%
GHG intensity per net revenue	n/a	0.10	n/a

GHG emission definitions

Gross Scope 1 GHG emissions: Total direct emissions (ktCO₂e) from own operations, including biogas, natural gas, company car fuel and diesel for testing emergency power supply.

Gross location-based Scope 2 GHG emissions: Total indirect emissions (ktCO₂e) from own operations using location-based conversion factors, including electricity and district heating.

Gross market-based Scope 2 GHG emissions: Total indirect emissions (ktCO₂e) from own operations using market-based conversion factors, including electricity and district heating.

Gross Scope 3 GHG emissions: Total indirect emissions from our upstream value chain (ktCO₂e), including the categories defined under other definitions. We report on those categories that have been assessed to be material, which includes other Scope 3 categories.

Total GHG emissions: Total gross Scope 1, gross Scope 2 and gross Scope 3 emissions. The total GHG emissions per net revenue consists of the total GHG emissions which are divided by the managerial income from operating activities.

Other definitions

Purchased goods and services: Total indirect emissions from purchased goods and services.

International business travel: Total indirect emissions from international business travel emission categories:

Air: indirect emissions from air travel;

Train: indirect emissions from international train travel.

Employee commuting: Total indirect emissions from employee commuting:

Car: indirect emissions from car travel. This entails electricity use of lease cars and declared business use kilometres of privately owned cars. Lease cars emissions in relation to diesel and gasoline use are captured under Scope 1 GHG emissions.

Public transport: indirect emissions from public transport (train, bus, metro and tram).

Investments: Total indirect emissions from investment emission categories:

AuM: total indirect emissions from our AuM;

Mortgages: total indirect financed emissions from our mortgage portfolio;

Loans: total indirect financed emissions from our business loans.

Carbon calculation for our own organisation

The carbon emissions related to our own organisation are calculated and reported in line with the GHG Protocol, using the conversion factors set out by internationally recognised organisations and published on the website co2emissiefactoren.nl. We applied the following in our calculation method:

- We used several assumptions and estimates for all business travel using public transport when converting expense claims into kilometres travelled;
- Total transport in kilometres for the delivery of office supplies and catering relates solely to our activities in the Netherlands and is based in part on estimates;
- Emissions from offices without utility meters are estimated based on square metres and Statistics Netherlands data with average natural gas consumption and electricity usage per office area. We assume that these offices use the average electricity mix of the Netherlands and natural gas (not biogas);
- Travel movements of colleagues with a fixed travel allowance are estimated based on the average number of days colleagues go to the office and weeks in the year, less annual leave.

It is unlikely that potential errors or inaccuracies in the estimates and assumptions referred to above would have a significant impact on the final results, given that the elements in question only account for a limited proportion of total calculated carbon emissions.

Carbon calculation for financed emissions

For the carbon calculations of our financed emissions, we use the PCAF methodology. PCAF provides a standardised approach for financial institutions to measure and disclose the GHG emissions associated with mortgages, investments and business loans. By using the PCAF methodology, we ensure consistency and comparability in reporting, enabling us to track progress in reducing our carbon footprint and contributing to global climate goals. The PCAF standard offers different calculation methods based on data availability and quality, allowing us to choose the most appropriate method for the specific context. We elaborate on our approach per topic below. From our DMA we concluded that we do have material impact in our downstream value chain, so from 2024 we have also added the PCAF methodology to our Scope 3 business loans and AuM.

We have the following PCAF data quality score per PCAF classification, where 1 is the highest and 5 the lowest possible:

PCAF classification financed emissions	PCAF data quality score
Mortgages	3
Loans	5
AuM	3

Mortgages

To calculate emissions data for mortgages, we work together with other financial institutions via PCAF on best practices for reporting of Scope 3 emissions. Scope 3 emissions related to residential real estate (RRE) include both direct carbon emissions from RRE assets due to combustion of fossil fuels (typically natural gas) and indirect carbon emissions from electricity consumption.

To estimate the carbon emissions of RRE, data regarding the natural gas and electricity consumption per residential object is needed. Because this data is not publicly available, the consumption is estimated by using external data from Statistics Netherlands, which gives the actual energy consumption of households in the country.

In 2024, Statistics Netherlands released new data which we used to update our calculation method. This means that the 2024 reported data is not comparable with the 2023 reported data.

Loans

Although our loan portfolio does not constitute a significant portion of our carbon footprint compared with our investments, we still calculate the related carbon emissions. The carbon emissions from our loan portfolio are estimated following the PCAF methodology by using the calculation estimates for business loans. For this calculation, we rely solely on country- and sector-specific proxies from the PCAF emission factor database, using emission factors per unit of the asset (e.g. tCO₂e per euro of an asset in a sector). According to the PCAF standard, this results in a PCAF score of 5.

Assets under management

To calculate the emissions of our AuM, we use the PCAF methodology. Emissions from land use, land-use change and sovereign forestry are included. Our coverage for reporting via the PCAF methodology is 85% of our total AuM. The accompanying PCAF data quality score is 2.88. In 2024, we further improved our reporting process for carbon emissions related to our AuM, which means that our Scope 3 emissions are not comparable with 2023. We have extended the scope to our full AuM. The main source for emission data is our ESG data provider, MSCI. The data is matched based on the international securities identification number (ISIN) and the most recent data available is included. If there is no data available via the MSCI source, then an estimate is made based on country- and sector-specific proxies from the PCAF emission factor database. To enhance the overall coverage of our total AuM, we extrapolate the emission data based on the average available greenhouse gas emissions of our AuM to achieve full coverage. Going forward, we will work on further data quality improvements.

Carbon offsetting

We will continue to work on reducing our CO₂e emissions in the years ahead. Unfortunately, we will not be able to bring them down to zero as there will always be emissions left over from our activities. Each year, we offset our remaining GHG emissions related to our own operations. We offset the 2024 carbon footprint related to our own operations via reforestation and afforestation projects in Mexico. To offset the 2024 carbon footprint of our own operations, we acquired 3,019 tonnes of carbon credits.

We hold a contract with Trees for All with audit rights for our carbon credits. Trees for All carbon projects are certified by Plan Vivo, which is the international standard for carbon offset that focuses on local communities. Projects with a Plan Vivo certification guarantee carbon sequestration, as well as contributing to better living conditions, sustainable land management and the conservation of biodiversity. Several independent checks have been carried out to prove that the company's carbon emissions have been captured correctly.

In addition, we collaborate with Land Life Company, which has planted 160,000 trees on our behalf in Portugal and Australia since the start of our collaboration in 2023.

The carbon is captured and stored, creating our own carbon sink, which we aim to use to offset our future emissions. Over the next 40 years, these trees will store around 43,000 tonnes of carbon emissions and when they have grown big enough, we expect to be able to offset the remainder of our own organisation's carbon emissions. For both of these projects we have Verified Carbon Standard-certified right of audit, and they both contribute to our journey to net zero in our own operations by 2030.

Biodiversity

How we manage our impact

In our DMA we identified that biodiversity is a material topic for us with regard to our upstream value chain. It is not a material topic for our own operations. There could also be an impact on AuM, but data constraints limit our abilities to assess scale, extent and scope of impact. Despite these limitations, we are actively involved in initiatives related to biodiversity, as it remains one of our sustainability focus themes. As more comprehensive data becomes available in the near future, we will explore ways to enhance our understanding and impact in this area.

Our policy

Our biodiversity policy contains information regarding our background and position on biodiversity, how biodiversity is embedded into our investment approach, the implications of biodiversity for our own operations and governance, stakeholder consultation and reporting. Our own operations and AuM are in scope of the policy, while our balance sheet is out of scope of the policy. See our policy for more information: vanlanschotkempen.com/biodiversity-policy.

We maintain regular dialogue with our stakeholder groups to understand their needs, ideas and concerns. See our stakeholder engagement policy for more information: vanlanschotkempen.com/-/media/files/documents/corporate/sustainability/stakeholder-engagement-policy.ashx.

The most important stakeholder group for our biodiversity policy is nature, which can't advocate for itself directly. With this in mind, we've asked two social organisations representing nature to review our biodiversity policy.

This policy, which contains contact details for the Corporate Sustainability team, is available on our website: vanlanschotkempen.com/en-nl/about-us/sustainability/policies-and-resources.

The Sustainability Board drives the sustainability strategy and is responsible for implementing and embedding sustainability, including biodiversity, within our company. The Sustainability Board representatives are appointed by the Management Board. During their bi-monthly meetings, the Sustainability Board approves sustainability priorities and monitors the implementation of the strategy and these priorities. The Sustainability Board is the most senior body in our organisation that has approved the biodiversity policy.

For more information on sustainability governance, see our website: vanlanschotkempen.com/sustainability-governance-structure.

We have presented our biodiversity information in three parts: impact via our upstream value chain, own operations and AuM.

Impact via our upstream value chain

Qualitative IRO description

The positive impact of using stewardship to influence suppliers to adopt more sustainable practices, thereby contributing to limiting biodiversity loss

The negative impact on climate change if no stewardship actions are taken to influence suppliers to limit biodiversity loss

We believe we can make a positive impact by engaging with suppliers to convince them to make use of practices that limit biodiversity loss. At the same time, we could have a negative impact on limiting biodiversity loss if we don't take this into account while selecting and engaging with our suppliers. Biodiversity and climate change are deeply interconnected, and the loss of biodiversity can have negative impact on climate change. If a (potential) supplier received no questions from us regarding limiting loss of biodiversity, they would have little or no incentive to work on limiting this loss and the resulting negative impact on climate change.

Procurement

We have integrated a responsible purchasing policy into our business partner due diligence policy to ensure that we only work with suppliers that meet our integrity and sustainability standards. All larger purchasing processes (above €25,000) are subject to sustainability monitoring and we offer training to employees who are regularly involved in the procurement process.

We have not performed any assessments regarding our suppliers' biodiversity impact and dependencies. There is no specific focus on biodiversity in our responsible purchasing policy, as the limited availability of data does not currently allow for this topic to be structurally integrated in how we engage with suppliers.

See our value chain on page 29 for a description of our suppliers.

Impact via our own operations

We have not identified a material impact on biodiversity via our own operations.

We have offices in the Netherlands, Belgium, Switzerland, the UK, the US and France. Our main offices are located in 's-Hertogenbosch, Amsterdam and Antwerp. All our other offices are labelled as local offices, whose main purpose is to host client visits. A list of our offices in the Netherlands, Belgium and Switzerland is available on our website: vanlanschotkempen.com/en-nl/contact.

We have used a Natura 2000 dataset to measure the distance between Natura 2000 sites and Van Lanschot Kempen offices in the Netherlands and Belgium. The distances between our office locations range from 600 metres to 16 kilometres. As we are not involved in activities that directly affect natural habitats, our office buildings do not have any direct physical impact on biodiversity and are thus not marked as priority locations. This is supported by ENCORE data. We concluded it is not necessary to implement biodiversity mitigation measures in our own operations.

Although we have not performed an extensive dependency assessment of Van Lanschot Kempen in relation to our office locations, we have identified three ways in which we are dependent on nature:

- For the well-being of our employees, clients and other stakeholders;
- For the resources we use as a financial institution such as office buildings, food and paper;
- In our business operations, since climate change, exacerbated by biodiversity loss, can disrupt business operations, such as in extreme weather events.

None of these three dependencies were marked as material risks. For more information on the business operations-related risks, see "Risk and capital management" from page 114.

Each year, we assess various environmental themes in relation to operational risks. With regard to physical risks, we have identified the following risk drivers: droughts, riverine and sea floods; heatwaves and wildfires; and hail, storms and hurricanes. With regard to transition risks, the risk drivers include environmental taxation, regulatory requirements, policy and behavioural changes and technological developments. These risks were assessed as immaterial based on a quantitative and/or qualitative assessment in our internal sustainability risk report as part of our risk management framework (see "General Disclosures" for more information).

Although biodiversity-related physical, transition and systemic risks are assessed as either immaterial or impossible to integrate in our risk models at this stage, we remain committed to reducing our negative impacts and promoting positive impacts by focusing on areas in which we are most able to make a meaningful contribution. We have translated our ambition to conserve biodiversity into measures for our own operations, focusing on several drivers of biodiversity loss:

- Land use change: we are increasing the habitat availability and species diversity in the gardens around our Dutch offices;
- Pollution: we are working to reduce our residual waste and reuse furniture where possible;
- Climate change: our goal is to reduce the carbon emissions of our own operations by 8% per FTE (baseline year: 2019). We do this using mostly green electricity for our offices, heating our Dutch main offices predominantly with biogas, electrifying our lease cars and discouraging air travel;
- Exploitation: our catering provider is focused on offering more plant-based options, to reduce over-reliance on animal products.

Impact via our AuM

We could make an impact on biodiversity via our AuM, but data constraints limit our abilities to assess the scale, extent and scope of this impact. An overview mapping how our AuM is likely to have nature-related impacts, dependencies, risks and opportunities can be found in the Taskforce on Nature-related Financial Disclosures (TNFD) guidelines. As biodiversity with regard to AuM is not material, we have not identified which part of the portfolio would be most impacted.

We aim to protect our clients' assets from dependencies, reducing negative impacts and promoting positive impact by focusing on the areas most relevant to our business. We included the following targets on biodiversity in our latest version of the biodiversity policy:

- Engage companies with MSCI orange flags on biodiversity;
- Engage companies with Sustainalytics ratings of "low management" and "medium/high exposure" on biodiversity.

The MSCI ESG controversy rating and the Sustainalytics scoring both signal inadequate management of biodiversity by certain companies.

The scope of our biodiversity targets are our Article 8 investment funds with a minimum committed portion of sustainable investments. The target is an annual target, with 2025 as the first reporting year and baseline year. We will include biodiversity as a topic in our 2026–27 KPI framework, in which targets will be set for a two-year period.

Besides our engagement targets, we have already taken several steps to underline our responsibility towards biodiversity. In March 2021, we signed the Partnership for Biodiversity Accounting Financials (PBAF) agreement, which commits Van Lanschot Kempen to measuring the impact of loans and investments on biodiversity, taking action to reduce our negative impact and protect and restore biodiversity, and working towards a single global approach for the financial sector.

In November 2021, we signed the Finance for Biodiversity Pledge, in which we committed to biodiversity-related best practices including collaboration, engagement and setting concrete targets by 2024. See Appendix 1 of our biodiversity policy for our biodiversity commitments in line with this pledge.

Finally, in January 2024 we became an early adopter of the TNFD, which requires us to publish our first TNFD-aligned disclosures for the 2024 financial year. This report can be found on our website: vanlanschotkempen.com/en-nl/about-us/sustainability/reporting-and-regulation.

EU taxonomy

Van Lanschot Kempen is a wealth manager with a banking licence: we are active both in asset management (via Van Lanschot Kempen Investment Management) and in credit. We therefore disclose our EU taxonomy alignment and eligibility in accordance with the requirements for these activities.

Financial institutions are required to disclose their green asset ratio (GAR) and corresponding EU taxonomy alignment related to limiting and managing their impact in connection with environmental objectives. In addition, this is the first year that financial institutions are required to report the EU taxonomy eligibility of assets related to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems.

In our capacity as a wealth manager, 1.4% of our assets under management (AuM) related to turnover and 2.0% of our capital expenditure (capex) were EU taxonomy-aligned in 2024. In our capacity as a credit institution, our turnover and capex GAR was 9.8% in 2024, while 56% of our GAR assets were EU taxonomy-eligible. As a result, the taxonomy alignment for the group, weighted on the basis of income from our asset management and credit institution activities, is 6.4% and 6.6% respectively for turnover and capex.

Assets under management

Our EU taxonomy-aligned AuM includes exposures to companies offering solutions to limit and/or address climate change across portfolios. We have not yet set a minimum percentage of EU taxonomy-aligned holdings for any of our own investment funds, discretionary portfolio management solutions, and/or Markets in Financial Instruments Directive (MiFID) II sustainability preferences profiles. This is because we still lack full insight into the EU taxonomy alignment of investee companies. We expect that the robustness and accuracy of this data will improve with the increasing uptake of the EU taxonomy by relevant institutions and the improved flow of data through service providers. When the data is of sufficient quality, we will be able to set commitments on the minimum share of EU taxonomy-aligned holdings for discretionary portfolios.

In accordance with our ambition to help our clients navigate transitions, we aim to increase the share of EU taxonomy-aligned AuM over the coming years.

In comparison with FY 2023, when the asset management key performance indicators (KPIs) reported at the scope of Van Lanschot Kempen, in FY 2024 we have only published the AuM related to Van Lanschot Kempen Investment Management for EU Taxonomy Annex IV. For taxonomy alignment related to Van Lanschot Kempen, see page 67.

Balance sheet

Our GAR mainly represents residential mortgages used to finance energy-efficient homes. In the years to come, we aim to increase this ratio by offering more attractive interest rates to finance homes with a higher energy performance certificate (EPC) and provide third-party expert advice to help clients increase the energy efficiency of their homes.

Our EU taxonomy-aligned residential mortgages include loans with collateral objects that we estimate to be within the top 15% of the housing stock in terms of energy efficiency. We use EPC labels when available, and in the absence of the relevant EPC, we use the permit year, which reflects the specific building regulations in effect at the time. By using permit years, we most likely underestimate our GAR, as it does not take into account any improvements made to the collateral objects. To reduce this gap, we are working on increasing our EPC coverage.

We have assessed various physical climate risks in relation to our residential mortgage portfolio (see "Sustainability risk" on page 119). These include the climate hazards referred to in the EU Taxonomy Regulation and marked as particularly relevant in the Dutch context by the the Energy Efficient Mortgages Hub Netherlands, with the exception of heatwaves. We aim to further analyse our exposure to risks resulting from heatwaves in the near future. Our current assessment is that these risks are less material than the other risks that have already been assessed. Based on the outcomes of our assessments, we have categorised all homes

that meet the technical screening criteria (TSC), being the "substantial contribution" and the "do no significant harm" criterion, as EU taxonomy-aligned.

Other green assets include co-investments in own funds through our management book. We also invest part of our liquidity book in taxonomy-aligned bonds. As with our AuM, we expect that the robustness and accuracy of this data will improve with the increasing uptake of the EU taxonomy.

Loans and advances, other than residential mortgages, generally comprise products that are supplemental to our private banking relationship model (such as loans to healthcare professionals and business professionals) and are not offered to parties that are in scope for the EU taxonomy. We do not have exposure to non-financial corporations subject to the Non-Financial Reporting Directive and, as a result, Template 2 "Breakdown by NACE", is omitted.

In line with our responsible lending policy, we do not finance activities relating to nuclear energy and we have strict criteria for financing fossil fuel activities. For the corporate exposures, we have evaluated exposures to the nuclear energy and fossil fuel sectors on the basis of the Nomenclature of Economic Activities (NACE) codes and the activities described in the regulation. For this scope of reporting, exposures are insignificant. This overview can be found in Annex XII: Template 1 "Nuclear energy and natural gas-related activities", on page 68.

Social

Own workforce

Through our double materiality assessment (DMA), we identified several material topics that are critical to our own workforce, which translate to the following sustainability matters:

Sustainability matter	Material topic
Inclusion and diversity	Inclusion and diversity Equal pay for equal work
Quality of the workforce	Talent and skill management
Working conditions	Work-life balance Health and safety

We have identified the following material impacts, risks and opportunities for these topics.

Impact, risks and opportunities (IROs)

Material IROs for our own workforce
The positive impact of representation of ethnic minorities and different genders within Van Lanschot Kempen on equal opportunities for employees of different backgrounds
The negative impact of unequal representation of ethnic minorities and different genders within Van Lanschot Kempen on unequal opportunities for employees of different backgrounds
The negative impact on employee satisfaction of Van Lanschot Kempen's employees through a lack of transparent and equal remuneration policies
The positive impact on employee satisfaction through the implementation of effective talent management strategies due to improved career development opportunities, recognition of skills and a more supportive work environment
The positive impact on employee satisfaction by providing sufficient compensation for high employee performance, resulting in a culture of recognition and motivation
The financial risk of higher employee turnover and operational disruption due to insufficient talent management for our employees
The financial opportunity of reputational gain and external talent attraction by offering good talent management
The positive impact on our employees from balanced work-life practices contributing to employee well-being
The negative impact on our employees from imbalanced work-life practices harming employee well-being
The financial and operational risk of disruption and financial losses due to high employee turnover or absence from work caused by suboptimal work-life balance
The negative impact on employees' health and safety (absence from work) due to stress as a result of excessive work pressure
The financial risk of a higher absence rate due to stress as a result of excessive work pressure

General disclosures

Our employment conditions reflect our commitment to providing attractive terms of employment with flexibility, transparency, a life-phase-conscious approach, work-life balance and personal development. Our training policy highlights continuous learning and development: employees' talents and growth opportunities are discussed with their managers to identify necessary training opportunities.

We have a policy with guidelines for managing conflicts of interest and ensuring ethical behaviour, stressing the importance of qualifications and experience in decision-making.

Our recruitment process features trained hiring ambassadors, who promote unbiased interviewing and attract high-performing talents based on qualifications and skills. When attracting new colleagues to Van Lanschot Kempen, our recruitment and selection are based on job profiles. In addition, personal development agreements and continuous professional education are introduced and stressed throughout the selection process. Furthermore, to address the potential negative impact of gender-biased job profiles and vacancies, we write job descriptions in gender-neutral language. To eliminate barriers potential new employees may experience when applying for a position, we also take a critically reflective approach to the skills and experience we require for a job.

The Management Board oversees policies and guidelines promoting equal treatment and opportunities at Van Lanschot Kempen, such as our inclusion and diversity policy, which emphasises the importance of diverse perspectives and attracting, developing, and retaining diverse talent. Our code of conduct establishes our three ethical principles, one of which is to be respectful towards others, encompassing colleagues, clients, and other stakeholders. All employees are expected to complete an e-learning course on our code of conduct, which highlights the importance of respect and of preventing discrimination.

We encourage employees to speak up and act professionally, even in the face of disagreements. Our policy on desirable and undesirable behaviour underscores the importance of a safe workplace and enforces a zero-tolerance stance on undesirable behaviour, such as discrimination. It highlights the responsibility of every employee to interact decently and respectfully with colleagues. In addition, our inclusion and diversity policy aims to create a more inclusive workplace where everyone feels valued and respected. Besides diversity in terms of gender, nationality, age, educational level, sexual orientation and gender identity, religion, ethnic background, disability or distance from the labour market, our commitment to diversity also includes individuals' skills, personal experiences and socioeconomic backgrounds. It includes measures to eliminate discrimination and promote inclusion, such as our inclusion & bias awareness training that raises awareness of unconscious bias and inclusive behaviour. All colleagues, including middle and upper management, are encouraged to participate in this training.

We conduct regular equal pay analyses to ensure equal pay for equal work, aiming to close the corrected pay gap between men and women and promote fair compensation practices. We have also signed the Workplace Pride Declaration of Amsterdam, which is a commitment to foster a more inclusive workplace for LGBTQ+ employees.

Labour practices within Van Lanschot Kempen respect human rights; forced labour and child labour do not occur within our organisation. Our workforce policies act in the spirit of internationally recognised instruments, including the UN Guiding Principles on Business and Human Rights. However, we have not tested the official alignment of our policies against these principles.

We have made several adjustments to our physical environment to ensure the health and safety of colleagues, clients and other visitors with disabilities. Specifically, we provide disabled parking spaces, toilets equipped for disabled people and Braille buttons in our lifts. Depending on the disability, we aim to find a tailor-made solution to meet individual needs. The provisions made depend on the person's limitations.

We have comprehensive documents and resilient policies in place that address workplace accident prevention and management systems. Our business continuity management policy outlines the objectives for business continuity management, detailing the structure and roles within the organisation, emphasising operational resilience and detailing training and country-specific provisions. Our general risk management framework provides an overview of our integrated risk management activities, governance, and processes, aiming to identify, assess, manage, monitor and report risks across the organisation. What's more, our operational risk management framework elaborates on our strategy for identifying, managing, monitoring and reporting operational risks, including those related to workplace accidents. The incident management policy explains the process for identifying, reporting, classifying, and documenting incidents, aiming to prevent and manage incidents that could harm our reputation and integrity. We do not have a formal policy addressing workplace accidents; however, we do have a specified company emergency response plan that addresses how to act in different incidents, including medical and other emergencies such as fire and natural disasters.

For each material impact, risk or opportunity related to our workforce, we specify policies and actions to mitigate negative impacts on our own workforce or to enhance positive impacts. When these actions target specific employee groups, this is specified.

Engagement

We measure engagement via our annual employee engagement survey (EES), which received an 86% response rate in 2024 (2023: 84%). Based on certain questions within the EES, we can track employees' satisfaction regarding diversity, equal opportunities and their perception of dignity and respect within Van Lanschot Kempen. In addition to the EES we organise focus groups, interviews and surveys to understand the employee and manager experience, to identify specific needs across various departments and to provide insights on where to focus attention.

The Management Board holds overall accountability for employee engagement within the organisation, which is assessed through our EES. The results are presented to the Management Board and the Works Council, further distributed to managers throughout the organisation and communicated to the broader employee population and in the sub-teams. The outcomes of the surveys contribute to setting the strategic direction for employee engagement initiatives and ensuring that the company's approach aligns with our broader organisational goals and values. The Human Resources management team is responsible for the operational implementation of employee engagement policies and procedures.

The outcome of open text questions in the EES helps to determine specific interventions on inclusion and diversity, such as the above-mentioned inclusion & bias awareness training, inclusive leadership sessions and our Diversity Day, which highlights the benefits of a diverse workforce. We have also introduced several initiatives to support health and well-being via our new HelloYou portal, with customised well-being programmes. Examples include online sport classes and e-learning modules on nutrition, energy management and a healthy work-life balance. Moreover, the Van Lanschot Kempen Academy offers various workshops and webinars on topics such as understanding menopause, supporting parents of young children and more. These sessions are designed to educate employees on diverse experiences and promote a more inclusive workplace.

We complement our EES with various sessions on specific topics throughout the year. These include events of various sizes that bring cohorts of the workforce together to share experiences, such as stress management workshops and discussing the outcomes per business line in depth. The objective is to eliminate barriers to sharing thoughts and insights. These sessions are organised by HR and management as well as by various employees and networks.

We have established a number of inclusion and diversity networks such as VLK Women, VLK International, Young Van Lanschot Kempen and VLK Pride, which share valuable insights on the perspectives of their network members. In addition, we also have a dedicated colleague who provides support to employees with a disability.

We do not only get insights into engagement through the EES, but also through our Works Council, which collects and presents employees' views and concerns during monthly check-ins and yearly consultations, and gives feedback on updates to employment conditions. The topics discussed include working conditions, organisational changes, employee welfare and any other management decisions that may affect the workforce and in which the Works Council has a legal role to advise on or approve. Works Council representatives are chosen through elections, with seats allocated to represent every segment. Besides the requirement by law, the Works Council takes various roles in decision-making processes related to workplace policies and practices. Regular meetings and co-working on changing employment conditions are part of the structure we have put in place. The Works Council members are part of the business and at the same time serve as representatives of the organisation. They are well known within the company and employees often approach them to provide their input. We do not have a formal structure for collecting and organising this feedback. There are informal channels for feedback available for all employees through annual surveys, our active feedback culture and various boards representing our young employees.

Raising and remedying concerns

While we do not directly provide remedy for negative impacts on our own workforce, we contribute to remediation by implementing several actions to address and mitigate material negative impacts on our workforce. These actions include addressing gender pay gap outliers, providing access to a company doctor to manage absence from work and offering health and career coaching. For more details, see the actions per material topic.

Van Lanschot Kempen has a number of channels in place for employees to raise issues, including confidential counsellors – both internally and externally – as well as a Complaints Committee. An external confidential counsellor is available for employees who prefer to raise their issue through outside channels. Our employees can also talk to their manager or their HR business partner to flag concerns, contact members of the Works Council for general concerns, or alternatively members of the board of any of our employee resource groups (ERGs).

We provide an overview of all "Speak Up" channels via our intranet, on the same webpage as our code of conduct, which is featured prominently on our homepage. Our confidential counsellors are also listed on our intranet and, throughout 2024, we conducted an awareness campaign to draw attention to them and their role. We have a number of ERGs, each with a dedicated Management Board sponsor. The chairs of the ERGs meet with their sponsors during the year and inform them of the latest developments specific to their ERG. This engagement also provides an opportunity to raise specific concerns on formal structures and informal cultural issues.

Our complaints procedure ensures that employees with complaints are taken seriously, heard fairly, and treated independently. Complaints are handled with care, and submitting a complaint does not lead to negative consequences for the complainant. The procedure provides clear guidance for effective and accessible complaints handling, allowing the complainant to be heard and facilitating mediation between the complainant and Van Lanschot Kempen. It also requires confidentiality from anyone involved in handling the complaint, and information about the complaint will not be added to the staff file unless the employee requests it. This complaints procedure is available via our intranet for all employees. Via the EES we ask our employees whether they feel they can report instances of dishonest or unethical practices to the appropriate level or authority without fear of reprisals.

Issues reported to the confidential counsellors are aggregated and anonymised before being presented annually to the Compliance & Operational Risk Committee for monitoring. Additionally, issues flagged through the complaints procedure are tracked by the complaints committee secretary. Through this process, we can assess the effectiveness of these channels.

We have formal procedures in place to identify the action to take in response to actual or potential negative impact on our workforce, depending on the context. As mentioned, a complaints procedure is in place in case an employee submits a formal, written complaint to the official secretary of the Complaints Committee, and a final recommendation will be prepared for the Management Board. If negative scores are observed on specific topics within the EES, or if Van Lanschot Kempen is underperforming on its people-related key performance indicators (KPIs) – such as gender balance of inflow and gender balance of senior staff – targeted action plans are initiated where necessary.

Incidents, complaints and human rights impacts

Each year, our confidential counsellors compile an annual report detailing various incidents, including those related to discrimination and harassment, that have been reported to them. This report includes the total number of such incidents reported within the year. All data used is anonymised.

Individuals who experience discrimination or harassment are not required to report these incidents. As a result, the reported figures only include incidents brought to the attention of our confidential counsellors. This means that the actual number of discrimination and harassment incidents within Van Lanschot Kempen could be higher.

- Number of incidents of discrimination or harassment: 6
- Number of complaints filed through this channel for people in own workforce to raise concerns: 25

No severe human rights issues and incidents connected to our own workforce occurred in 2024. No fines, penalties and compensation for damages were incurred in 2024.

Inclusion and diversity

Strategy and business model

As a personal, specialist knowledge and service-based organisation, our employees' professionalism, expertise, skills and behaviour determine the quality of our service and client experience. The inclusion of individuals from diverse gender backgrounds in our workforce can positively impact our employee satisfaction by ensuring equal opportunities, whereas unequal representation and opportunities for different genders may have a negative effect. We aim to attract, develop, and retain diverse talent, with specific goals to increase the percentage of women in senior positions and to improve diversity overall throughout the organisation.

The impact of diversity on employee satisfaction, resulting from the inclusion of individuals from different genders and ensuring equal opportunities for employees from various backgrounds, is visible in the correlation between our inclusion and diversity score in the EES and in our overall inclusion and diversity efforts. The score on the questions in the EES related to this topic significantly improved after launching specific initiatives on inclusion and diversity in 2021, reaching 88% from 66% in 2019. Across 2022 and 2023 this score remained consistent at 88%, increasing to 91% in 2024. This score reflects the answers to three questions in the EES, which is sent to all employees:

- My colleagues at Van Lanschot Kempen treat each other with dignity and respect regardless of their personal identities (94%);
- Van Lanschot Kempen supports diversity in the workplace (90%);
- My immediate manager supports equality of opportunity for all employees (88%).

We expect the positive effect of inclusion and diversity on employee satisfaction to occur over the medium and long term. As we are continuously working on improving our gender diversity, we expect any negative impact on employee satisfaction from inadequate inclusion and diversity levels to occur only over the short term. These material impacts are specifically focused on equal opportunities for different genders.

Any other gender than the current dominant gender in our company (male), could be negatively affected by a gender imbalance. We take a data-driven approach to measuring gender across all key HR processes, and we also analyse the results of the EES based on different characteristics to assess whether there are any points that need attention. All employees were included in the scope of this materiality assessment.

The negative impact on the satisfaction of employees from unequal representation of different genders caused by unequal opportunities for employees of different backgrounds could be systemic if unequal opportunities were evident, indicating discriminatory practices.

Research shows that diverse teams and organisations that include balanced representation of genders, outperform their less diverse competitors because employees are more innovative and make better decisions. We are committed to increasing the diversity of our workforce, which supports us in delivering the best service to our clients through our high-performing teams.

We also believe that taking inclusion and diversity seriously is necessary to keep up with the developments in our environment and in society as a whole. With every year that passes, our clients and colleagues are becoming more diverse. Growth opportunities will be hampered for organisations that lack the adaptability to serve people from across society.

We address these impacts by offering flexible work arrangements, engaging with employees for feedback and investing in training and skill development, and by implementing comprehensive health and safety programmes. These initiatives are particularly important in fostering an inclusive environment, where individuals from different gender backgrounds feel valued and supported. Our approach aims to ensure that equal opportunities are offered regardless of background and is assisted by our strategic partnerships with external partners, which specialise in inclusive employment practices and provide us with advice on our policies and practices.

The gender distribution in number of employees at top management level is reported following the European Sustainability Reporting Standards (ESRS). Top management is defined as one and two levels below the Management and Supervisory Boards.

Number of employees at top management level by gender on 31/12/2024 (headcount)		
	Number of employees	Percentage of employees
Male	137	72%
Female	53	28%
Other/Not disclosed ¹	—	—%
Total employees	190	100%

Our policies on this topic

Van Lanschot Kempen also leverages its inclusion and diversity policy to capitalise on opportunities to foster an inclusive and diverse workplace. This approach enhances innovation and adaptability, allowing us to better meet the needs of our diverse client base.

Key aspects include promoting gender diversity and ensuring equal pay for equal work, which both attracts and retains diverse talent and ensures a dynamic workforce.

The policy also emphasises the importance of bringing different perspectives to the table, which is crucial for executing our wealth management strategy. By focusing on these areas, we can drive growth and success while maintaining a strong and capable workforce. The policy is made publicly available on our website (vanlanschotkempen.com/-/media/files/documents/corporate/who-we-are/inclusion-and-diversity/inclusion-and-diversity-policy-van-lanschot-kempen.ashx) and describes our vision, ambition and approach, which:

- Emphasises the importance of diversity in all its forms and highlights the value of diverse perspectives and our commitment to attract, develop, and retain diverse talent;
- Supports our ambition on inclusion and diversity, which is to increase the percentage of women in top levels, senior management, and within all other levels throughout the organisation, and to improve representation across other aspects of diversity;
- Is structured around five pillars to unlock the potential of inclusion and diversity, as described in our policy.

This policy is applicable to all of our employees. We regularly share the policy internally on specific diversity-related calendar days marked by the company to encourage colleagues to read it. The policy is also supported by our inclusion and diversity-related employee networks.

The Management Board is the most senior level at Van Lanschot Kempen responsible for the implementation of this policy. The policy was approved by the Management Board and signed off by the Supervisory Board. The Management Board is responsible for setting the strategic direction of the organisation, and is responsible for the oversight of our policies and for monitoring and achieving specific KPIs related to inclusion and diversity. Furthermore, as stated within the policy, leadership is expected to lead by example, for instance via the Van Lanschot Kempen Partnership. The partners are leaders who commit to Van Lanschot Kempen for the long term and take responsibility for its success. Partners are expected to play their part, as a group and individually, both internally and externally. Partners are expected to bring their full commitment and talents to the organisation with due regard to inclusion and diversity. In 2024, they concentrated on fostering collaboration through initiatives such as the roll-out of the code of conduct, enhancing investment management and private banking collaboration, advancing our sustainability strategy, promoting inclusion and diversity, developing talent, and strengthening brand ambassadorship and company pride.

Through our inclusion and diversity policy, we respect third-party standards such as the hiring quota law known as "*Wet ingroeiquotum*", and underline our commitment to meeting the requirements set forth by this legislation. This law, introduced in January 2022, focuses on gender diversity in the Dutch financial services industry. We file our submission to the Social and Economic Council of the Netherlands (SER) annually. For several years now, we have also participated in the Equileap Gender Equality Report. This comprehensive assessment ranks 4,000 public companies worldwide based on a unique Gender Equality Scorecard.

¹ For FY 2024, we cannot register any other genders than male and female in our HR management system.

Our commitment has yielded progress: in 2023, our Equileap score rose to 59/100, up from 42/100 in 2021. We also participate in the Workplace Pride Global Benchmark tool, which is designed to measure the LGBTQ+ policies and practices of employers. In 2024, we were mentioned as one of the top six organisations that have made the most progress on the Workplace Pride Global Benchmark. In setting our inclusion and diversity policy, we give consideration to the interests of key stakeholders. We consider our policy not to be a static document and aim to continuously evolve our approach to meet the needs of stakeholders. This includes taking into account the outcome of the EES, and feedback received from employees in other forms, such as via our ERGs or our Works Council. Interviews were conducted with colleagues to reflect the diverse perspectives and needs of the workforce, and review sessions were organised with internal and external stakeholders.

Our actions on this topic

We aim for 50% male and 50% female inflow of employees across all levels of our organisation, which is supported by a targeted action plan including:

- Flexible hours and working conditions to provide employees with the flexibility to manage their work schedules and conditions to better balance their personal and professional lives, with a life-phase and gender-conscious approach. This action is applicable to all Van Lanschot Kempen employees.
- Unbiased interview technique training in our hiring process to standardise the approach and evaluate candidates based on objective criteria. This action is directed at hiring managers and HR recruitment teams.
- Game-based assessment for junior positions to reduce the potential for biased decision-making by evaluating candidates' skills and abilities in a more engaging and unbiased manner. This action is directed at candidates for junior positions including entry-level roles, working students and at interns as non-employees.
- Partnerships with agencies and networks focusing on female talent with the objective to create a more diverse talent pipeline, by collaborating with external agencies that specialise in identifying and nurturing female talent. This leads to more women being considered for various roles within the organisation at all levels.

We also aim for a minimum of 30% female and 30% male employees in the three levels immediately below the Management Board. To achieve this target, we have developed concrete action plans, including:

- For senior staff positions, we aim to compile a recruitment shortlist that is well balanced from a gender perspective.
- To maintain continuous awareness of our target for employees in senior staff, and to foster commitment to achieving our shared action plan, the topic of gender diversity is regularly discussed in our management teams, supported by our HR business partners and our recruitment team.
- We take a data-driven approach to measuring our progress, and report a breakdown on gender for all key HR processes (for instance, succession planning, end-of-year promotion cycle, inflow, outflow, and also throughflow/internal mobility).

These actions on inclusion and diversity are ongoing and applicable year-round. They do not have a specific time horizon.

Our targets on this topic

We have adopted several gender diversity targets that directly concern our employees. These align with our policy objectives, taking into account our vision, ambition and approach toward diversity. Our Management Board is responsible for setting the targets, with advice from the HR management team. The Management Board is updated on a quarterly basis on the performance of these targets.

Target 1: 50% male and 50% female inflow of employees across all levels of our organisation. In 2024, the percentage of new female employees was 49%, in line with our target. At the time of the implementation of our inclusion and diversity policy (launched in 2022; baseline year 2021), this figure stood at 33% female and 67% male employees. As of year-end 2022, the inflow of female employees had increased to 41%, remaining unchanged at 41% at year-end 2023. In setting this target, we took an analysis of the gender balance amongst graduates in the Netherlands into account.

Target 2: A minimum of 30% men and 30% women in the three levels immediately below the Management Board (senior staff). In setting this target we used a gender-predictive model from an external party that advises us on diversity. Following their recommendations we have defined a growth path with which we aim to grow our female representation by 2% a year, which will support us to reach this target by 2029. At the time of the implementation of our inclusion and diversity policy (launched in 2022; baseline year 2021), 15% of our employees in senior staff were female compared with 85% male. In 2024, we reached a gender balance among senior staff of 21% women, in line with the target from our growth path of 21% women by 2024.

Equal pay for equal work

Strategy and business model

Equal pay for equal work is a material topic for our own operations. There is a potential negative impact on the satisfaction of our employees from not having transparent remuneration policies and clear guidelines on equal pay for equal work. This could negatively affect the culture of our company, especially if people do not feel appreciated or treated fairly. To measure employee satisfaction on equal pay for equal work, we ask our employees two questions on fair pay in our EES. All employees have been included in the scope of the materiality assessment.

This material impact is directly connected to our strategy and business model, which emphasises the importance of attracting, developing and retaining a diverse and talented workforce. This is essential for delivering a high-quality service level to our clients and maintaining a high Employee Net Promoter Score, which in 2024 stood at 35 (target: above 10). The absence of transparent remuneration policies and clear guidelines on equal pay for equal work would negatively impact employee satisfaction, leading to abnormally high employee turnover, affecting the quality of our workforce and our ability to attract talent. This would eventually have the potential to cause operational disruption and impact the level of client service in the short to medium term.

With regard to employee satisfaction, we specifically address transparent remuneration and equal pay for equal work, and we undertake several actions to understand and adjust, where appropriate, our procedures. This includes benchmarking our paylines and salary scales on a yearly basis and benchmarking the entire remuneration system every three years for our employees in the Netherlands. We outline our specific paylines and salary scales within our employment conditions, which are published internally for all employees to view, as well as conducting an annual analysis on our gender pay gap, assessing and addressing outliers identified as part of the gender pay gap analysis, and analysing results on fair pay from the EES. To retain talent, we offer flexible work arrangements, engage with employees for feedback, invest in training and skill development and implement comprehensive health and safety programmes. Furthermore, we maintain strategic partnerships and robust financial planning to manage risks. These measures ensure that we can sustain operations, support employee well-being, and maintain financial stability, demonstrating our capacity to handle material impacts and risks effectively.

Our uncorrected gender pay gap stood at 27% in 2024. To calculate this, we analysed our employee population as of April 2024, which is also the basis for our corrected gender pay gap calculations. The April 2024 population is considered an estimate, as we have annualised these figures to provide an overview of the entire year rather than using gross annual pay. To ensure the accuracy of this estimate, the figure has been corroborated against the development of the employee base throughout the year. Due to the limited changes in our workforce, we believe that our current methodology accurately reflects the 2024 gender pay gap. To account for in-kind pay, we have included an estimate for the mobility and lease budget, based on our mobility policy and the number of users covered by this policy.

2024 uncorrected gender pay gap

Uncorrected gender pay gap	27%
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We operate a merit-based remuneration policy in order not to discriminate on the basis of gender, age, nationality, social status or cultural background. To manage the impact of equal pay for equal work, we perform an entity-specific annual corrected gender pay gap analysis. In the methodology used to assess the corrected gender pay gap, a correction is made for differences in pay due to age, job level and tenure, for example. We further analyse the corrected gender pay gap at different levels in the organisation to determine whether there are any unexplained differences. If unequal pay practices were apparent, suggesting biases within the compensation and reward systems, and potentially indicating discriminatory practices, this could be viewed as systemic within our operational context. This is particularly relevant given that the corrected gender pay gap benchmark for financial institutions in the Netherlands is 10.4% in favour of men (CBS, 2023).

With respect to the measurement of employee satisfaction with our approach to fair pay, we observed a slight improvement to 61 in the EES, well above the benchmark of 49 (2023: 57 vs benchmark of 55; 2022: 53 vs benchmark of 57). The results of the EES on fair pay are above the financial services benchmark but low relative to employee satisfaction scores on other topics.

The scoring on the fair pay questions is slightly more favourable among female colleagues than male colleagues.

2024 remuneration ratio

The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees	18%
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Our annual total remuneration ratio stood at 18% in 2024. We calculated this based on our employee population as of December 2024. This population is considered an estimate, as we have annualised these figures to provide an overview of the entire year rather than using gross annual pay. Due to the limited changes in our workforce, we believe that our current methodology accurately reflects the 2024 remuneration ratio. To account for in-kind pay, we have included the mobility and lease budget.

Policies on this topic

We have adopted several policies in which this material topic is addressed.

Our inclusion and diversity policy emphasises the importance of diversity in all its forms, including gender, nationality, age, educational background, sexual orientation, gender identity, religion, ethnic background, disability and socioeconomic background.

This policy applies to all Van Lanschot Kempen employees, including colleagues based outside the Netherlands. The Management Board is responsible for the implementation of this policy. The policy is dynamic and continuously evolves to meet the needs of stakeholders. Regular reviews, employee surveys and open dialogue are used to collect feedback and improve the policy. It has been approved by the Management Board and signed off by the Supervisory Board. Our inclusion and diversity policy is published on our corporate website, making it accessible and transparent to all stakeholders.

The employment conditions of Van Lanschot Kempen in the Netherlands, and separately for Belgium, describe all compensation and benefits in a comprehensive and transparent manner, with attention to flexibility and a life phase-conscious approach. These conditions are an integral part of our employment contracts and apply to employees in these countries. Specific benefits that apply to employees in Belgium are detailed in the employment contract. The Management Board is responsible for the implementation of this policy. The Works Council must consent to any changes in the employment conditions as prescribed by the Works Councils Act (*Wet op de Ondernemingsraden*, WOR). The employment conditions are published on our intranet and shared with new employees before they sign their contract.

Our variable remuneration policy sets out our policy on variable remuneration and encourages employees to act in the best interests of clients and other stakeholders, within the limits of legislation and regulations. This policy applies to all our employees. The Supervisory Board, the Remuneration Committee and the Management Board are responsible for the implementation of this policy. The Works Council must consent to any changes in the employment conditions as prescribed by the Works Councils Act. The variable remuneration policy is communicated internally and published on the Van Lanschot Kempen intranet.

A description of the policy is included in this annual report on page 149) and the remuneration disclosures in the 2024 Pillar 3 disclosures.

The remuneration policy for the Management Board is designed to attract and retain qualified leaders to successfully deliver on our strategy. The policy reflects our values and our code of conduct. The Supervisory Board, the Remuneration Committee, and the annual general meeting (AGM) are responsible for the implementation of this policy. The remuneration policy for the Management Board was adopted at the May 2024 AGM following a proposal by the Supervisory Board.

The Works Council has the right to advise on the proposed remuneration policy. The policy is published on our corporate website as part of the AGM information.

The remuneration policy for the Supervisory Board enables us to appoint and retain high-quality and diverse Supervisory Board members, who perform their duties and act in accordance with the interests of Van Lanschot Kempen and its stakeholders. The policy reflects our values and code of conduct. The AGM is responsible for the implementation of this policy and requires approval from its voting shareholders. The remuneration policy for the Supervisory Board is published on our corporate website as part of the AGM information prior to approval.

Our actions on this topic

We aim to avoid discrimination on the basis of gender, age, nationality, social status or cultural background with respect to our own workforce. We have undertaken several actions to manage the impact that unequal pay for equal work might have on our employees.

We take continuous steps to remain within our target of a corrected gender pay gap below 2.0% (equal pay for equal work). We run extra checks on the end-of-year proposed salary increases and allocations of variable remuneration, in line with our view that appropriate checks and balances need to be embedded in the remuneration and rewards process. Flagging potential issues, for example in hiring or promotions, is part of the day-to-day work of our HR teams. This action applies to our own workforce and is ongoing without a set end date. We assess outliers with specific follow-up actions. The results for our non-Dutch offices are included for the first time in 2024, with follow-up actions planned for 2025.

In our hiring process, we take steps to reduce the potential for bias by setting salary bands for roles and instructing our recruitment team not to ask for previous salary information. This action applies to our own workforce and is ongoing without a set end date. We track the outcome of equal pay analyses on new hires within the Netherlands, with specific attention to job levels and pay scales. The results are discussed with our recruitment team to ensure ongoing awareness of this topic.

We have implemented a transparent jobs & career framework with clear pay scales and career bands within our employment conditions. This framework was introduced in 2020 for the Netherlands and was recently implemented in Belgium, Switzerland and the UK. The jobs & career framework aims to ensure that every employee feels equally paid for equal work. This action applies to our own workforce and is expected to be completed by 2026.

We aim to keep the fair pay results of the EES in line with or better than the results of 2023 and will monitor our KPI on engagement.

The HR People Services team is available to answer questions on employment conditions and remuneration. As a next step in the level of service we provide to our internal stakeholders, we are developing a HR chatbot for all policy-related questions while retaining a personal approach for more complex inquiries. In 2024, we implemented walk-in sessions with the HR People Services team, which were well attended. This action applies to our own workforce and is expected to be completed in 2025.

We will evaluate the use of the HR chatbot and continue to monitor our KPI on engagement.

We benchmark our paylines and salary scales with an external party to ensure that remuneration is sufficiently attractive. To determine how our remuneration develops in relation to the market, a benchmark study is carried out once every three years on the entire remuneration system. The results of the benchmarks are shared with the Works Council. This action applies to our own workforce and is ongoing, with annual checks.

Our target on this topic

Our target is to achieve a corrected gender pay gap of less than 2.0%. This corrected gender pay gap is an entity-specific data point. Focusing on the corrected gender pay gap rather than the uncorrected gender pay gap is crucial for addressing and decreasing unequal pay between genders. The corrected gender pay gap accounts for various factors such as job role, experience and education, providing a more accurate and fair comparison of compensation across genders. By analysing the corrected gender pay gap, we can identify and address the root causes of pay disparities and implement targeted strategies and policies that effectively reduce gender-based pay inequalities.

This target is relative and measured as a percentage. The target applies to all levels of the organisation, including operations outside the Netherlands as of 2024. The baseline value for this target was 4.0% in 2021. The target period is set for 2024–25, with no interim targets. The target of less than 2.0% is ambitious and was initially set for the Netherlands, but is expanded to include operations outside the Netherlands as of 2024. The target is not set to 0% due to the nature of our reward system, which includes variable pay linked to performance, allowing for some variation in bonuses paid.

Our Management Board is responsible for setting this target, with advice from the HR management team. This KPI directly concerns our employees. The corrected gender pay gap for 2024 stands at 1.4%, a reduction from 4.0% in our baseline year 2021. In the Netherlands our corrected gender pay gap for 2024 is 2.0%, a decrease from 3.0% in 2023 (2022: 2.7%), demonstrating solid progress against our target.

The processes through which this effectiveness is tracked are detailed in our actions on this topic. The defined level of ambition to be achieved is a corrected gender pay gap of less than 2.0%, and progress is evaluated using this quantitative indicator. Progress on this KPI is communicated to employees via our intranet and disclosed in our annual report.

Talent and skill management

Strategy and business model

Talent and skill management is a material topic for our own operations. We make a positive impact on employee satisfaction through the implementation of effective talent management strategies, such as our new performance and development framework, improved career development opportunities, recognition of skills, a supportive work environment and sufficient compensation for high performance, resulting in a culture of recognition and motivation. In the current market landscape, we anticipate that it will remain challenging to find talented individuals. As a result, we face both risks and opportunities in relation to talent and skill management.

The financial risk of higher employee turnover and operational disruption due to insufficient talent management contrasts with the financial opportunity for reputational gain and external talent attraction by offering effective talent management. The quantification of this risk is not currently feasible. We expect the positive impacts, risks and opportunities to be applicable over the short to medium term.

The environment in which we operate is competitive and changes continuously, so we believe that it is important to invest time in our employees' personal growth, skill development and mandatory training. It's essential for us to maintain and update the knowledge and skills of our employees, not only to meet legal training requirements but also to contribute positively to society. Our daily responsibilities include staying current with mandatory training relevant to the role of our employees. Some of these training sessions are required for regulatory compliance, while others are essential to emphasise our way of working. We have set up an overarching Van Lanschot Kempen Academy for all learning solutions, supported by domain-specific business academies.

To contribute to continuous growth through everyday work, we offer feedback and diverse training initiatives, including specialised development programmes such as the Young Private Banking programme and Female Leadership programme. These efforts enhance employee satisfaction, skill development and career growth, fostering a culture of recognition and motivation. By offering training in technology, sustainability and well-being, we support employees' personal and professional growth, strengthening our reputation and talent attraction. On the other hand, inadequate training could leave our employees feeling unprepared and frustrated, prompting them to seek a new employer who supports their growth. Managers and HR are responsible for this ongoing guidance and support to their employees.

We recognise that some people in our workforce with particular characteristics or working in specific contexts may experience impacts from this material topic to a greater extent. As a result, we promote continuous growth through active engagement and feedback, which helps to identify specific groups within the workforce with unique risks and opportunities. Through input from questions in the EES and feedback from our employee experience panels, we are able to develop a deeper understanding of these unique risks and opportunities.

We embrace a "learning by doing" approach to learning and development. The most impactful learning extends beyond classroom training or courses and takes place through active engagement in one's job, alongside learning from and collaborating with colleagues.

All our employees are eligible for these training options and we do not differentiate when assigning or targeting training solutions. However, we provide additional support to specific groups by allowing them more time and resources in areas where they may need extra help to acquire the necessary knowledge and skills.

Due to the current unavailability of accurate information on training hours, we are unable to provide a detailed analysis at this time. As this is a phase-in data point, we are committed to enhancing our data collection processes and are actively working towards improving data quality.

Talent retention is becoming more and more important within our company, and we have observed that career development is one of the key drivers of retention. We focus on keeping our employees engaged, providing flexible and inclusive working conditions, professional development and throughflow opportunities, and promoting inclusion and diversity. At the same time, the quality of our workforce has a direct impact on the experience of the clients we serve. We measure the experiences of our employees based on the answers that are given in the EES.

Achieving our ambitions requires us to attract and develop top professionals. Performance development creates the best return on our investment in talent. Our transparent and decisive approach to performance enables us to deliver the best service to our clients through our expert colleagues. Our most specialised colleagues are trained through targeted development programmes that encompass training, mentorship and continuous learning opportunities to keep them at the forefront of their fields.

Career development reviews in 2024

Gender	Male	Female	Other/ Not disclosed ¹	Total
Percentage of employees that participated in regular performance and career development reviews	90.2%	86.1%	—%	88.6%
The number of reviews in proportion to the agreed number of reviews by the management	99.9%	99.6%	—%	99.8%

To maintain our quality of service and client experience, we make sure that our internal vacancy pipelines are activated through talent reviews, succession planning and workforce planning. We have a robust process in place to determine the succession of key positions within the company. While this process is not publicly available, it is closely aligned with our company's KPIs to reach our goals in critical areas such as diversity. This approach ensures that we are well-prepared to maintain our strategic and operational resilience.

¹ For FY 2024, we cannot register any other genders than male and female in our HR management system.

Our code of conduct is a critical prerequisite to our learning and development framework, ensuring that all employees adhere to the organisation's values, ethical standards and compliance requirements. It fosters a positive and inclusive work environment by emphasising values, ethical principles, respect and discretion. It champions fair and trustworthy services while complying with laws and regulations, aligned with the organisation's values. The code is provided as a policy and is mandatory for all new hires to complete through e-learning.

Our policies on this topic

We are not currently planning to adopt one specific policy on talent and skill management. Instead, we have a comprehensive and integrated approach in place to effectively manage these matters.

Our employment conditions are designed to provide flexibility and support for all employees at different stages of their careers and lives, promoting personal and professional growth. For example, they provide access to resources such as the Van Lanschot Kempen Academy, the Young Professionals Curriculum and internal job vacancies. Employees are also required to complete mandatory compliance courses each year to stay informed and up to date. Our development and next steps guidance emphasises the importance of continuous professional growth, and provides resources and guidance for employees to advance their careers. This document is linked to the employment conditions and follows the learning and development (L&D) framework, highlighting the available learning opportunities and career paths within the organisation.

The 2024 L&D framework encompasses all of our learning and development initiatives, both mandatory and non-mandatory. It outlines the roles and responsibilities of employees, managers and departments involved, covering group-wide learning and development initiatives and specifying which topics and types of training are mandatory for employees based on their target audiences. The framework provides clear guidelines and objectives; the way of working is supported by the philosophy and vision on L&D, checked and supported by evaluations and feedback via the tools available to employees. The L&D framework applies to all individuals working under our responsibility, including those with fixed-term or indefinite contracts, external hires and interns. It excludes external employees. The framework has been introduced as part of a growth cycle for employees, leading to performance evaluations when conditions are not met.

All policies on this topic are available to employees via our intranet and the Management Board is ultimately responsible for their implementation. The Management Board has the final say on the employment conditions and, through the Compliance & Operational Risk Committee, is involved in approving and supporting the L&D framework. HR and Compliance are responsible for tracking and ensuring completion rates. The EES, pulse surveys, staff questionnaires and input from the Works Council provide valuable insights that can inform and refine learning and development offerings. These tools gather feedback on employee satisfaction, needs, and experiences, enabling the organisation to tailor training programmes, address skill gaps, and enhance overall workforce development strategies.

Professionals in the public Dutch Securities Institute (DSI) register are required to meet all DSI competence requirements. Those who do not fully meet European Securities and Markets Authority requirements are candidate-certified and must take exams or tests and demonstrate ongoing competence. DSI was created for self-regulation and has a covenant with the Dutch Authority for the Financial Markets (AFM). Our policies ensure these standards are met through continuous development and regular assessments, aligning with DSI's self-regulation principles and the AFM covenant.

Our actions on this topic

The Van Lanschot Kempen Academy provides overarching learning solutions, supported by specialist academies. In 2024, we developed all academies further through content curation and development that contributes to our future growth ambitions. This initiative applies to all employees across our business segments and is expected to be completed by Q1 2025.

We also activate our internal pipeline through talent reviews, succession planning and workforce planning. We aim for proportional promotions while considering the composition of our workforce. For example, we recognise that some support functions, which are often held by women, have limited scope for promotion. This action applies to all employees, with targets reviewed quarterly and no specific time horizon.

Our targets on this topic

Target 1 aims for an average staff turnover rate of 8–12%. Our score in 2024 was 9.5%, in line with our target. Achieving this rate will help to maintain a balance between fresh perspectives and experienced employees, fostering a culture of continuous learning. By monitoring employee turnover within this range, we can assess the effectiveness of policies related to employee retention and satisfaction. High turnover may indicate issues that need addressing, while low turnover within the target range suggests a stable and satisfied workforce, which contributes to social sustainability. Our target for employee turnover was adjusted to 8–12% for 2024–25 to include all reasons for turnover except reorganisation. Staff turnover includes regular employees and excludes working students, interns, and external employees. The turnover percentage is determined by dividing the number of employees who have left in the last twelve months, excluding reorganisation, by the average total number of staff during the same period (excluding working students and interns).

Target 2 focuses on maintaining our internal throughflow KPI at $\geq 30\%$. In 2024, throughflow was 36.1%, in line with our target of $\geq 30\%$. Tracking the movement of employees within the organisation provides us with insights that help to offer opportunities for growth, skill development and career progression, which can reduce stagnation and improve overall organisational health. This aligns with sustainability goals by promoting a dynamic and adaptable workforce. The performance against the target is calculated by taking all vacancies filled by employees, excluding entry level functions, divided by all new hires.

Target 3 is to ensure that the percentage of employees who believe they have the opportunity for personal development and growth meets or exceeds the benchmark of 74% (2024) (or the results of the last pulse or the EES if below the benchmark).

The last pulse survey or EES serve as a baseline value for this target. We aim for a score of up to 5% above the results of the last EES on employees' belief that their personal development opportunities boost engagement and motivation.

Our score for FY 2024 is 83.0%, well above our target. We believe that we can retain talent and maintain high morale by ensuring that a significant majority of employees feel they have opportunities for personal development and growth. This can mitigate risks associated with low employee engagement and high turnover, and create opportunities for innovation and improved performance. Performance against this target is assessed by calculating the proportion of responses from the EES that agree or agree somewhat with the statement, divided by the total number of responses.

Together, these metrics create an environment where employees feel valued, supported and motivated to develop their skills, contributing to overall organisational growth and innovation.

Employee turnover, throughflow and development in 2024	
Staff turnover 8-12%	9.5%
Throughflow $\geq 30\%$	36.1%
Percentage of employees who believe they have the opportunity for personal development and growth	83.0%

The Management Board is responsible for target setting, with advice from the HR management team. Our targets are measurable, expressed in percentages and apply to all employees for the period 2024–25. Progress on KPIs, both internal and external, is communicated to the Sustainability Board and the Management Board. In addition, this KPI information is shared with the relevant management teams.

Working conditions: health & safety and work-life balance

Strategy and business model

We are a knowledge and information-driven, people-oriented company, operating in sectors where employee expertise and well-being are critical. Our activities, which involve high-intensity intellectual work, can lead to mental health issues and increased sickness-related absence, which pose well-being and financial risks. Our employees are essential to our success, so we must make sure that they can create and maintain a good work-life balance.

Health and safety and work-life balance are material topics for our own operations. Balanced work-life practices have a positive impact on our employees, significantly contributing to their overall well-being. A positive work-life balance enhances employee well-being, job satisfaction, and productivity while reducing mental health issues and turnover rates, thereby preserving institutional knowledge and cutting recruitment and training costs. This positive impact may occur over the short to medium term.

We believe that employees with a positive work-life balance are more engaged, more knowledgeable and accountable, experience better mental health and provide better service to our clients. To help our employees with this, we offer attractive employment conditions for every life phase, each of which has different requirements and expectations. We offer various types of leave to suit different life phases.

Special employment conditions offer support to employees such as budget for childcare, and workshops to support employees in, for example, the menopause. We offer professional counselling, coaching and a stress management programme for employees and managers to become more stress-resilient.

In our organisation, high work pressure has the potential to be a systemic issue. Our values of being personal and entrepreneurial encourage employees to put our clients' interests first and to achieve the highest standards of quality for them. To ensure that our dedication does not lead to continuously high work pressure and stress, we provide clear guidance and support to help sustain high productivity and foster a positive, balanced workplace for all employees. We are aware of these possible pitfalls of our values and therefore continuously assess and adjust our strategy to mitigate these negative impacts and enhance the positive ones, ensuring a supportive work environment for our employees.

High work pressure can lead to negative impact on employees' health and safety, often resulting in increased absence rates due to stress or imbalanced work-life practices. This, in turn, poses a financial risk and a risk of operational disruption or financial loss due to high employee turnover or absence rates caused by a sub-optimal work-life balance. A poor work-life balance increases stress and mental health issues, lowers productivity, raises absence rates and turnover, and leads to operational disruptions and higher costs. These negative impacts may occur over the short to medium term. Financial risks may occur over the medium to long term.

Addressing these risks through targeted interventions such as mentorship programmes, mental health resources and enhanced work-life balance measures is essential for organisational stability.

To address these issues, we have formulated an action plan with the following priorities:

- Actively monitoring work pressure and stress levels through the EES and pulse surveys, and implementing appropriate follow-up actions;
- Gaining further insights about the health and well-being of our employees through preventive medical check-ups. This includes a survey on lifestyle and workload, a physical examination and an advisory conversation to discuss the results and potential follow-up interventions. Participation is voluntary and registration is conducted through the supplier's platform to ensure privacy;
- Encouraging employees to improve their physical and mental health by offering health and well-being interventions through the HC Health vitality platform;
- Promoting a healthy work environment by providing physiotherapy and chair massages at work and proper workstations for home offices.

Our regular employee surveys provide insights into our workforce and identify groups at greater risk of harm, such as stress and burnout. Based on the survey data, we implement targeted interventions such as flexible working hours, remote work options and well-being programmes to enhance the well-being, job satisfaction and productivity of our employees. By continuously monitoring and adjusting our strategies, we align with our values of being personal, specialised, entrepreneurial and decisive.

Embracing our value of being entrepreneurial, we continuously innovate and adapt our practices to meet the evolving needs of our employees, so they have the flexibility and support needed to thrive. These practices are embedded in our business model to promote a culture of flexibility and support.

Our mental health resources and well-being programmes also help reduce the risk of increased absence rates. We implement comprehensive health and safety programmes, offer flexible work arrangements, engage with employees for feedback and invest in training and skill development. Additionally, we maintain strategic partnerships and robust financial planning to manage risks. By cross-training employees, flexible staffing and remote work technology, we will be able to maintain business continuity in the event of significantly high absence rates. We monitor workforce metrics to detect absence trends, enabling action to address underlying issues and support well-being. These measures help us to sustain operations, support employee well-being and maintain financial stability, demonstrating our capacity to handle material impacts and risks effectively.

In addition to policies that meet general needs, we offer a life-phase aware personnel policy, recognising that employee needs differ at each stage, situation or event in our employees' lives.

Employees taking family-related leave in 2024	
Percentage of employees entitled to take family-related leave	100%
Total: percentage of entitled employees that took family-related leave	17%
Male: percentage of entitled employees that took family-related leave	14%
Female: percentage of entitled employees that took family-related leave	22%
Employees entitled to family-related leave through social policy and (or) collective bargaining agreements	100%
Percentage of people in our workforce covered by a health and safety management system based on legal requirements and (or) recognised standards or guidelines	87%

For the percentage of people in our workforce covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines, employees in our offices in countries other than the Netherlands are not included. For these employees, similar health and safety management systems are developed, in line with local standards and needs.

We are not permitted to register the reason for our employees' absence, so we have not reported the number of cases of employees' recordable work-related ill health.

Our target on health and safety and work-life balance

Our goal for 2024 was to achieve a percentage absence rate lower than the financial sector average (based on Statistics Netherlands' index on absence in the financial sector), which is used as the baseline value.

Health and safety in 2024	
Absenteeism	2.89%

This target is relative and expressed in percentages. The absence rate for 2024 is calculated as the total number of sick days of employees, as a percentage of the total number of available calendar days of employees in the reporting period. This rate includes absences longer than one year and excludes family-related leave.

The scope of this target is all Van Lanschot Kempen employees and the target applies for 2024-25. The Management Board is responsible for target-setting on this KPI, with the HR management team advising on the target-setting.

To achieve this target, we have put several policies and actions in place. The effectiveness of these is tracked in relation to our target. However, we note that it is not possible to measure the extent to which these actions and policies directly influence the target, due to the qualitative nature of the initiatives. This makes it challenging to establish a direct correlation with the quantitative target. Additionally, due to privacy legislation, we are not permitted to collect or record data about the causes of an employee's absence from work. This limitation further complicates our ability to analyse the direct impact of our initiatives.

Our policies on health and safety

We have not adopted one specific policy to address the health and safety of our employees. Instead, we have several related policies in place.

- Our absence policy provides information on the statutory regulations regarding employability, sickness absence and reintegration. It addresses absence by outlining clear procedures for reporting and managing sickness absence, including notifying supervisors promptly, a structured return-to-work process with possible adjustments, access to support services such as occupational health consultations, and regular monitoring and review of absence patterns to identify and address underlying issues. This policy specifically applies to all employees in the Netherlands. In Belgium and the UK, we have a simplified version of this absence policy in place.
- Our policy on desirable and undesirable behaviour describes what we define as undesired behaviour, the actions employees can undertake if they experience it, and the support resources available (internal and external confidential counsellors). This policy sets the standard for how employees should behave towards each other and contributes to creating a safe and healthy workplace environment. This policy applies to all employees in the Netherlands and Belgium, and not to other foreign offices due to the differences in local legislation.
- Our complaints procedure ensures that an employee with a complaint is taken seriously, feels heard in a fair and independent manner and that the complaint is handled with due care. The submission of a complaint does not have any adverse consequences for the complainant. Our office in the UK has a simplified version of the complaints procedure in place.

The scope of each policy may differ due to different regulatory requirements in different countries.

The Management Board is responsible for the implementation of these policies. In setting these policies, we have considered the interests of key stakeholders. For the absence policy, we received input from the Works Council, which represents our employees.

For the policy on desirable and undesirable behaviour and the complaints procedure, input was received from both the Works Council and our confidential counsellors, who represent employees who have experienced undesirable behaviour.

These policies are published on the intranet, and new policies are communicated and forwarded via HR newsletters.

Although we have not yet adopted one specific formal policy to address the negative impacts of work pressure and stress on the health and well-being of our employees, we have an established approach to managing these challenges, which consists of analysing data about work pressure and stress collected through the EES and pulse surveys, and analysing data from our Occupational Health & Safety Service on the causes of our employees' absence. Our commitment to our core values and employee well-being drives us to continually enhance our practices, providing a supportive and healthy work environment for all our employees. In support of this, we aim to adopt a health and well-being policy (including mental health) in 2025.

Our actions on health and safety

We strive to ensure that our actions generally contribute to the overall health and safety of our employees, as this is of great importance to us. We offer various tools that support employees with their health and well-being, which contributes to a mentally and physically stronger workforce, thus making employees less susceptible to stress from work pressure. As we do not have a formal health and safety policy in place, there is no direct connection between our actions and such a policy.

Our tools include:

- **Physiotherapy:** Colleagues with physical complaints such as back pain or tension headaches can book on-site physiotherapy. This is available for all employees in the Netherlands.
- **HelloYou portal:** HelloYou is a health & well-being platform rich in content and modules that employees can use to work on their mental and physical health. The content is helpful in reducing stress levels, contributing to a healthier workforce and lower absence. The HelloYou portal is accessible to all employees with intranet access in the Netherlands, Belgium and the UK.

The quality of an office or home workplace has significant implications for both productivity and mental health; employees in a functionally ergonomic environment experience fewer interruptions and can concentrate better. This results in less stress and better performance. Employees who feel good in their work environment stay motivated and engaged. We therefore provide:

- A suitable home workplace;
- Access to ergonomic tools: all employees in the Netherlands can request an ergonomic aid tool if necessary, provided a physiotherapist prescribes it;
- Workplace assessments: all employees can request a workplace assessment and advice from a physiotherapist about their workplace at home.

We also provide an on-site stress resilience programme, which consists of a masterclass, workshop and (online) coaching session for employees, and a workshop for managers. This helps employees understand stress better and become less susceptible to work pressure. In the workshop, employees get familiar with their own stress system, enhance their resilience and learn the right

techniques, tips and tools to handle stress. This is available for our employees in the Netherlands.

These actions have no defined time horizon for completion. Our commitment to mitigating the negative impact of work-related stress on employees' health and safety is demonstrated through investments in both current and future resources.

Through a combination of targeted stress management programmes, enhanced support services and proactive financial planning, we address both the negative impact on employees' health and safety due to stress and the financial risks associated with higher absence rates. These efforts underscore our commitment to the well-being of our employees and the sustainability of our business operations.

By offering psychological and occupational services, we aim to create a supportive work environment that prioritises well-being and reduces absence rates.

Our policies on work-life balance

We have not adopted one specific work-life balance policy but formed a comprehensive approach to manage this effectively. Our goal is to support employee well-being through balanced work-life practices and minimise risks from imbalanced practices.

Our actions on work-life balance

To prevent or mitigate negative impacts on our workforce, we have implemented several key actions:

- **"Leading the Change":** This online programme consists of two workshops for staff and a webinar for managers, aimed at supporting employees during challenging phases in their lives. The workshops provide practical tools and tips for maintaining a good work-life balance and help lower stress levels, particularly for parents of young children or those experiencing menopause. The webinar equips managers with tools to discuss physical and mental aspects of (young) parenthood, menopause and perimenopause, and helps to ensure employees do not drop out during these life phases. The target audience is all employees.
- **Energy management workshop:** This workshop focuses on learning and experiencing how to manage personal energy. Participants are provided with practical tips and tricks that can be applied immediately in their daily life. Training employees in energy management positively impacts their work-life balance and resilience to stress, with the aim to reduce absenteeism. The scope of this action is employees in the Netherlands.
- **Employment conditions for every generation:** We offer various non-statutory schemes to ensure a good work-life balance, tailored to the different requirements and expectations in each life phase. These schemes include maternity leave with 100% gross monthly income, 100% paid parental leave for partners, parental leave allowance, 100% paid sickness and incapacity for work during parental leave, 100% short-term-care leave, sabbatical leave, leave to support special life events, babysitter credit and grandparent leave. The scope of these employment conditions is employees in the Netherlands.

We have not defined a time horizon to complete these actions as these are all ongoing. Thanks to our approach to absence management and data analysis, the overall absence rate trend is consistently low. However, it is challenging to link the results to specific targeted actions.

However, we continuously monitor the effectiveness of our initiatives through the EES and pulse surveys. Key metrics such as absence rates and employee satisfaction are tracked to assess the impact. We continuously refine and enhance our programmes, ensuring they meet the evolving needs of our workforce. By implementing these actions, we show our commitment to providing support and remedies for employees affected by material impacts, fostering a healthy and supportive work environment.

Employee characteristics

A detailed overview of our employee characteristics is presented below. This section provides insights into the composition of our workforce, including gender diversity and employee turnover.

All employee characteristics are reported at the end of the reporting period and in headcount, unless otherwise specified (FTE for employment type). The data is based on our HR system and the underlying contracts of our employees.

The number of employees reported reconciles with the number of staff at year-end 2024 on page 235 in the financial statements, excluding our non-strategic investment.

Number of employees by gender on 31/12/2024	
Gender	Number of employees (headcount)
Male	1,364
Female	827
Other/Not disclosed ¹	—
Total employees	2,191

Number of employees by employment type on 31/12/2024				
	Male	Female	Other/ Not disclosed ¹	Total
Permanent employees (FTEs)	1,185	629	—	1,814
Temporary employees (FTEs)	101	103	—	204
Non-guaranteed hours employees (FTEs)	—	—	—	—
Full-time employees (headcount)	986	406	—	1,392
Part-time employees (headcount)	378	421	—	799

Number of employees by country on 31/12/2024 (headcount)	
Netherlands	1,910
Belgium	198
Other ²	83
Total employees	2,191

Number of employees by country and employment type on 31/12/2024				
	Netherlands	Belgium	Other ²	Total
Permanent employees (FTEs)	1,549	188	77	1,814
Temporary employees (FTEs)	199	2	1	204
Non-guaranteed hours employees (FTEs)	—	—	—	—

Employees who have left the company and employee turnover in 2024	
Employees who left the company during the reporting period (headcount)	267
Employee turnover	13%

The percentage of employee turnover is reported in line with ESRS. This differs from the employee turnover that we report for our talent and skill management, where employees leaving as a result of reorganisation are excluded.

To measure the number of employees who have left Van Lanschot Kempen and the percentage of employee turnover, all employees who left Van Lanschot Kempen during the reporting period are included. This number is divided by the average of all the employees (regular employees and working students) at Van Lanschot Kempen during the reporting period.

Number of non-employees by type on 31/12/2024 (headcount)	
Employees who are self-employed	—
Employees provided by undertakings primarily engaged in employment categories	108
Total employees	108

The number of non-employees is reported at the end of the reporting period and is based on headcount. The data is based on our HR system and the underlying contracts of our employees.

Workers in the value chain

How we manage our impact

Our activities can have a significant potential impact on workers in the value chain, both upstream and downstream. This includes potential impacts on labour and other human rights, which could be linked to our procured goods and services and to the services we provide to our clients. This is particularly relevant when we invest – on behalf of our clients – in countries and sectors in which human rights and labour rights violations might be present. Based on our materiality assessment, workers in the value chain is a material topic for us with regard to our AuM (downstream value chain). The workers in the value chain of our investee companies are included in the scope.

Qualitative IRO description
The negative impact of poor working conditions on workers in the value chain through investee companies.

¹ For FY 2024, we cannot register any other genders than male and female in our HR management system.

² "Other" as prescribed in ESRS S1-6 being those making up less than 10% of total workforce or fewer than 50 employees.

In all of our activities, we seek to respect international human rights and labour rights. This includes prevention of child labour, forced labour, human trafficking and discrimination, as well as respecting freedom of association, equal remuneration, the right to collective bargaining and other rights. We also expect our investee companies to do the same.

Our policies on this topic

We have two main policies related to workers in the value chain: a human rights and labour rights policy and an Organisation for Economic Co-operation and Development (OECD) policy in place to manage material impacts, risks and opportunities related to workers in the value chain. As a responsible wealth manager, we are committed to respecting international human rights, at all times and in all our different roles: as a lender, investor, service provider, employer and purchaser. These five roles can be translated into our activities in our upstream value chain (suppliers) and in our downstream value chain (investing on behalf of our clients in our Private Clients and Investment Management Clients segments and financing in our Private Clients segments). The scope of these policies covers these five roles, but the topic "workers in the value chain" is only material from an investment perspective.

Human rights and labour rights policy

The aim of our human rights and labour rights policy is to avoid harm, eradicate malpractice, remediate negative impacts and to generate positive social outcomes and impact along the value chain. Furthermore, in all of our roles, we seek to respect international human rights and labour rights. This includes forbidding child labour, forced labour, human trafficking and discrimination, as well as respecting freedom of association, equal remuneration, the right to collective bargaining and other rights. We also expect the parties with whom we interact, whether it be in our role as an investor, lender purchaser, service provider or employer to do the same. We believe that companies can only be successful over the long term if they generate sustainable social, environmental and financial value for all stakeholders. This policy combines labour and other human rights because many of the labour rights (such as the right to work and the right to living standards) can be considered as fundamental human rights. In the policy, we state that we are a signatory to the UN Global Compact (UNGC), a global standard for companies to align their strategies and operations with universal principles on human rights, labour, environment and anti-corruption. We adhere to the UN Guiding Principles on Business and Human Rights (UNGPR), the OECD Guidelines for Multinational Enterprises (MNEs), the Principles for Responsible Investment (PRI), and International Labour Organisation (ILO) and UN conventions, listed in our convention library. We are also a member of the Investor Alliance for Human Rights.

In line with our sustainability governance, the Sustainability Board approves the human rights and labour rights policy, which is also discussed in the Sustainability Investment Council and reviewed periodically to reflect material changes.

Our human rights and labour rights policy is available on our website: vanlanschotkempen.com/sustainability-policies-and-resources.

OECD policy

In our OECD policy we explain how we, through various linked policies, comply with the OECD Guidelines. This policy applies to our activities as an investor, lender, service provider, employer and purchaser. In this policy we give an overview of our business and organisation and present an assessment of our potential adverse impacts. It also includes an overview of our policies to identify, prevent and mitigate these and explain how these policies make us compliant with the OECD Guidelines.

For example, our sustainable investment charter for client investments aims to identify potential and actual negative impacts for a large number of sustainability themes, including those covered by the OECD Guidelines. On the basis of our investment process (which leads to only small stakes in companies), we assess the chances of causing or contributing to negative human rights impact as low. This means that Van Lanschot Kempen would at most be directly linked to such a negative impact. In that case we would apply an engagement approach, fully in line with the OECD Guidelines. In line with our sustainability governance, the Sustainability Board approves the OECD policy, which is also discussed in the Sustainability Investment Council, and reviewed periodically to reflect material changes.

Our OECD policy is available on our website:

vanlanschotkempen.com/-/media/files/documents/investment-management/esg/policies/oecd-guidelines.ashx.

Impact on our AuM

We are exposed both directly and through investment funds to a large number of entities. As a wealth and asset manager, we are primarily exposed to potential and actual human rights and labour rights impacts through our investments globally. We acknowledge the complexity of the environment in which we operate and we are conscious of the possibility that some of our investments in higher-risk sectors may cause or contribute to adverse human rights impacts. Our ability to manage these risks or to have influence on mitigating them in our investments largely depends on the investment strategy and the possibility of using our leverage through the different responsible investment tools in the investment process.

In our activities as investor we want to avoid causing or contributing to any negative impacts in relation to the various OECD themes. However, via the activities and supply chains of our clients, suppliers or investees we may become directly linked to negative impacts, especially when these supply chains are located in regions with relatively weak regulation and enforcement, such as in emerging economies. These impacts relate mostly to the OECD themes of employment, human rights, environment, bribery and – to a lesser extent – consumer interests.

Our ongoing due diligence procedures use specific filters, standards and parameters for sectors that are deemed potentially high-risk from a human rights perspective. We have also established specific policies to exclude companies that structurally harm human rights, such as manufacturers of controversial weapons. Going forward, we aim, in addition to the disclosures in our integrated report, to further improve our reporting on human rights (policies, implementation and results) by using – among other tools – the UNGP reporting framework.

We use the following four-step approach with listed companies to manage our ESG risks and opportunities and integrate them in the investment process:

1. Exclusion;
2. ESG integration;
3. Active ownership (engagement and voting);
4. Positive impact.

For more information on our approach to ESG risks, see "Risk and capital management", page 119.

In addition, we have processes in place for unlisted companies. Our exclusion criteria are designed to address actual human and labour rights impacts, while our monitoring and engagement are designed to address potential human and labour rights impacts.

We rely on third-party data, from our ESG data provider MSCI, to flag issues related to workers in the value chain, such as high-risk exposure, inadequate management of the risk issue or actual controversial conduct. All sectors could potentially have negative impacts on workers. We consider labour rights relevant for workers in all sectors.

Our actions on this topic

We seek to factor in human rights and labour rights in our investment analysis where these factors are most material. This policy commitment to respect human rights and labour rights is integrated into our governance frameworks, management systems, investment beliefs, policies and strategy. When our external ESG data provider, MSCI, flags controversies related to rights of workers in the value chain, we engage with the companies involved and track the number of our engagements. MSCI does not disaggregate specific characteristics in the controversies they flag. If our external data provider doesn't provide a flag on a controversy, we are dependent on other external stakeholders to raise their concerns; otherwise we are not aware of a controversy and we can't take action. In 2024, we did not have any red flags related to rights of workers in the value chain.

If we identify any flags from our ESG data provider, MSCI, then we make an explicit request for the companies involved in controversies to make a change. These "engagements for change" must pass four milestones: raise the concern with the company, the company acknowledges the issue, the company initiates action on the issue, and the company implements a programme (closing of the engagement). Measuring progress on these milestones is a proxy for the effectiveness of the engagement. We don't directly engage with potentially affected workers in the value chain.

We ask the company for transparency on the measures they are implementing to remedy the impact, and to set up policies and procedures to avoid this from recurring.

For our discretionary AuM, we set thresholds for minimum ratings and controversy flags relating to workers in the value chain. We exclude companies involved in very serious controversies and, where we have leverage, we engage with companies to improve their performance.

We do not conduct a specific screening of particularly vulnerable stakeholder groups.

For engagement with our investee companies, we assess and engage with them proactively where we identify concerns.

We apply two different approaches – "actual impact" or "potential impact" – or a combination of the two.

Actual impact engagements: Engaging with companies involved in human rights and labour rights controversies, such as those that violate the UNGPs. We ensure that these companies have put sufficient processes in place to address and remedy the adverse negative impact on communities or individuals involved. Ultimately, we can escalate or divest if companies are unwilling to improve their practices.

Potential impact engagements: Reviewing holdings and identifying companies operating in sectors and geographies that make them more vulnerable to potential labour and human rights abuses. We engage with these companies proactively to ensure they have the right tools and systems in place to prevent those risks from materialising, and have procedures in place to prevent or remediate possible negative consequences.

We are part of the Platform Living Wage Financials and have been active in direct and collaborative engagements regarding living wages with apparel and textile companies, with the aim to ensure that employees are paid a living wage.

For more information about these engagements, see our website: vanlanschotkempen.com/en-nl/investment-management/sustainability-approach/engagement-factsheets.

We are also supporting Advance – the PRI-led social issues engagement that is a collaborative stewardship initiative for human rights and social issues.

Besides engagement, we can use our voting rights to express our views on labour and other human rights aspects of investee companies' sustainability performance. We use our voting rights in line with our engagement activities. For example, we may exercise our voting rights regarding unadjusted gender pay gaps or issues relating to board gender diversity. We may also vote for proposals that ask companies to report on the quality of their workplace practices and on their efforts to improve the quality of their workplaces. We are in favour of ensuring that boards act on social responsibility and have a meaningful human and labour rights risk oversight mechanism in place. Companies are expected to pay living wages, and have zero tolerance for forced labour and modern slavery in their operations and supply chains. They also need to have a whistleblower protection policy in place.

More information is available in our proxy voting policy: vanlanschotkempen.com/-/media/files/documents/investment-management/esg/policies/voting-policy.ashx.

We review shareholder proposals addressing human and labour rights on a case-by-case basis and are likely to support meaningful requests towards management on safeguarding these rights and increasing public disclosure on related topics.

Respect for human rights is fundamental to advancing the United Nations Sustainable Development Goals, as stated by PRI. This includes the eradication of forced labour, human trafficking and other human and labour rights violations.

International standards, norms and covenants aim to safeguard all basic human rights. The Office of the United Nations High Commissioner for Human Rights defines human rights as “the rights inherent to all human beings, whatever their nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or other status”. All human beings are equally entitled to human rights without discrimination. These human rights are described in the International Bill of Human Rights, which comprises the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights and its two optional protocols.

In addition to the International Bill of Human Rights, there are also standards developed by the ILO, which are part of the international framework of human rights. This includes the eight core ILO conventions. In section five of our OECD guidelines, we describe a combination of the six OECD steps and our due diligence process. Additional human rights treaties define, in greater detail, various rights with respect to particular groups of people or circumstances.

We aim to report at least annually to our clients and other stakeholders on our progress regarding the commitment, ambition and objectives of our own and client portfolios.

We do not currently have a grievance mechanism in line with the eight UNGP principles. We do have a complaints procedure for third parties to raise concerns. Although we do not directly engage with the workers in the value chain for setting the complaints procedure, we do discuss this topic in our stakeholder engagement process, as stated on page 28. If third parties, such as workers in the value chain, suppliers, intermediaries or NGOs, wish to lodge a complaint, they can contact our Chief Compliance Officer via our corporate website (see under “Reporting irregularities”). If clients wish to lodge a complaint concerning general, operational or financial irregularities, they can use the complaints procedure (also published on our corporate website). Any issues raised will be reported to Compliance; as of the end of 2024 no issues related to workers in the value chain had been raised. We do not currently check the effectiveness of the channels in line with UNGP principles, but we do review our complaints procedure every three years.

In 2024, there were no cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, or OECD Guidelines for Multinational Enterprises that involve value chain workers. We depend on the statements provided by the affected companies or civil society reports to assess whether value chain workers are aware of processes available to raise their concerns, where these come to light.

We don't have targets in place with regard to workers in the value chain. In 2025, we will review our engagement process, during which we will also evaluate our approach to human and labour rights. This evaluation will inform the target-setting process for 2026-27.

Privacy for our clients

Through our DMA, we identified privacy for our clients as a material topic with the following negative impact and risk:

Qualitative IRO description

The financial risk of reputational damage and/or litigation costs if policies and processes to protect clients' privacy are inadequately applied

The negative impact of inadequate cyber security and/or IT security on systems of services to protect our clients' privacy

Strategy and business model

Processing personal data is inherent to the products and services that we offer and is an integral part of our business operations. This data includes information about natural persons, which is necessary for delivering the products and services our clients expect from us.

We process personal data as part of our business model, according to applicable laws and regulations. Given that discretion is one of our core ethical principles, the protection of personal data necessitates a commitment to standards that exceed the average.

The impact of data breaches can significantly affect our business model, potentially resulting in non-financial harm, primarily in the form of reputational damage, and financial repercussions such as fines and paid damages. This means that privacy is a material topic for our own operations. The financial risk associated with reputational damage and litigation costs can be significant if our policies and processes to protect clients' privacy are inadequately applied. Besides the financial risk, there is a larger risk of reputational damage. Our commitment to discretion is a key aspect of reputational risk: should we fail to maintain the confidentiality of clients' personal data, they may seek alternative financial institutions that can better safeguard their information.

Furthermore, inadequate cybersecurity and IT security measures can negatively impact our systems and services, compromising our clients' privacy and trust. If this were to occur, the negative reputational and financial impact would emerge in the short to medium term. In response to the potential impact of privacy breaches, we have implemented processes to mitigate inherent risks, which we outline below. We have also established procedures to enable data subjects to exercise their rights effectively.

Inadequate information security can result in data breaches and compromised data may be exploited, for example in phishing scams. All clients who are natural persons may be materially impacted by such incidents. This concern predominantly pertains to clients of Private Clients Netherlands and Private Clients Belgium. While the activities of Investment Banking Clients and Investment Management Clients also involve personal data, the impact is generally limited to instances where the data pertains to individuals in a business context, such as email addresses containing first and last names.

The negative impact of the unlawful or incorrect processing of personal data could be widespread. For example, if unnecessary personal data is processed, this is unlawful and could impact a large group of people due to the potential breach of their personal privacy.

Incidental data breaches typically entail individuals or smaller groups of clients. Most data breaches are due to human error and result from small mistakes, for example sending an email to a wrong email address.

We put strong emphasis on operational resilience, particularly when it comes to privacy. All business activities, including those related to privacy for our clients, could be subject to disruption due to unforeseen events such as utility outages and other data breaches.

The risk that (strategic) objectives cannot be achieved in a complete, accurate and timely manner as a result of serious interruptions and/or unforeseen events is referred to as business continuity risk. To mitigate this risk, we have set up business continuity management (BCM) procedures within our organisation. As part of BCM, a significant data breach would be managed by a related Crisis Support team, and coordinated by the Crisis Management team. Data breaches with limited impact are handled by Internal Control, the Privacy Officer and the Data Protection Officer (DPO).

According to the General Data Protection Regulation (GDPR), children are less aware of the risk involved in the processing of personal data. For this reason, GDPR requirements make a distinction in terms of a person's age. National legislation can make further distinctions between the age and other characteristics related to a person's rights. We have assessed the legal requirements of these characteristics and applied these in our data privacy policy.

We use the data protection impact assessment (DPIA) method to assess the risks to which natural persons may be exposed when their personal data is processed, and for establishing what measures should be taken to mitigate these risks. DPIA is a systematic description of the processing of personal data. This includes a description of the lawful base of processing. It also involves assessing the necessity and proportionality of the processing. We also conduct a balance test to evaluate the interests of both Van Lanschot Kempen and our client. Finally, DPIA outlines the intended measures to mitigate risks, ensuring compliance with GDPR. It is carried out when legally required and is reviewed every three years or sooner, as needed.

Engagement with our clients

We present a privacy statement to our private banking clients before their personal data is processed. This privacy statement is also published on our website: vanlanschotkempen.com/-/media/files/privacy-statements/privacy-statement-van-lanschot-kempen-private-banking-nl.ashx. In it, the email address of the DPO, an independent internal supervisor, is published. Clients can also send in complaints via the specific complaints channels, which handle all types of complaints. We have a procedure in place that states the requirements when handling subject access requests. What's more, the legal GDPR requirement on the independent position of the DPO ensures transparency and accountability. Complaints about privacy are reported through this channel infrequently.

We do not directly engage with clients on privacy matters unless they contact us to execute their rights under GDPR. Under this regulation, there is no requirement to engage directly with clients in relation to privacy. Although there is not a legal obligation for financial institutions to inform data subjects of a data breach, the DPO will consider if the affected data subjects need to be informed based on the

criteria set by GDPR Article 34 and advise the business accordingly. Data breaches are reported according to our incident management procedure, which ensures that we meet the deadline set by GDPR to report data breaches. They are initially handled by Internal Control and when needed reviewed by Compliance and the DPO. The Privacy Officer is responsible for contact regarding privacy issues at Van Lanschot Kempen.

No remedy is offered due to the fact that this is usually impossible in case of GDPR breaches.

If our clients do have concerns, three channels are available: a generic channel for all types of complaints, including those that are privacy-related; another for specific requests under GDPR, such as the right to be informed; and the last through the Dutch Data Protection Authority. Every quarter, issues raised and addressed are reported via the Quality & Services department and to the Privacy Committee.

In 2024, there were six complaints regarding privacy using these channels. Every quarter, the number of data breaches is reported in a data privacy report to the Privacy Committee. This committee is responsible for monitoring data breaches and leaks and initiating improvements if necessary.

In 2024, a total of three data breaches were reported to the Dutch Data Protection Authority. In addition, requests by clients via privacyofficer@vanlanschotkempen.com included two requesting a deletion of personal data and two requests to view their personal data processed in the last year. Based on the information provided above, we are confident that these channels are effective.

Policies regarding protection against retaliation for individuals who use channels to raise concerns or needs are in place. Our data privacy policy underlines the rights of data subjects and emphasises the independent position of the DPO. Additionally, our whistleblowing policy highlights the rights of whistleblowers, including those related to GDPR. We have not officially tested the policies fit for this purpose.

Our policies on this topic

Our data privacy policy sets the requirements for processing personal data relating to natural persons, ensuring confidentiality and compliance with GDPR, including the rights of data subjects. The policy is applicable to all employees, with the Management Board responsible for its implementation. The policy affects all clients, prospects and employees.

Our code of conduct describes our values and ethical principles, such as discretion, and applies to all our employees on a group-wide basis. Our code of conduct is also publicly available. The Management Board is responsible for its implementation.

Our guidelines for building AI provide comprehensive guidance on appropriate and inappropriate practices when using (generative) AI. This should be developed without the use of personal data. However, when using the systems, there is a chance that personal data may be used. Our guidelines for using AI offer guidance on the application of (generative) AI models using client personal data, which may affect those clients. Both of these guidelines comply with the EU AI Act. They apply to Van Lanschot Kempen, its business segments and legal entities, and are subject to existing

policies and standards. The Management Board is responsible for their implementation.

Our information security policy delineates the requirements necessary to safeguard the security of all information and IT assets, defining the objectives of information security, roles and responsibilities, and the IT risk management framework.

This policy applies on a group-wide level, with the Compliance & Operational Risk Committee delegating responsibility to the Corporate Information Security Officer. The policy is based on good practices (e.g. ISO27001, NIST) and ensures regulatory compliance with regulations such as the Digital Operational Resilience Act (DORA).

These policies are not made public and are intended for employees, published on our intranet for consultation. Our three lines of defence model ensures that relevant committees and departments are included in policy-setting to determine the impact of changes, although clients are not seen as direct stakeholders due to a lack of direct communication.

Human rights policy commitments relevant to consumers and end-users are reflected in our data privacy policy, code of conduct and AI guidelines, aligning with Articles 2, 7 and 12 of the Universal Declaration of Human Rights.

Our actions on this topic

Our commitment to not causing or contributing to material negative impacts on clients and end-users is reflected in our ethical principle "We act with discretion", our adherence to GDPR, and the general discretion of our employees, which is integral to our service as a wealth manager.

The Privacy Committee, instructed by the Compliance & Operational Risk Committee, is responsible for establishing and monitoring the data privacy policy. This includes executing the control framework, conducting risk assessments, ensuring compliance with the privacy policy and preparing quarterly reports. Specific tasks involve monitoring the execution of the control framework and discussing the outcomes of control activities conducted by Internal Control and the DPO. This action is implemented on a group-wide basis and does not have a specified time horizon. It contributes to the protection of personal data, indirectly impacting the risk of privacy breaches, although no direct remedy is provided to clients, as prevention is the primary focus.

In addition, the monitoring of the number of data breaches reported to the Dutch Data Protection Authority is conducted on a group-wide basis without a specified time horizon. This action helps us to identify privacy risks retrospectively. An increase in reported data breaches may indicate underlying structural issues that need to be addressed.

The effectiveness of our data privacy management is reported to the Privacy Committee each quarter, with relevant actions escalated to the Management Board. Necessary actions in response to actual or potential material negative impacts on consumers and end-users are identified through risk assessments, with gaps identified in relevant policies and prioritised based on their impact. While no remedy is typically offered for GDPR breaches due to their nature, data breaches are managed accordingly, and root cause analyses are conducted if relevant.

Targets in relation to privacy

At Van Lanschot Kempen, we integrate the management of data privacy within our broader compliance risk framework. Our defined risk appetite for compliance risks is clear: we have no appetite for risks resulting from non-compliance with applicable laws, regulations, our code of conduct and other applicable industry standards of good practice.

While we acknowledge that incidents may occur, we emphasise the importance of reporting these incidents, to minimise their impact and enhance our learning and improvement processes. Setting specific targets for data privacy incidents could undermine this proactive approach. We do not currently intend to set any targets related to this topic.

Quality and relevance of our solutions

Quality and relevance of our solutions is a material topic for our own organisation. We create a positive impact on our clients through ensuring adequate digital practices and processes resulting in lower prices and/or an improved quality of service. Feedback on the quality and relevance of our solutions is essential as it informs our actions and drives continuous improvement.

Qualitative IRO description

The positive impact on our clients of adequate digital practices and processes resulting in lower prices and/or an improved quality of service

Conducting client research, which includes assessing their loyalty and satisfaction, is integral to our approach. We sincerely believe that listening and responding to client wishes will make our organisation better. We work agile: taking action and measuring outcomes based on identified needs. If wishes or needs change, we adapt accordingly. We learn, we adapt and we act. Considering our culture and values, we feel that a formal policy might not support this approach. We therefore have no intention of adopting a formal policy at this time.

Our actions on this topic

We monitor client satisfaction with our digital services in two ways: through quarterly Net Promoter Score (NPS) surveys and through our digital channels.

While it is challenging to precisely measure the effectiveness of individual actions, we have observed a general increase in client satisfaction with our digital services. This overall positive trend suggests that our collective efforts are resonating well with our clients, even if the impact of specific initiatives cannot be distinctly quantified.

Monitoring client satisfaction through quarterly NPS surveys

By systematically gathering input from our clients, we identify areas with improvement potential. These insights are discussed by various stakeholders across our organisation. Depending on the prioritisation, stakeholders incorporate these improvements into their respective roadmaps. By addressing these potential improvements, we aim to enhance client satisfaction with our digital services, which in turn positively impacts our NPS.

Each quarter, we compile a "client feedback book" that consolidates input received from our private banking clients in the Netherlands and Belgium. This comprehensive document is shared with all relevant stakeholders, including the Management Board, ensuring that everyone is informed and aligned on the areas needing attention and the steps being taken to address them. From the client feedback book, we define focus areas and assign an owner at the management level. From here, the progress of these focus areas is monitored.

This structured approach allows us to maintain a client-centric focus and drive continuous improvement in our digital offerings.

When we receive feedback, it is carefully considered and integrated into our priorities, with client interests at the core of our actions. There is no specific timeline for the completion of these actions. We identify improvement opportunities based on feedback, and their implementation depends on the stakeholder roadmaps.

Monitoring our client satisfaction through digital channels

To ensure we are consistently meeting and exceeding client expectations, we continuously collect feedback across our various digital client channels. These channels include:

- Our public website;
- Our web portal, Mijn Private Bank;
- Our mobile apps.

We continuously collect client feedback within our digital channels using feedback buttons. Clients can provide satisfaction ratings (1–5) and choose to leave open comments to further explain their preferences or areas for improvement.

All feedback is directed to the relevant teams, enabling them to easily digest and take action on it. Our mobile app and web teams discuss, categorise and prioritise this feedback on a bi-weekly basis. Quick fixes are addressed immediately when possible, while larger items are added to the product backlog item. In addition to aggregated feedback, single-line feedback is also shared with the teams. If necessary, we contact clients to further elaborate on their feedback.

The scope for this action comprises Private Clients Netherlands, including our online distribution platform Evi and excluding Switzerland. Certain user journeys or workflows are continuously measured.

Each team responsible for a digital channel has its own roadmap, developed with the objective of delivering value to users. Client feedback is a significant driver of change. The time horizon for key actions is not always decided within the digital teams, as each team focuses on one digital product. The executive meta scrum (EMS), comprising key business stakeholders and digital leaders, discusses and decides on the overarching roadmap. Depending on the priorities set, time horizons for key actions can range from a few weeks to 12 months. These time horizons are flexible and reviewed regularly at the monthly EMS meeting.

Within the digital department, we take action based on the focus areas identified from client satisfaction feedback about our digital channels. Often, more research is needed to better understand improvement areas, which is then requested from clients. This structured approach ensures that we remain responsive to client needs and continuously enhance our digital services.

Ensuring uptime of digital channels

The uptime of our digital channels is crucial for ensuring client satisfaction. While clients may not express increased satisfaction when our products are functioning properly, any downtime can lead to significant dissatisfaction. This means that maintaining high availability is a fundamental requirement.

To address this, we have established procedures with service levels that vary according to the importance of each application. We monitor, alert, and ensure uptime for all our business applications, adhering to our agreed service levels. This comprehensive approach helps us maintain the reliability and performance of our digital services, which is essential for client satisfaction.

We conduct an annual review to assess and refine these procedures, ensuring they remain effective and aligned with our commitment to delivering exceptional digital experiences.

Our targets on this topic

Feedback is essential as it informs our actions and drives continuous improvement. The qualitative insights derived from client feedback are more significant than the numerical scores or values. When we observe a trend, whether upward or downward, we seek to understand the underlying factors that contribute to these changes.

It is important to note that there are no predefined targets associated with this feedback. We do not intend to establish such targets in the future, as feedback serves as a means to an end, rather than an end in itself. Our primary focus is on leveraging these insights to enhance our services and better meet the needs of our clients.

Governance

It is important for us to conduct our business activities in accordance with the expectations of our clients, employees, shareholders and supervisory authorities. We maintain high ethical standards, in alignment with our values, code of conduct and risk appetite, and within the boundaries of applicable laws, rules, regulations, internal policies, procedures and industry standards relevant to our business.

Impact, risks and opportunities (IROs)

Qualitative IRO description

The financial risk of reputation loss, fines and lawsuits caused by non-compliance with regulations by Van Lanschot Kempen

The financial risk of unethical incidents caused by worsened ethics and integrity culture

We have conducted a materiality assessment for our own operations located in the Netherlands, Belgium, Switzerland, the UK, the US and France. The impact, risks and opportunities include the financial risk of reputational damage, fines and lawsuits due to non-compliance with regulations by Van Lanschot Kempen, as well as the financial risk of unethical incidents caused by insufficient ethics and integrity in our culture. Based on this assessment, business conduct was identified as a material topic for our own operations. We expect the financial impacts, risks and opportunities to occur over a short to medium time period.

The Management Board is responsible for all business conduct and the Supervisory Board oversees this. The Management Board is responsible for the management of the company, and its duties include drawing up and achieving our purpose, our strategy and related risk profile, our goals and the pattern of our results, while also addressing the environmental and social aspects of doing business that are relevant to the company. It has established a permanent, independent compliance function to identify, assess, monitor and report on compliance risks across all our activities, including business conduct. The administrative role is fulfilled by the first line of the business. As per our three lines of defence model, the first line is the risk owner. Compliance, as a second line function, identifies, assesses, monitors and reports on compliance risks across all our activities. The Supervisory Board oversees the policies pursued by the Management Board and the general conduct of affairs at the company and its associated business. The Supervisory Board advises the Management Board on the performance of its duties, including aspects related to business conduct. The Supervisory Board oversees the execution of the annual compliance plan and reviews the quarterly compliance reports.

The Management Board collectively possess broad knowledge and experience in the financial sector, covering governance, business conduct, financial reporting, risk management, strategic planning, IT, investor relations, sustainability and relevant laws and regulations. Members have managerial experience, preferably in the financial sector or a listed company, and adhere to social, ethical and professional standards. The Supervisory Board also collectively possess broad knowledge and experience in areas including the financial sector, business conduct, managerial roles, risk management, business economics, financial reporting, auditing, IT, sustainability and relevant

laws and regulations. Management and Supervisory Board members follow a continuing education programme which includes topics such as corporate governance, risk management, duty of care, client interests, anti-financial crime and sustainability.

Our policies

The following policies manage our material risks related to business conduct.

Our policies apply on a consolidated group-wide basis. There may be deviations to the policies and their application at local level in countries that we operate in based on relevant legislative and regulatory requirements, after approval from the relevant management team(s) or the Compliance & Operational Risk Committee.

Regulatory compliance

We aim to protect our clients, safeguard our reputation and uphold the highest standards of integrity and accountability by maintaining a proactive approach to regulatory compliance.

Our regulatory compliance programme is designed to ensure adherence to all applicable laws, regulations, and ethical standards. This programme involves establishing robust internal policies and procedures to prevent regulatory breaches, conducting regular training and awareness sessions for employees, and implementing comprehensive risk assessment, monitoring and reporting mechanisms. This is documented and managed within the governance risk compliance system. For more information on the compliance programme, see "Compliance training and awareness programme" in "Risk and capital management", page 118.

Our "policy of policies" aims to set out the standards to implement and maintain a centralised, coherent and complete policy framework within our organisation. This framework ensures effective and consistent communication of obligations and requirements to employees, adherence to applicable laws, rules, regulations, industry standards, and our values and risk appetite. It also outlines the roles and responsibilities within the organisation regarding policy development, implementation and maintenance, and sets out the hierarchy and interaction between various types of governance documents.

Our compliance risk management and monitoring framework ensures adherence to legal, regulatory, and internal policies by identifying and assessing risks, implementing relevant policies and providing employee training. Continuous monitoring and incident management procedures are in place to address compliance issues promptly, supported by a strong governance structure for oversight. For more information on the compliance framework, see "Compliance risk" in "Risk and capital management", page 118.

Our compliance charter details our commitment to maintaining regulatory compliance and upholding ethical standards. The charter defines the role and responsibilities of the compliance function within our organisation, emphasising proactive risk management, monitoring and reporting. It sets the foundation for a strong compliance culture, promoting transparency, integrity and adherence to laws and regulations.

Our risk appetite statement outlines our approach to managing and mitigating risks in alignment with our strategic objectives and regulatory requirements. It emphasises a balanced risk-taking culture, ensuring that risks are identified, assessed and managed within defined limits to protect our stakeholders' interests. The statement highlights the importance of maintaining a strong capital position, robust liquidity and sound operational practices while fostering a prudent risk management framework that supports sustainable growth and value creation.

Our efforts to maintain regulatory compliance are also supported by a learning and development framework. This framework ensures that all employees, including the Management and Supervisory Boards, receive appropriate training and possess the relevant knowledge, skills, necessary certifications and expertise for their roles to stay up to date with regulatory changes. All employees are required to participate in the mandatory, basic compliance training and awareness programme, which is implemented across Van Lanschot Kempen. The programme includes e-learning content on our code of conduct as well as modules on integrity essentials, client tax integrity, the basics of the General Data Protection Regulation (GDPR) and privacy, procurement (for non-procurement staff), gifts and entertainment, the basics of corruption and bribery, whistleblowing policy and the basics of financial crime. The programme is periodically evaluated to ensure it meets changes in regulation and the needs of our organisation. We are currently assessing the necessary frequency.

Our internal investigations policy sets out how an internal investigation will be performed following any suspected or actual act or failure to act by one or more employees in breach of the law, regulations and/or internal rules, such as the code of conduct. This policy guarantees that the interests and responsibilities of everyone involved are sufficiently taken into account during any internal investigation. It describes the procedure followed during an investigation, the conditions an investigation must meet and the disciplinary measures that may be imposed as a result.

Our client suitability and appropriateness policy ensures that financial products and services are tailored to clients' individual profiles, including their financial situation, investment objectives, risk tolerance, knowledge and sustainability preferences. In doing so, we strive towards client-centric service, high ethical standards and regulatory compliance, as mandated by Markets in Financial Instruments Directive (MiFID) II. Ensuring suitability not only protects our clients but also maintains the integrity of our financial advisory practices.

Finally, our product governance ensures that we thoroughly assess all our products and services to assure they comply with regulatory standards and our risk appetite both before the product or service is launched and on an ongoing basis. The frequency with which this review occurs depends on the risks and impact associated with the product or service. This policy aims to safeguard client interests by maintaining high standards of quality, compliance and suitability. It involves a structured process for product development, including risk assessment, regulatory compliance checks, and ongoing reviews to ensure products remain aligned with client needs and market conditions. The policy is applied at predetermined intervals or in response to significant changes.

Ethics and integrity

Our values – personal, specialised, entrepreneurial and decisive – describe who we are, how we work and how we approach our clients, other stakeholders and each other. Our values are part of our identity and inform our behaviours. Our values are part of our code of conduct, which outlines what we consider the essence of ethical behaviour and guides us in our decision-making process. It is not an exhaustive list of rules, but commitments based on three ethical principles: we are respectful towards others, we act with discretion and we think across generations. The code of conduct is evaluated in line with our "policy of policies".

Promoting a respectful and professional workplace culture is the focus of our policy on desirable and undesirable behaviour. This policy outlines clear expectations for employee conduct, prohibiting harassment, discrimination and other inappropriate behaviour that contradicts our code of conduct. Through this policy, we encourage employees to speak out when they identify unlawful behaviour and behaviour that breaches the code of conduct. This policy also outlines how to discuss pressing matters with both internal and external confidential counsellors.

To support this, our whistleblowing policy encourages employees and any third party involved to report any unethical behaviour or violations of laws and regulations, or behaviour that contradicts our code of conduct. Our whistleblowing policy is in accordance with the Whistleblower Protection Directive 2019/1937. Extensive information on the reporting channel for whistleblowers is provided on our corporate website and intranet. This policy guarantees confidentiality, protection against retaliation and a fair investigation process, ensuring that any wrongdoing is addressed promptly and trust is maintained within our organisation. The reporting centre is staffed by an employee appointed by the Management Board, which is currently the Head of Internal Audit. This appointment is communicated to all stakeholders and detailed on the intranet. The Head of Internal Audit also undergoes continuous training to maintain their audit role standards.

Our anti-bribery and corruption policy further reinforces our commitment to ethical business practices. By prohibiting any form of bribery and ensuring compliance with regulatory requirements, the policy helps to maintain a level playing field, protect our reputation and ensure fair and transparent business practices.

Managing potential conflicts of interest is another critical aspect of our ethical framework. Our conflicts of interest policy requires employees to disclose any potential conflicts and take steps to mitigate or avoid them. This policy, along with related policies such as the personal account dealing policy and the gifts & entertainment policy, emphasises transparency and fair treatment of clients, putting their best interests first.

Our market conduct policy sets the standards for ethical behaviour and compliance. It aims to prevent market abuse, insider trading and conflicts of interest, ensuring fair and transparent conduct by all employees. The policy includes guidelines for monitoring, reporting and addressing any breaches, reinforcing our commitment to market integrity and the interests of clients and stakeholders.

Accountability and stakeholders

The Compliance & Operational Risk Committee is responsible for the implementation and execution of our policies. The committee assesses compliance and operational risks and ensures remedial actions are taken where required. The committee also challenges and approves the annual plans of the Non-Financial Risk Management and Compliance departments. Matters such as the root causes of major operational risk incidents are discussed in this committee.

The target groups for our policies must be determined in the developmental phase when creating new policies. The policy proposal must then be submitted to the relevant committee after coordination with the Compliance management team. With regard to our code of conduct, external stakeholders are also involved in the development of this policy. After the policy has been approved by the relevant management team, the policy adviser coordinates with stakeholders, the first line of defence and compliance officers (including foreign offices) to implement the policy. The policy is then translated, communicated across the organisation, posted on our intranet and, if necessary, the corporate website. We also inform our target audience directly via email.

Our actions on this topic

We are dedicated to developing, maintaining and evaluating a strong corporate culture that aligns with our values and strategic objectives. Our approach encompasses a variety of initiatives designed to integrate new employees, provide ongoing training, facilitate open dialogue and foster an inclusive and supportive work environment. Through these initiatives, we continuously work to establish, promote and monitor our corporate culture, ensuring it remains aligned with our values and supports the growth and well-being of our employees and the organisation as a whole. All key actions listed below are group-wide and conducted as often as needed, with indefinite timelines.

Regulatory compliance

Systematic Integrity Risk Analysis (SIRA): This is designed to identify, assess and manage integrity risks within the organisation. It involves identifying potential risks, evaluating their likelihood and impact, and developing mitigation strategies such as policy adjustments, enhanced monitoring, and employee training. We ensure the effectiveness and relevance of the SIRA process through continuous monitoring, regular reporting and periodic reviews in addressing emerging risks. For more information on SIRA, see "Internal fraud" under "Risk and capital management", page 117.

Action management procedure: This is in place to address gaps in our control environment and mitigate risks to acceptable levels. The procedure outlines the roles and responsibilities of each line of defence, with the first line of defence executing actions and the second line of defence validating, monitoring and approving substantial or high risks. This ensures effective risk management and accountability.

Governance risk compliance tool: We use this system within our risk management framework to ensure strong governance and compliance practices. It documents, categorises and assesses all identified risks, detailing the overall risk framework and specifying controls, incidents and actions. Responsibilities and timeframes for resolving incidents are assigned, with open actions and incidents reviewed in quarterly and annual reports and discussed with management teams.

Ethics and integrity

Our On-boarding Day is a quarterly event that welcomes all new colleagues to our organisation, providing an opportunity to get to know the firm and each other. It includes an introduction to our strategy, values, and culture. As part of the compliance training & awareness programme, the Compliance department delivers an interactive presentation focusing on our code of conduct, and our ethics and integrity culture. The content of the On-boarding Day presentation is reviewed and evaluated in accordance with our policy of policies.

Besides this, we hold dialogue sessions on our latest edition of the code of conduct with relevant stakeholders to discuss potential updates to the code of conduct and address dilemmas or other topics related to promoting our corporate culture. These sessions ensure that our code of conduct is relevant and applicable to everyone's role within the organisation.

We have also established several networks for employees to promote community, inclusivity and professional development: Anima Una (employee association), VLK International, VLK Running, Young Van Lanschot Kempen, VLK Women and VLK Pride.

Our targets on this topic

Regulatory compliance

We have not set targets on regulatory compliance risk, but we strive to stay within our predetermined risk appetite.

Ethics and integrity

We have several targets for ethics and integrity, which are all relative, as these targets are measured in percentages. In accordance with regulatory requirements, the banker's oath is mandatory for all banking personnel operating within the Netherlands. This means that all our employees based in the Netherlands, along with external employees such as freelancers, contractors, and temporary workers engaged with our company for a duration of at least three months, are obliged to undertake this oath.

We aim to ensure that 100% of colleagues in scope take the banker's oath within three months of their on-boarding, as required by law.

Indications of how well employees are adhering to the code of conduct are provided by our performance on two external and internal gauges:

- The percentage of employees who believe they have a responsibility to behave ethically;
- The percentage of employees who believe the company culture holds everyone to the same standards of ethical behaviour and promotes transparent communication.

	Score 2024
Percentage of employees that take the banker's oath within three months of their on-boarding	99.8%
Percentage of employees who believe they have a responsibility to behave ethically	92.3%
Percentage of employees who believe the company culture holds everyone to the same standards of ethical behaviour and promotes transparent communication.	87.0%

We have set these key performance indicators (KPIs) for 2024–25 and they are assessed through our annual employee engagement survey. For both, the target is to achieve a score higher than the benchmark, or the last employee engagement survey (EES) if it was below the benchmark. The benchmark is the sector average provided by Willis Tower Watson for each question, as part of the EES. The current first and second targets are set at 83% and 79%, respectively. The scope of these two targets is group-wide and they apply to all employees. We measure our scores against the previous year's employee engagement score, which serves as the baseline year.

The table above presents the scores for each target. The percentage of employees who take the banker's oath within three months of their onboarding is 99.8%. At the end of the reporting year, five employees had not taken the banker's oath within three months of their employment.

In addition, the EES results indicate that 92% of our employees feel a personal responsibility to act ethically, surpassing the benchmark of 83% for this question. Furthermore, 87% of employees believe that our company culture consistently upholds uniform standards of ethical behaviour and fosters transparent communication, exceeding the benchmark of 79% and thereby meeting the target for this KPI.

Sustainability notes

ESRS content index

ESRS standard	Disclosure requirement	Description	Page number
ESRS 2	BP-1	General basis for preparation of sustainability statement	26
	BP-2	Disclosures in relation to specific circumstances	26
	GOV-1	The role of the administrative, management and supervisory bodies	26
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	27, 133, 152
	GOV-3	Integration of sustainability-related performance in incentive schemes	133, 152
	GOV-4	Statement on due diligence	27
	GOV-5	Risk management and internal controls over sustainability reporting	27, 119
	SBM-1	Strategy, business model and value chain	28
	SBM-2	Interests and view of stakeholders	28
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	33, 40, 43, 58, 60, 62
	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	30
	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	30
E1	E1-1	Transition plan for climate change mitigation	33
	E1-2	Policies related to climate change mitigation and adaptation	36
	E1-3	Actions and resources in relation to climate change policies	36
	E1-4	Targets related to climate change mitigation and adaptation	34
	E1-5	Energy consumption	37
	E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	38
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E4	E4-2	Policies related to biodiversity and ecosystems	40
S1	S1-1	Policies related to own workforce	43-55
	S1-2	Process for engaging with own workforce and workers' representatives about impacts	44
	S1-3	Process to remediate negative impacts and channels for own workforce to raise concerns	44
	S1-4	Taking action on material impacts on own workforce	43-55
	S1-5	Targets related to managing material negative impacts	43-55
	S1-6	Characteristics of the undertaking's employees	55
	S1-7	Characteristics of non-employees in the undertaking's own workforce	55
	S1-9	Diversity metrics	45
	S1-13	Training and skills development metrics	50
	S1-14	Health and safety metrics	52
	S1-15	Work-life balance metrics	52
	S1-16	Remuneration metrics (pay gap and total remuneration)	47
	S1-17	Incidents, complaints and severe human rights impacts	45
S2	S2-1	Policies related to value chain workers	56
	S2-2	Processes for engaging with value chain workers about impacts	57
	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	58
	S2-4	Taking action on material impacts on value chain workers	58
S4	S4-1	Policies related to consumers and end-users	59
	S4-2	Processes for engaging with consumers and end-users about impacts	59
	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	59
	S4-4	Taking action on material impacts on consumers and end-users	60
	S4-5	Targets related to managing material negative impacts	60
G1	G1-1	Business Conduct and Corporate Culture Policy and actions	62

Our EU taxonomy alignment and eligibility

Green asset ratio tables

Our GAR is presented in the tables below and on the following pages, which are based on the prescribed templates in Annex VI of the EU Taxonomy Disclosures Delegated Act. The EU taxonomy alignment of our AuM is broken down in the table below, corresponding to the format prescribed in Annex IV of the EU Taxonomy Disclosures Delegated Act.

EU taxonomy Annex IV: KPI of asset managers			
€ million			
The weighted average value of all the investments that are directed at funding, or are associated with EU taxonomy-aligned economic activities relative to the value of total assets covered by the KPI		The weighted average value of all the investments that are directed at funding, or are associated with EU taxonomy-aligned economic activities	
Turnover-based	1.4%	Turnover-based	1,292
Capital expenditures (capex)-based	2.0%	Capex-based	1,802
The percentage of assets covered by the KPI relative to total investments (total AuM), excluding investments in sovereign entities	74.3 %	The monetary value of assets covered by the KPI, excluding investments in sovereign entities	90,005
Additional, complementary disclosures: breakdown of KPI denominator			
The percentage of derivatives	-0.8%	The monetary value of derivatives	-142
The proportion of exposures to EU financial and non-financial undertakings <u>not</u> subject to Articles 19a and 29a of Directive 2013/34/EU		The value of exposures to EU financial and non-financial undertakings <u>not</u> subject to Articles 19a and 29a of Directive 2013/34/EU	
For non-financial undertakings	4.6%	For non-financial undertakings	4,153
For financial undertakings	6.4%	For financial undertakings	5,776
The proportion of exposures to financial and non-financial undertakings from <u>non-EU countries not</u> subject to Articles 19a and 29a of Directive 2013/34/EU		The value of exposures to financial and non-financial undertakings from <u>non-EU countries not</u> subject to Articles 19a and 29a of Directive 2013/34/EU	
For non-financial undertakings	60.3%	For non-financial undertakings	54,260
For financial undertakings	11.7%	For financial undertakings	10,538
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU		The value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	
For non-financial undertakings	10.2%	For non-financial undertakings	9,208
For financial undertakings	6.7%	For financial undertakings	6,066
The proportion of exposures to other counterparties and assets	0.9%	The value of exposures to other counterparties and assets	832
The proportion of all the investments that fund economic activities that are not EU taxonomy-eligible	0.8%	The value of all the investments that fund economic activities that are not EU taxonomy-eligible	701
The proportion of all the investments that fund EU taxonomy-eligible economic activities, but are not EU taxonomy-aligned	2.7%	The value of all the investments that fund EU taxonomy-eligible economic activities, but are not EU taxonomy-aligned	2,400
Additional, complementary disclosures: breakdown of KPI numerator			
The proportion of EU taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU		The value of EU taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based	1.3%	Turnover-based	1,185
Capex-based	1.9%	Capex-based	1,692
For financial undertakings:		For financial undertakings:	
Turnover-based	0.1%	Turnover-based	108
Capex-based	0.1%	Capex-based	110
The proportion of EU taxonomy-aligned exposures to other counterparties and assets		The value of EU taxonomy-aligned exposures to other counterparties and assets	
Turnover-based	0.0%	Turnover-based	39
Capex-based	0.0%	Capex-based	24
Breakdown of KPI numerator per environmental objective			
EU taxonomy-aligned activities			
1. Climate change mitigation	Turnover		1.3%
	Capex		1.9%
	Transitional activities		
	Turnover		0.1%
	Capex		0.2%
	Enabling activities		
	Turnover		0.7%
	Capex		0.9%

EU taxonomy annex IV: KPI of asset managers		
2. Climate change adaptation	Turnover	0.1%
	Capex	0.1%
	Enabling activities	
	Turnover	0.0%
	Capex	0.0%
3. The sustainable use and protection of water and marine resources	Turnover	0.0%
	Capex	0.0%
	Enabling activities	
	Turnover	0.0%
	Capex	0.0%
4. The transition to a circular economy	Turnover	0.0%
	Capex	0.0%
	Enabling activities	
	Turnover	0.0%
	Capex	0.0%
5. Pollution prevention and control	Turnover	0.0%
	Capex	0.0%
	Enabling activities	
	Turnover	0.0%
	Capex	0.0%
6. The protection and restoration of biodiversity and ecosystems	Turnover	0.0%
	Capex	0.0%
	Enabling activities	
	Turnover	0.0%
	Capex	0.0%

Annex XII: Template 1. Nuclear energy and natural gas-related activities		Balance sheet & asset management
Row	Nuclear energy-related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Natural gas-related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

EU taxonomy

The official templates from the EU Taxonomy Regulation are published below. Fees and commissions and trading book KPIs will only apply to Van Lanschot Kempen as of 2026.

Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets (turnover)	Total environmentally sustainable assets (capex)	KPI ¹	KPI ²	% coverage (over total assets) ³	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	1,320	1,323	9.8%	9.8%	81.5%	26.5%	18.5%
		Total environmentally sustainable assets (turnover)	Total environmentally sustainable assets (capex)	KPI ⁴	KPI ⁵	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	137	137	8.0%	8.0%	42.6%	19.9%	57.4%
	Trading book ⁶							
	Financial guarantees	—	—	—	—			
	Assets under management	1,644	2,440	1.4%	2.1%			
	Fees and commissions income ⁷							

¹ Based on the counterparty's turnover KPI.

² Based on the counterparty's capex KPI, except for lending activities where for general lending turnover KPI is used.

³ % of assets covered by the KPI over bank's total assets.

⁴ Based on the counterparty's turnover KPI.

⁵ Based on the counterparty's capex KPI, except for lending activities where for general lending turnover KPI is used.

⁶ For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR.

⁷ Fees and commissions income from services other than lending and AuM.

1. Assets for the calculation of GAR FY 2024 turnover

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
		Disclosure reference date 31/12/2024																	
		Total [gross] carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (taxonomy-eligible)					Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)			
			Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)			
Million EUR					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator																			
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	9,078	7,529	1,320	—	8	—	—	—	—	—	—	—	—	—	—	—	—	—
2	Financial undertakings	2,336	788	50	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—
3	Credit institutions	1,669	240	21	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	37	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	1,618	240	21	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	15	—	—		—	—	—	—		—	—	—		—	—	—		—
7	Other financial corporations	667	549	28	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—
12	of which management companies	299	293	28	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	299	293	28	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—
20	Non-financial undertakings	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
21	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	Debt securities, including UoP	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	1	—	—		—	—	—	—		—	—	—		—	—	—		—
24	Households	6,741	6,741	1,271	—	7	—	—	—	—	—					—	—	—	—
25	of which loans collateralised by residential immovable property	6,691	6,691	1,264	—	—	—	—	—	—	—					—	—	—	—
26	of which building renovation loans	50	50	7	—	7	—	—	—	—	—					—	—	—	—
27	of which motor vehicle loans	—	—	—	—	—	—												
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Continuation of 1. Assets for the calculation of GAR FY 2024 turnover

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Disclosure reference date 31/12/2024																	
		Climate change mitigation (CCM)				Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				
		Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				
		Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				
Million EUR	Total [gross] carrying amount		Of which use of proceeds	Of which transitional	Of which enabling		Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling		
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	4,381	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
33 Financial and Non-financial undertakings	4,014																	
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	3,160																	
35 Loans and advances	2,486																	
36 of which loans collateralised by commercial immovable property	3																	
37 of which building renovation loans	–																	
38 Debt securities	554																	
39 Equity instruments	120																	
40 Non-EU country counterparties not subject to NFRD disclosure obligations	854																	
41 Loans and advances	14																	
42 Debt securities	840																	
43 Equity instruments	–																	
44 Derivatives	294																	
45 On demand interbank loans	74																	
46 Cash and cash-related assets	–																	
47 Other categories of assets (e.g. goodwill and commodities)	–																	
48 Total GAR assets	13,460	7,529	1,320	–	8	–	–	–	–	–	–	–	–	–	–	–	–	
49 Assets not covered for GAR calculation	3,058																	
50 Central governments and Supranational issuers	1,058																	
51 Central banks exposure	1,991																	
52 Trading book	9																	
53 Total assets	16,517	7,529	1,320	–	8	–	–	–	–	–	–	–	–	–	–	–	–	
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																		
54 Financial guarantees	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
55 Assets under management	117,066	3,837	1,501	–	123	838	180	66	–	33	14	6	–	4	613	49	–	12
56 of which debt securities																		
57 of which equity instruments																		

Continuation of 1. Assets for the calculation of GAR FY 2024 turnover

[illegible]

1. Assets for the calculation of GAR FY 2024 capex

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
		Disclosure reference date 31/12/2024																	
			Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which towards taxonomy relevant sectors (taxonomy-eligible)					Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)			
			Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)			
		Total (gross) carrying amount			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
Million EUR																			
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	9,078	7,517	1,320	—	8	1	—	—	—	—	—	—	—	—	—	—	—	—
2	Financial undertakings	2,336	776	50	—	1	1	—	—	—	—	—	—	—	—	—	—	—	—
3	Credit institutions	1,669	227	21	—	1	1	—	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	37	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	1,618	227	21	—	1	1	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	15	—	—		—	—	—	—			—	—	—		—	—		—
7	Other financial corporations	667	549	28	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—		—	—	—	—	—		—	—	—		—	—		—
12	of which management companies	299	293	28	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	299	293	28	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—		—	—	—	—	—		—	—	—		—	—		—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—		—	—	—	—	—		—	—	—		—	—		—
20	Non-financial undertakings	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
21	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	Debt securities, including UoP	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	1	—	—		—	—	—	—	—		—	—	—		—	—		—
24	Households	6,741	6,741	1,271	—	7	—	—	—	—	—	—	—	—	—	—	—	—	—
25	of which loans collateralised by residential	6,691	6,691	1,264	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	of which building renovation loans	50	50	7	—	7	—	—	—	—	—	—	—	—	—	—	—	—	—
27	of which motor vehicle loans	—	—	—	—	—	—												
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Continuation of 1. Assets for the calculation of GAR FY 2024 capex

[illegible]

Continuation of 1. Assets for the calculation of GAR FY 2024 capex

	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af	
	Disclosure reference date 31/12/2024													
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)					
	Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)					
Million EUR			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	—	—	—	—	—	—	—	7,517	1,323	—	1	1	
2	Financial undertakings	—	—	—	—	—	—	—	776	50	—	1	1	
3	Credit institutions	—	—	—	—	—	—	—	228	21	—	1	1	
4	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	
5	Debt securities, including UoP	—	—	—	—	—	—	—	228	21	—	1	1	
6	Equity instruments	—	—		—	—	—		—	—		—	—	
7	Other financial corporations	—	—	—	—	—	—	—	549	28	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—		—	—	—		—	—		—	—	
12	of which management companies	—	—	—	—	—	—	—	293	28	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	293	28	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—		—	—	—		—	—		—	—	
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—		—	—	—		—	—		—	—	
20	Non-financial undertakings	—	—	—	—	—	—	—	—	—	—	—	—	
21	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	
23	Equity instruments	—	—		—	—	—		—	—		—	—	
24	Households									6,741	1,273	—	—	—
25	of which loans collateralised by residential immovable property									6,691	1,266	—	—	—
26	of which building renovation loans									50	7	—	—	—
27	of which motor vehicle loans									—	—	—	—	—
28	Local governments financing									—	—	—	—	—
29	Housing financing									—	—	—	—	—
30	Other local government financing									—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties									—	—	—	—	—

Continuation of 1. Assets for the calculation of GAR FY 2024 capex

	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2024												
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				
	Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				
Million EUR	Of which use of proceeds		Of which enabling		Of which use of proceeds		Of which enabling		Of which use of proceeds		Of which transitional	Of which enabling	
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)									–	–	–	–	–
33 Financial and Non-financial undertakings													
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35 Loans and advances													
36 of which loans collateralised by commercial immovable property													
37 of which building renovation loans													
38 Debt securities													
39 Equity instruments													
40 Non-EU country counterparties not subject to NFRD disclosure obligations													
41 Loans and advances													
42 Debt securities													
43 Equity instruments													
44 Derivatives													
45 On demand interbank loans													
46 Cash and cash-related assets													
47 Other categories of assets (e.g. goodwill and commodities)													
48 Total GAR assets									7,517	1,323	–	1	1
49 Assets not covered for GAR calculation													
50 Central governments and supranational issuers													
51 Central banks exposure													
52 Trading book													
53 Total assets									–	–	–	–	–
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54 Financial guarantees	–	–	–	–	–	–	–	–	–	–	–	–	–
55 Assets under management	188	10	–	7	9	9	–	7	6,016	2,440	–	189	1,143
56 of which debt securities	–	–	–	–	–	–	–	–	–	–	–	–	–
57 of which equity instruments	–	–	–	–	–	–	–	–	–	–	–	–	–

1. Assets for the calculation of GAR FY 2023

The assets used for the calculation of the green asset ratio (GAR) are published below.

Turnover is included in this table, with the exception of households, for which capex is published.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Disclosure reference date 31/12. 023																	
		Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Of which towards taxonomy relevant sectors (taxonomy-eligible)					Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)			
		Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)			
Million EUR	Total (gross) carrying amount			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator																		
1 Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	9,178	7,446	1,368	—	11	—	—	—	—	—	—	—	—	—	—	—	—	—
2 Financial undertakings	2,100	684	27	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3 Credit institutions	1,399	111	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4 Loans and advances	14	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 Debt securities, including UoP	1,302	110	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6 Equity instruments	82	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7 Other financial corporations	701	573	26	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8 of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9 Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10 Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11 Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12 of which management companies	322	302	26	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13 Loans and advances	322	302	26	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14 Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15 Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16 of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17 Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18 Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19 Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20 Non-financial undertakings	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
21 Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22 Debt securities, including UoP	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23 Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24 Households	6,750	6,750	1,342	—	11	—	—	—	—	—	—	—	—	—	—	—	—	—
25 of which loans collateralised by residential	6,699	6,699	1,331	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26 of which building renovation loans	51	51	11	—	11	—	—	—	—	—	—	—	—	—	—	—	—	—
27 of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28 Local governments financing	327	12	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29 Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30 Other local government financing	327	12	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31 Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Continuation of 1. Assets for the calculation of GAR FY 2023

[illegible]

Continuation of 1. Assets for the calculation of GAR FY 2023

[illegible]

Continuation of 1. Assets for the calculation of GAR FY 2023

[illegible]

Continuation of 3. GAR KPI stock FY 2024 for turnover alignment

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2024													
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					
			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
% (compared to total covered assets in the denominator)														
GAR - Covered assets in both numerator and denominator														
1 Loans and advances, debt securities and equity instruments not HiT eligible for GAR calculation	—%	—%	—%	—%	—%	—%	—%	—%	82.9%	14.5%	—%	0.1%	—%	55.0%
2 Financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	33.8%	2.1%	—%	—%	—%	14.1%
3 Credit institutions	—%	—%	—%	—%	—%	—%	—%	—%	14.4%	1.3%	—%	—%	—%	10.1%
4 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	0.2%
5 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	14.8%	1.3%	—%	—%	—%	9.8%
6 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	0.1%
7 Other financial corporations	—%	—%	—%	—%	—%	—%	—%	—%	82.3%	4.3%	—%	—%	—%	4.0%
8 of which investment firms	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
9 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
10 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
11 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
12 of which management companies	—%	—%	—%	—%	—%	—%	—%	—%	97.9%	9.5%	—%	—%	—%	1.8%
13 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	97.9%	9.5%	—%	—%	—%	1.8%
14 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
15 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
16 of which insurance undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
17 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
18 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
19 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
20 Non-financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
21 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
22 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
23 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
24 Households									100.0%	18.9%	—%	0.1%	—%	40.8%
25 of which loans collateralised by residential immovable property									100.0%	18.9%	—%	—%	—%	40.5%
26 of which building renovation loans									100.0%	14.2%	—%	14.2%	—%	0.3%
27 of which motor vehicle loans														
28 Local governments financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
29 Housing financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
30 Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
31 Collateral obtained by taking possession: residential and commercial immovable properties	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
32 Total GAR assets	—%	—%	—%	—%	—%	—%	—%	—%	55.9%	9.8%	—%	0.1%	—%	81.5%

3. GAR KPI stock FY 2023 for turnover alignment

[illegible]

3. GAR KPI stock FY 2023 for turnover alignment

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2023													
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					
% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator														
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	—%	—%	—%	—%	—%	—%	—%	—%	7.6%	0.3%	—%	0.1%	—%	14.8%
2 Financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	32.6%	1.3%	—%	—%	—%	12.8%
3 Credit institutions	—%	—%	—%	—%	—%	—%	—%	—%	7.9%	—%	—%	—%	—%	8.5%
4 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	0.1%
5 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	8.5%	—%	—%	—%	—%	7.9%
6 Equity instruments	—%	—%		—%	—%	—%		—%	0.4%	0.4%		—%	0.2%	0.5%
7 Other financial corporations	—%	—%	—%	—%	—%	—%	—%	—%	81.8%	3.7%	—%	—%	—%	4.3%
8 of which investment firms	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
9 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
10 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
11 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
12 of which management companies	—%	—%	—%	—%	—%	—%	—%	—%	93.7%	8.1%	—%	—%	—%	2.0%
13 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	93.7%	8.1%	—%	—%	—%	2.0%
14 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
15 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
16 of which insurance undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
17 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
18 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
19 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
20 Non-financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
21 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
22 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
23 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
24 Households									—%	—%	—%	—%	—%	—%
25 of which loans collateralised by residential immovable property									—%	—%	—%	—%	—%	—%
26 of which building renovation loans									—%	—%	—%	—%	—%	—%
27 of which motor vehicle loans									—%	—%	—%	—%	—%	—%
28 Local governments financing	—%	—%	—%	—%	—%	—%	—%	—%	3.6%	—%	—%	—%	—%	2.0%
29 Housing financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
30 Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	3.6%	—%	—%	—%	—%	—%
31 Collateral obtained by taking possession: residential and commercial immovable properties	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	2.0%
32 Total GAR assets	—%	—%	—%	—%	—%	—%	—%	—%	5.3%	0.2%	—%	—%	—%	38.2%

3. GAR KPI stock FY 2024 for capex alignment

[illegible]

Continuation of 3. GAR KPI stock FY 2024 for capex alignment

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2024													
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					
% (compared to total covered assets in the denominator)			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator														
1Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	—%	—%	—%	—%	—%	—%	—%	—%	82.8%	14.6%	—%	—%	—%	55.0%
2Financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	33.2%	2.1%	—%	—%	—%	14.1%
3Credit institutions	—%	—%	—%	—%	—%	—%	—%	—%	13.6%	1.3%	—%	—%	—%	10.1%
4Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	0.2%
5Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	14.1%	1.3%	—%	0.1%	—%	9.8%
6Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	0.1%
7Other financial corporations	—%	—%	—%	—%	—%	—%	—%	—%	82.3%	4.3%	—%	—%	—%	4.0%
8of which investment firms	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
9Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
10Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
11Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
12of which management companies	—%	—%	—%	—%	—%	—%	—%	—%	97.9%	9.5%	—%	—%	—%	1.8%
13Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	97.9%	9.5%	—%	—%	—%	1.8%
14Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
15Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
16of which insurance undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
17Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
18Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
19Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
20Non-financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
21Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
22Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
23Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
24Households									100.0%	18.9%	—%	—%	—%	40.8%
25of which loans collateralised by residential immovable property									100.0%	18.9%	—%	—%	—%	40.5%
26of which building renovation loans									100.0%	14.2%	—%	—%	—%	0.3%
27of which motor vehicle loans									—%	—%	—%	—%	—%	—%
28Local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
29Housing financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
30Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
31Collateral obtained by taking possession: residential and commercial immovable properties	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
32Total GAR assets	—%	—%	—%	—%	—%	—%	—%	—%	55.8%	9.8%	—%	—%	—%	81.5%

3. GAR KPI stock FY 2023 for capex alignment

[illegible]

Continuation of 3. GAR KPI stock FY 2023 for capex alignment

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2023													
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					
% (compared to total covered assets in the denominator)			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator														
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	—%	—%	—%	—%	—%	—%	—%	—%	81.1%	14.9%	—%	0.1%	—%	55.8%
2 Financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	32.6%	1.3%	—%	—%	—%	12.8%
3 Credit institutions	—%	—%	—%	—%	—%	—%	—%	—%	7.9%	—%	—%	—%	—%	8.5%
4 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	0.1%
5 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	8.5%	—%	—%	—%	—%	7.9%
6 Equity instruments	—%	—%		—%	—%	—%		—%	0.7%	0.7%		—%	—%	0.5%
7 Other financial corporations	—%	—%	—%	—%	—%	—%	—%	—%	81.8%	3.7%	—%	—%	—%	4.3%
8 of which investment firms	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
9 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
10 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
11 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
12 of which management companies	—%	—%	—%	—%	—%	—%	—%	—%	93.7%	8.1%	—%	—%	—%	2.0%
13 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	93.7%	8.1%	—%	—%	—%	2.0%
14 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
15 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
16 of which insurance undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
17 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
18 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
19 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
20 Non-financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
21 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
22 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
23 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
24 Households									100.0%	19.9%	—%	0.2%	—%	41.0%
25 of which loans collateralised by residential immovable property									100.0%	19.9%	—%	—%	—%	40.7%
26 of which building renovation loans									100.0%	21.4%	—%	21.4%	—%	0.3%
27 of which motor vehicle loans									—%	—%	—%	—%	—%	—%
28 Local government financing	—%	—%	—%	—%	—%	—%	—%	—%	3.6%	—%	—%	—%	—%	2.0%
29 Housing financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
30 Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	3.6%	—%	—%	—%	—%	2.0%
31 Collateral obtained by taking possession: residential and commercial immovable properties	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
32 Total GAR assets	—%	—%	—%	—%	—%	—%	—%	—%	57.2%	10.5%	—%	0.1%	—%	79.2%

4. GAR KPI flow FY 2024 turnover

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Disclosure reference date 31/12/2024																
	Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)			
			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
% (compared to flow of total eligible assets)																	
GAR - Covered assets in both numerator and denominator																	
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	65.0 %	15.1 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
2 Financial undertakings	31.3 %	3.0 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
3 Credit institutions	19.4 %	2.3 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
4 Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
5 Debt securities, including UoP	20.0 %	2.3 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6 Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %		— %
7 Other financial corporations	100.0 %	6.9 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
8 of which investment firms	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
9 Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10 Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11 Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %		— %
12 of which management companies	100.0 %	23.2 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13 Loans and advances	100.0 %	23.2 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14 Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15 Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %		— %
16 of which insurance undertakings	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17 Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18 Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19 Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %		— %
20 Non-financial undertakings	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
21 Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
22 Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
23 Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %		— %
24 Households	100.0 %	27.7 %	— %	— %	— %	— %	— %	— %	— %					— %	— %	— %	— %
25 of which loans collateralised by residential immovable property	100.0 %	27.8 %	— %	— %	— %	— %	— %	— %	— %					— %	— %	— %	— %
26 of which building renovation loans	100.0 %	16.6 %	— %	16.6 %	— %	— %	— %	— %	— %					— %	— %	— %	— %
27 of which motor vehicle loans	— %	— %	— %	— %	— %												
28 Local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
29 Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
30 Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
31 Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
32 Total GAR assets	34.6 %	8.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

Continuation 4. GAR KPI flow FY 2024 turnover

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2024													
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total new assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					
% (compared to flow of total eligible assets)			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator														
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	—%	—%	—%	—%	—%	—%	—%	—%	65.0%	15.1%	—%	0.1%	—%	22.7%
2 Financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	31.3%	3.0%	—%	0.1%	—%	11.5%
3 Credit institutions	—%	—%	—%	—%	—%	—%	—%	—%	19.4%	2.3%	—%	0.1%	—%	9.8%
4 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
5 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	20.0%	2.3%	—%	0.1%	—%	9.6%
6 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	0.3%
7 Other financial corporations	—%	—%	—%	—%	—%	—%	—%	—%	100.0%	6.9%	—%	—%	—%	1.7%
8 of which investment firms	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
9 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
10 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
11 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
12 of which management companies	—%	—%	—%	—%	—%	—%	—%	—%	100.0%	23.2%	—%	—%	—%	0.5%
13 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	100.0%	23.2%	—%	—%	—%	0.5%
14 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
15 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
16 of which insurance undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
17 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
18 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
19 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
20 Non-financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
21 Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
22 Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
23 Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
24 Households									100.0%	27.7%	—%	—%	—%	11.1%
25 of which loans collateralised by residential									100.0%	27.8%	—%	—%	—%	11.1%
26 of which building renovation loans									100.0%	16.6%	—%	16.6%	—%	—%
27 of which motor vehicle loans									—%	—%	—%	—%	—%	—%
28 Local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
29 Housing financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
30 Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
31 Collateral obtained by taking possession: residential and commercial immovable properties	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
32 Total GAR assets	—%	—%	—%	—%	—%	—%	—%	—%	34.6%	8.0%	—%	—%	—%	42.6%

4. GAR KPI flow FY 2024 capex

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Disclosure reference date 31/12/2024																
	Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)			
% (compared to flow of total eligible assets)			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator																	
1Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	64.3 %	15.1 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
2Financial undertakings	30.0 %	2.9 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
3Credit institutions	17.9 %	2.2 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
4Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
5Debt securities, including UoP	18.5 %	2.3 %	— %	0.1 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %	— %	— %
7Other financial corporations	100.0 %	6.9 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
8of which investment firms	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
9Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %	— %	— %
12of which management companies	100.0 %	23.2 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13Loans and advances	100.0 %	23.2 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %	— %	— %
16of which insurance undertakings	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %	— %	— %
20Non-financial undertakings	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
21Loans and advances	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
22Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
23Equity instruments	— %	— %		— %	— %	— %	— %		— %	— %	— %		— %	— %	— %	— %	— %
24Households	100.0 %	27.7 %	— %	— %	— %	— %	— %	— %	— %					— %	— %	— %	— %
25of which loans collateralised by residential	100.0 %	27.8 %	— %	— %	— %	— %	— %	— %	— %					— %	— %	— %	— %
26of which building renovation loans	100.0 %	16.6 %	— %	16.6 %	— %	— %	— %	— %	— %					— %	— %	— %	— %
27of which motor vehicle loans	— %	— %	— %	— %	— %												
28Local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
29Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
30Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
31Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
32Total GAR assets	34.2 %	8.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

Continuation 4. GAR KPI flow FY 2024 capex

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Disclosure reference date 31/12/2024													
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total new assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					
			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
% (compared to flow of total eligible assets)														
GAR - Covered assets in both numerator and denominator														
1Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	—%	—%	—%	—%	—%	—%	—%	—%	64.3%	15.1%	—%	—%	—%	22.7%
2Financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	30.0%	2.9%	—%	0.1%	—%	11.5%
3Credit institutions	—%	—%	—%	—%	—%	—%	—%	—%	17.9%	2.2%	—%	0.1%	—%	9.8%
4Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
5Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	18.5%	2.3%	—%	0.1%	—%	9.6%
6Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	0.3%
7Other financial corporations	—%	—%	—%	—%	—%	—%	—%	—%	100.0%	6.9%	—%	—%	—%	1.7%
8of which investment firms	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
9Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
10Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
11Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
12of which management companies	—%	—%	—%	—%	—%	—%	—%	—%	100.0%	23.2%	—%	—%	—%	0.5%
13Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	100.0%	23.2%	—%	—%	—%	0.5%
14Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
15Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
16of which insurance undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
17Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
18Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
19Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
20Non-financial undertakings	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
21Loans and advances	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
22Debt securities, including UoP	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
23Equity instruments	—%	—%		—%	—%	—%		—%	—%	—%		—%	—%	—%
24Households									100.0%	27.7%	—%	—%	—%	11.1%
25of which loans collateralised by residential									100.0%	27.8%	—%	—%	—%	11.1%
26of which building renovation loans									100.0%	16.6%	—%	—%	—%	—%
27of which motor vehicle loans									—%	—%	—%	—%	—%	—%
28Local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
29Housing financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
30Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
31Collateral obtained by taking possession: residential and commercial immovable properties	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
32Total GAR assets	—%	—%	—%	—%	—%	—%	—%	—%	34.2%	8.0%	—%	—%	—%	42.6%

5. KPI off-balance sheet exposures stock: turnover

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Disclosure reference date 31/12/2024																
	Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)			
% (compared to total eligible off-balance sheet assets)			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	3.3%	1.3%	—%	0.1%	0.7%	0.2%	0.1%	—%	—%	—%	—%	—%	—%	0.5%	—%	—%	—%

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	Disclosure reference date 31/12/2024												
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	0.2%	—%	—%	—%	—%	—%	—%	—%	4.2%	1.4%	—%	0.1%	0.8%

5. KPI off-balance sheet exposures stock: capex

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Disclosure reference date 31/12/2024																
	Climate change mitigation (CCM)					Climate change adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)			
% (compared to total eligible off-balance sheet assets)			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	4.5%	2.0%	—%	0.2%	0.9%	0.2%	0.1%	—%	—%	—%	—%	—%	—%	0.2%	—%	—%	—%

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	Disclosure reference date 31/12/2024												
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	0.2%	—%	—%	—%	—%	—%	—%	—%	5.1%	2.1%	—%	0.2%	1.0%

5. KPI off-balance sheet exposures flow: turnover

The calculation for the flow is based on stock 2024 minus stock 2023. In 2023 annual report, we disclosed our Assets under Management (AuM) for Van Lanschot Kempen in accordance with the reporting requirements for asset managers as outlined in Annex III of the Delegated Regulation. As not all metrics in Annex III and 5. KPI off-balance sheet exposures flow align, along with the new environmental objectives reporting criteria for financials in 2024, we are unable to provide complete flow data for all metrics in the 5. KPI off-balance sheet exposures flow for the full year 2024.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Disclosure reference date 31/12/2024																
	Climate change mitigation (CCM)					Climate change adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)		
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)		Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	—%	0.4%	—%	0.1%	0.3%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	Disclosure reference date 31/12/2024												
	Pollution (PPC)					Biodiversity and ecosystems (BIO)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)		Of which use of proceeds	Of which enabling				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	0.6%	—%	—%	—%

5. KPI off-balance sheet exposures flow: capex

The calculation for the flow is based on stock 2024 minus stock 2023. In 2023 annual report, we disclosed our Assets under Management (AuM) for Van Lanschot Kempen in accordance with the reporting requirements for asset managers as outlined in Annex III of the Delegated Regulation. As not all metrics in Annex III and 5. KPI off-balance sheet exposures flow align, along with the new environmental objectives reporting criteria for financials in 2024, we are unable to provide complete flow data for all metrics in the 5. KPI off-balance sheet exposures flow for the full year 2024.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Disclosure reference date 31/12/2024																
	Climate change mitigation (CCM)					Climate change adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)		
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)			Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	—%	0.6%	—%	0.1%	0.3%	—%	0.1%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%

	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	Disclosure reference date 31/12/2024												
	Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
2 Assets under management (AuM KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	0.7%	—%	—%	—%

Collaborating for client success



“

The better we understand each other's modus operandi, the better we work together

Colleagues from Private Clients and Investment Banking Clients cooperate in advising clients, offering a full breadth of advisory services for transformational moments. Often, these services strengthen each other, which is a unique selling point for the client. Lotte believes their collaboration helps them grow as professionals. "We make it a success by understanding our colleagues' qualities, services and added value. It broadens our horizons."

The teams have intensified their collaboration in recent years. Hendrik says: "We've worked hard to understand our client base and our prospects, and that's meant we've built a very successful working relationship. The better we understand each other's modus operandi, the better we work together."

Today, this mutual understanding is baked into the organisational structure, for instance through regular commercial strategising and the Private Banking Academy, where new colleagues learn about investment banking services. As Lotte explains: "We have many informal ambassadors who share successes stemming from their cooperation across the organisation and create pride in our shared work."



“

Clients can retain the same relationship with their banker for all their needs

Lotte moved from Investment Banking Clients to Private Clients Netherlands, bringing a lot of relevant experience. In her current role, she's able to connect clients with a full range of services by collaborating with other teams, including Hendrik's.

These specialist services, such as those offered by Corporate Finance, help to strengthen relationships with private clients. "We make it possible to access multiple services from one provider, which offers clients discretion as they don't have to explain their situation over and over again," says Hendrik.

Lotte emphasises this benefit: "If, for example, an entrepreneur sells their business and becomes a private client for wealth management services, they don't need to work with a different team. They retain the same relationship with their banker and we can cater to all their needs by working together."

Hendrik van Donkersgoed (L)

Head of Corporate Advisory, Investment Banking Clients

Lotte Tromp (R)

Wealth Manager, Private Clients Netherlands

Financial performance

Key financial data

Statement of income (€ million)		2024	2023		H2 2024	H1 2024
Net result		141.9	125.2	13%	67.4	74.5
Underlying net result		150.5	130.5	15%	72.1	78.4
Cost/income ratio (%)		70.1	71.6		71.3	69.0

Client assets (€ billion)		31/12/2024	31/12/2023		30/06/2024	
Client assets		167.6	144.8	16%	156.8	7%
– Assets under management (AuM)		149.3	127.3	17%	139.3	7%
– Assets under administration (AuA)		5.5	4.9	13%	5.2	5%
– Savings and deposits		12.8	12.6	2%	12.2	4%

Financial position and capital management (€ million)		31/12/2024	31/12/2023		30/06/2024	
Equity attributable to shareholders		1,275	1,247	2%	1,216	5%
Equity attributable to AT1 capital securities		102	102	1%	102	0%
Savings and deposits		12,767	12,574	2%	12,234	4%
Loans and advances to clients		9,331	9,161	2%	9,146	2%
Total assets		16,983	16,836	1%	16,448	3%
Loan-to-deposit ratio (%)		73.1	72.9		74.8	
Total risk exposure amount		4,466	4,409	1%	4,509	-1%
Common Equity Tier 1 (CET 1) ratio (%) ¹		19.4	19.6		18.8	
CET 1 ratio (Basel IV fully loaded) (%) ^{1,2}		19.3	c. 18.5		18.5	
Tier 1 ratio (%) ¹		21.7	21.9		21.0	
Total capital ratio (%) ¹		25.2	25.3		24.3	
Leverage ratio (%)		5.7	5.8		5.8	
Liquidity coverage ratio (%)		220.7	224.7		216.4	
Net stable funding ratio (%)		160.2	156.4		155.9	

Key figures		2024	2023		H1 2024	
Weighted average outstanding shares (x1,000)		42,386	41,969	1%	42,409	0%
Earnings per ordinary share (€)		3.11	2.82	10%	1.62	92%
Return on CET 1 capital (%) ³		16.2	14.2		17.0	
Return on equity (%) ³		11.1	9.8		11.8	
Number of FTEs (at period end)		2,018	1,904	6%	1,937	4%

Results

2024 was a strong financial year, which resulted in a net profit of €141.9 million and an underlying net result of €150.5 million. We propose a dividend of €2.75 per share for 2024 (2023: €2.00 per share), representing a pay-out ratio of 88%.

We are well on track to reach our 2027 financial targets by executing our “Growing further together” strategy. Core to this strategy is generating sustainable and profitable growth while maintaining our capital-light and scalable business model, with the target to grow AuM by 10% on average per year. We maintained our strong commercial momentum in 2024, achieving 17.2% growth in AuM. Our cost/income ratio improved to 70.1%, just outside our target range of 67-70%. We will continue our focus on scalable growth and cost discipline to further improve our cost/income ratio.

Return on CET 1 came in at 16.2%, which is ahead of our growth path of improving by 1 percentage point per year towards our target of >18%, to be achieved in 2027. Lastly, the CET 1 ratio Basel IV fully loaded² worked out at 19.3%, allowing for a proposed excess capital return of €1.40 per share. The excess capital return will total €59.3 million and is expected to impact our CET 1 ratio by -1.3%.

The increase in net result compared with 2023 was driven by multiple factors. Securities commissions rose by 20% in 2024 thanks to strong growth in AuM, while other commissions were up by 12%, mainly due to higher commissions from our investment banking activities. In addition, result on financial transactions grew to €13.9 million (2023: €1.0 million). At the same time, interest income fell by 11%, mainly due to lower interest margins driven by lower European Central Bank (ECB) rates and changes in the composition of our liabilities, while income from securities and associates decreased due to the sale in 2023 of our participating interest in Movares.

¹ Full-year 2024 and 2023 including retained earnings; half-year 2024 excluding retained earnings.

² Based on Van Lanschot Kempen's interpretation of Basel IV at the time of reporting.

³ Return on CET 1 capital and Return on Equity are calculated based on underlying (annualised) net result.

This resulted in a book profit of €23.1 million, and there were no sales of participating interests in 2024.

Our costs were higher in 2024, mainly due to higher staff costs including a rise in fixed salary expenses and investments in additional FTEs and digital solutions to support our growth strategy. Our costs also rose due to the integration of Robeco's online investment platform and Accuro.

Client assets grew by 16% to €167.6 billion (2023: €144.8 billion), mainly driven by net AuM inflows of €9.2 billion and a positive market performance by AuM of €12.1 billion.

Financial results

Financial results (€ million)	2024	2023		H2 2024	H1 2024
Commission	511.2	427.2	20%	259.7	251.5
– of which securities commissions	469.3	389.8	20%	242.0	227.4
– of which other commissions	41.9	37.4	12%	17.8	24.1
Interest	175.4	196.5	-11%	83.2	92.2
Income from securities and associates	16.3	38.1	-57%	9.4	6.9
Result on financial transactions	13.9	1.0		4.8	9.1
Income from operating activities	716.8	662.8	8%	357.1	359.6
Staff costs	334.5	317.3	5%	169.1	165.4
Other administrative expenses	150.3	139.7	8%	76.3	74.0
Depreciation and amortisation	18.0	17.7	1%	9.1	8.8
Operating expenses	502.8	474.8	6%	254.5	248.2
Gross result	214.0	188.0	14%	102.6	111.4
Addition to loan loss provisions	-1.4	2.0		-3.2	1.7
Other impairments	–	–		–	–
Impairments	-1.4	2.0		-3.2	1.7
Operating profit before tax of non-strategic investments	3.9	0.1		–	3.9
Operating profit before special items and tax	219.3	186.1	18%	105.8	113.5
Amortisation of intangible assets arising from acquisitions	16.3	15.2	7%	8.1	8.1
Expenses related to accounting treatment of acquisitions	5.8	1.2		2.7	3.2
Restructuring charges	3.7	5.9	-37%	2.7	1.0
Release of provision for revolving consumer credit	–	-0.3		–	–
Operating profit before tax	193.5	164.2	18%	92.3	101.2
Income tax	51.6	39.0	32%	24.9	26.7
Net result	141.9	125.2	13%	67.4	74.5
Share of non-controlling interests	-0.2	0.0		0.0	-0.2
Share of AT1 capital securities holders	-9.9	-6.8	-47%	-4.4	-5.5
Net result attributable to shareholders	131.9	118.4	11%	63.0	68.8

Underlying net result (€ million)	2024	2023		H2 2024	H1 2024
Net result	141.9	125.2	13%	67.4	74.5
Expenses related to accounting treatment of acquisitions	5.8	1.2		2.7	3.2
Release of provision for revolving consumer credit	–	-0.3		–	–
Restructuring charges	3.7	5.9	-37%	2.7	1.0
Tax effects	-1.0	-1.4	33%	-0.7	-0.3
Underlying net result	150.5	130.5	15%	72.1	78.4

Segment results

Operating segments in 2024 (€ million)	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Investment Banking Clients	Other	Total
Commission	234.2	105.8	127.2	40.2	3.8	511.2
Interest	156.9	9.3	0.9	-0.4	8.6	175.4
Other income	1.3	0.5	0.1	5.8	22.5	30.1
Income from operating activities	392.4	115.6	128.2	45.7	34.9	716.8
Operating expenses	250.3	63.2	102.9	41.8	44.7	502.8
Gross result	142.1	52.4	25.3	3.9	-9.7	214.0
Impairments	-2.4	0.1	-0.0	—	0.9	-1.4
Operating result before tax of non-strategic investments	—	—	—	—	3.9	3.9
Operating result before special items and tax	144.5	52.3	25.3	3.9	-6.7	219.3
Special items	9.6	14.5	0.4	—	1.4	25.8
Operating profit before tax	134.9	37.8	24.9	3.9	-8.1	193.5
Underlying profit before tax	137.5	44.2	24.9	3.9	-7.5	203.1

Operating segments in 2023 (€ million)	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Investment Banking Clients	Other	Total
Commission	193.8	80.0	111.8	36.5	5.0	427.2
Interest	172.1	12.6	0.4	-0.3	11.7	196.5
Other income	0.8	0.5	0.1	2.1	35.6	39.1
Income from operating activities	366.8	93.1	112.3	38.4	52.3	662.8
Operating expenses	229.8	57.7	100.5	42.8	44.0	474.8
Gross result	137.0	35.4	11.7	-4.4	8.3	188.0
Impairments	3.5	-1.9	-0.0	—	0.4	2.0
Operating result before tax of non-strategic investments	—	—	—	—	0.1	0.1
Operating result before special items and tax	133.4	37.3	11.7	-4.4	8.0	186.1
Special items	9.6	9.4	1.6	—	1.3	21.9
Operating profit before tax	123.9	27.8	10.1	-4.4	6.7	164.2
Underlying profit before tax	127.2	29.6	11.3	-4.4	7.3	170.9

Key figures in 2024	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Investment Banking Clients	Other	Total
Cost/income ratio (%)	64	55	80	91	128	70
AuM growth (%)	19	38	14	—	—	17
FTEs	548	188	327	105	851	2,018

Client assets 2024 (€ billion)	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Other	Total
At 31 December	58.0	16.5	92.1	1.0	167.6
– AuM	43.7	15.1	90.5	—	149.3
– AuA	3.3	0.1	1.5	0.6	5.5
– Savings and deposits	11.0	1.3	0.1	0.4	12.8

Client assets 2024 (€ billion)	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Other	Total
At 1 January	50.9	12.2	80.3	1.5	144.8
AuM net in/outflow	2.1	2.2	4.9	—	9.2
Acquisition of AuM	—	0.7	—	—	0.7
Market performance of AuM	4.8	1.2	6.1	—	12.1
Change in AuA	0.4	-0.0	0.8	-0.5	0.6
Savings and deposits in/outflow	-0.1	0.2	0.1	0.0	0.2
At 31 December	58.0	16.5	92.1	1.0	167.6

Private Clients Netherlands

This segment includes our private banking activities in the Netherlands and Switzerland, as well as our online investment platform Evi. The segment achieved a strong operating profit before tax of €134.9 million (2023: €123.9 million), supported by a rise in commission income. This growth in commission income stemmed from higher AuM on the back of continuing net inflows and positive market performance. In 2024, Private Clients Netherlands achieved a €2.1 billion net inflow in AuM. We gained market share in the Dutch private banking market, with new clients entrusting their wealth to us and existing clients investing more. These inflows were driven by developments such as the growing wealth management market, company sales, rising stock markets and continued client satisfaction. The latter was reflected in the high Net Promoter Score (NPS) of 45 (2023: 34).

Private Clients Netherlands' total commission income came in at €234.2 million. Its margin on AuM, including Evi, decreased to 55 bps in 2024 (2023: 60 bps). The underlying margins per product remained stable. During 2023, we added the acquired assets of Robeco's online investment platform, which have lower margins. There was also greater growth in AuM for non-discretionary management, where margins are lower than in discretionary portfolio management.

Operating expenses rose by 9%, partly due to costs related to the addition and integration of Robeco's online investment platform. Excluding this effect, costs are well under control and grew only modestly compared with 2023 (+4%). We continue to maintain a focus on cost levels while investing in our workforce.

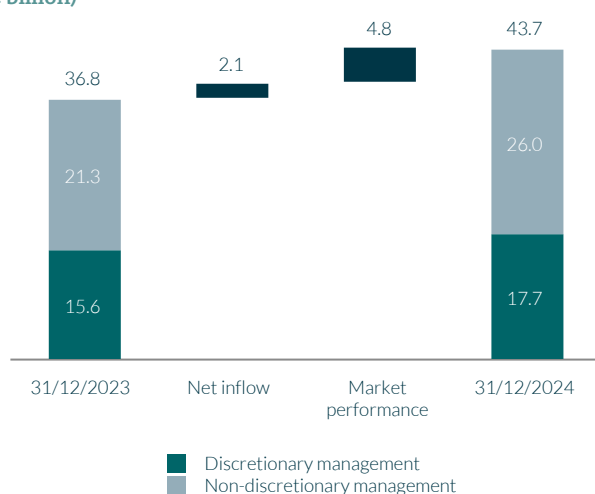
Financial results (€ million)	2024	2023		H2 2024	H1 2024
Commission	234.2	193.8	21%	121.1	113.1
Interest	156.9	172.1	-9%	70.7	86.2
Other income	1.3	0.8	54%	0.8	0.5
Income from operating activities	392.4	366.8	7%	192.6	199.8
Operating expenses	250.3	229.8	9%	127.7	122.6
Gross result	142.1	137.0	4%	64.9	77.2
Impairments	-2.4	3.5		-3.4	0.9
Operating profit before special items and tax	144.5	133.4	8%	68.2	76.3
Special items	9.6	9.6	0%	4.9	4.6
Operating profit before tax	134.9	123.9	9%	63.3	71.6
Underlying profit before tax	137.5	127.2	8%	64.8	72.7

Key figures	31/12/2024	31/12/2023		30/06/2024	
Cost/income ratio (%)	64	63		61	
FTEs	548	517	6%	541	1%

Client assets (€ billion)	31/12/2024	31/12/2023		30/06/2024	
Client assets	58.0	50.9	14%	55.2	5%
- AuM	43.7	36.8	19%	41.6	5%
- AuA	3.3	2.9	12%	3.2	5%
- Savings and deposits	11.0	11.1	-1%	10.5	4%

Client assets at Private Clients Netherlands increased by 14% in 2024 to €58.0 billion as a result of strong net AuM inflows of €2.1 billion, c. 80% of which came from new clients. Positive market performance added €4.8 billion. Our net inflow consisted mostly of non-discretionary management (88%), with 12% in discretionary management. We see increasing demand from our clients for a combination of discretionary management and investment advice, including specific investments such as in private markets. At the end of 2024, assets under discretionary management made up 41% of total AuM (2023: 42%) and non-discretionary management amounted to 59% (2023: 58%).

AuM at Private Clients Netherlands (€ billion)



In 2024, AuM at Evi climbed 13% to €7.2 billion (2023: €6.4 billion) as a result of positive market performance partially offset by modest net outflows, mainly driven by regular household consumption.

Total AuM at Private Clients Switzerland amounted to €2.8 billion (2023: €2.4 billion).

Savings and deposits showed an outflow of €0.1 billion. This was driven by two factors. Firstly, savings declined due to clients converting part of their wealth into investments, mainly in the first half of 2024. Secondly, savings within Evi rose throughout the year, by a total of €0.7 billion, due to our improved savings proposition.

Client assets (€ billion)	Private Clients Netherlands
Client assets at 31 December 2023	50.9
AuM net in/outflow	2.1
Market performance of AuM	4.8
Change in AuA	0.4
Savings and deposits in/outflow	-0.1
Client assets at 31 December 2024	58.0

Private Clients Belgium

This segment includes our private banking activities in Belgium, where we operate under the Mercier Van Lanschot brand.

The segment achieved a strong operating result before tax of €37.8 million (2023: €27.8 million), driven by higher commission income. The strong commercial momentum in the attractive Belgium private banking market translated into continued growth, with a high net inflow of €2.2 billion in 2024, as we welcomed new clients and existing clients entrusted a larger share of their assets to us. Along with a positive market performance of €1.2 billion, this AuM growth led to a 32% rise in commission income, which more than compensated for the decline in interest income.

Private Clients Belgium's total commission income came in at €105.8 million. Its margin on AuM remained stable at 80 bps in 2024 (2023: 80 bps).

Operating expenses rose by 10%, mainly due to a 15% increase in FTEs. We grew our organisation to accommodate the client growth by establishing a scalable operating model, which is reflected in an improved cost/income ratio of 55% (2023: 62%). Given our ambition for scalable growth, we continue to focus on cost management and the composition of our workforce while delivering the impeccable client service that underpins our commercial success. The latter was reflected in our NPS of 62 (2023: n/a).

We completed the acquisition of the Belgian investment adviser Accuro on 29 April 2024, which has broadened our offering and expertise for our clients, especially in the field of investment advice. The costs related to the migration of clients, the amortisation of intangible assets and the accounting treatment of this acquisition are reported in "Special items", which accounts for the increase in this line item compared with 2023.

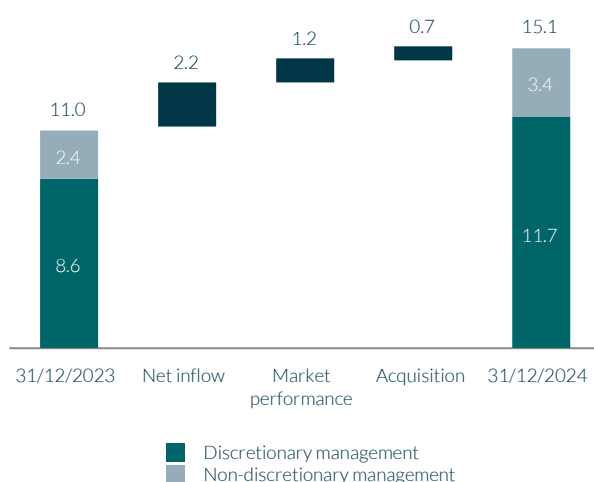
Financial results (€ million)	2024	2023		H2 2024	H1 2024
Commission	105.8	80.0	32%	56.0	49.8
Interest	9.3	12.6	-26%	5.0	4.4
Other income	0.5	0.5	-1%	0.2	0.3
Income from operating activities	115.6	93.1	24%	61.2	54.4
Operating expenses	63.2	57.7	10%	32.6	30.6
Gross result	52.4	35.4	48%	28.6	23.9
Impairments	0.1	-1.9		0.1	0.0
Operating profit before one-off charges and tax	52.3	37.3	40%	28.5	23.8
Special items	14.5	9.4	53%	7.3	7.1
Operating profit before tax	37.8	27.8	36%	21.1	16.7
Underlying profit before tax	44.2	29.6	50%	24.4	19.9

Key figures	31/12/2024	31/12/2023		30/06/2024	
Cost/income ratio (%)	55	62		56	
FTEs	188	163	15%	172	9%

Client assets (€ billion)	31/12/2024	31/12/2023		30/06/2024	
Client assets	16.5	12.2	36%	15.0	10%
– AuM	15.1	11.0	38%	13.7	10%
– AuA	0.1	0.1	-7%	0.1	-11%
– Savings and deposits	1.3	1.1	19%	1.3	5%

Client assets at Private Clients Belgium increased by 36% in 2024 to €16.5 billion, mainly as a result of strong net AuM inflows of €2.2 billion. In addition, market performance was positive at €1.2 billion and the acquisition of Accuro added €0.7 billion.

AuM at Private Clients Belgium (€ billion)



At the end of 2024, assets under discretionary management made up 77% of our total AuM (2023:78%) and non-discretionary management amounted to 23% (2023: 22%).

Client assets (€ billion)	Private Clients Belgium
Client assets at 31 December 2023	12.2
AuM net in/outflow	2.2
Acquisition of AuM	0.7
Market performance of AuM	1.2
Change in AuA	-0.0
Savings and deposits in/outflow	0.2
Client assets at 31 December 2024	16.5

Investment Management Clients

This client segment includes our investment management activities in Western Europe. Investment Management Clients is an active management boutique with expertise in small caps, credits and private equity, serving clients with focused strategies and fiduciary management services. Investment Management Clients serves our private banking clients in the Netherlands, Belgium and Switzerland, fiduciary clients in the Netherlands and the UK, and wholesale clients in Western Europe. Our offering was further strengthened by the successful launch of the Kempen North American Private Equity Fund in October 2023, with capital raised in three funding rounds in 2024.

This client segment's operating profit before tax more than doubled in 2024 to €24.9 million (2023: €10.1 million). Growth in commission income was derived from higher AuM on the back of net inflows, in combination with positive market performance. We also focused on growing our small-cap strategies and realising net revenue growth within fiduciary management services both in the Netherlands and UK. This, in combination with successfully on-boarding new clients and increasing asset allocations from our existing clients, resulted in an operating income of €128.2 million, up by 14% compared with 2023.

Investment Management Clients' 2024 commission income rose to €127.2 million (2023: €111.8 million). The margin remained stable at 15 bps in 2024 (2023: 15 bps).

Operating expenses increased slightly by 2% compared with 2023, partly due to measures taken to further accelerate profitable growth by simplifying our organisational structure and structurally reducing costs. We maintain our focus on cost levels and our team continuously assesses our investment strategies, to ensure a distinctive and future-fit value proposition.

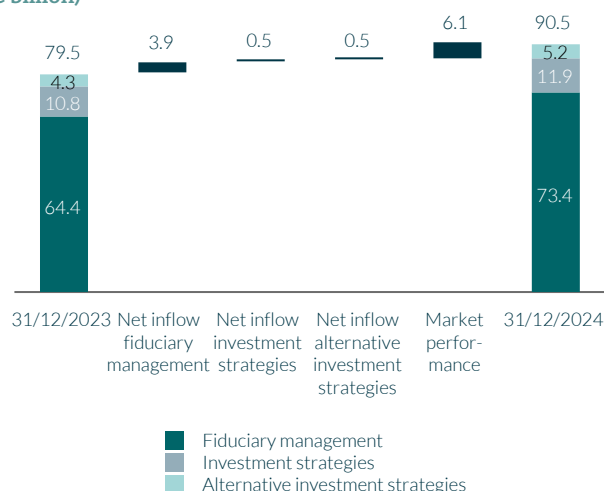
Financial results (€ million)	2024	2023		H2 2024	H1 2024
Commission	127.2	111.8	14%	64.8	62.4
Interest	0.9	0.4		0.5	0.4
Other income	0.1	0.1	51%	-0.0	0.1
Income from operating activities	128.2	112.3	14%	65.3	62.9
Operating expenses	102.9	100.5	2%	53.7	49.2
Gross result	25.3	11.7		11.6	13.7
Impairments	-0.0	-0.0		0.0	-0.0
Operating profit before special items and tax	25.3	11.7		11.6	13.7
Special items	0.4	1.6	-75%	0.2	0.2
Operating profit before tax	24.9	10.1		11.4	13.5
Underlying profit before tax	24.9	11.3		11.4	13.5

Key figures	31/12/2024	31/12/2023		30/06/2024	
Cost/income ratio (%)	80	90		78	
FTEs	327	326	0%	321	2%

Client assets (€ billion)	31/12/2024	31/12/2023		30/06/2024	
Client assets	92.1	80.3	15%	85.1	8%
– AuM	90.5	79.5	14%	84.1	8%
– AuA	1.5	0.7		1.0	46%
– Savings and deposits	0.1	0.0		0.0	86%

Fiduciary management showed net inflows of €3.9 billion, from new clients in the Netherlands and the UK as well as existing clients who entrusted us with more of their assets, in combination with enhanced fiduciary management services and positive market performance of €5.0 billion. Fiduciary management AuM grew by €9.0 billion in 2024.

AuM at Investment Management Clients (€ billion)



Investment strategies showed net inflows of €0.5 billion, driven by inflows in small caps and credits, and further benefited from a positive market performance of €0.7 billion. Investment strategies AuM rose by €1.1 billion in 2024 to €11.9 billion, including €3.5 billion in AuM from private banking clients.

Alternative investment strategies achieved net inflows of €0.5 billion, mainly from private equity, farmland and non-listed real estate, and notched up a positive market performance of €0.4 billion. Alternative investment strategies AuM grew by €0.9 billion in 2024 to €5.2 billion, including €1.5 billion in AuM from private banking clients.

Client assets (€ billion)	Investment Management Clients
Client assets at 31 December 2023	80.3
AuM net in/outflow	4.9
Market performance of AuM	6.1
Change in AuA	0.8
Savings and deposits in/outflow	0.1
Client assets at 31 December 2024	92.1

Investment Banking Clients

Investment Banking Clients is a specialist investment bank with an international sector-focused approach in European real estate, life sciences & healthcare, tech & fintech and infrastructure. This client segment includes our full suite of investment banking activities in the Netherlands as well as our securities broker-dealer activities in the US. Investment Banking Clients offers our clients across Western Europe and the US expert services including M&A, equity capital markets (ECM) transactions, debt advisory services and equities research and trading.

The segment achieved a positive operating profit before tax of €3.9 million (2023: -€4.4 million) supported by increased securities and trading income and stronger commission

income. Across M&A and ECM transactions and debt advisory services, we successfully completed transactions for both new and existing clients.

Investment Banking Clients' 2024 commission income rose to €40.2 million (2023: €36.5 million). Commission income from corporate finance activities and ECM transactions rose to €29.5 million (2023: €25.7 million). Other income grew to €5.8 million (2023: €2.1 million) due to the earn-out of €3.7 million we received in connection with the sale of 100% of the shares of Global Property Research (GPR), completed in 2021.

Operating expenses decreased by 2% compared with 2023, reflecting measures taken to structurally reduce costs.

Financial results (€ million)	2024	2023		H2 2024	H1 2024
Commission	40.2	36.5	10%	16.2	24.0
Interest	-0.4	-0.3	-31%	-0.2	-0.2
Other income	5.8	2.1		4.5	1.3
Income from operating activities	45.7	38.4	19%	20.6	25.1
Operating expenses	41.8	42.8	-2%	19.7	22.1
Gross result	3.9	-4.4		0.9	3.0
Operating profit before special items and tax	3.9	-4.4		0.9	3.0
Operating profit before tax	3.9	-4.4		0.9	3.0
Underlying profit before tax	3.9	-4.4		0.9	3.0

Key figures	31/12/2024	31/12/2023		30/06/2024	
Cost/income ratio (%)	91	111		88	
FTEs	105	102	3%	105	-1%

Other

The Other segment comprises activities in the fields of our management book, interest rate and liquidity risk management, structured products and staff departments, as well as the activities of Van Lanschot Participaties and Bolster investment funds and other consolidated investments such as Allshare.

This segment includes group function costs that are not allocated to the client segments. The result of valuation gains on our participating interests and own investments did not fully compensate these costs, leading to an operating profit before tax of -€8.1 million (2023: €6.7 million).

The decrease compared with 2023 was mainly due to the sale of our 33.3% interest in Movares Group BV in November 2023 at a book profit of €23.1 million. This was partially offset in 2024 by the improved performance of our structured products activities (€2.3 million, up from €0.3 million in 2023) as well as a one-off earn-out on the sale of former AIO II (Medsen) in 2019 of €2.0 million.

The limited FTE growth in 2024 of 7% was mainly due to the conversion of external hires into permanent employees, particularly within our IT domain.

Financial results (€ million)	2024	2023		H2 2024	H1 2024
Commission	3.8	5.0	-23%	1.7	2.2
Interest	8.6	11.7	-26%	7.1	1.5
Other income	22.5	35.6	-37%	8.7	13.7
Income from operating activities	34.9	52.3	-33%	17.5	17.4
Operating expenses	44.7	44.0	1%	20.9	23.8
Gross result	-9.7	8.3		-3.3	-6.4
Impairments	0.9	0.4		0.1	0.7
Operating result before tax of non-strategic investments	3.9	0.1		0.0	3.9
Operating profit before special items and tax	-6.7	8.0		-3.4	-3.3
Special items	1.4	1.3	5%	1.0	0.4
Operating profit before tax	-8.1	6.7		-4.4	-3.7
Underlying profit before tax	-7.5	7.3		-3.8	-3.7

Key figures	31/12/2024	31/12/2023		30/06/2024	
Cost/income ratio (%)	128	84		137	
FTEs	851	796	7%	797	7%

Client assets (€ billion)	31/12/2024	31/12/2023		30/06/2024	
Client assets	1.0	1.5	-33%	1.4	-25%
- AuM	—	—		—	
- AuA	0.6	1.1	-45%	1.0	-35%
- Savings and deposits	0.4	0.4	3%	0.4	2%

Financial results

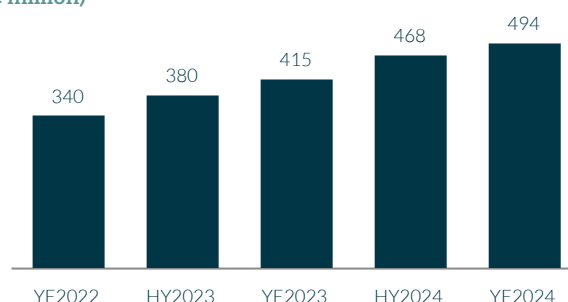
Commission

Commission (€ million)	2024	2023		H2 2024	H1 2024
Securities commissions	469.3	389.8	20%	242.0	227.4
- of which management fees	443.9	366.5	21%	230.8	213.1
- of which transaction fees	25.4	23.3	9%	11.1	14.3
Other commissions	41.9	37.4	12%	17.8	24.1
Commission	511.2	427.2	20%	259.7	251.5

Commission income grew by 20% compared with 2023 to €511.2 million, and accounted for 71% of our total operating income (2023: 64%). Management fees rose 21%, reflecting the strong growth in AuM. This was a result of net inflows and positive market performance in our Private Clients Netherlands, Private Clients Belgium and Investment Management Clients segments. Transaction fees were up by €2.1 million, driven predominantly by increased activity from our advisory clients. Other commissions increased, mainly as a result of more M&A, ECM and debt advisory activities in our Investment Banking Clients segment.

Annualised recurring securities commission income (run rate) rose by 19% compared with year-end 2023 on the back of higher AuM. Annualised recurring fees are determined by multiplying the AuM on the reporting date by the management fee per client to determine the expected annualised management fee, assuming the AuM remains unchanged. The expected annual transaction fees relating to these client portfolios are then added to this number.

Annualised run rate of securities commission income (€ million)



Interest

Interest (€ million)	2024	2023		H2 2024	H1 2024
Clean interest margin	174.4	192.6	-9%	82.8	91.6
Loan commission	1.9	1.9	0%	0.8	1.1
Early redemption fees	1.4	3.5	-60%	0.8	0.6
Miscellaneous interest income and charges	-2.2	-1.5	-50%	-1.2	-1.1
Interest	175.4	196.5	-11%	83.2	92.2

Interest income in 2024 totalled €175.4 million, down 11% compared with €196.5 million achieved in 2023. Interest income accounted for 24% of our total operating income (2023: 30%). The first half of 2024 saw interest income of €92.2 million, however this dropped to €83.2 million in the second half-year, due to lower interest margins driven by lower ECB rates and changes in the composition of our liabilities. These developments had a dampening impact on the interest margin.

In comparison with year-end 2023, the total interest margin (12-month moving average) fell by 18 bps to an average of 106 bps. The clean interest margin stood at 106 bps at year-end 2024, a drop of 16 bps compared with year-end 2023.

Average total client savings and deposits volumes were higher than in 2023. However, the product mix was different, as current account volume was lower while the average volume in term deposits was higher than in 2023. The growth in savings came mostly via our Evi savings proposition, by offering former Robeco clients an attractive savings rate.

Savings and deposits

In response to the ECB's rate cuts, we have lowered the interest rates on savings and deposits, albeit at a slower pace. This resulted in lower interest income as net interest margins showed an expected normalisation.

Total client savings and deposits increased by €0.2 billion, resulting in a year-end position of €12.8 billion compared with €12.6 billion at the end of 2023. Savings rose by €0.8 billion, primarily driven by the commercial success of the savings proposition for Evi clients. However, we observed a decline in volumes from our private banking clients as they transferred their wealth to investments, effectively turning interest income into commission income.

Loans

Our total loan portfolio to clients grew €0.2 billion to €9.3 billion, mainly due to higher Lombard loan production. Mortgage loan volumes remained stable.

Income from securities and associates

Income from securities and associates (€ million)	2024	2023		H2 2024	H1 2024
Dividend	3.1	6.0	-49%	0.9	2.2
Realised capital gains	3.7	23.6	-84%	3.7	—
Valuation gains and losses	9.5	8.4	12%	4.8	4.7
Income from securities and associates	16.3	38.1	-57%	9.4	6.9

Income from and book value of securities and associates (€ million)	Income 2024	Income 2023	Book value year-end 2024	Book value year-end 2023
Van Lanschot Kempen Participaties (minority interests)	1.7	28.4	34.9	35.0
Bolster investment funds ⁴	4.9	3.9	83.2	76.3
Co-investments in own investment funds	5.8	5.2	61.7	83.8
Other equity investments	3.9	0.6	2.1	2.1
Total from securities and associates	16.3	38.1	181.9	197.2

Income from securities and associates relates to investments of our equity investment company, Van Lanschot Kempen Participaties, and our investments in Bolster investment funds. We also participate in our own investment funds via our management book, as this allows us to provide seed capital and align our own interests with those of our clients.

In 2024, we realised an earn-out of €3.7 million related to the sale of GPR. In 2023, we sold our participating interest in Movares, which resulted in a book profit of €23.1 million.

Valuation gains and losses rose by €1.0 million to €9.5 million in 2024, reflecting the positive results in our private equity portfolio and higher results in our own investment funds compared with 2023.

We reduced the size of our co-investments in own investment funds due to the increased size of certain funds, as well as for capital optimisation purposes related to Basel IV, lowering the book value by €22.1 million to €61.7 million. The book value of Bolster investment funds grew by €6.9 million due to additional calls on existing commitments.

The total result of co-investments in our own investment funds amounted to €4.6 million (2023: €1.8 million), consisting of €5.8 million in income on our own investment funds, driven by market performance, and a -€1.2 million result on hedges. The result on hedges is reported under the results on financial transactions (below). The book value of our management book fell due to several divestments.

⁴ This includes Bolster Investments Coöperatief UA & Bolster Investments II Coöperatief UA.

Result on financial transactions

Result on financial transactions (€ million)	2024	2023		H2 2024	H1 2024
Result on securities trading	2.3	1.7	42%	1.2	1.2
Result on currency trading	11.0	7.6	45%	5.6	5.4
Result on investment portfolio	-1.5	-1.6	10%	-1.5	0.0
Result on hedges	2.0	-4.9		-0.4	2.4
Other income	0.0	-1.7	100%	-0.2	0.2
Result on financial transactions	13.9	1.0		4.8	9.1

Our currency trading result came in strong at €11.0 million (2023: €7.6 million). Trading activities in currency and securities are the result of client facilitation only – providing liquidity to clients.

The €2.0 million positive result on hedges (2023: -€4.9 million) was achieved mainly by hedges applied to our structured products activities, which recorded a result of €2.2 million (2023: -€0.1 million). In addition, hedge accounting ineffectiveness accounted for a positive result of €1.1 million (2023: -€1.8 million).

This was partly offset by the result on futures that are used to mitigate risk relating to our investments in our own investment funds, which recorded a negative result of -€1.2 million (2023: -€3.4 million), as noted under income from securities and associates.

Total income on structured products activities, including commission income, came in at €5.5 million (2023: €2.8 million).

Operating expenses

Operating expenses (€ million)	2024	2023		H2 2024	H1 2024
Staff costs	334.5	317.3	5%	169.1	165.4
Other administrative expenses	150.3	139.7	8%	76.3	74.0
Depreciation and amortisation	18.0	17.7	1%	9.1	8.8
Operating expenses	502.8	474.8	6%	254.5	248.2

Staff costs

Staff costs grew by €17.2 million in 2024, mainly driven by higher personnel costs due to a rise in fixed salary expenses and an addition of 114 FTEs throughout the year, including 10 FTEs as a result of the acquisition of Accuro and the conversion of external hires into permanent employees, particularly within our IT domain. This is a total increase of 6% in FTEs compared with year-end 2023. In addition, staff costs were up as a result of the acquisition of Robeco's online investment platform – which was only accounted for in the second half of 2023. We also made a one-off end-of-year payment to all employees, amounting to €4.3 million.

Other administrative expenses

Other administrative expenses rose to €150.3 million (2023: €139.7 million), taking into account the acquisition of Robeco's online investment platform in the second half of 2023 and Accuro in 2024, which resulted in a combined cost increase of €5.1 million. The other administrative expenses that were higher than in 2023 relate to technology and digitalisation, marketing and communication, and external auditors' fees.

Cost/income ratio

The cost/income ratio – i.e. the ratio of operating expenses (excluding costs incurred for special items) to income from operating activities – amounted to 70.1% (2023: 71.6%), which is just outside our 2027 cost/income ratio target range of 67-70%.

Impairments

Impairments (€ million)	2024	2023		H2 2024	H1 2024
Addition of loan loss provisions	-1.4	2.0		-3.2	1.7
Other impairments	—	—		—	—
Impairments	-1.4	2.0		-3.2	1.7

Release of loan loss provisions

Several years have passed since the onset of the pandemic and the rise in geopolitical tensions, giving any unforeseen risks and consequences time to materialise. Currently, we see no impact that is not already reflected in our reported arrears, the outcome of our models or the forecasts that are used as inputs in our models. Therefore, we see no clear indication that a management overlay is necessary to compensate for current risks that are not already reflected in the outcome of our models.

In the fourth quarter of 2024, we decided to no longer apply the management overlay, which resulted in a release of the provision. At year-end 2023, the management overlay amounted to €3.4 million.

For more information about the management overlay, see Section 3.8.7, "Model changes", in the financial statements. In 2024, the total release of our loan loss provisions amounted to €1.4 million (2023: addition of €2.0 million), highlighting the credit quality of our loan book and the benign economic circumstances.

In 2024, the release of the loan loss provisions relative to average risk-weighted assets resulted in an overall release of 3 bps (2023: addition of 5 bps).

Other impairments

As in 2023, we had no other impairments in 2024.

Special items

Special items (€ million)	2024	2023		H2 2024	H1 2024
Amortisation of intangible assets arising from acquisitions	16.3	15.2	7%	8.1	8.1
Expenses related to accounting treatment of acquisitions	5.8	1.2		2.7	3.2
Release of provision for revolving consumer credit	—	-0.3		—	—
Restructuring charges	3.7	5.9	-37%	2.7	1.0
Special items	25.8	21.9	18%	13.5	12.3

We recognised several special items in 2024, amounting to €25.8 million (2023: €21.9 million).

The amortisation of intangible assets arising from acquisitions increased to €16.3 million in 2024, due to the acquisition of Robeco's online investment platform during 2023 and Accuro in 2024.

In 2023, we completed the acquisition of Mercier Vanderlinden and in 2024 we acquired Accuro. As a consequence of the agreed transaction structures, certain elements from past transactions must be treated as special items and are thus included in the expenses related to the accounting treatment of acquisitions. This item rose to €5.8 million (2023: €1.2 million) due to the acquisition of Accuro.

Non-strategic investments

We currently have a majority stake in one non-strategic financial investment, Allshare. The operating result before tax from this stake amounted to €0.1 million in 2024 (2023: €0.1 million). Additionally, €3.7 million of one-off items were realised, including an earn-out of €2.0 million related to the sale of AIO II (Medsen) in 2019.

We recognised €3.7 million in special items in 2024 for restructuring charges, mainly relating to the acquisition and integration of Robeco's online investment platform and Accuro.

Income tax

Income tax for 2024 amounted to €51.6 million (2023: €39.0 million), which translates to an effective tax rate of 26.7%, compared with 23.8% in 2023. Our effective tax rate is above the general Dutch tax rate of 25.8%, mainly due to several non-deductible expenses. See Note 32 to the consolidated statement of income for more information.

Earnings per share

Earnings per share (€ million)	2024	2023		H2 2024	H1 2024
Net result	141.9	125.2	13%	67.4	74.5
Share of non-controlling interests	-0.2	0.0		0.0	-0.2
Share of holders of AT1 capital securities	-9.9	-6.8	-47%	-4.4	-5.5
Net result for calculation of earnings per ordinary share	131.9	118.4	11%	63.0	68.8
Earnings per ordinary share (€)	3.11	2.82	10%	1.49	1.62
Weighted average outstanding shares (x 1,000)	42,386	41,969	1%		

Share of holders of Additional Tier 1 (AT1) capital securities relates to the coupon of €100 million in AT1 notes and includes double interest expenses for two months, due to issuance of new notes on 29 January 2024 and the redemption of notes issued in 2019 on 1 April 2024. These securities count as Tier 1 qualifying capital when determining capital adequacy.

We propose a 2024 cash dividend to our shareholders of €2.75 per share, with a pay-out ratio, based on the net result attributable to shareholders, of 88% (2023: €2.00, pay-out ratio of 72%).

Statement of financial position

Statement of financial position and capital management (€ million)	31/12/2024	31/12/2023		30/06/2024	
Equity attributable to shareholders	1,275	1,247	2%	1,216	5%
Equity attributable to AT1 capital securities	102	102	1%	102	0%
Savings and deposits	12,767	12,574	2%	12,234	4%
Loans and advances to clients	9,331	9,161	2%	9,146	2%
Total assets	16,983	16,836	1%	16,448	3%
Loan-to-deposit ratio (%)	73.1	72.9		74.8	

Loan portfolio

Loan portfolio (€ million)	31/12/2024	31/12/2023		30/06/2024	
Mortgages	6,396	6,368	0%	6,251	2%
Other loans	2,348	2,182	8%	2,291	2%
Loan portfolio	8,744	8,550	2%	8,541	2%
Mortgages distributed by third parties	330	348	-5%	341	-3%
Other loans covered by residential real estate	293	302	-3%	303	-3%
Total	9,366	9,200	2%	9,185	2%
Credit impairment allowance	-35	-38	8%	-39	10%
Total loan portfolio	9,331	9,161	2%	9,146	2%

Our total loan portfolio grew by €0.2 billion to €9.3 billion, mainly due to higher Lombard loan production.

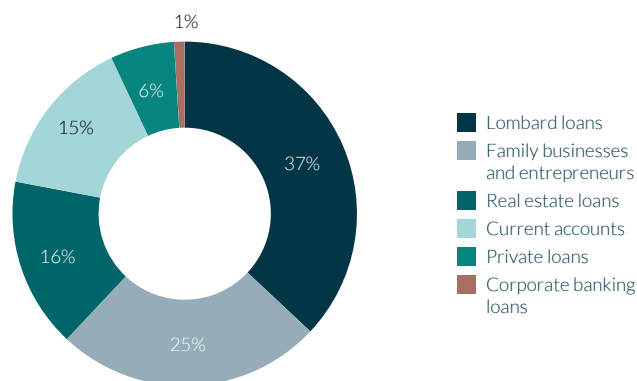
Mortgages

Mortgages remained stable at €6.4 billion (2023: €6.4 billion) and make up 68% of our loan portfolio (2023: 69%). These mortgages are primarily granted to high-net-worth individuals. The weighted average loan-to-value ratio is 60% (2023: 64%).

Other loans

Other loans comprise loans to high-net-worth individuals as well as commercial loans that fit into our private banking relationship model. In 2024, other loans grew to €2.3 billion (year-end 2023: €2.2 billion) mainly due to an increase in Lombard loans.

Other loans: type of loan
(100% = €2.3 billion)



Mortgages distributed by third parties

The portfolio of mortgages distributed by third parties consists of regular Dutch mortgages. It accounts for 4% of our total loan portfolio, with a volume of €330 million (2023: €348 million).

Other loans covered by residential real estate

In 2022, we invested in a fund managed by Aegon Asset Management. The investment is a dedicated tranche for Van Lanschot Kempen that primarily consists of Dutch mortgage receivables with a Dutch national mortgage guarantee (NHG), enabling institutional parties to invest in Dutch mortgages. At year-end 2024, the volume in the fund amounted to €293 million (2023: €302 million).

Impaired loans and provisions

We take provisions for the impaired loans in our loan book. Impaired loans Stage 3 (IFRS 9) totalled €127 million at year-end 2024, a small increase of 1% compared with 2023 (€126 million), mainly due to one exposure. The total impaired ratio remained stable at 1.4% (year-end 2023: 1.4%).

The Stage 3 provisions for these loans amounted to €28 million, resulting in a coverage ratio of 22% (2023: 22%). The relatively low coverage ratio is explained by the good quality and amount of collateral pledged against the loans.

Provision at 31 December (€ million)	Loan portfolio	Impaired loans	Provision	Impaired ratio 2024	Covered ratio 2024	Impaired ratio 2023	Covered ratio 2023
Mortgages	6,396	36	2	0.6%	6%	0.4%	8%
Other loans	2,348	90	26	3.8%	29%	4.5%	26%
Loan portfolio	8,744	127	28	1.4%	22%	1.5%	22%
Mortgages distributed by third parties	330	—	—	—%	—%	0.2%	0%
Other loans covered by residential real estate	293	—	—	—%	—%	—%	—%
Total	9,366	127	28	1.4%	22%	1.4%	22%
Provision	-35		—				
Total loan portfolio	9,331		28				
ECL Stage 1 and 2 (IFRS 9)			7				
Total ECL (IFRS 9)			35				

Capital and liquidity management

Capital and liquidity management (€ million)	31/12/2024	31/12/2023		30/06/2024	
Total risk exposure amount	4,466	4,409	1%	4,509	-1%
CET 1 ratio (%) ⁵	19.4	19.6		18.8	
CET 1 ratio (Basel IV fully loaded) (%) ^{5, 6}	19.3	c. 18.5		18.5	
Tier 1 ratio (%) ⁵	21.7	21.9		21.0	
Total capital ratio (%) ⁵	25.2	25.3		24.3	
Leverage ratio (%)	5.7	5.8		5.8	

Our CET 1 ratio stood at 19.4% at year-end 2024 (2023: 19.6%). The ratio benefited from further optimisation of our equity positions and several other smaller factors, but these were offset by events such as the acquisition of Accuro, the conclusion of a lease for our new office in Amsterdam, and an increase in our operational risk due to the higher level of income.

Our CET 1 Basel IV fully loaded ratio stood at 19.3%, well above our target of 17.5%, which includes a 2.5% buffer that can be used temporarily for M&A.

CET 1 ratio (%)



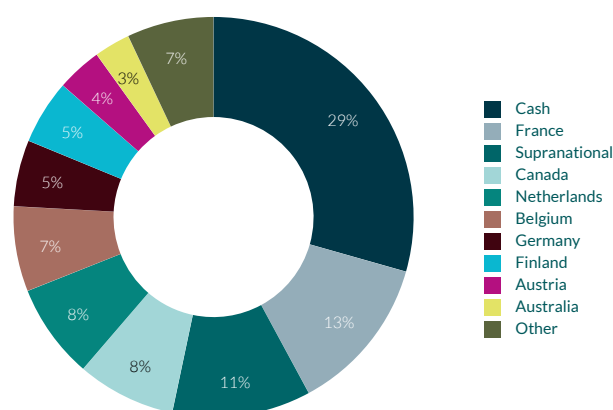
Our total risk exposure amount was up to €4.5 billion in 2024 (year-end 2023: €4.4 billion), driven by the conclusion of the lease for our new office in Amsterdam and an increase in our operational risk due to the higher level of income. The latter reflects that a growing organisation with higher income from operating activities entails higher operational risk.

Regulatory capital (€1,000)	31/12/2024	31/12/2023
Total risk exposure amount	4,466,360	4,409,184
CET 1	865,016	864,873
Required CET 1	528,204	473,729
Tier 1	967,258	964,873
Required Tier 1	639,584	581,698
Total capital	1,124,504	1,114,873
Required total capital	788,090	725,658

Investment portfolio and cash

The total investment portfolio and cash⁷ amounted to €6.3 billion at the end of 2024 (2023: €6.3 billion). Cash held with central banks stood at €1.9 billion. The investment portfolio is primarily held for asset and liability management purposes, and mainly comprises low-risk and highly liquid instruments.

Investment portfolio and cash by country at 31 December 2024 (100% = €6.3 billion)



The "Other" category in the graph above consists of country exposures of 2% or less, and includes Sweden and Norway, each accounting for 2%, and New Zealand, Denmark and Luxembourg, each accounting for 1% of the total portfolio.

Loan-to-deposit ratio

We aim for a balanced funding mix with sufficient diversification, through retail and wholesale markets, products and maturities. By the end of 2024, our loan-to-deposit ratio had increased by 0.2 percentage points to 73.1% (2023: 72.9%). At year-end 2024, our liquidity buffer was substantial, leading to a liquidity coverage ratio of 220.7% (2023: 224.7%) and a net stable funding ratio of 160.2% (2023: 156.4%).

Events after the reporting period

We propose to return €1.40 per share in June 2025 and this has been approved by De Nederlandsche Bank (DNB). We will convene an extraordinary general meeting (EGM) on 10 April 2025 to confirm this proposal. The expected impact of this capital return is approximately -€59 million on our equity and -1.3% on our CET 1 ratio.

⁵ Full-year 2024 and 2023 including retained earnings; half-year 2024 excluding retained earnings.

⁶ Based on Van Lanschot Kempen's interpretation of Basel IV at time of reporting.

⁷ Investment portfolio and cash comprises the balance of financial assets at fair value through other comprehensive income, other financial assets at amortised cost, financial assets designated at fair value through profit or loss, cash withdrawable on demand from central banks, and highly liquid (cash) investments.

From risks to opportunities



“

I've found so much passion and willingness to help – it feels like home

Damla was attracted to the company's entrepreneurial culture, commercial momentum and heritage. "It's really quite something to exist for almost 300 years," she says. "And there's a high level of risk awareness in the organisation: we know how serious our societal impact is, and that our risk and compliance culture is essential to our licence to operate."

Indith works in the Non-Financial Risk Management department, and this impact is also what attracted her to the firm. "Besides my role as an operational risk manager, I have additional responsibilities in various sustainability projects. These are all based on my personal interests, which I've been supported in pursuing."

Since joining the Management Board in June, Damla's first impressions are even better than she expected: "I've had the opportunity to work closely with our colleagues in different parts of the organisation, from our bankers and portfolio managers to IT colleagues. At every layer, I've found so much passion and willingness to learn and help each other. It feels like home."

Indith shares this sentiment after two years in the company. "Van Lanschot Kempen promotes knowledge and growth for



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Van Lanschot Kempen promotes knowledge and growth for those who want to develop

those who want to develop. This goes for both professional and personal skills. I've become more decisive, more confident and more understanding of others in my time here."

Looking ahead, Damla's vision is to build on our solid foundation. "With various new regulations coming up, we want to remain compliant and make sure compliance stays embedded in our DNA. We're also looking at where automation can support our people – as people power our success."

Indith recognises the key role of people in facing future challenges: "In our ever-evolving industry, with developments in automation, AI and sustainability, the risk domain needs people who are confident and decisive but also caring and open. Damla's fresh perspective and relatively young age compared with her peers have inspired me to take ownership of my career. With the values we carry and the way we approach the challenges that arise, we'll reach new heights together."

Damla Hendriks (L)

Chief Risk Officer

Indith Putri (R)

Risk Specialist, Non-Financial Risk Management

Risk and capital management

Key risk themes for Van Lanschot Kempen	
Rapid decline of markets A significant amount of our profit is generated by commission income. A major part of this commission income is dependent on the level of assets under management (AuM). If AuM declines, our commission income also declines.	Response By looking at the composition of our AuM, we can analyse the possible impact of a decline. Some fees are fixed, while other fees are dependent on the level of AuM. Furthermore, some AuM consists of equities and some of bonds. During a decline in equity markets, interest rates tend to drop, causing the value of bonds to rise, which makes up for the decline in equity. Although declining interest rates are the general pattern during recessions, there are scenarios under which interest rates increase during recessions (stagflation), which we also take into account. Besides scenario analyses, we look for possible response measures for equity market decline, such as cost reductions. Given the sharp rise in US equity markets and stable European equity markets, no measures were required in 2024.
Interest rate decline Over the course of 2024, the European Central Bank (ECB) cut the deposit facility rate from 4.0% to 3.0%, while long-term interest rates remained unchanged. During 2024, we saw a volatile trajectory of changes in market expectations of the timing and speed of ECB interest rate cuts for 2024 and 2025. As was the case when interest rates were rising, interest rates on non-maturing deposits follow changes in market rates with a delay, depending on market circumstances and competition. This results in smaller margins in relation to the lower ECB deposit facility rate, compared with rising margins when ECB rates rise.	Response We kept a close eye on developments in client deposit volumes and client loan demand, and adjusted our interest rates regularly to adjust to client behaviour, actions of other banks and financial market developments. We enhanced our interest rate risk management during the year by implementing new models used for hedging interest rate risk. Active steering with derivatives complemented these actions, which enabled us to quickly adjust our balance sheet to changing market circumstances.
Operational and digital resilience Operational and digital resilience are increasingly vital for financial institutions due to their interconnected and complex nature, making them susceptible to disruptions. Regulations such as the Digital Operational Resilience Act (DORA) mandate enhanced resilience to withstand and recover from such disruptions. The pandemic highlighted the need for adaptable operational frameworks as institutions shifted to remote working and digital transactions. Client expectations for seamless digital banking services further underline the importance of resilience to avoid reputational damage and business loss. Rapid technological advances necessitate continuous innovation and adaptation, integrating technologies such as AI and cloud computing, which require resilient frameworks to manage new risks and ensure long-term success.	Response We conducted a DORA project to ensure compliance with the regulatory requirements. The project delivered an improved resilience framework that includes revised policies and procedures with respect to information security, incident management and business continuity management. Critical and important third-party IT service providers were contacted to amend current contracts and to include the relevant requirements. Other actions to address the growing importance of operational and digital resilience included the increased training of crisis team members. We also invested in new ways to quantify operational risk by executing scenario analysis on severe but plausible events.
Cyber risk Cyber risk continues to be a critical risk type for financial institutions. The financial sector is a prime target for cybercriminals due to the valuable and sensitive nature of their assets, including client data. Cyberattacks have become more sophisticated and frequent. Threats from ransomware, attacks on and through third parties and exploitation of zero-day vulnerabilities remain a primary focus, necessitating robust security measures to prevent financial losses and client impact.	Response We are aware of the risks concerning information security and cybercrime and have invested further in technological and process-related measures to mitigate them, such as mandatory cyber risk and security risk training. We continue to strengthen our security measures to keep pace with increasing cyberthreats and apply a zero-trust approach. By significantly limiting the accessibility of sensitive data and systems, we ensure risks are mitigated within the appetite of the organisation.
Data management The digital transformation of the financial sector has increased the volume and complexity of data we handle. As a result of this transformation, financial institutions need strong data management practices to mitigate the associated risks, such as poor data quality and unavailability of data.	Response Our structured data management governance includes a risk and control framework to effectively mitigate the associated risks. Effective data management enables us to leverage data for strategic decision-making, improve client experiences and maintain regulatory compliance.
Compliance risk: risk-based client due diligence and integrating sustainability regulation into our products and services We aim to continuously improve the efficiency of our client due diligence processes to prevent financial crime risks, while maintaining a personal, client-focused approach and supporting our bankers in their responsibilities towards clients. Furthermore, we are trusted to safeguard our clients' interests and provide fair, clear and non-misleading disclosures and relevant marketing materials. This includes offering products and services that align with our clients' needs, objectives, risk appetite and sustainability preferences.	Response Through our "ongoing due diligence" project, we are developing an integrated, risk-based and data-driven method for our client due diligence processes. Our goal is to effectively balance risks with appropriate mitigating measures. We have also worked on the integration of sustainability risks into our compliance risk framework and continued to implement sustainability regulations. Due to rapid developments in this arena, regulatory priority setting and strong link to client protection, we emphasise the use of accurate and transparent sustainability claims in relation to our products and services.

Risk management

Risk profile and risk appetite

We seek to achieve a solid risk profile, expressed in transparent risk levels coupled with a robust liquidity and capital position. The risks we face are outlined in the following sections. More detailed descriptions are available in the financial statements, where these risks are also quantified in terms of their impact on our balance sheet.

We evaluate our risk appetite each year and this is communicated in a risk appetite statement, which contains both qualitative and quantitative elements. Our risk appetite represents our willingness to accept the risk of particular losses, decreasing buffers and reputational risks, and as such sets our operating boundaries. The statement is prepared by the Group Risk Committee, approved by the Management Board and is also subject to the Supervisory Board's approval.

Our key risk principles underline the risk appetite statement and create the framework within which we operate, as follows:

- As an organisation, we manage risks within our risk appetite. The aim is not to eliminate risks, because taking risks is part of the nature of doing business.
- Our risk appetite should be considered in all material decisions taken by the organisation.
- We only take risks that we understand and can explain.
- The risks we take – directly or indirectly – serve our business model and strategic objectives, and are the result of a careful process to balance risk and reward.
- After determining how much risk we can potentially absorb, we determine how much risk we are willing to take. The sum of all risks taken should not exceed our risk appetite.
- We actively avoid certain risks, because they pose an existential threat to Van Lanschot Kempen. However, risks in the tail will remain, which we have to accept.
- We avoid risks that could lead to legal or regulatory breaches. This includes not getting involved in activities that result in aiding or abetting clients with illegal activities.
- When taking risks, we take the requirements and expectations of all stakeholders into account.

Targets and risk limits are more dynamic and are reviewed at least once per year.

Risk management governance

We operate our risk management framework in accordance with the three lines of defence model. The management teams of individual departments (the first line) are responsible for managing their specific risks. When serving our clients, they must also assess client- and portfolio-related risks, adhere to all Van Lanschot Kempen policies, limits and procedures, and put processes and controls in place to remain in control of their operations.

The second line of defence is formed by Financial Risk Management, Non-Financial Risk Management and Compliance. They report to and advise the Management Board on risk-related matters. The second line also prepares policies and provides guidelines on risk-taking activities, monitors adherence to these policies and guidelines, and challenges the first line on the management of their risks.

Finally, the second line supports the Management Board by facilitating and challenging risk assessments and by providing relevant advice and assistance on applicable regulatory requirements and the design of controls and mitigating actions.

The third line of defence is the Internal Audit department, which monitors and gives assurance on whether the activities of the first and second lines are effectively mitigating the risks identified.

We use insurance to cover certain remaining risks. Furthermore, we are challenged by supervisors – for example in the Netherlands by De Nederlandsche Bank (DNB) and the Dutch Authority for the Financial Markets (AFM) – in our interpretation and adherence to laws and regulations and on whether we are in control of our organisation.

To manage our risks, we have risk and compliance policies and frameworks in place as well as a governance structure. The Management Board has mandated the Group Risk Committee to take certain decisions with regard to risk management. The Committee has mandated certain risk management decisions to specialised committees: the Compliance & Operational Risk Committee, Credit Risk Committee and Market Risk Committee.

Risk appetite and risk profile in 2024

Our risk dashboard and progress report are discussed by the Group Risk Committee every quarter, as well as by the Supervisory Board's Risk and Compliance Committee. Risk-taking is inherent to our business model; low risks are not a means to an end. For a number of reasons, it may be appropriate to accept a higher risk – either temporarily or for a prolonged period. We always consider both gross and net – i.e. after mitigating measures – risk positions, paying extra attention to medium and high net risks.

The risk appetite and risk profile in 2024 for each individual risk type are shown in this simplified version of the risk dashboard:

Risk dashboard	Low	Limited	Medium	High
Strategic risk		●	●	
Non-financial risks				
Operational risk			● ●	
Compliance risk		●	●	
Sustainability risk		● ●		
Financial risks				
Credit risk	●	●		
Market risk		● ●		
Interest rate risk		● ●		
Liquidity risk	● ●			

● Risk appetite in 2024 ● Risk profile in 2024

Clients entrust us with their funds on the basis that they have no doubt about the financial and operational stability of our organisation. This means that we can only operate at limited risk levels. However, certain risks are unavoidable and can only be mitigated to a certain extent. The appetite for strategic risk and operational risk is classified in the dashboard as medium. Our strategic risk appetite is medium, since competition in private banking, investment management and investment banking is strong.

These risks can only be managed by actively steering towards further growth, both organic and inorganic, as well as maintaining a strong relationship with our clients.

Our strategic risks can be managed by generating organic and inorganic growth to maintain the necessary scale for the future and to retain solid performance. Inorganic growth was achieved in 2024 through the integration of Accuro and of Robeco's online investment platform. Our existing clients are very satisfied with our service, as reflected in our high Net Promoter Scores (NPS) and the award of Best Private Bank in the Netherlands 2024. Finally, coupled with strong organic growth in AuM and strong financial results, no noteworthy issues arose in relation to strategic risk – hence the limited score of this risk category in 2024.

Our increasing AuM, the complex nature of our business and the continuing innovation in our investment management activities result in a medium level of operational risk appetite. Nevertheless, we strive to continuously reduce operational risks by improving processes, procedures and our overall organisation.

We experienced some operational incidents (including external fraud attempts) and went through several major change projects in the reporting year. We carried out root cause assessments on larger operational incidents (leading to a loss of >€25,000), which resulted in actions to strengthen our internal control environment.

Our compliance risk appetite was limited, while our actual compliance risk profile in 2024 was medium. The regulatory landscape of the financial sector is both dynamic and complex, requiring significant resources to maintain compliance and stay updated with emerging trends. Implementing regulatory requirements in a timely manner is challenging given the dynamic business environment and increasing regulatory demands on our business activities. We expect ongoing scrutiny from supervisory authorities.

Our sustainability risks remained limited in 2024. The stress tests we performed did not show significant expected impact on profitability, balance sheet levels or key financial ratios.

All financial risk indicators (credit risk, market risk, interest rate risk and liquidity risk) also scored well. We continue to operate within a tight limit framework, resulting in a limited appetite for both credit risk and market risk in 2024. A release of loan loss provisions and low impaired ratios reflect our low credit risk for 2024. We observed a limited number of market risk breaches. We use many models to manage financial risks and findings with elevated severity, resulting from testing against these models, are resolved within the allotted timeframe.

Our interest rate risk profile did not change significantly, but large interest movements and greater volatility called for heightened attention. Liquidity risk in 2024 remained low, due to our strong liquidity buffers. Liquidity buffers did show some movement during the year, but stayed at a high level.

Strategic risk

Strategic risk is defined as the risk to our performance as a result of failure to respond adequately to changes in external factors or from poor strategic decisions. External factors include the actions of competitors, clients, potential market entrants and public authorities, as well as public opinion.

Keeping up with technological developments, such as AI, is also a key topic. In a challenging external environment we must keep improving and expanding our organisation, so our strategic risk appetite is set at a medium level. It is managed in several ways.

Firstly, we manage our strategic risk by diversifying our sources of income through our private banking, investment management and investment banking activities – thereby ensuring that the three activities are complementary and support each other. Moreover, our lending activities focus primarily on residential mortgages and our clients typically have sufficient buffers, thereby limiting our strategic risks in terms of credit and risks of forced AuM liquidation. All our client segments contributed positively to our results without any major operational or financial losses in 2024. The further development of our presence in Belgium reduced our dependence on the Netherlands. Finally, net interest income offers a good means of diversifying our income model, a significant part of which comprises a commission income model. To manage our strategic risk in 2025, we will remain focused on our core activities and areas of expertise.

Secondly, we use a range of performance indicators – such as growth in AuM, net result, cost/income ratio, NPS and employee engagement scores – together with a qualitative assessment to monitor and control strategic risk. Furthermore, through acquisitions, we are playing an active role in the consolidation trend in the financial sector and thereby improving our economies of scale.

Thirdly, the technological improvements we have made for our clients and to our internal processes in recent years, such as in AI, show that we are continuously aware of industry developments and acting to address these challenges.

Finally, we must maintain the capacity to meet all relevant regulatory requirements. This is demanding when operating various activities in multiple markets with different regulatory requirements. In the future, scalability of our operating model will be essential: we need to build and maintain a growth model that ensures regulatory costs do not grow intrinsically with our business volumes.

Non-financial risks

Non-financial risks comprise operational, compliance and sustainability risks.

We have defined a non-financial risk appetite. Our current non-financial risk exposure related to this non-financial risk appetite is discussed each quarter with members of the Management Board and senior management in the Compliance & Operational Risk Committee. Our non-financial risk taxonomy is largely based on the operational risk reference taxonomy published by the Operational Riskdata eXchange Association and forms the basis of our 2024 risk appetite framework for non-financial risk.

We raise risk awareness within the company via increased capabilities within the first line of defence and through challenges and advice from the second line of defence. In 2024, we launched a "CRO Academy" to provide bespoke online learning for risk and compliance staff. In addition, we started the "risk management in a day" training for senior management.

We put increased focus on continuous monitoring of controls and behavioural controls, while paying attention to effective and efficient action management. The Compliance, Non-Financial Risk Management and Internal Audit teams work together on this.

Operational risk

Operational risk is the probability of sustaining direct or indirect damage as a consequence of inadequate or failing internal processes, products, people, systems or external events. To identify and manage operational and IT risks, we have created a group-wide operational risk management framework. Part of this framework is a set of key controls on the part of our value chains where inherent risks are considered elevated. These controls are tested regularly, allowing us to assess their effectiveness in our processes and systems. In 2024, we improved our scenario analysis capabilities by applying a more quantitative approach to loss estimations and using external loss data.

Information security risk

Preventing cybercrime remains one of our key risk focus areas. Van Lanschot Kempen is aware of the risks concerning information security and cybercrime, and has further invested in technological and process-related measures to mitigate them. We continue to strengthen our security measures to keep pace with increasing cyberthreats and external fraud attempts, such as help desk fraud. Our dedicated team monitors security incidents in the organisation to ensure we have sufficient coverage to mitigate potential threats. We have teams that simulate cyberattacks and conduct penetration testing for security purposes, including periodic phishing awareness tests. We monitor the risks involved in cybercrime using risk dashboards that include key performance and risk indicators. The metrics in the dashboard are overseen by the interdepartmental Corporate Information Security Board. Major issues related to cybercrime are reported directly to the Management Board.

Cybercrime risks such as ransomware, attacks through third parties and "zero day" attacks are an ongoing matter of importance to Van Lanschot Kempen. We apply a zero-trust approach; by significantly limiting the accessibility of sensitive data and systems, we ensure risks are mitigated within the organisation's appetite.

Internal fraud

Internal fraud occurs when fraud is committed as an intentional action by one or more employees using deception or management override of controls, with the intent of gaining unlawful advantage for themselves or a personal acquaintance at the expense of others. Employees also include management, temporary workers, contractors, trainees and interns. Internal fraud conflicts with our code of conduct, which provides guidelines to protect our reputation and integrity.

It is crucial for us to maintain our reputation as a trustworthy financial institution. As a result, preventing and mitigating internal fraud risks is a high priority, as these risks can lead to financial impact on our clients and our business. In addition, internal fraud can damage the public's trust in our reputation and integrity as a firm.

The guidelines and processes for reporting and handling integrity incidents are set out in our internal investigations policy. Furthermore, incidents such as internal fraud cases are dealt with in accordance with the incident management procedure, which requires a root cause analysis to be conducted, as well as adequate follow-up to prevent reoccurrence. In 2024, no internal fraud, nor attempt to commit internal fraud, was identified. As a result, no investigation of a person regarding internal fraud was required.

Assessing and mitigating internal fraud risk is an integral part of our risk and control framework. Internal fraud risk is assessed through risk control self-assessments on processes and through the Systematic Integrity Risk Analysis (SIRA). The 2024 SIRA included scenarios such as the risk of employees stealing financial assets, physical assets or client data. The risk of employees executing unauthorised payments or credit transactions (as a result of insufficient segregation of duties or collusion) is also part of the risk assessment. The inherent risk of internal fraud in our overall risk assessment was evaluated as high: internal fraud can lead to substantial financial and reputational damage. However, effective control measures are in place to significantly reduce the risk. These control measures include the four eyes principle, access authentications, system-enforced checks on manual payments and automated segregation of duties for payment systems. Our operating effectiveness is reviewed periodically by the first line of defence, with independent monitoring by the second line. Our Internal Audit department provides independent assurance on the quality of the risk control framework by applying a risk-based audit calendar.

We have several initiatives in place to maintain awareness of internal fraud risk. Actions and priorities for continuous staff awareness and improvement are identified in the business-as-usual cycle. Staff training, which includes on-boarding for new employees that covers the code of conduct (including incident management), as well as periodic updates, are part of our fraud mitigation measures.

Based on the assessments conducted, our residual risk rating for internal fraud risk was categorised as limited, which is within our risk appetite. For more information about operational risk and internal fraud, see Section 12, "Operational risk", in the financial statements.

Investment compliance risk

As Van Lanschot Kempen Investment Management manages our clients' AuM, the risks resulting from these activities are reported as operational risks, as major errors could lead to potential claims from clients. We apply a uniform risk management approach and procedures across all activities. The risk management framework combines all relevant regulatory requirements for our business. These include specific requirements for Van Lanschot Kempen Investment Management: the Investment Firms Regulation, Alternative Investment Fund Managers Directive and Undertakings for the Collective Investment in Transferable Securities.

The risk management framework describes how we identify, measure, manage and monitor all relevant risks to which our AuM is exposed. Quantitative and qualitative risk limits are set where possible on market, counterparty, liquidity and sustainability risks, and are described in our various risk policies.

All client portfolios are monitored against regulatory and investment guidelines (e.g. fund prospectuses and investment management agreements) on a daily basis. These guidelines set restrictions on the main risk categories, being market risk, counterparty risk, liquidity risk and sustainability risk. When the Financial Risk Management department deems it necessary, additional restrictions and/or more stringent restrictions are applied. There were no material findings from the investment compliance programme in 2024. Overall, our investment funds remained within the set risk limits throughout the year.

In addition to the investment compliance programme, Financial Risk Management performs periodic deep dives for portfolios managed by Van Lanschot Kempen Investment Management. These consist of an in-depth analysis to assess whether the investment team is managing the portfolio in line with the investment strategy, investment philosophy and client expectations. We take a holistic approach to portfolio risk management, meaning that we assess a broad range of metrics – including scenario analysis as well as consistency and alignment with sustainability targets, such as those set by the Paris Agreement. Results are discussed within investment teams and reported to the relevant stakeholders.

Compliance risk

When operating in financial markets, it is important that we conduct our business activities in accordance with the expectations of our clients, employees, shareholders and supervisory authorities. We follow high ethical standards, in alignment with our values, code of conduct and risk appetite, and within the boundaries of applicable laws, regulations, internal policies, procedures and industry standards relevant to our business. Compliance goes beyond following laws and regulations: it involves fostering an ethical and responsible organisational culture that protects client interests, financial integrity and the interests of our stakeholders.

We have established a compliance framework to effectively manage compliance risks across the organisation, including international locations, which enables effective oversight of subsidiaries and branches. This framework is designed to maintain adherence of our business operations to applicable laws, regulations, internal policies and industry standards, and ensure that we act in the best interests of our clients. The compliance risk and control framework is established based on risk assessments (the SIRA), which are conducted for all business activities and are monitored and included in group compliance reporting.

In 2024, our compliance risk appetite was limited, while our actual compliance risk profile was medium. Implementing new regulatory requirements is challenging due to the dynamic business environment and growing regulatory demands. Our compliance risk profile improved during the year through the focused implementation of mitigating actions and continuous improvements in our policies, systems, processes, and training and awareness programme, increasingly supported by IT tools and data analytics.

Compliance training and awareness programme

We believe that providing our employees with training is important to maintaining compliance risk awareness across our organisation. With the appropriate training, colleagues also gain the relevant knowledge, skills and expertise to best serve our clients. In 2024, we focused on enhancing our group-wide learning and development governance, as well as further aligning our mandatory compliance training and awareness programme internationally.

Supporting strategic change and growth initiatives

Our Compliance department serves as a trusted business partner by offering advice and support for strategic and business initiatives, facilitating change and growth within the organisation. In 2024, our Compliance department supported several strategic projects, including the integration of Accuro, the launch of Mercier Van Lanschot and the migration of former Robeco clients to Evi. We also contributed to various business initiatives focusing on financial crime risk and business conduct risk.

Financial crime risks

As a gatekeeper of the financial system, we face the potential risk of unintentional involvement in activities related to money laundering, terrorism financing, sanctions, client tax integrity and bribery and corruption. Financial crime risks are managed by implementing proper policies and processes, by offering anti-financial crime training to all employees, and providing specialised training to employees who interact with clients or are involved in detecting financial crime.

Risk-based client due diligence

In 2024, we continued to improve the efficiency of our client due diligence processes by starting the "ongoing due diligence" project to effectively balance risks with appropriate mitigating measures. The aim of this project is to introduce continuous monitoring of clients for financial crime risks using an integrated, risk-based and data-driven method (ongoing due diligence), while maintaining our personal, client-focused approach and supporting our bankers in their responsibilities towards clients. In addition, the regulatory landscape for financial crime is expected to change with the introduction of the new EU anti-money laundering package. We have already started assessing and planning for its potential impact.

Client protection risks

Client protection risks involve the potential for unfair treatment of clients and offering products that do not align with their needs, objectives, sustainability preferences or risk appetite. As a wealth manager, we commit to safeguarding our clients' interests and providing fair, clear and non-misleading disclosures and marketing materials.

Integrating sustainability regulation

In 2024, we made improvements to safeguard our clients' interests and inform them appropriately about our products and services. Our marketing policy framework was updated to include new tools and to embed sustainability aspects. Moreover, the factsheet template for Van Lanschot Kempen Investment Management funds was updated to include sustainability information, such as performance reporting, ESG data and relevant disclosures based on EU guidelines.

Our Compliance department plays an active role in safeguarding adherence to sustainability regulations. For more information, see "Regulatory sustainability risk" in the "Sustainability risk" section.

Mortgages

We made considerable progress in streamlining and updating our mortgage acceptance policy in order to further adhere to the AFM guidance on the quality of mortgage advice (*Kwaliteit Hypotheekadvies 2024*), as well as to streamline the mortgage process.

For more information about mortgages and the interest-only mortgages project, see "Mortgage loans" in the "Financial risks" section.

Business conduct risks

We are committed to upholding the integrity of the financial markets. We therefore manage business conduct risks via the compliance framework. Business conduct risks relate to conflicts of interest, market conduct, market abuse and employee integrity topics, such as secondary positions and personal account dealing by employees. In 2024, we initiated several projects to further improve our existing processes to manage business conduct risks.

Market abuse

In the area of market abuse prevention, we updated our personal account dealing policy to better align restrictions with the specific functions and activities of employees. We also initiated the selection of a new platform for market abuse surveillance and updated our framework for safeguarding non-public information.

Cross border activities

The provision of cross-border financial services is subject to a complex regulatory environment. We have a governance and internal control framework to ensure compliance with country-specific regulations related to financial products, services and tax obligations. Furthermore, in 2024 we introduced a new business process for Investment Management Clients to assess and approve cross-border activities in jurisdictions where Van Lanschot Kempen Investment Management operates. This process safeguards the viability and regulatory compliance of our ongoing business activities.

Data privacy risks

"We act with discretion" is one of the ethical principles underpinning our code of conduct: our adherence to the General Data Protection Regulation (GDPR) and the general discretion of employees is an ongoing priority and is integral to the service we offer as a wealth manager. Data privacy risks relate to processing personal data, data retention and adherence to GDPR and the AI Act. We operate a data privacy programme to protect the data of clients and employees, to support the organisation in its obligations, advise on data privacy matters and monitor compliance.

The Data Protection Officer holds an independent position within the organisation and reports directly to the Management and Supervisory Boards.

Data privacy is crucial in the context of emerging technological developments. Compliance and the Data Protection Officer participate in our AI centre of excellence by providing ongoing advice on the behavioural and data privacy aspects of AI. This guidance facilitates the responsible adoption of AI within the company, which aims to drive efficiency and productivity in the short term, and scalable growth in the longer term.

In 2024, we updated our data privacy policy with guidelines on the use of AI and refined our approach to managing purpose limitation risks. We also worked to enhance our data processing register and data loss prevention processes.

For more information about compliance risk, see Section 13, "Compliance risk", in the financial statements.

Sustainability risk

The management of sustainability risks is an integral part of our risk management framework and is incorporated in our regular risk management processes. We consider sustainability risk as an additional overarching risk type that could potentially impact our own operations, the valuation of our balance sheet and our AuM activities. We also see that regulators are increasingly focused on reporting and managing sustainability risks.

Our main sustainability risks that affect our business cover both climate change-related risks – via either physical or transition risks (see table on the following page) – and biodiversity risk. Currently, social, labour and governance-related risks mostly manifest themselves through our AuM, where they are managed based on exclusion criteria.

The wealth that we manage for our clients is inevitably exposed to risks associated with climate change and biodiversity to some extent, with the two being strongly interlinked. Our risk management and control system is designed to manage internal and external risks, including sustainability risk. In 2024, we further increased our focus on nature-related dependencies, impacts and associated risks. This resulted, for example, in an update to our biodiversity policy and a biodiversity-related materiality assessment.

Sustainability risk is a rapidly evolving and complex focus area in the wealth management sector, which affects our entire organisation. Going forward, we will continue to strengthen the way we manage sustainability risks, for example through data availability and management as well as the impact of changing approaches to sustainability and how they impact our investment universe.

Climate risks	Physical risks	Transition risks
Market risk	Damage due to extreme weather events may lead to a decrease in open market positions in companies affected by climate events.	New internal ESG policies or regulatory requirements may result in (partially) impaired assets.
Credit risk	Diminishing of collateral value, for example due to flooding, may lead to an increase in required regulatory capital and/or credit losses.	New policies, for example regarding energy labels, may require significant client investment and reduce credit scores.
Liquidity risk	There may be disruption to funding market access and client fund withdrawal due to severe climate-related events.	New policies may impose higher haircuts for climate-sensitive assets or required regulatory climate liquidity stress tests.
Operational risk	Increased severity of climate-related events could impact our office locations and disrupt our systems, people and processes.	There may be adverse impacts from the burden caused by changes and disclosures that need to be made to operate now and in the future.
Reputational risk	Extreme weather might lead to increased stakeholder and societal pressure, which in turn might lead to a rise in reputational risks.	New policies and market sentiment may increase reputational and/or liability risks, for example related to greenwashing.
Compliance risk	Not complying with regulations in relation to physical risks (risk assessments of our activities, disclosures, etc.) may pose a risk.	Not complying with regulations in relation to transition risks (risk assessment, limit settings, disclosure, etc.) may pose a risk.
Business model and strategic risk	Declining AuM as a result of materialising physical climate risks may lead to a reduction in commission income.	Not adjusting our business offering sufficiently to meet client demand for sustainable products may lead to a reduction in commission income.

Risks to our operations

The most probable physical climate risk for our operations is the potential threat of flooding in certain parts of the Netherlands and Belgium, due to prolonged and heavy rainfall. Within our internal capital adequacy assessment process framework, natural disasters such as flooding are included as a potential scenario.

Nineteen of our 28 Dutch offices and 10 out of our 11 Belgian offices are located well above sea level and are not exposed to riverine and sea flooding, while the rest of the offices have a small to extremely small probability of flooding. From both a scenario analysis perspective and considering the risk of local offices flooding, the organisation can continue to function with most employees working from home or from another office location, given the number of office locations and employees not exposed to flood risks. Moreover, from experience over the past few years (since the pandemic), it is possible for the majority of colleagues to work from home without major disruption to business operations. Employees have been, and will continue to be, able to carry out their work with the required information and systems in such a scenario. We test this scenario once every three years.

Both of our data centres are located well above sea level in the south of the Netherlands (in Eindhoven and 's-Hertogenbosch) and have low exposure to flood risk. In 's-Hertogenbosch, we have limited exposure to river flooding (expected once in 1,000 years), while our primary external data centre in Eindhoven has virtually no flood risk. To ensure we are able to operate if a data centre does fail, we perform an annual data centre fallback test, during which we assess whether the business can be operational within an acceptable timeframe in the event of a primary data centre failure. Combined with the ability to operate from home offices, the very low probability of both data centres failing simultaneously, and the low risks of riverine and sea flooding for all our offices or both our data centres, riverine and sea floods are considered to be immaterial from a business continuity perspective.

A second external data centre – responsible for the automation, hosting and development platform of our main office applications – is located below sea level.

A back-up location for this third-party facility is based in Ireland. In the event of a failure at the primary data centre, we are able to switch to the back-up data centre immediately.

The other categories of physical climate risks to our own operations are heatwaves, wildfires, storms, hail and hurricanes. The impact of these extreme weather events on our operations has been very limited in the past and is expected to remain limited going forward, especially compared with floods. Both likelihood and impact are therefore considered to be low.

Risk to our balance sheet

We calculate and report our balance sheet-related carbon emissions, mainly for mortgage loans, other loans and our investment portfolio. Our most significant lending portfolio is our residential mortgage portfolio.

In 2024, we further improved our methods to estimate possible financial impact stemming from sustainability risks and to determine materiality over multiple time horizons. We created additional property-specific models to estimate heat stress and precipitation-related climate impacts for our residential mortgage portfolio, and increased our quantitative analysis scope to include our covered bond and residential mortgage-backed securities positions within our liquidity investment portfolio. Based on an assessment of our balance sheet items, we conclude that there are no material climate risks to our business at present. There is currently no reason to apply a management overlay for this risk to the IFRS 9 models (Stages 1 and 2) as these risks are not considered to be material. In addition, the IFRS 9 provision for Stage 3 is calculated per individual credit file by the Financial Restructuring & Recovery department, so if there are significant climate risks these will be incorporated in the calculation.

We encourage our clients to improve the energy efficiency of their homes and other types of property we finance to reduce transition risks. For example, in our mortgage offering, we offer our clients lower interest rates if the energy label of their property is C or better. We also provide additional lending capacity for clients who are looking to make their homes more sustainable and energy-efficient.

We believe that, in the future, less energy-efficient homes will decrease in value, posing a potential risk for Van Lanschot Kempen and our clients, though at present this is immaterial.

Our responsible lending policy takes environmental and social impact into consideration. This policy covers periodic sustainability screening (due diligence), via a risk filter, of all existing and new business loans, and includes factors such as human rights, social and labour issues, environment, anti-corruption and bribery. The number of potentially high-risk borrowers (clients active in sectors associated with a higher risk of human/labour rights violations or environmental pollution) totalled two at year-end 2024 (2023: one). We engage with the remaining high-risk borrowers about specific sustainability risks and how they could be mitigated. For more information on how we handle responsible lending, see the policy on our website: vanlanschotkempen.com/sustainability-policies-and-resources.

Each year, we assess financial institutions with which we have a banking relationship. This assessment aims to prevent the risk that client assets are exposed – through interbank loans or investments, for example – to institutions with weak or non-existent sustainability policies. At a minimum, we check whether financial institutions have committed to more than 50% of four well-known international sustainability initiatives. If they have not, we start an engagement process with them. In 2024, we reviewed 39 financial institution counterparts and there was no need to engage with any financial institution in our portfolio.

To support our own investment funds, we provide seed capital and manage these funds in our management book. At year-end 2024, we had investments to the tune of €54 million in our funds. An internally developed stress test showed that climate risks in these positions are limited and well within our regular limits.

We also continued to enhance our dataset and monitoring activities relating to the sustainability objectives of our own organisation, balance sheet and AuM, in order to establish a more accurate and dynamic overview of the (potential) impact of our actions on the environment. We implemented a new dataset on physical climate risk, which allows us to uniformly report on the flood risk of non-Dutch offices and to benchmark our existing physical risk data sources in terms of accuracy and completeness. Finally, we have been working to further embed and integrate sustainability elements in all our core processes, controls, product development, policies and reporting.

Regulatory sustainability risk

In November 2020, the ECB set out its expectations on mitigating climate-related and environmental risks by financial institutions. We take an active approach to complying with these expectations and are on track for implementation via our multi-year programme.

Sustainability regulation

In 2024, we worked on the integration of sustainability risks into our compliance risk framework and continued implementing sustainability regulations. The Sustainable Finance Disclosure Regulation (SFDR) aims to provide greater transparency to investors about the sustainability claims and performance of investment products.

Due to its rapid development, regulatory priority setting and strong link to client protection, we take special care to use accurate and transparent sustainability claims in relation to our products and services.

A notable development was the publication of the European Securities and Markets Authority's guidelines on fund names using ESG or sustainability-related terms in May 2024. These guidelines require that funds with sustainability-related terms in their names accurately represent their underlying investment strategies and objectives. This is important because the fund name significantly influences investment decisions, especially for retail investors. We are currently working on implementing the guidelines and the new exclusion criteria. We also focused on complying with the updated version of the European Supervisory Authority's consolidated Q&A on the SFDR, which was published on 25 July 2024.

We expect ongoing attention from supervisory authorities on sustainability and impact claims, with stricter guidance on fund names and fund communication. More changes to the SFDR are expected to unfold over the next several years, following the outstanding consultations. We aim to stay on top of sustainable finance regulation and use it as a driver of positive impact.

Risks to our assets under management

In our AuM activities, climate- and nature-related risks are taken into account when investments are made or investment managers are selected.

Climate

As part of our responsible and sustainable investing approach, we have a climate change policy that we have improved over the years. In line with the Paris Agreement, we have set targets on reducing the carbon emissions of our investment funds to be met by 2025, 2030 and 2050 – enabling us to cope with the transition risks related to climate change. This also enhances resilience to physical climate change risks, as the companies in these investment funds will take climate change into account.

As physical risks will likely materialise more in certain regions and sectors (with physical assets) than others, we gather physical climate data down to asset level for our real estate portfolios from a specialist climate data provider. We use climate scenarios for most of our managed global and European listed portfolios to assess their climate resilience compared with the benchmark. We have integrated climate change mitigation into our current asset allocation scenarios via GDP assumptions (i.e. scenarios ranging from 1.5°C to 4.0°C of global heating), and have incorporated DNB's climate stress test for the equity market into our risk system.

In 2024, we further expanded our risk analytics to provide insights into the sustainability profile of our managed listed portfolios. We fine-tuned our ESG and carbon emissions monitoring tools, which allow us to challenge portfolio managers on whether their investment decisions are in line with the investment strategy and whether the portfolio is on track to meet our annual targets to reduce carbon emissions. We monitor the contribution to the weighted average carbon intensity per holding, which we use to challenge the portfolio managers on the biggest emitters in their portfolios.

Nature

Risks resulting from nature-related dependencies are especially relevant to our AuM. As part of our investment process, we consider biodiversity dependencies, impact, risks and opportunities through four instruments: exclusion, ESG integration, active ownership and impact. Through these four instruments, we aim to cease (via exclusion and active ownership), prevent or mitigate our adverse biodiversity impact (via ESG integration and active ownership) and contribute to positive solutions (via impact).

For more information on our approach to help limit and reverse biodiversity loss, see our biodiversity policy on our website: vanlanschotkempen.com/sustainability-policies-and-resources, the "Biodiversity" section of our sustainability statement (page 40) and our Taskforce on Nature-related Financial Disclosures-aligned disclosure document accompanying this annual report.

Financial risks

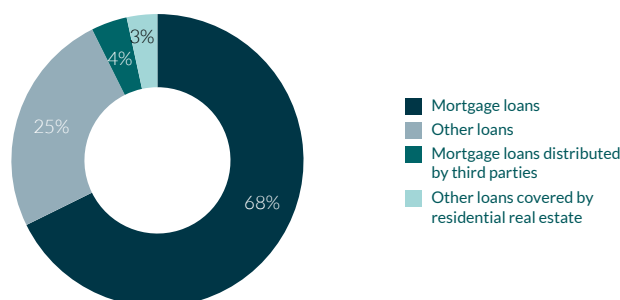
Financial risks comprise credit, market, model, interest rate and liquidity risks. These risks are managed by various committees: the Credit Risk Committee, Market Risk Committee, Asset & Liability Committee and Group Risk Committee. These committees approve our policies, which outline the main boundaries for the financial risks we accept.

Credit risk

Our credit risk is considered to be limited. Our loan portfolio, excluding provision, amounts to €9.4 billion and has a low risk profile. We aim to keep the size of this portfolio at least constant by generating enough new business to offset repayments and prepayments. We primarily provide new mortgages to private banking clients who already entrust us with their assets. In 2024, the origination of new loans increased by 5% compared with 2023.

Credit quality remained stable in 2024, while loan losses were still limited. There has been no direct impact from the war in Ukraine or the conflict in the Middle East. To monitor and measure credit risks for most of our loan portfolios, we use sophisticated risk models: an internal ratings-based (IRB) approach. For regulatory reporting, we use only our residential mortgages IRB model. Our loan portfolio and credit risks are concentrated in the Netherlands (91%); lending in Belgium and Switzerland is limited, and mainly consists of Lombard loans with low risk profiles.

Loan portfolio, excluding provision
(100% = €9.4 billion)



Although our exposure to the Dutch housing market is fairly significant, the concentration risk on single line items in the overall loan portfolio is relatively limited. The ten largest

loans to individual counterparties, other than financial institutions, totalled €176 million at year-end 2024 (year-end 2023: €179 million).¹ In 2024, the credit risk limits on the ten largest loans to individual counterparties decreased, as well as the use of credit by those. At year-end 2024, 97.9% of the Dutch loan portfolio consisted of loans of less than €10 million (year-end 2023: 97.7%).

Our policy is to keep credit risk limits on any single debtor at an acceptable level to contain concentration risk and to mitigate its potential impact on our results. For more information, see Section 3.5, "Concentration within the loan portfolio", in the financial statements.

Mortgage loans

At year-end 2024, 68% of our loan portfolio consisted of the Private Clients Netherlands segment's residential mortgages. Our portfolio differs from that of other Dutch mortgage lenders in that the average loan (approximately €583,000) is larger. This makes the portfolio a little more sensitive as more expensive properties tend to be more difficult to sell in uncertain circumstances. However, the majority of our exposure is in urban areas, which is generally a more liquid segment of the housing market. In 2024, house prices in the Netherlands increased, and the portfolio's weighted average loan-to-value (LTV) ratio – based on indexed foreclosure value – decreased to 60% at year-end (year-end 2023: 64%). New issuances are, in general, issued for LTV between 50% and 90%.

Interest-only mortgages

We are in the process of analysing the exposure of clients with interest-only mortgages. Our approach involves proactively advising clients to help them make informed decisions about their loans. For instance, we assist clients who may face declining incomes, such as those approaching retirement, to mitigate the risk of being unable to repay their loans at maturity. This initiative has raised awareness among clients and aims to prevent potential financial difficulties.

We have also begun a comprehensive analysis of our broader portfolio to identify possible long-term risks, including the clustering of redemption dates for interest-only mortgages. This analysis will include simulations of clients' financial capacity to repay at maturity.

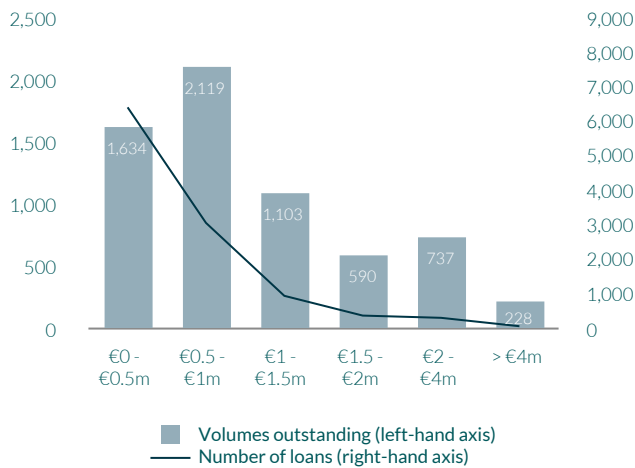
Moreover, we are actively working on incorporating the best practices shared by DNB in their recent letter to the sector. These suggestions will be integrated into our risk management framework in 2025.

Energy labels of homes with residential mortgages

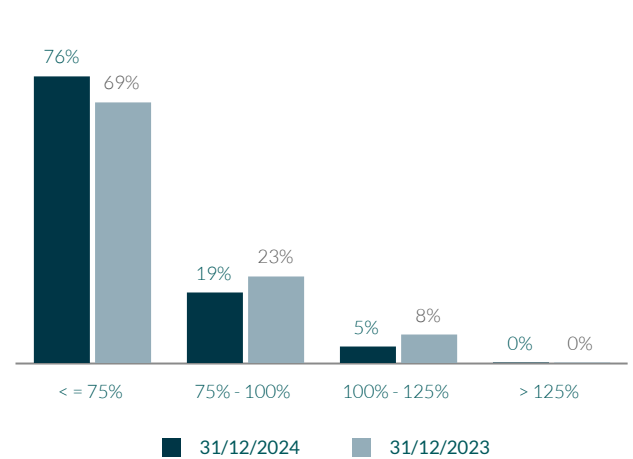
At year-end 2024, 50.0% of homes for which we provide mortgages had an A, B or C energy label (year-end 2023: 48.5%). Due to the nature of our client base, a substantial percentage of homes still have D, E, F or G energy labels. For homes without a registered energy label, we derive a proxy label from the construction year of the property. Homes with a G label have the largest number of proxy energy labels, representing 84.9% of G-label homes. Home improvements such as increasing insulation have a positive effect on the energy label, but this is not accounted for in the proxy estimation. For this reason, it is expected that a proportion of the estimated energy labels will improve if an actual energy label is requested. We encourage clients to request an official energy label. For homes with an energy label of A, B or C, we offer clients a lower interest rate.

¹ We have changed the calculation of loan concentrations to align with our risk appetite statement. Comparative figures have been adjusted accordingly.

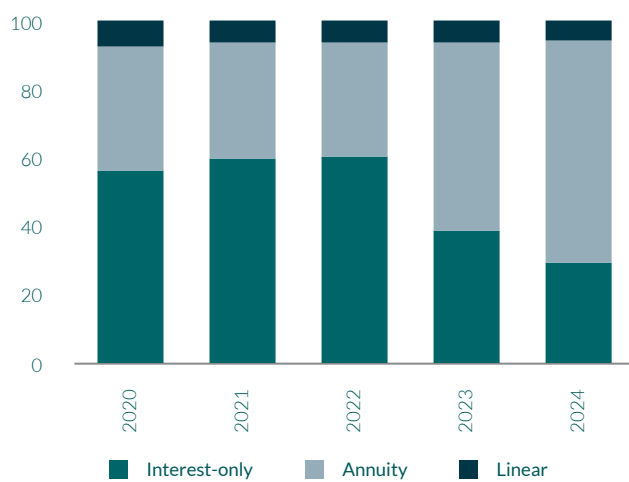
Mortgage loans: outstanding volumes (€ million) and number of loans by size



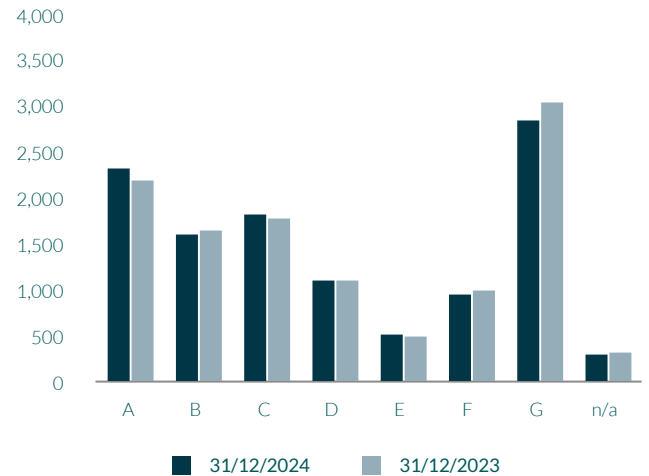
Mortgage loan-to-value (%)



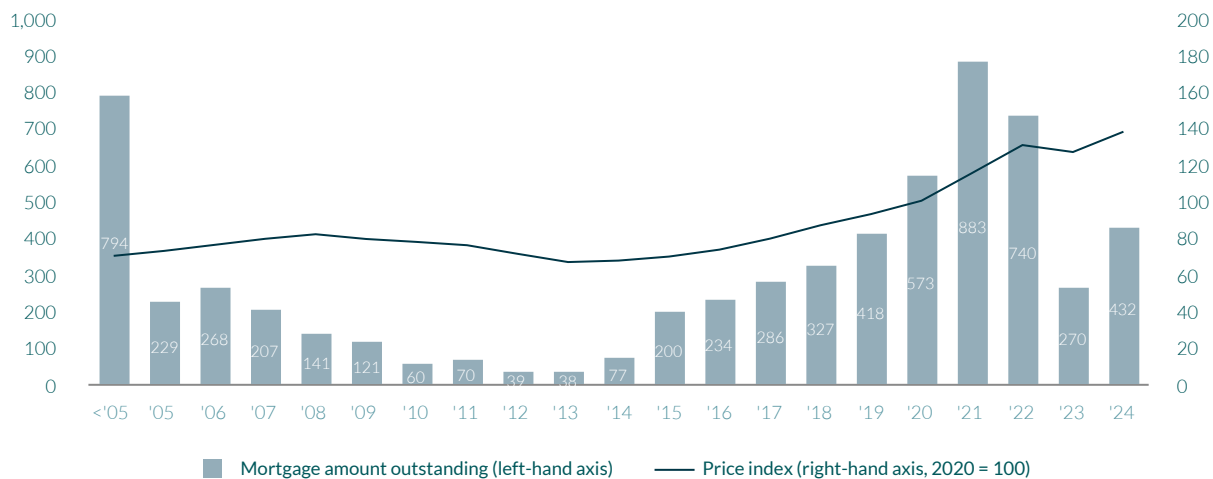
Mortgage loans: new production by type (%)



Energy labels: number of homes per label



Mortgage loans: remaining amount outstanding per year (€ million) compared with house price trend

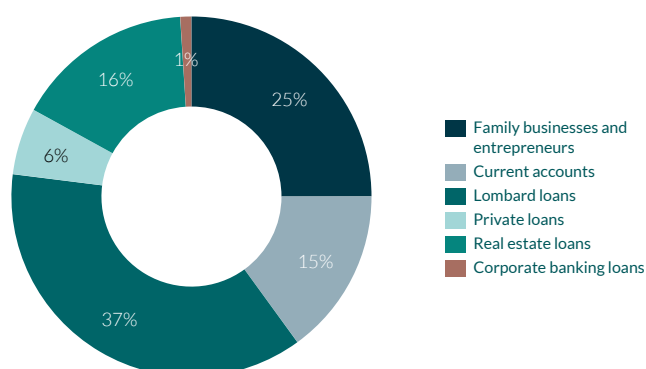


Other loans

This part of the loan portfolio comprises loans to high-net-worth individuals, for example as overdraft facilities or funding for a second home. In the same category are commercial activities that fit into our private relationship model, such as funding investments for family businesses, business professionals, healthcare professionals and entrepreneurs. These kinds of loans are supplementary to our wealth management strategy and typically involve our clients bringing in AuM. Our aim is to keep the size of this portfolio at least constant.

In 2021, we also began reporting our corporate banking loan portfolio in this category. The winding down of this portfolio continued in 2024, and it now amounts to €57 million (2023: €70 million).

Other loans: type of loan
(100% = €2.3 billion)



Real estate loans

Our real estate loans, both those provided to private banking clients and corporate banking's legacy portfolio, amount to €378 million (2023: €325 million). These loans are provided primarily on the basis of a total quality assessment of the borrowers. We also take into account the quality and sustainability of the property, and the diversification and stability of the rental flows. The debt service coverage ratio (DSCR) is calculated so that we can determine the extent to which a client will be able to make interest and principal payments from the rental income generated by their commercial real estate. At year-end 2024, 95% of our real estate loans generated sufficient rental income to cover interest and principal payments – i.e. had a DSCR of over 1 (year-end 2023: 91%). Clients with a DSCR of less than 1 often have other income-generating assets they can use to service their loan obligations. Finally, the LTV of real estate loans improved over the year as a result of regular redemptions. Half of the portfolio consists of residential real estate loans; this market is very stable. Approximately 20% of the portfolio consists of real estate loans collateralised by offices; this market is still cooling down and average prices decreased further in 2024. However, thanks to strict credit management and adherence to our credit policy, the credit quality of our real estate loans portfolio remained stable.

Other mortgage exposure

We provide mortgages through a network of intermediaries, branded as Hypotrust and with Quion as our service provider for our white-label mortgages. We have built up a white-label portfolio with good risk characteristics and with very few loan losses.

The size of the portfolio amounted to €329 million by year-end 2024 (year-end 2023: €348 million) and makes up 4% of the total loan portfolio. This portfolio is no longer open to new borrowers.

We have invested in a separate mortgage fund managed by AEGON Asset Management (formerly ASR Vermogensbeheer NV). The underlying mortgages in the fund are provided by ASR Levensverzekering NV. The purpose of the fund is to make it possible for institutional parties to invest in Dutch mortgages. The investment amounted to €293 million at year-end 2024 (year-end 2023: €302 million) and is a dedicated tranche for Van Lanschot Kempen, which consists primarily of Dutch mortgage receivables with a Dutch national mortgage guarantee (NHG). The credit risks are limited due to the NHG. We only run a small amount of credit and operational risk if the NHG claim procedures are not completed correctly by ASR Levensverzekering.

Impaired loans

Impaired loans Stage 3 (IFRS 9) are defaulted loans in IFRS 9 credit quality Stage 3. Impaired loans Stage 3 (IFRS 9) totalled €127 million at year-end 2024, an increase of 0.6% compared with 2023 (€126 million). Impaired loans Stage 3 (IFRS 9) accounted for 1.4% of the loan portfolio at year-end 2024 (year-end 2023: 1.4%). In 2024, a provision equal to 22% of impaired loans Stage 3 (IFRS 9) was taken (2023: 22%), resulting in specific provisions totalling €28.1 million.

Loan loss provisions

In 2024, we released €0.4 million in Stage 3 provisions (in 2023, we added €0.8 million). At year-end, Stage 3 provisions amounted to €28.1 million. Over the course of 2024, we saw an increase in exposures in Stage 1, a decrease in exposures in Stage 2, and a slight rise in exposures in Stage 3. The changes in Stage 1 and Stage 2 exposures can be explained as follows. From 2020 onwards, a management overlay was applied to the ECL to incorporate risks generated by the pandemic and later the rise in geopolitical tensions, which were not captured by the models used earlier. In 2024, we decided to no longer apply this management overlay, because the only significant effect (in the credit domain) had been the sharp rise in interest rates in response to inflation. However, this has not led to higher credit losses in our portfolio, though it has changed clients' repayment behaviour. To incorporate this change in behaviour in our models, our prepayment and maturity models have been recalibrated. For more information on this subject, see Section 3.8.7, "Model changes", in the financial statements.

For more information about credit risk, see Section 3, "Credit risk", in the financial statements.

Market risk

We are exposed to market risk through client-facilitating transactions. Our Treasury department performs equity, foreign currency and interest rate structured products transactions for clients. Investment Banking Clients performs equity transactions for clients and provides market liquidity, which may result in trading positions. These activities may also result in trading positions. Temporary positions may arise from our efforts to facilitate our clients' requests. We also invest in our own funds to align our interests with those of our clients and to support our investment management activities via seed capital in newly launched funds.

Financial markets were challenging and volatile in 2024 due to more persistent inflation, which was anticipated by policymakers, as well as multiple market events that resulted in equity valuation corrections. Over time, policy rates were lowered as headline inflation came down, yet uncertainty in the policy rate going forward remained, which created a volatile interest rate curve. Equity markets were generally strong but volatile at times due to market events, such as the Japan carry trade unwind, the tensions in the Middle East and the US elections. Whereas EU and US interest rates and equity valuations moved in tandem, the US election outcomes resulted in a disconnect between the two continents as the outlook changed.

For further information on market risk, see Section 4, "Market risk", in the financial statements.

Model risk

Van Lanschot Kempen uses models for a variety of purposes, ranging from quantification of the various risk types to supporting decision-making in the business. The use of models exposes our company to model risk, as models are a simplification of reality and are based on assumptions. Further sources of model risk can be found in model choice appropriateness, model implementation and the use of model outcomes.

To mitigate model risk, we apply the three lines of defence model. The first line of defence is formed by the model owners, whose primary role is to identify, assess and manage the risks associated with models throughout their lifecycle. The second line of defence is model risk management, carried out by the Model Validation department, which is responsible for performing independent validations and maintaining the model risk management framework (MRMF) and related policies in line with regulatory requirements. Model Validation reports to various committees, including the Group Risk Committee, on the status of model risk and the outcomes of model validations. The Internal Audit department acts as the third line of defence, providing an independent evaluation of the adequacy of the model risk management process.

A risk-based approach is adopted in line with the MRMF by assigning a tier to each model. The model tier is a reflection of the model risk associated with a model, and is determined on the basis of model complexity and the materiality of potential model errors. We have made a complete inventory of all models within our organisation. Models containing more model risk will be validated more frequently and in more depth than models containing less model risk.

The use of models within our organisation is steadily increasing, which is reflected in our expanding model inventory.

Interest rate risk in the banking book

The main source of interest rate risk in the banking book is the timing mismatch between the interest rate repricing tenor of our client deposits, on average about two years, and that of client assets such as mortgages, which reprice on average after five years. We hedge this mismatch using interest rate derivatives as part of our macro fair value hedging programme.

After hedging, some residual risks remain, in particular uncertainties around client behaviour. For example, our hedging strategy relies on model estimates for how many clients will prepay their mortgage loans, and differences in client behaviour compared with the model estimates may require us to adjust our hedging derivatives.

Over the course of 2024, the ECB cut the deposit facility rate from 4.0% to 3.0%, while longer-term interest rates remained unchanged. During the year, we observed a volatile trajectory of changes in market expectations of the timing and speed of ECB interest rate cuts for 2024 and 2025.

In this environment, a subset of clients have continued to roll over short-dated fixed term deposits instead of investing in non-maturity products such as savings accounts. At 31 December 2024, 23% of our deposits were fixed-term, stable relative to 25% at 31 December 2023, but significantly higher than the 8% figure at 31 December 2022.

As was the case when interest rates were rising, interest rates on non-maturing deposits follow changes in market rates with a timing lag, depending on market circumstances and competition. Our interest rate on savings balances below €100,000 stood at 2.0% on 31 December 2023, and remained at 2.0% on 31 December 2024. This resulted in smaller margins compared with the lower ECB deposit facility rate. In response, we kept a close eye on the in- and outflows of client assets and adjusted our interest rates on savings and term deposits regularly to adjust to client behaviour, actions of other banks and financial market developments.

On the lending side, we continue to observe low levels of prepayments on mortgages as a result of increased market rates. For the vast majority of our mortgage book, clients' current interest rates are lower than the prevailing interest rates for new mortgages. This greatly reduces clients' incentive to prepay on their mortgages. We also observed an increase in clients using the option to retain their current mortgage interest rates when moving house.

During 2024, we enhanced our interest rate risk management by implementing new models used for hedging interest rate risk. These include models for mortgage loan prepayment risks, models for estimating repricing maturities of non-maturing deposits and models for interest rate risk capital.

In addition to client driven positions, we continue to invest our equity capital at an average tenor of two to six years. On 31 December 2024, we were well within all interest rate risk limits.

For more information on interest rate risk, see Section 8, "Interest rate risk", in the financial statements.

Liquidity and funding risk

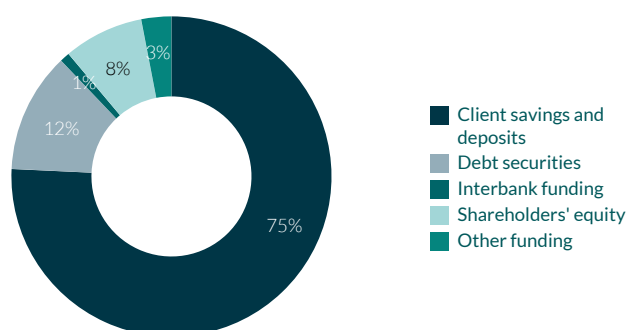
A key element of our private banking proposition is to offer clients core banking services such as current accounts and instant access savings accounts. This exposes us to short-term liquidity risks, as these funds have no contractual restrictions on clients' ability to withdraw them.

We are also exposed to longer term funding risks as we require long-term funding for our client lending, such as mortgages, while clients' preferences to hold part of their portfolio in cash savings products may vary over time.

In 2024, our client deposit base grew to €12.8 billion from €12.6 billion in 2023. This was mainly driven by growth in the Evi savings product, partially balanced by conversion of client deposits into AuM, in particular from current accounts and cash balances on securities accounts. In the last two months of the reporting year, some clients also transferred part of their AuM back to bank deposit products.

Our December 2024 loan-to-deposit ratio amounted to 73.1% (2023: 72.9%), which demonstrates that our client deposit base well exceeds our client loan book volume.

Funding mix (100% = €17.0 billion)

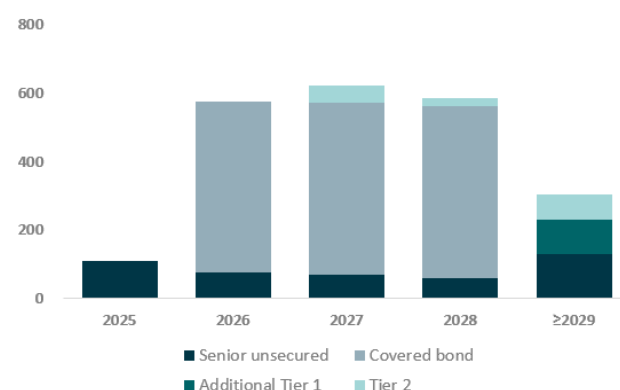


As a result, our reliance on other funding sources is limited and our liquidity risk profile is mostly driven by the potential occurrence of unanticipated deposit outflows. Although our deposit base has proven to be sticky over time, there is always a risk of unexpected outflows, particularly for balances not covered by the deposit guarantee scheme.

As our appetite for liquidity risk is low, we aim to hold solid liquidity buffers that would allow us to absorb severe unexpected liquidity stress situations. Due to our strong liquidity buffer, stress test outcomes and other liquidity indicators such as the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) remained strong. At year-end 2024, our liquidity buffer was substantial, as the LCR and NSFR stood at 220.7% and 160.2% respectively (2023: 224.7% and 156.4%).

Although our loan-to-deposit ratio is well below 100%, we aim to keep a degree of diversification in our funding mix in terms of funding type and maturity, by supplementing the client deposit base with covered bonds. Total outstanding volume under the covered bond programme was €1.5 billion by December 2024. Moreover, outstanding volume in the retained covered bond programme was €500 million. In addition, we have around €465 million in structured debt instruments. We do not have any benchmark-size unsecured debt issuances placed with investors. The redemption profile of our capital markets debt and capital instruments is outlined on the top right of the page.

Funding and capital instruments redemption profile (€ million)



Liquidity and investment portfolio composition

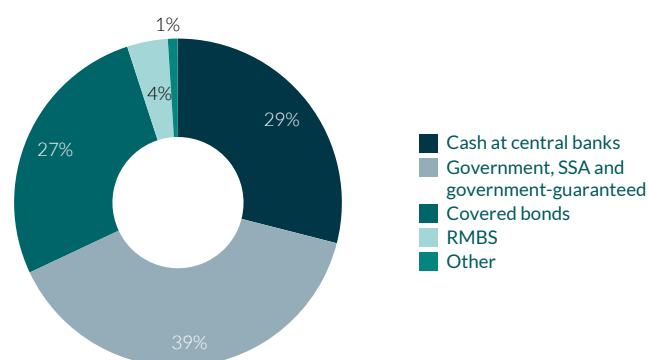
Our liquidity buffer (excluding retained own debt instruments) totalled €6.3 billion at year-end 2024, compared with €6.3 billion at year-end 2023. We held €1.7 billion at the ECB deposit facility.

Our investment portfolio (liquidity buffer minus central bank deposits) is maintained primarily for liquidity purposes, and consists mainly of liquid, low-risk instruments, in line with our investment policy. In 2024, the composition of the portfolio shifted to include more bond than cash investments due to market conditions becoming more favourable in the fixed income markets compared with cash. We maintain strict limits on instrument types, counterparties, countries, ratings and credit spread risk.

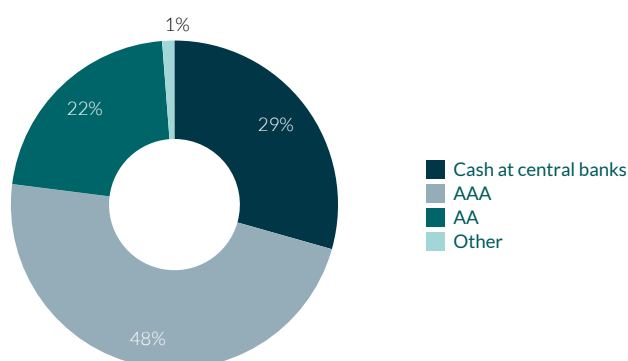
We hold part of our investment portfolio in a book that is classified at amortised cost (hold to collect). In the unforeseen event that we have to liquidate this book, the expected impact on our result would be around €3.7 million negative (at 31 December 2024).

In addition to day-to-day portfolio management, we regularly review and report annually on our investment portfolio to ensure it meets our ESG criteria. We have not encountered any material sustainability issues in our investment portfolio to date.

Investment portfolio and liquidity by counterparty (100% = €6.3 billion)



Investment portfolio and liquidity by credit rating
(100% = €6.3 billion)



For further information on our liquidity risk profile, see Section 9, "Liquidity risk", in the financial statements.

Capital management

Over the last decade, we generated substantial amounts of excess equity capital by winding down the corporate banking loan book. Excess equity capital has been used for acquisitions and distributed to shareholders via equity capital returns. Our Common Equity Tier (CET) 1 ratio target is 17.5% Basel IV fully loaded and we allow for a temporary undershoot of up to 2.5% for acquisitions. Our intention to return capital above our target to our shareholders going forward, subject to regulatory approval, remains unchanged.

Our CET 1 target ratio is well above the CET 1 requirement that stems from the supervisory review evaluation process (SREP). The latest SREP, which was concluded in July 2024, and overall capital requirements are outlined in the table below. Required CET 1 capital is 7.48% for Pillar 1 and 2 risks. Relative to the previous SREP, Pillar 2 guidance has decreased from 1.06% to 0.06%, which reflects the corresponding increase in the countercyclical capital buffer from 0.91% to 1.81%. The impact of stress scenarios on our solvency has not changed materially. Combined buffer requirements (countercyclical and capital conservation buffers) currently require 4.3% CET 1 capital. Our year-end capital ratios well exceed overall capital requirements and our own targets.

SREP and overall capital requirements at 31 December 2024 (%)	CET 1	Tier 1	Total capital
Pillar 1	4.50	6.00	8.00
Pillar 2	2.98	3.98	5.30
Total SREP capital requirement	7.48	9.98	13.30
Capital conservation buffer	2.50	2.50	2.50
Countercyclical capital buffer	1.85	1.85	1.85
Overall capital requirement	11.83	14.32	17.65
Pillar 2 guidance	0.06	0.06	0.06
Overall capital requirement + P2G	11.89	14.38	17.71
Capital ratios	19.4	21.7	25.2

Since we are not classified as a "resolution institution", loss absorption requirements (minimum required eligible liabilities or MREL) are not applicable.

As DNB is concerned about systemic risk in the Dutch housing market, it has implemented a risk weight floor for residential mortgages. This floor applies to mortgages not guaranteed by the NHG that are capitalised based on the IRB approach, and came into effect on 1 January 2022. Due to our solid mortgage portfolio, which results in low IRB risk weights, the impact of this floor is relatively large (-2.4 percentage points of the CET 1 ratio at 31 December 2024). On 17 October 2024, DNB announced the risk weight floor will be extended until December 2026.

Regulation (EU) 2024/1623 (also known as "CRR3" and "Basel IV" in the EU legal framework) applies from 1 January 2025. CRR3 implements the 2017 finalisation of post-2008 financial crisis reforms to the Basel framework on banking supervision into the EU legal framework. Basel IV affects three key aspects of measuring capital requirements for credit risk. The first is the revision of the standardised approach, which will change standardised risk weights for certain loan categories.

The second relates to the maximum capital benefit banks can obtain from IRB credit risk models. By imposing an overall risk weight floor equal to 72.5% of risk weights based on the standardised approach, the maximum benefits from using internal credit risk models are effectively limited. The risk weight floor is effective from 1 January 2025 at 50%, and will be phased in over a five-year period up to 72.5% by 1 January 2030.

The third aspect of Basel IV, which is particularly relevant for Van Lanschot Kempen, is a phased-in increase in the risk weighting of equity exposures, of which we have a relatively large amount (including investments in Bolster private equity funds and Van Lanschot Kempen Investment Management funds).

For capital planning purposes, we assumed Basel IV would come into effect on a fully loaded basis straight away, starting in January 2025.

The main non-credit risk-related element of Basel IV is the fundamental review of the trading book (FRTB). FRTB better reflects our hedging strategy when calculating the net market risk position, and will entail a structurally lower capital requirement. The date at which the FRTB will be applied has been changed by the European Commission as part of CRR3, to 1 January 2026.

Building lasting client connections



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When you show parts of yourself, you can find ways to relate to others

Wendy became responsible for Private Clients Netherlands and Investment Banking Clients in 2024, but her journey from intern to Board member at Van Lanschot Kempen spans over 20 years. "The entrepreneurial spirit, client focus and atmosphere of continuous improvement keeps me enthusiastic," she reflects. "We're in a strong position, but there's always more to do."

As a private banker, Shaziah works closely with clients to manage and grow their assets. She enjoys the focus on relationship management in the role: "This personal touch allows me to understand the unique needs and goals of every client, ensuring that the financial strategies we develop are tailored specifically to their circumstances."

Wendy echoes the importance of understanding client needs: "What moves and motivates them, how do they see wealth, and how will they hand it on to their children or to society? We use our experience to identify patterns and share our expertise."

This makes the work fulfilling for Shaziah too: "Whether it's helping a family plan for future generations, assisting an



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Each scenario presents its own challenges and rewards

entrepreneur in expanding their business, or navigating the complexities of retirement planning, each scenario presents its own challenges and rewards."

Looking ahead, Shaziah believes there's much she can learn from Wendy's career: "The financial industry is constantly evolving, so I think it's important to stay ahead by continuously seeking out new knowledge and skills. Wendy has always been committed to this continuous learning."

What's the key to successful client relationships? "Above all, be yourself," Wendy concludes. "This is crucial if you want to build personal relationships or get support in your career. There may be trends and best practices, but at the end of the day, we're all individuals. And when you show parts of yourself, you can find ways to truly relate to others – and that makes a big difference."

Wendy Winkelhuijzen (L)

Member of the Management Board

Shaziah Mahboeb (R)

Private Banker, Private Clients Netherlands

Van Lanschot Kempen shares

Depository receipts for Van Lanschot Kempen's Class A ordinary shares have been traded on the Euronext Amsterdam stock market since 29 June 1999 (ISIN Code: NL0000302636; ticker: VLK.AS). Van Lanschot Kempen's market capitalisation stood at €1,846 million at year-end 2024.

The issued share capital of Van Lanschot Kempen at 31 December 2024 consisted of 43,039,938 Class A ordinary shares ("shares"), each having a nominal value of €1. We held 662,748 treasury shares at year-end 2024. Van Lanschot Kempen is included in the AMX Index, the AEX ESG Index and in the MSCI World Small Cap Index.

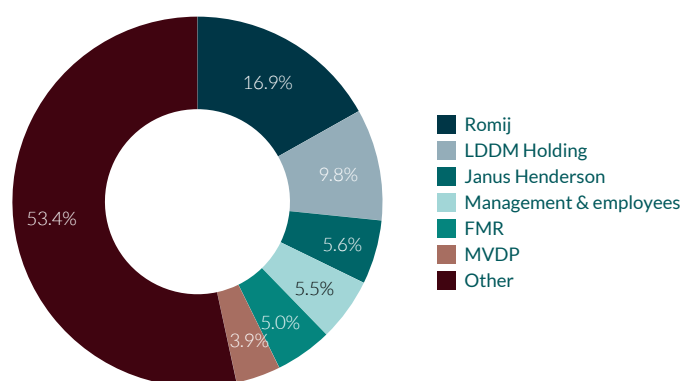
Shareholders and depository receipt holders

Pursuant to Chapter 5.3 of the Financial Supervision Act, the disclosures below have been entered in the Register of Substantial Holdings as maintained by the Dutch Authority for the Financial Markets (AFM). The percentages reflect the number of shares or depository receipts on the register on the disclosure dates.

Disclosure is required once a shareholder's interest reaches, exceeds or falls below a threshold value. The current interest of a shareholder or holder of depository receipts may consequently differ from the interest reported on the disclosure date. On 31 December 2024, Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen held over 99.99% of Van Lanschot Kempen shares. For more information on Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen, see "Depository receipts for shares" on page 154.

In 2024, J.B. Meulman sold his stake of 3.0% in Van Lanschot Kempen. In addition, Romij notified the AFM in June 2024 that it had crossed the 15% threshold, holding in total 16.9%. On 18 February 2025, Janus Henderson notified the AFM it had fallen below the 5% threshold.

Reported depository receipt holders at 31 December 2024¹



Employee participation plans

Management and employees, excluding MVDP², jointly owned 5.5% of our issued share capital at year-end 2024 (year-end 2023: 4.7%). In 2024, we continued the matching share plan in the Netherlands: the investment in Van Lanschot Kempen shares that an employee makes – up to a maximum value of €3,500 – is matched by Van Lanschot Kempen one year later. Through programmes such as this, around 70% of our employees are shareholders.³ Employees had the opportunity to buy shares at a discount of 18.5%, up to a total value of €15,000. All shares purchased under the employee share plan are subject to a five-year lock-up period. We intend to continue this employee share plan in 2025.

The 2024 reporting year was the third year for the Van Lanschot Kempen Partnership: a long-term participation plan for key senior employees. Its purpose is to anchor leadership more deeply in the organisation, further promote ownership and entrepreneurial spirit and create more long-term alignment with our shareholders and clients. At year-end 2024, partners jointly owned 1.1% of our issued share capital.

As the partnership is a participation plan, partners are asked to make a minimum individual contribution of at least €50,000 in year one and to increase their total contribution to a minimum of €150,000 and a maximum of €500,000 over the course of five years (with a minimum contribution of €25,000 per year). Contributions can be made either in cash or through conversion of a participant's (net) fixed remuneration in shares in the respective year. Shares in this plan also have a lock-up period of five years, allowing Van Lanschot Kempen to provide a discount of 18.5% on the shares bought.

The individual contributions are collected in a so-called *fonds voor gemene rekening* (FGR – fund for joint account). Partners' contributions remain in this fund during their full tenure as a partner. We selected this structure to combine the shares as one voting block and to reflect the collective and collaborative nature of the partnership. In return for their contribution, partners receive FGR units, each corresponding to a share in Van Lanschot Kempen. When votes are cast on the shares held by the FGR, voting instructions are obtained from the partners. In the absence of such instructions, the FGR will either abstain or allow individual partners to vote at their own discretion. The partnership does not affect the governance and management structure of the company.

Credit ratings

Our creditworthiness is periodically assessed by Standard & Poor's (S&P) and Fitch Ratings (Fitch). We maintain a high level of creditworthiness by deploying our assets for the benefit of our clients and by taking on only such risks as can be understood and controlled. This supports solid risk management processes as well as a strong capital and liquidity position. Our current credit ratings reflect our healthy capital and funding position along with our low risk profile.

¹ The figures relate to AFM filings up to 31/12/2024, with the exception of "Management & employees", which has been sourced from internal records.

² MVDP NV is the Belgian holding company of the former owners of Mercier Vanderlinden.

³ Based on employees in the Netherlands only.

In May 2024, Fitch upgraded the rating of Van Lanschot Kempen to an A- long-term credit rating with a stable outlook. Van Lanschot Kempen has had a BBB+ long-term credit rating from S&P since 2021.

Credit ratings	S&P	Fitch
Long-term credit rating	BBB+	A-
Long-term credit rating outlook	Stable outlook	Stable outlook
Short-term credit rating	A-2	F2
Date of latest report	26 September 2024	10 December 2024
Date of latest press release	24 June 2021	22 May 2024

Research coverage

Sell-side analysts from ABN AMRO – ODDO BHF, ING and Kepler Cheuvreux actively track Van Lanschot Kempen and regularly publish equity research reports. For more information, see our website: vanlanschotkempen.com/en-nl/about-us/investor-relations/share-information.

Dividend policy and dividend for 2024

Our aim is to distribute between 70% and 90% of our net result attributable to shareholders.⁴ This is the net result adjusted for minority interests and the share of holders of AT1 capital securities. In 2024, the net result available for distribution to shareholders amounted to €131.9 million, amounting to earnings per share of €3.11.⁵

Our strong results and solid capital position enable us to propose a dividend distribution of €2.75 per share to our shareholders (2023: €2.00 per share). The shareholders at the annual general meeting (AGM), to be held on 22 May 2025, will be invited to adopt the dividend proposal. Based on the number of shares in issue at 31 December 2024 (excluding treasury shares), the proposed dividend payments will total €116.5 million. This corresponds to a pay-out ratio of 88.4% of the net result attributable to shareholders. The proportion of net result attributable to shareholders that won't be paid out (i.e. €15.3 million) will be added to reserves.

Capital management policy

At year-end 2024, our CET 1 ratio was 19.4% and our CET 1 ratio according to Basel IV fully loaded was 19.3%⁶, which is above our target of 17.5%.

We intend to distribute additional capital above a CET 1 ratio of 17.5% to our shareholders, subject to regulatory approval. As our CET 1 ratio according to Basel IV fully loaded was 19.3%⁶ at year-end 2024, we propose to return €1.40 per share to our shareholders in June 2025, for which we have received approval from De Nederlandsche Bank (DNB) and for which we will convene an extraordinary general meeting (EGM) on 10 April 2025. The proposed capital return will total €59.3 million.

Since 2016, we have paid out a total of over €800 million – excluding the 2024 proposed dividend and envisaged 2025 capital return – to our shareholders in the form of both dividends and capital returns.

Key figures per ordinary share	2024	2023	2022	2021	2020
Share price (€):					
High	45.10	31.65	26.90	26.95	21.90
Low	26.25	22.25	19.14	20.35	9.23
Closing	43.55	28.15	21.90	22.00	21.00
Average daily trading volume in depositary receipts	67,059	93,977	53,959	51,184	87,525
Market capitalisation (€ million) (year-end) ⁷	1,845.53	1,195.73	891.71	898.64	862.51
Net asset value per share (€)	30.09	29.36	31.45	32.01	30.54
Price-earnings ratio	14.00	9.98	11.53	6.57	20.00

Information on dividend per ordinary share	2024	2023	2022	2021	2020
Earnings per ordinary share (€) ⁵	3.11	2.82	1.90	3.35	1.05
Dividend per ordinary share (€)	2.75	2.00	1.75	2.00	0.70
Dividend yield (%)	6.3	7.1	8.0	9.1	3.3
Pay-out ratio (%)	88.4	71.7	95.8	59.6	66.8
Total return for holders of ordinary shares (%)	61.8	45.7	15.5	15.0	4.7

⁴ Before 2024, our dividend policy and dividend distribution was based on underlying net result attributable to shareholders.

⁵ Based on the weighted number of outstanding ordinary shares.

⁶ Based on Van Lanschot Kempen's interpretation of Basel IV at the time of reporting.

⁷ Calculated as: closing price x (issued share capital minus treasury shares).

Movements in Van Lanschot Kempen's share price compared with industry indices



Sustainability ratings

Van Lanschot Kempen is periodically assessed by various organisations, including:

- MSCI ESG: a rating designed to measure a company's resilience to long-term, industry-material ESG risks. In 2023 (the most recent measurement), we received an AA rating (on a scale from AAA to CCC), the same as in 2022.
- ISS ESG: the responsible investment arm of Institutional Shareholder Services Inc. We received a B– rating (on a scale from A+ to D–).
- Principles for Responsible Investment (PRI): our responsible investment process was rated 4 and 5 stars (out of 5) by PRI for the policy, governance and strategy module, the confidence-building measures module, five indirect modules (listed equity – passive, listed equity – active, fixed income – passive, fixed income – active, and real estate) and two direct modules (listed equity – active fundamental and fixed income – corporate).
- Sustainalytics: 15th position out of 446 companies active in asset management (2024).

For a complete list of our sustainability ratings, see our website: vanlanschotkempen.com/en-nl/about-us/sustainability/rankings-and-ratings.

Investor relations policy

It is our policy to provide current and potential shareholders and bondholders, rating agencies and research analysts with accurate and timely information on developments within our business. We engage in active dialogue with all our financial stakeholders, by publishing press releases and our annual report, and by organising meetings and one-to-one discussions with existing and potential investors. If a shareholder enters into a dialogue with us outside the context of a general meeting, we may ask the shareholder to disclose their full share position. We observe a "silent" period of three weeks prior to the publication of our annual and half-year results, during which no meetings are held with shareholders or analysts.

There are four "open" periods each year, during which employees can buy or sell Van Lanschot Kempen shares. The open periods run for the ten working days after publication of the full-year figures, the Q1 trading update, the half-year figures and the Q3 trading update.

More information

Investors and analysts with questions about Van Lanschot Kempen are welcome to contact our Investor Relations department by phone on +31 20 354 45 90 or by emailing investorrelations@vanlanschotkempen.com.

If you would like to receive Van Lanschot Kempen's press releases by email, you can subscribe to our news service via: newsroom.vanlanschotkempen.com/en.

Key dates 2025

EGM	10 April 2025
Publication of 2025 Q1 trading update	7 May 2025
AGM	22 May 2025
Ex-dividend date	26 May 2025
Record date	27 May 2025
2024 dividend made payable	3 June 2025
Ex-capital return date	24 June 2025
Capital return payment date	26 June 2025
Publication of 2025 half-year results	28 August 2025
Publication of 2025 Q3 trading update	28 October 2025

Joining forces for an enhanced online distribution experience



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We were able to combine the best of both and help each other on the rest

Van Lanschot Kempen's acquisition of Robeco's online distribution platform brought Evi around €6 billion in AuM and c. 150,000 clients. Over the course of 2024, our teams have worked hard together to integrate teams, clients and operations.

At first, the integration involved a mindset shift from competitors to colleagues, but Robin says it quickly started to feel like home: "We were players in the same market, with the same product, so there were more similarities than differences."

During the process, the project team spent a lot of time listening. "We were open about what our crown jewels are, and what we can improve," Robin explains. "We were able to combine the best of both and help each other on the rest."

Pieter echoes the complementary nature of their teams. "The former Robeco team are specialists in their fields who have provided immediate reinforcement and more diversity to the Evi team. And we're making full use of their capabilities!"



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The former Robeco team has added immediate reinforcement and diversity

The integration was introduced in phases. Robin reflects: "As with any change, people need time to get used to it."

Pieter sees good results from the integration: "The increased client experience and employee engagement scores reflect our careful and robust process."

The team is now updating our digital channels and CRM to provide an even better user experience and future scalability. "We're currently working on the final preparations for the platform and website integration," says Pieter. "With those steps, the integration will be complete."

For Robin, the experience of joining the Evi team was like moving into a new home. "There may be a few 'settling in' noises, but we're optimistic. We feel like one team now."

Robin Biesheuvel (L)

Executive Director Marketing, Evi (formerly with Robeco)

Pieter Runhaar (R)

Executive Director, Evi

Report of the Supervisory Board

This report gives an overview of the activities of the Supervisory Board and its committees in 2024. For a description of the composition and operation of the Supervisory Board, see "Corporate governance", starting on page 152.

The Supervisory Board supervises and advises the Management Board on performing its management tasks and setting the direction for Van Lanschot Kempen. In its activities, the Supervisory Board focuses on long-term,

sustainable value creation for our clients, for our shareholders and for society. The members of the Supervisory Board are fully independent.

This report includes information about the achievement of corporate targets, the relationship with stakeholders and the relevant aspects of sustainability. It also covers the internal organisation, the meetings of the Supervisory Board and its committees, and the annual evaluation of the performance of the Supervisory Board, its committees and individual members.

Making strides

Frans Blom, Chair of the Supervisory Board, considers 2024 a "complex and challenging year" in which Van Lanschot Kempen made strides in shaping wealth management in Western Europe.

"We saw polarisation, conflict and climate-related challenges, with the continued question of the role that Europe should play on the global stage," he reflects. "At Van Lanschot Kempen, we see that clients look to us for guidance on how to navigate what's happening in the world and for trustworthy stewardship of their wealth. It is good to see we are delivering on this, which is reflected in our client satisfaction scores and the new clients we have attracted this year."

The Supervisory Board views understanding what clients value, discussing their feedback and anticipating their future needs as critical. "We encourage the organisation to try new things beyond what we do now – getting our proposition right today while preparing for the needs of tomorrow. People don't always know what they want ahead of time, so we are proactive in investing in capabilities we think will be valuable, such as AI – not only for increased efficiency but also to enhance our overall value proposition."

These efforts contribute to delivering on our strategy, "Growing further together". Frans sees the role of the Supervisory Board as ensuring the firm's growth trajectory can be sustained in the long term. "We keep an eye on the mid- and long-term view and less on the near term," he explains. "It's about making strategic investments now to make sure we're present in the right segments and markets in 5-10 years. This includes attracting the best talent to build the workforce of the future."

Frans is confident that we are on the right track with our strategy. "I believe that we're becoming the benchmark in wealth management in this region while sending a strong message about who we are and what we stand for. When we radiate that success, it shows." At the same time, there's no room for complacency. "We are part of a society with enormous challenges ahead," he adds, "and while we cannot influence everything, we want to take the opportunities to do what we can, where we can, such as on sustainability. The more successful we become, the greater the obligation, in my view."

Finally, Frans is proud of the strong collaboration within the Supervisory Board and with the Management Board in 2024: "I feel extremely privileged to work with this group of individuals that make up the Supervisory Board. We're all different, in terms of our backgrounds, expertise and nationality. What makes it so pleasant is the open atmosphere, where people trust each other and can speak their minds freely. We can have different points of view but still listen to each other. And with that, we reach better outcomes together than alone."



Frans Blom
Chair of the Supervisory Board

Supervision

Structure and functioning of risk management

The Risk and Compliance Committee discusses Van Lanschot Kempen's principal risks, as well as the structure and effectiveness of its risk management and control systems. Over the course of 2024, the Chair of the Risk and Compliance Committee reported its main conclusions and recommendations to the Supervisory Board. Van Lanschot Kempen's risk appetite statement is subject to the Supervisory Board's annual approval. The risk appetite statement for 2025 was discussed and approved at the Supervisory Board's December meeting.

Financial reporting

Financial reporting is discussed regularly at the Audit Committee's meetings, which are also attended by the external auditors. After each meeting, the chair of the committee reports on committee discussions to the full Supervisory Board. All members of the Supervisory Board attended Audit Committee meetings where the 2023 annual figures and the 2024 first half-year figures were discussed. The Supervisory Board approved the financial statements for 2023 on 21 February 2024.

PricewaterhouseCoopers Accountants NV (PwC) were reappointed as external auditors for the 2024 financial year at the annual general meeting (AGM) held on 25 May 2023. In view of the mandatory audit firm rotation obligations, KPMG Accountants NV (KPMG) were appointed as the company's new external auditors, effective from the start of the 2025 financial year.

Legal and regulatory compliance

The Supervisory Board is regularly provided with information on developments regarding the compliance framework such as projects to strengthen compliance policies and processes, and progress made in the area of client due diligence processes. The Supervisory Board values the continuous efforts to improve our compliance framework to manage compliance risks, ensure that the company adheres to laws and regulations, and make sure that we act in the best interest of clients. The Supervisory Board is also kept informed of interactions with supervisory authorities regarding compliance with regulations.

During 2024, the Supervisory Board was informed periodically about the ongoing implementation of new legislation and regulations, such as Basel IV and the Digital Operation Resilience Act (DORA), and the preparation for corporate sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD).

Relationship with stakeholders

In 2024, the Supervisory Board regularly discussed Van Lanschot Kempen's relationship with its stakeholders. At the Investor Day on 20 June 2024, the updated wealth management strategy and revision of Van Lanschot Kempen's financial targets were presented. Other topics discussed with stakeholders included the general development of Van Lanschot Kempen, progress on the company's wealth management strategy, organic and inorganic growth opportunities, the company's capital base, the revised remuneration policies for the Management and Supervisory Boards in preparation of the AGM, and Van Lanschot Kempen's sustainability profile and approach.

The Supervisory Board regularly devotes attention to client interests, client experience and client feedback.

The Supervisory Board is pleased that Van Lanschot Kempen continually strives to improve its products and further enhance the client experience.

Members of the Supervisory Board also participated in regular meetings with De Nederlandsche Bank (DNB) and the Dutch Authority for the Financial Markets (AFM), such as the annual meeting with DNB on the supervisory review and evaluation process (SREP).

The Supervisory Board values its constructive relationship with the Works Council. Elizabeth Nolan and Karin Bergstein attended meetings with the Works Council in May and October 2024. They also attended two meetings of the Works Council with the Management Board, to discuss the general course of business and exchange views on developments at Van Lanschot Kempen.

In 2024, the Supervisory Board also visited the offices in Zurich and Rotterdam. Such visits give the Supervisory Board the opportunity to meet with local management and employees and offer the Supervisory Board valuable insights into their business challenges.

Relevant aspects of sustainability

In 2024, the Supervisory Board discussed the update of the climate strategy and action plan, the 2025–26 sustainability roadmap, the double materiality assessment (DMA) and other topics around CSRD implementation, impact investing and active ownership investments, and a regulatory update. The Audit Committee discussed the quarterly sustainability management reports, an EU taxonomy comparison with peers, and the CSRD control framework. In addition, the Risk and Compliance Committee was informed about the sustainability risk policy and report, and received regular updates about sustainability risk.

Sustainability is an important topic for the Supervisory Board that requires continuous attention. The Supervisory Board supports further integrating all relevant aspects of sustainability into the business and risk management processes of Van Lanschot Kempen and its client solutions.

Internal organisation

Composition of the Management Board

On 1 June 2024, Richard Bruens stepped down as a member of the Management Board. He was responsible for Private Clients Netherlands, Private Clients Belgium and Investment Banking Clients. The Supervisory Board is sincerely grateful for Richard's major contribution to the development and success of private banking and investment banking, and his dedication to Van Lanschot Kempen over the past 11 years. Richard always thought about the interests of our clients and how to best serve them.

Wendy Winkelhuijzen took over the responsibilities of Richard Bruens for Private Clients Netherlands and Investment Banking Clients, while Maarten Edixhoven became responsible for Private Clients Belgium.

Damla Hendriks was appointed as a member of the Management Board and Chief Risk Officer on 1 June 2024. She succeeded Wendy Winkelhuijzen, who was Chief Risk Officer before succeeding Richard Bruens.

The Management Board currently consists of Maarten Edixhoven (Chair), Jeroen Kroes, Damla Hendriks, Arjan Huisman, Wendy Winkelhuijzen and Erik van Houwelingen.

Erik van Houwelingen's term of office expires after the AGM that will be held in May 2025, and we intend to reappoint him after this AGM.

Composition of the Supervisory Board

The Supervisory Board regularly discusses its profile and composition to maintain an appropriate balance. The composition of the Supervisory Board changed in 2024. Lex van Overmeire, who sadly passed away in April 2023, was succeeded by Else Bos. She was appointed as a member of the Supervisory Board at the extraordinary general meeting (EGM) on 21 October 2024 until the end of the AGM in 2029.

According to schedule, Karin Bergstein's first term of appointment expired in May 2024. She was reappointed as a member of the Supervisory Board at the AGM on 23 May 2024 until the end of the AGM in 2028.

Manfred Schepers' second term of appointment will expire after the AGM in 2025 and he is not available for reappointment. The recruitment process for a new Supervisory Board member has started.

For further information and background on the members of the Supervisory Board, see page 160.

Supervisory Board meetings

The Supervisory Board held 13 meetings in 2024. The Management Board attends the formal meetings of the Supervisory Board and prepares detailed information. Regular items on the agenda of these meetings include the company's strategy, financial results, annual budget, developments within the various business segments, developments regarding client experience and client interests, IT and information security, risk management, compliance, audit and HR topics.

In addition, the Supervisory Board discussed a wide range of other topics, including:

- Business plans of the client segments;
- M&A opportunities;
- Acquisition of Belgian investment adviser Accuro;
- Integration of Robeco's online investment platform with Evi;
- Client interests;
- IT roadmap of investment management activities;
- Azure migration;
- Sustainability strategy and roadmap;
- Annual report, sustainability reports and tax transparency report;
- Revision of the financial targets and preparation for the Investor Day;
- Succession planning;
- The group's tax policy and most important tax developments;
- Business continuity management;
- Brand positioning of Investment Management Clients;
- Proposal for a capital return to shareholders.

The Supervisory Board held eight meetings with Supervisory Board members only. These meetings gave the Supervisory Board the opportunity to reflect on agenda items, identify possible items requiring attention from the Supervisory Board, and discuss the composition and effectiveness of the Management and Supervisory Boards. The Chair of the Management Board was invited to attend these meetings. At the meeting in February 2024, the Supervisory Board discussed the performance of the Management Board members in 2023.

The Supervisory Board received the information needed to perform its tasks from the Management Board. Information was also provided by our external auditors. Employees from within the organisation regularly attended meetings to provide additional information on specific topics within their respective fields. This also gave the Supervisory Board the opportunity to get acquainted with senior employees, which is helpful for the Supervisory Board's talent management and succession planning activities.

In addition, the Supervisory Board discussed the outcome of the evaluation of the effectiveness of the Supervisory Board and its committees. For further information on the evaluation of the Supervisory Board, see page 139.

The members of the Supervisory Board discussed their views on long-term strategic themes for Van Lanschot Kempen at an off-site meeting in October 2024.

The agendas for Supervisory Board meetings were drawn up by the Company Secretary, in consultation with the Chair of the Supervisory Board. Between meetings, the Chair of the Supervisory Board maintained regular contact with the Chair of the Management Board. Supervisory Board members also held meetings with members of the Management Board and employees, relating to their membership of specific Supervisory Board committees and particular topics.

The table on the following page shows the composition of Supervisory Board committees, and the attendance rate of each member of the Supervisory Board at the Board and committee meetings.

Supervisory Board committees

Composition of Supervisory Board committees

The Supervisory Board has appointed four committees from among its members: the Audit Committee, Risk and Compliance Committee, Selection and Nomination Committee and Remuneration Committee. Each committee advises the Supervisory Board and prepares decision-making by the Board in its designated area of interest. These committees meet separately throughout the year. The main considerations and conclusions of the committees are reported by the chairs of the committees at Supervisory Board meetings. In addition, the minutes of the committee meetings are shared with the Supervisory Board. The Supervisory Board remains fully responsible for its decisions.

Composition and attendance rate	Supervisory Board	Audit Committee	Risk and Compliance Committee	Selection and Nomination Committee	Remuneration Committee
Frans Blom	100% (Chair)	100%		100% (Chair)	100%
Manfred Schepers	81%	100%	100% (Chair)		
Karin Bergstein	95%	100% (Chair)	100%		100%
Brigitte Boone	100%		100%	100%	
Else Bos ¹	100%		n/a ²	n/a ²	
Maarten Muller	100%		83%	100%	100% (Chair)
Elizabeth Nolan	95%	100%	100% ³	100%	

Audit Committee

The Audit Committee held four meetings in 2024. The Chair of the Management Board, CFO and CRO attended these meetings, while some meetings were attended by the other members of the Supervisory and Management Boards.

The external auditors and the heads of Internal Audit and Finance, Reporting & Control were also present at the meetings to discuss financial performance and audit matters. The Audit Committee also met with the internal and external auditors without the members of the Management Board being present, to discuss the course of affairs during the financial year.

In December, the external auditors from KPMG were present at the meeting of the Audit Committee to share their transition plan related to the rotation of the external audit firms.

The Audit Committee carried out a detailed assessment of the annual and half-year figures. Particular attention was paid to significant financial items in relation to the company's (interim) financial statements and disclosures, which are shown in the table below.

Key items for discussion	Audit Committee review and conclusion
Impairments of loans and advances to the public and private sectors Impairments for individually identifiable loans are based on IFRS 9. Van Lanschot Kempen recognises a loss allowance for expected credit losses on all loans. This is calculated by using purpose-built IFRS 9 models. For credit-impaired loans, the Credit Approval and Financial Restructuring & Recovery team provides input in determining the level of credit loss allowances. Determining the appropriateness of the individual items involves elements of judgement and requires management to make assumptions. In these judgements and assumptions, the uncertainties relating to market volatility, interest rates, increased cost of living and current geopolitical developments need to be taken into account.	On the basis of periodic management reports and the outcome of the audit procedures performed by the external auditors, we challenged the completeness and accuracy of the impairments recognised. We discussed the changes in loss allowances during the year as well as the loss allowances recognised in the income statement. We discussed the growth of the economy in 2024 and the substantiation for releasing the management overlay. We discussed the potential impact of climate change on our loan portfolio and agreed with management that no credit loss allowances in Stages 1 and 2, and no impairments in Stage 3, are currently needed. Based on our discussions and considering the acceptable range in the context of estimation uncertainty, we agree with the methodology applied by management in determining the provisions for impairments of loans and advances to the public and private sectors, and with the corresponding results. The disclosures relating to this item are set out in Note 6 to the financial statements.
Measurement of goodwill Van Lanschot Kempen conducts an annual goodwill impairment test regarding the valuation of goodwill on its balance sheet. This process is complex and subjective by nature as it is based on assumptions of future market and economic conditions. The assumptions used include future cash flow projections and, for each cash-generating unit, a cost of equity used as a discount rate.	We were informed about the method used for, and the outcome of, the goodwill impairment test. We also discussed the reallocation of goodwill as a result of the revised client segments. The methodology used was consistent compared with 2023, and was deemed to be adequate and in sufficient detail.
Appointment of new external auditors In view of the mandatory audit firm rotation obligations, KPMG were appointed as the company's new external auditors, effective from the start of the 2025 financial year. KPMG started its transition activities in the last quarter of 2024.	KPMG's transition plan for the 2025 financial year was discussed at the Audit Committee's meeting on 4 December 2024.

¹ As of 21 October 2024.

² As of 12 December 2024.

³ As of 23 May 2024.

Key items for discussion	Audit Committee review and conclusion
Sustainability In line with 2023, sustainability reporting was a specific area of focus for the Audit Committee. The topic was presented regularly by the colleagues responsible for sustainability in the Strategy, Sustainability & Corporate Development department and the Finance, Reporting & Control department.	<p>The committee was informed about sustainability topics through quarterly sustainability reports. In addition, the committee discussed the 2023 sustainability supplement and concept Global Reporting Initiative content index, an EU taxonomy comparison, and the DMA, including the progress on CSRD reporting and the impact on the 2024 annual report.</p> <p>In December, the proposal to the Supervisory Board to assign PwC to perform the assurance engagement for Van Lanschot Kempen's sustainability reporting for the 2024 financial year was discussed with the committee. The committee gave a positive recommendation for this proposal to the Supervisory Board.</p>
2027 financial targets The financial targets are based on the long-term forecast model and also serve as the basis for the 2025 budget. As the long-term forecast model is sensitive to the assumptions and scenario used, several sensitivity analyses and other scenarios have been presented.	Based on the long-term forecast model, the committee discussed the new financial targets and wording of the targets in great detail. This included detailed discussions about peer comparison, scenario analysis (including sensitivities), deep dives into the four client segments and the impact of potential future M&A transactions. The discussion also included the presentation of the new financial targets at the Investor Day in June 2024.

In addition, the committee discussed the external auditors' reports, and updates on tax developments and data management.

The committee discussed the external auditors' audit plan, audit reports and the board report prior to their consideration by the full Supervisory Board. The main topics discussed were the audit scope, materiality, key audit matters, audit risk assessment and approach, findings and hard-close activities. In addition, the committee monitored the actions taken in response to these findings.

The Audit Committee works closely with the Risk and Compliance Committee on monitoring the quarterly non-financial risk reports and on key audit matters, such as reliability and continuity of the IT environment and the fair value measurement of specific financial instruments.

The committee reviews the external auditors' independence, audit quality, communication and fees every year. On 30 January 2025, the performance of PwC in 2024 was evaluated. At the AGM held on 25 May 2023, KPMG were appointed as external auditors for the 2025 financial year, to comply with mandatory audit firm rotation obligations.

The Audit Committee monitored the work of the Internal Audit department throughout the year. The annual plan and quarterly reports from the Internal Audit department were discussed as part of the committee's evaluation of the quality and effectiveness of Van Lanschot Kempen's governance, policy framework, risk management and internal control systems. The committee discussed the annual evaluation of the audit charter, progress against the annual plan and the quality of Internal Audit's operation.

Each quarter, the committee discussed the Internal Audit focus topics: sustainability and ESG, third party management, information security and cybersecurity, as well as the 2024 themes: informal controls, culture and behaviour, client protection/client interests and data management (quality and security). In addition, Internal Audit reports presented the results of assessments of the risk & control framework and operation, the implementation and operation of IT systems, business continuity management, project management, logical access control,

cyberattack simulation results, implementation of DORA, governance structure of product management at Mercier Van Lanschot, preparation of the statement on risk management (*Verklaring omtrent Risicobeheersing*, VoR) and illiquid and less liquid proposition governance.

Based on the reports by both internal and external auditors, the Audit Committee concluded that the internal control environment is adequate for external financial reporting purposes.

Risk and Compliance Committee

Elizabeth Nolan was appointed as a new member of the Risk and Compliance Committee as of May 2024. As of 12 December 2024, Else Bos was also appointed as a new member of the committee. The committee currently comprises six members. The Risk and Compliance Committee met six times in 2024. Its meetings were also attended by the Chair of the Management Board, CFO, CRO and the heads of Financial Risk Management, Non-Financial Risk Management, Credit Approval and Financial Restructuring & Recovery, Compliance and Internal Audit.

The quarterly risk appetite reports were discussed by the Risk and Compliance Committee. In all meetings, specific attention was paid to reviewing whether Van Lanschot Kempen's risk profile was within the limits set by the company's risk appetite. Specific forward-looking themes and topics influencing the entire organisation were also discussed. The committee discussed the company's risk appetite statement at their December meeting. The risk appetite statement was submitted to the Supervisory Board with a positive recommendation. For the principles on which Van Lanschot Kempen's risk appetite is based, see our website: vanlanschotkempen.com/en-nl/about-us/who-we-are/governance ("Dutch Banking Code").

The Risk and Compliance Committee followed developments on compliance in the organisation and the monitoring activities of the Compliance department throughout the year. The quarterly compliance reports, compliance risks and progress on compliance projects were discussed by the Risk and Compliance Committee.

Quarterly compliance reports elaborated on the compliance risk profile of Van Lanschot Kempen, including its foreign entities.

The anti-money laundering and combating the financing of terrorism (AML/CFT) activity report 2023 was also discussed with the committee. This report describes the steering and oversight of all AML/CFT risks of Van Lanschot Kempen and its subsidiaries and branches. In addition, the committee discussed specific compliance-related initiatives in 2024, such as the review of the personal account dealing policy, the implementation of the European Banking Authority guidelines on policies and procedures in relation to compliance management and the role and responsibilities of the AML/CFT Compliance Officer, and the AFM self-assessment of the Compliance function.

The compliance reports also incorporated information from the Data Protection Officer on personal data integrity and adherence to the General Data Protection Regulation (GDPR). In February 2025, the Risk and Compliance Committee discussed the outcome of the 2024 Systematic Integrity Risk Analysis (SIRA). In addition, reports from Compliance provided information about interactions and communication with supervisory authorities. The 2025 annual plan for the Compliance department was discussed at the committee's December meeting.

Over the course of 2024, the Risk and Compliance Committee followed developments in Van Lanschot Kempen's core operational processes and specific projects, focusing on change execution risk among other topics. Other non-financial risk topics that gained prominence included data integrity and reporting, IT security and cybercrime. The assessment of fraud risk was also discussed. The Risk and Compliance Committee discussed risk mitigation measures implemented for various non-financial risks. The committee discussed the 2025 annual plan for the Non-Financial Risk Management department in December.

The Risk and Compliance Committee followed financial risks at its meetings throughout the year. The committee also discussed Van Lanschot Kempen's investment policy, the status of its internal ratings-based (IRB) project, its internal capital adequacy assessment process (ICAAP) and internal liquidity adequacy assessment process (ILAAP), its 2024 SREP letter and its recovery plan. The 2025 annual plan for the Financial Risk Management department was discussed in December.

The committee discussed sustainability risks, such as the impact that physical and transitional risks could have on the various risk types as well as the short-, medium- and long-term impact of climate change and the landscape of sustainability regulation in which the company operates.

In 2024, the Risk and Compliance Committee paid special attention to the topics detailed in the table below.

Key items for discussion	Risk and Compliance Committee review and conclusion
Interest rate risk Over the course of 2024, the European Central Bank (ECB) decreased its deposit facility rate in several steps. This had a substantial impact on depositor clients' preferences and changed client behaviour.	The Risk and Compliance Committee was informed about interest rate developments, the changes in client behaviour and the actions taken by the Asset & Liability Committee. Moreover, the increase and subsequent decrease of interest rates between 2022 and 2024 made it necessary to update our interest rate models predicting clients' behaviour. The progress on the remodelling project was frequently discussed with the committee.
Credit risk Credit risk remains one of the financial risks facing Van Lanschot Kempen, although the wind-down of the corporate portfolio means that credit risk is much more contained. The main risks for Van Lanschot Kempen are a major decline in the economy coupled with falling house prices.	The Risk and Compliance Committee was informed about credit risk developments in the loan portfolio based on several indicators (loans 30 days past due, amount of defaults, loan-to-value ratio, etc.). Based on these indicators and the IFRS 9 and IRB models, the credit quality of the loan portfolio remained stable in 2024. The various scenarios under which we would expect a deterioration in the quality of the loan portfolio were highlighted.
Non-financial risks Cybercrime is and will remain one of the main threats facing the financial services industry. We follow a risk-based approach and aim to develop intelligent solutions. In this rapidly changing and complex world, organisations only survive if they continuously adapt to new circumstances. However, working on various major projects simultaneously inherently leads to an increase in operational risks.	Regular updates on developments in Van Lanschot Kempen's cybersecurity and (IT) risk control framework were received and discussed by the Risk and Compliance Committee. The level of security is continuously being increased, and we concluded that sufficient resources and attention are being dedicated to this important topic. We also discussed the rapid developments in AI and the deployment of innovative solutions in the organisation. We reached the conclusion that adequate attention is being paid to these topics. Outsourcing is a standard practice in the financial sector that brings many advantages, but also results in a new form of risk: third-party risk. The management of this risk in terms of policies and actual risk management were discussed with the Risk and Compliance Committee. Management informed the Risk and Compliance Committee about the status of ongoing organisational change projects and risks to the organisation regarding the number of simultaneous changes and pressure on employees.

Key items for discussion	Risk and Compliance Committee review and conclusion
<p>Compliance risk Managing compliance risk is crucial for overall risk management and plays a vital role in maintaining integrity, protecting the interests of key stakeholders and maintaining operational efficiency.</p> <p>In addition to further enhancements to the compliance framework for financial crime prevention, in 2024 we focused on the area of client and investor protection, supporting the growth in serving retail clients, and the conduct of business, such as trade and transaction reporting and personal account dealing.</p>	<p>The Risk and Compliance Committee received the quarterly compliance reports, which include an analysis of the group's compliance risk profile; the activities of the Compliance department, including compliance risk assessments and advisory, independent monitoring, training and awareness, and relevant supervisory developments.</p> <p>The Risk and Compliance Committee was informed about ongoing compliance-related projects. Examples of these include continuous efforts to improve the efficiency and quality of client due diligence processes. Given the commercial success and inflow of new private banking clients, we ensured sufficient resources were available to perform client due diligence. The committee was informed about the ambition to move to a more risk-based, data-driven and possibly automated approach to performing client due diligence (ongoing due diligence). It is expected that this will contribute to increased process efficiency from 2026.</p>
<p>Sustainability risk Sustainability risks are becoming increasingly important. The Risk and Compliance Committee discussed the various forms of sustainability risks: risks to the balance sheet, risks in regulatory reporting, risks in assets under management and risks of not correctly classifying sustainability-related products.</p>	<p>The Risk and Compliance Committee discussed the various initiatives to measure, analyse and (if necessary) mitigate sustainability risks. The committee also tracked progress of the adherence to the ECB sustainability expectations. The committee concluded that significant progress has been made in several areas, and shared the Management Board's conclusion that the current sustainability risks are either well managed or not considered significant. The committee also recognised that continued effort is necessary to incorporate all new sustainability legislation and requirements from supervisors, while the evolving interpretation of legislation presents a challenge.</p>

Selection and Nomination Committee

As of 12 December 2024, Else Bos was appointed as a new member of the Selection and Nomination Committee. The committee has five members and they met five times in 2024. The Chair of the Management Board is regularly invited to attend the meetings of the committee.

In 2024, the Selection and Nomination Committee discussed the changes to the composition of the Management Board and advised the Supervisory Board on the appointment of Damla Hendriks. The committee also reviewed the succession planning for the Management Board.

The committee advised the Supervisory Board on the nomination to reappoint Karin Bergstein as a member of the Supervisory Board in 2024. The committee discussed the recruitment of a new member of the Supervisory Board to succeed Lex van Overmeire, which resulted in the appointment of Else Bos. The committee also started preparations for the succession of Manfred Schepers, whose second term of appointment will end after the AGM in May 2025.

Remuneration Committee

The Remuneration Committee held four meetings in 2024. The Chair of the Management Board, CFO and representatives from the HR department also attended the Remuneration Committee meetings.

At the committee's January meeting, the 2023 variable remuneration paid to Van Lanschot Kempen employees was discussed. At its February meeting, the committee discussed the Management Board's 2024 key performance indicators (KPIs) and the 2023 remuneration report. The total amount available for variable remuneration of Van Lanschot Kempen employees for 2024 was among the topics discussed at the December meeting.

The committee also discussed the harmonisation of the employment conditions and reward principles of Mercier Van Lanschot, the evaluation of the remuneration policies for Management and Supervisory Board members, and the proposal for the new remuneration policies of the Management and Supervisory Boards. For more information, see "Remuneration report" on page 143.

Ensuring governance quality

Evaluation of the Supervisory Board

The Supervisory Board values the structural evaluation process of its own functioning to ensure continuous improvement in its way of working. Each year, the Supervisory Board evaluates the composition and effectiveness of the Supervisory Board, its committees and individual members. The evaluation is carried out under the guidance of an external adviser once every three years. In 2023, the evaluation took place with an external adviser. In 2024, the evaluation was carried out via self-assessment, using a questionnaire completed by each Supervisory Board member.

The evaluation includes the participation and contribution of each member of the Supervisory Board, the collective knowledge and experience of the Supervisory Board, the conduct and culture of its members, the interaction and dynamics within the Supervisory Board, the effectiveness of the chairs of the Supervisory Board and its committees, the communication and provision of information, the decision-making process and quality of the information provided for Supervisory Board meetings, the independence of mind of the individual members, whether members are able to commit sufficient time to fulfil their role within the Supervisory Board, and the relationship with the Management Board. The outcomes of the evaluation were discussed by the Supervisory Board at a meeting in January 2025, and recommendations will be implemented as a result.

The Supervisory Board concluded that the Board and its committees are operating very well and that its composition is in line with the required profile in terms of suitability, expertise and diversity, and also complies with Principle 2.1 of the Dutch Corporate Governance Code. The Supervisory Board identified a number of action items, such as arranging in-depth AI training for Supervisory Board members, continuing their office visits, and arranging further discussions on client interests.

The relationship with the Management Board is open and constructive, while remaining sufficiently critical. Conclusions and recommendations relevant to the Management Board are shared with them.

Evaluation of the Management Board

In February 2025, the Supervisory Board evaluated the performance of the Management Board, both as a whole and that of its individual members based on the KPIs for 2024. The Supervisory Board sets the KPIs for the Management Board every year, which consist of Van Lanschot Kempen's external financial and non-financial KPIs and additional KPIs on financial and non-financial topics. The achievement of the KPIs by the Management Board is monitored during the year. The assessment of these KPIs forms the basis for the collective assessment of the Management Board and the individual assessment of its members for 2024. For further information on company performance against these KPIs, see page 12.

At the beginning of 2025, a delegation from the Supervisory Board (with input from its members) held meetings with each Management Board member to review their individual performance, the performance of the entire Management Board and that of the company over the past year. During these meetings, self-assessments by the individual Board members were further elucidated and discussed. Topics typically included personal performance and goals, cooperation within the Management Board, execution of the company strategy and any lessons learned. The company had another good year and the performance of the members of the Management Board was judged to be good. It was also noted that the Management Board works very well as a team. These conclusions were shared with the members of the Management Board. The 2025 KPIs for the Management Board are in line with Van Lanschot Kempen's financial and non-financial KPIs for 2025.

The Management Board evaluates its own effectiveness each year. This evaluation is externally facilitated every third year. The Management Board carried out a self-assessment, supported by structured 360-degree feedback and facilitated by an external adviser in 2024. The 360-degree feedback resulted in positive ratings and comments about team energy, risk awareness, sustainability focus, inclusion and diversity, and client focus. Based on the outcome of the evaluation, more attention will be paid to initiative completion and people management. The outcomes of the evaluation were discussed with the Supervisory Board in December 2024.

On-boarding programme

All new members of the Management and Supervisory Boards complete a comprehensive on-boarding programme when appointed. The programme is tailor-made for each newly appointed Board member, as their knowledge and experience varies.

The aim of the on-boarding programme is to provide new Board members with thorough knowledge of Van Lanschot Kempen, its strategy, business activities and key risks to fulfil their role within the Management and Supervisory Boards. Depending on the individual role and needs of the Board members, in-depth meetings with senior managers of relevant departments are incorporated into the on-boarding programme.

Education

As ongoing education is an important part of good governance, the members of the Supervisory and Management Boards take part in a continuous education programme. In 2024, four educational sessions were organised, covering the following topics:

- Reform of the Dutch pension system;
- Basel IV;
- Anti-money laundering;
- ICAAP, ILAAP and ICARAP.

An additional educational meeting about the Shell climate court case was also held.

These educational sessions were rated positively by the members of the Supervisory and Management Boards and contributed to more in-depth knowledge of the topics discussed. The members of the Management Board have completed all mandatory internal e-learning modules.

Independence

The Supervisory Board attaches great importance to the independence of its members. All members of the Supervisory Board perform their duties independently and critically. The independence requirements described in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code have been fulfilled. Currently, there are no dependent members on the Supervisory Board. In the event of a potential conflict of interest relating to a particular topic, the Supervisory Board member concerned is not allowed to participate in discussions or decision-making on that topic. Best practice provisions 2.7.3 to 2.7.4 of the Dutch Corporate Governance Code were observed as far as applicable. In 2024, there were no conflicts of interest of material significance for members of the Supervisory or Management Boards.

Financial statements

The Supervisory Board has reviewed and approved the 2024 annual report and the 2024 financial statements. The 2024 financial statements have been audited by the external auditors, PwC. The independent auditors' report can be found on page 278. The external auditors have also issued a limited assurance report on the sustainability information in this annual report, which is available on page 296.

We invite the AGM to adopt the 2024 financial statements as submitted, and to discharge the members of the Management Board for their management of Van Lanschot Kempen and the members of the Supervisory Board for their supervision.

Acknowledgements

The Supervisory Board would like to thank all stakeholders for their trust and confidence in Van Lanschot Kempen.

Finally, we wish to express our appreciation to the members of the Management Board and all employees for their continued loyalty and commitment to achieving Van Lanschot Kempen's strategic goals and realising real impact in the interest of our clients.

's-Hertogenbosch, the Netherlands, 26 February 2025

Supervisory Board

Frans Blom, *Chair*
Manfred Schepers, *Vice-Chair*
Karin Bergstein
Brigitte Boone
Else Bos
Maarten Muller
Elizabeth Nolan

Developing top talent at Van Lanschot Kempen



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I've always felt able to ask for feedback and take on projects I'm interested in

Van Lanschot Kempen offers colleagues a range of opportunities to grow and achieve their ambitions, such as by working in different parts of our business. Camieke and Léanne have both recently taken their next steps within the firm.

Camieke joined us as a Business Controller in 2021. The pandemic meant that she didn't meet her colleagues for six months, but she soon built a strong network in her focus segments, Investment Banking Clients and Investment Management Clients. "I'm grateful to have had colleagues to learn from and mentor me," she says. "I've always felt able to ask for feedback and take on projects in the areas I'm interested in."

Léanne started as an intern in 2016, learning the ropes in staff departments in Amsterdam. This quickly led to a role in the financial reporting team, and later in risk management. She reflects: "There are many people who have worked at Van Lanschot Kempen for more than 20 years, which I think is a great strength, as they've seen so many parts of the



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There are lots of opportunities to grow and build your network

business. There are lots of opportunities to grow and build your network."

In August 2024, Léanne moved to private banking at our office in Eindhoven, as the first point of contact for her portfolio of clients. "I didn't think private banking was for me at first, but after a shadow day I became much more interested," she says. "This was the perfect next step for me."

Camieke moved into Investment Management Clients in the summer of 2024, to focus on fiduciary management. Her prior experience working with the team helped to ensure a smooth transition. She reflects: "Van Lanschot Kempen provides an environment for people to keep growing within the company."

Camieke Teunissen (L)

Vice President Fiduciary Management, Investment Management Clients

Léanne Gelderblom (R)

Private Banker, Private Clients Netherlands

Remuneration report

Remuneration Committee

Key objectives

To advise on the Management Board remuneration policy and its execution, and to prepare the Supervisory Board's decision-making.

Responsibilities

The responsibilities of the Remuneration Committee include:

- Providing advice to the Supervisory Board on:
 - the determination of the policy on remuneration of the Management Board;
 - the total remuneration packages for the members of the Management Board;
 - the remuneration of the members of the Supervisory Board;
- Preparing the annual remuneration report;
- Overseeing remuneration policies and practices, including total variable remuneration paid to Van Lanschot Kempen employees, significant¹ individual variable remuneration, and individual variable remuneration to all identified staff.

The committee held four meetings in 2024.

Composition

Chair

Maarten Muller



Members

Karin Bergstein, Frans Blom

Letter from the Chair of the Remuneration Committee

Dear shareholder,

As Chair of the Remuneration Committee, I'm pleased to present Van Lanschot Kempen's remuneration report. This report is guided by requirements originating from the Shareholder Rights Directive (SRD II).

This report includes both a summary of our Management Board and Supervisory Board remuneration policies and our annual report on remuneration, which sets out how our policy was applied during 2024 and how it will be applied in 2025. On 23 May 2024, the annual general meeting (AGM) approved the remuneration policies for the Management Board with a majority of 99.63% of the votes cast, and for the Supervisory Board with 99.94% of the votes cast. The remuneration policies were approved for four years and will be reviewed again in 2027.

The 2023 remuneration report was approved by the AGM (advisory vote) with a majority of 99.51% of the votes cast. There was no specific follow-up given the outcome of this vote, and we did not receive any substantive comments on the 2023 remuneration report. The 2024 remuneration report will be subject to an advisory vote at our AGM on 22 May 2025.

Alignment with our strategic framework

Van Lanschot Kempen is a specialist, independent wealth manager with a banking licence. This leads to specific challenges from a remuneration perspective, especially within the Dutch regulatory context.

We are a leader in private banking in the Benelux region, and in investment management and investment banking in Western Europe, competing with larger financial institutions in our sectors. We strongly believe that our future success requires a robust Management Board with a proven track record in wealth management and related investment banking activities, and with knowledge of the risk and

compliance challenges associated with this. Experience in digitalisation and advanced analytics is also key. As a consequence, the remuneration of the Management Board members should be such that Van Lanschot Kempen is able to attract and retain the necessary talent, which includes future board members from the financial sector as a whole and particularly from highly specialist wealth management and technology firms. Moreover, the Management Board's remuneration package must be structured to fit properly within the Dutch context.

Remuneration policy adjustments in 2024

We believe in rewarding long-term sustainable performance that contributes to our long-term strategy. This is reflected in our Management Board remuneration policy. Since 2015, the remuneration of the Management Board consists of fixed remuneration only (no variable remuneration) and includes a large proportion in depositary receipts for shares (hereinafter: shares), with a five-year lock-up period, in combination with share ownership guidelines. This creates a strong focus on sustainable long-term value creation.

The remuneration policies for the Management and Supervisory Boards were reviewed in 2023, approved by the AGM and the new policies were applicable as of 2024.

Management Board remuneration policy

- The reference group for remuneration benchmarking was adjusted to focus further on key markets and address past feedback, particularly regarding the size of certain reference companies. The new reference group includes Dutch and Belgian financial institutions and independent, specialist Western European asset managers. We added an additional reference group, consisting of all companies that are part of the AMX, to ensure compliance with the Banking Code and alignment with the broader Dutch market.

¹ More than 50% of fixed remuneration.

- A consistent balance between fixed remuneration in cash and shares is important to align the remuneration of the Management Board with shareholder interests. The share of remuneration in shares will always be 40% of the total fixed remuneration. The shareholding guidelines for the Management Board were extended from twice the cash portion of the gross salary to twice the full gross salary. Members must build up their shareholding to this level before they are permitted to sell shares, and a five-year lock-up period applies to all newly granted shares.
- In line with current market practice, a specific derogation clause was added that gives the Supervisory Board the opportunity to temporarily deviate from the policy in predefined exceptional circumstances, when necessary to ensure the viability of the company or to serve its long-term interests and sustainability.

Supervisory Board remuneration policy

- The reference group used for benchmarking remuneration was aligned with the revised reference group used for the Management Board. Companies from the revised reference group with a "one-tier board" were not included in the reference group for the Supervisory Board due to the difference in their governance structure.
- The remuneration levels for the Supervisory Board were last adjusted in 2018. To remain competitive and to be able to attract and retain the right talent for the Supervisory Board, we adjusted the remuneration levels and added an indexation clause to the remuneration policy for the Supervisory Board. With this, we ensured that the remuneration policy for the Supervisory Board is future-proof. The level of indexation is the same as the indexation for the Management Board.

During these developments, we consulted shareholders, voting advisers, various client groups and the Works Council to gather their insights into the proposed remuneration policies. The feedback received has led to adjustments in the proposed policy, as explained in the agenda of the AGM.

Total remuneration in 2024

We review total remuneration for the Management Board periodically, taking into account internal and external perspectives. When adopting the Management Board remuneration package, we consider pay ratios within the company and remuneration policies in place across the wider workforce (governed by collective employment conditions). Moreover, the Remuneration Committee takes note of individual Management Board members' views on the amount and structure of their own remuneration.

In line with the Management Board remuneration policy approved by shareholders, the Supervisory Board indexed the fixed remuneration of the members of the Management Board.

For more information about the Management Board's remuneration package and pay ratios, see "Remuneration of the Management Board in 2024" on page 145.

Performance management

The Supervisory Board assesses the performance of the Management Board based on a set of financial and non-financial key performance indicators (KPIs). These KPIs are strongly aligned with the KPIs for the rest of the

organisation, and reflect both the interests of its stakeholders and its ambitions as a wealth manager. In assessing the performance of the Management Board, great value is attached to their performance as a team. This is the starting point of the performance assessment, given the company's integrated wealth management model. If the performance of a Management Board member is below par, the Supervisory Board will discuss this with the relevant member, and may also decide not to apply any indexation. If the performance is consistently below par, the Supervisory Board may dismiss the responsible Board member (after consulting the general meeting).

Looking ahead to 2025

The current remuneration structure for the Management Board and Supervisory Board will stay in place until 2028 due to the approval of the new remuneration policy by the AGM in 2024.

Stakeholder engagement

We take stakeholders' views very seriously and welcome an open dialogue on all aspects of remuneration. In preparation for the 2024 AGM, a delegation from the Remuneration Committee of the Supervisory Board consulted with a large cross-section of the company's shareholder base, proxy advisers, the Works Council and various client groups. At these meetings, we gave explanations on SRD II; the Management and Supervisory Board remuneration policies; the Supervisory Board's view on rewarding long-term sustainable performance; and the Dutch context, such as the Dutch law on remuneration of financial undertakings, the Dutch Corporate Governance Code and the Dutch Banking Code.

The dialogue with our stakeholders was very constructive. Gaining their views on executive pay in general, and Van Lanschot Kempen's remuneration policy in particular, was of great value. The Supervisory Board received detailed feedback from each of the meetings, and appreciates that it is important for stakeholders to have a clear understanding of the decisions made around remuneration. We would like to thank all the stakeholders for their valuable input. The feedback was very constructive, and the Supervisory Board will take it into account going forward. Van Lanschot Kempen will continue this broader stakeholder engagement.

Indexation of Management Board remuneration

The 2025 indexation of the fixed remuneration of the Management Board was discussed by the Supervisory Board, in line with the remuneration policy. For the wider workforce – governed by collective employment conditions – an indexation amounting to 3.5% was applied on 1 January 2025. The Supervisory Board decided to increase the remuneration of the Management Board by 2.6%.

The Supervisory Board concluded that the performance of all Management Board members was above target, and that indexation can be justified by the company's overall performance.

's-Hertogenbosch, the Netherlands, 26 February 2025

Remuneration Committee

Maarten Muller
Chair

Our remuneration policy at a glance

Our purpose is to preserve and create wealth for our clients and for society in a sustainable way. We build close relationships with our clients so that we can guide them in their financial decisions. Only by putting ourselves in their shoes can we use our collective expertise to present them with fitting solutions and products in support of their long-term goals.

This view is reflected in our approach to remuneration, which rewards long-term sustainable performance against a set of KPIs, builds a sense of ownership through personal share holdings, and includes regular performance discussions.

Our remuneration policy aims to ensure a balanced, sustainable and competitive remuneration package. The key features of our remuneration policy are as follows:

	Purpose	Operation
Fixed salary – cash	To reflect the scale and complexity of our company, enabling us to attract and retain the highest-calibre talent	Fixed salary in cash, paid during the year in 12 instalments, taking into account the following factors: <ul style="list-style-type: none"> – Scope of responsibilities; – Business performance, scarcity of talent, economic climate and market conditions; – Developments elsewhere within Van Lanschot Kempen, including pay ratios; – Developments in our external peer groups (which are used for reference purposes only).
Fixed salary – shares	To reflect the scale and complexity of our company, enabling us to attract and retain the highest-calibre talent; to align rewards with long-term sustainable performance; and to align the interests of the Management Board with shareholders	Fixed salary in shares, paid in one instalment: <ul style="list-style-type: none"> – The proportion of remuneration in shares will consist of 40% of the total fixed remuneration. This balance is to be maintained over time; – A lock-up period of five years applies to these shares.
Indexation	Pay for performance, labour market developments and to compensate for inflationary pressures	The remuneration of the Management Board can be increased annually at the discretion of the Supervisory Board. The indexation is maximised by the general increase granted to the wider workforce and the derived consumer price index applicable over the previous year. It will only be applied if the overall performance of the individual Management Board member is (at least) on target and it can be justified by the financial performance of the company.
Share ownership guidelines	To align the interests of the Management Board with those of shareholders	Management Board members must hold Van Lanschot Kempen shares with a value equal to or above two years' gross salary (for as long as they remain in office). They can gradually meet this requirement over the years. If the share price is not performing well, the Management Board members must keep increasing their holdings.
Pension and disability insurance	To secure income after retirement or in case of disability	<ul style="list-style-type: none"> – The members of the Management Board are responsible for their own pension provision, towards which they receive a fixed cash payment of 30% of their fixed remuneration. This percentage is in line with our reference market. – They also receive a payment of 2.59% of their fixed remuneration for taking out disability insurance. – There are no early retirement schemes for Management Board members. – We monitor external developments regarding alignment between executive pensions and broader employee pension arrangements.

Remuneration of the Management Board in 2024

The remuneration of the Management Board consists of fixed remuneration only, including a large proportion in Van Lanschot Kempen shares (with a five-year lock-up period), creating a strong focus on the long-term continuity of the company and subsequent strong client relations.

The Supervisory Board indexed the fixed remuneration of the members of the Management Board in 2024. For the wider workforce, we applied a general increase amounting to 3.15% on 1 January 2024. This relatively high percentage was a result of the high-inflation environment. The Supervisory Board believed it was appropriate to apply a lower indexation percentage to the Management Board.

The decision was therefore made to index the fixed remuneration of the Management Board at 1% on 1 January 2024. This was granted fully in cash, in accordance with the Management Board remuneration policy.

The remuneration policy for members of Van Lanschot Kempen's Management Board was approved and adopted by the AGM on 23 May 2024, and applied from that date. The remuneration paid to the Management Board in 2024 and 2023 is presented in the table on the following page.

Total remuneration of the individual members of the Management Board (€1.000) ²									
Management Board member	Year	Fixed salary in cash	Fixed salary in shares ³	Total fixed salaries	Extra-ordinary items	Pension and disability insurance	Total remuneration	Share-based payment expenses ⁴	Total employee costs
Maarten Edixhoven ⁵	2024	891	388	1,279	—	417	1,696	78	1,774
	2023	875	388	1,263	34	412	1,709	78	1,787
Jeroen Kroes	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Damla Hendriks ⁶	2024	300	183	483	—	158	641	20	661
	2023	—	—	—	—	—	—	—	—
Arjan Huisman	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Wendy Winkelhuijzen	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Erik van Houwelingen	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Richard Bruens ⁷	2024	342	209	551	—	180	731	46	777
	2023	504	312	816	—	267	1,083	35	1,118
Total 2024							7,456	284	7,740
Total 2023							7,124	253	7,377

Compliance with our remuneration policy

We have continued to make decisions on Management Board remuneration in accordance with our policy, as approved by our shareholders and in the context of developments inside and outside Van Lanschot Kempen. The remuneration policy contains a derogation clause.

Total remuneration of the Management Board

We review total remuneration for the Management Board periodically, taking into account internal and external considerations.

Internal pay ratios, fairness and wider workforce considerations

When adopting the Management Board remuneration package, we consider pay ratios within the company – attaching importance to the need for a sound pay ratio. The development of the pay ratio is discussed annually with the Works Council.

A comparison of the CEO's remuneration package and the average remuneration⁸ of an employee within Van Lanschot Kempen results in a pay ratio of 11:1, the same as in 2023.

As part of the review of Management Board remuneration, we take into account the alignment with remuneration policies in place across the wider workforce. This includes considering the structure of remuneration packages at each level of the business to ensure there is a strong rationale for how these evolve across the different levels of the organisation.

For more detailed information on Management Board remuneration versus remuneration for the wider workforce and company performance, see “Supplementary disclosure related to Management Board remuneration” on page 147.

External considerations

To assess the remuneration levels of the Management Board versus external market levels, we use a well-balanced, focused group of companies, which reflects our talent market for Management Board positions. This serves as one of many checks in the determination of remuneration levels.

We believe that market capitalisation is not the deciding factor for attracting talent. Our talent market is much broader than that of our direct competitors, which is evidenced by the recent hire of our CRO and three of our current Management Board members, who joined us from top-notch larger firms. The relevant market includes both financial services companies and non-financial industry companies, both Dutch and international, and companies that are similar to and larger in size than Van Lanschot Kempen. The relative size of the company versus our competitors drives the need to attract better people than the competition. Prompted by our business strategy, we are willing to pay for the best people in the market. Typically, this talent comes from companies that are larger than ours.

² To be able to make a comparison between 2024 and 2023, the same definition of total remuneration has been used (total fixed salary plus pension and disability insurance). Business expenses have not been included.

³ A proportion of fixed salary is paid in the form of Van Lanschot Kempen shares. Maarten Edixhoven received 13,788 shares (2023: 17,206), Damla Hendriks received 6,481 shares, Richard Bruens received 7,407 shares, while the other members of the Management Board each received 11,110 shares (2023: 13,865). The number of shares granted is based on the average share price for the first four trading days in January. For 2024 the average share price amounted to €28.10 in January (2023: €22.52); in June for Damla Hendriks €37.29. IFRS Accounting Standards take the share price at grant date as the basis for recognition. This price also amounted to €28.10 in 2024 (2023: €22.54).

⁴ Share-based payments have a lock-up period of five years, allowing Van Lanschot Kempen to provide a discount of 18.5% on the shares.

⁵ The extraordinary item of €34,000 in 2023 relates to deferred compensation for lapsed rights to variable remuneration at Maarten Edixhoven's previous employer.

⁶ Damla Hendriks was appointed as member of the Management Board on 1 June 2024.

⁷ Richard Bruens stepped down as member of the Management Board on 1 June 2024.

⁸ The average employee remuneration is calculated by dividing total employee costs (excluding costs for external hiring, redundancy, mobility, training and other employee costs) by the average number of FTEs working for Van Lanschot Kempen.

Our external reference market consists of the following types of companies:

- **Dutch and Belgian financial institutions:** Although other banks and specialist wealth management companies are important from a talent market perspective, our talent pool does not only consist of financial services companies but a broader scope of financial institutions. For example, in pursuing our wealth management strategy, professional qualifications are key – including the ability to adapt to technological changes. Because of this, our reference market also consists of other, non-financial Dutch and Belgian companies – for example, in the technology sector. These companies are larger than ours, reflecting our experience that talent suitable for our Management Board is likely to be attracted from (and lost to) larger companies.
- **Specialist Western European wealth managers:** We are a specialist company and need to be able to attract experts to further grow the business. As there are no other standalone specialist wealth management companies of comparable size in the Netherlands, we look at companies active in Western Europe. We take into account standalone companies, broadly comparable in terms of number of employees and type of professional setting.
- **An additional peer group:** Consisting of all Dutch and foreign companies (cross-industry) on the index that includes Van Lanschot Kempen (currently the AMX), this will be added to ensure compliance with the Banking Code of the Dutch Banking Association and a link with the broader Dutch market.

The peer group is in line with requirements as laid down in the Dutch Banking Code. This code prescribes that the peer group should be composed of comparable positions both inside and outside the financial industry, including the relevant international context.

The composition of the current peer group is set out in the following table.

Management Board peer group in 2024	
Dutch and Belgian financial institutions	Specialist Western European wealth managers
ABN AMRO Bank	EFG International
Achmea	Julius Bär
Ageas	Ninety One
ASR Nederland	Rathbones Group
De Volksbank	Vontobel Holding
Delen Private Bank	
NN Group	
Rabobank	
Robeco	

As for the Management Board's overall total remuneration level, the objective is to remain competitive and to occupy a position below the median of the peer group. When establishing more specific positioning against market data, we take into account that some of the companies are substantially larger than ours. As a result, the current remuneration packages of our Management Board members occupy a position well below the median of the peer group.

Management Board performance

As indicated in our approach to remuneration, the performance of the Management Board is assessed based on financial and non-financial KPIs. For a comprehensive overview of the Management Board KPIs, see page 12.

In addition to the Management Board KPIs, Management Board members' performance is evaluated against KPIs regarding, amongst others, the level of operating expenses, run-rate revenue per client segment, active involvement in relevant M&A opportunities and risk appetite.

Supplementary disclosure related to Management Board remuneration

Annual change in Management Board remuneration versus wider workforce and company performance ⁹	2024	2023	2022	2021	2020
CEO remuneration (€1,000) ¹⁰	1,696	1,709	1,684	1,576	1,499 ¹¹
Other Management Board members' remuneration (€1,000) ¹⁰	1,097	1,083	1,043	1,019	973 ¹¹
Average employee remuneration (€1,000)	154	149	148	149	140
Pay ratio	11:1	11:1	11:1	11:1	11:1

⁹ The Dutch implementation of SRD II requires disclosure of the compensation of the Supervisory Board members in a way that allows comparison. The members of the Supervisory Board received fixed remuneration during the years covered by the table above, ranging from €76,000 (lowest full-time amount in 2019) to €130,000 (highest full-time amount in 2024). They are not entitled to any variable remuneration. For more information, see "Remuneration of the Supervisory Board in 2024".

¹⁰ Total remuneration awarded. For the 2022 figures: from 1 September, Jeroen Kroes's remuneration and Wendy Winkelhuijzen's remuneration are reported.

¹¹ In response to the pandemic, the members of the Management Board decided to take a 10% pay cut on the cash component of their 2020 compensation on a voluntary basis, from 1 May until the end of 2020.

Number of shares held by Management Board members in 2024	At 1 January	Bought/awarded	Sold/post-employment	At 31 December
Maarten Edixhoven	44,669	17,327	—	61,996
Jeroen Kroes	27,616	6,884	—	34,500
Damla Hendriks (as of 1 June 2024)	—	3,026	—	3,026
Arjan Huisman	80,617	6,884	—	87,501
Wendy Winkelhuijzen	19,333	6,884	—	26,217
Erik van Houwelingen	45,118	6,884	—	52,002
Richard Bruens (until 1 June 2024)	96,966	8,586	—	n/a
Total	314,319	56,475	—	265,242

At 31 December 2024, the members of the Management Board held no options for shares.

Loans to Management Board members are only granted within the scope of normal operations and in keeping with conditions laid down in the financial services regulations for directors of Van Lanschot Kempen, subject to the approval of the Remuneration Committee.

No advances or guarantees have been granted to members of the Management Board. No impairments or write-offs have occurred on loans granted to Management Board members.

Loans to Management Board members in 2024 (€1,000)	At 31 December	Repaid in the year	Interest range	Type
Maarten Edixhoven	—	—	—	
Jeroen Kroes	320	12	1.35%	Mortgage
Damla Hendriks	—	—	—	—
Arjan Huisman	—	—	—	—
Wendy Winkelhuijzen	1,052	409	1.65 - 4.31%	Mortgage
	—	680	5.60%	Bridge loan
Erik van Houwelingen	2,151	24	1.25 - 4.91%	Mortgage
Total	3,523	1,125		

Remuneration of the Supervisory Board in 2024

The remuneration policy for members of the Supervisory Board was adopted by the AGM on 23 May 2024 and applied from that date. The remuneration of the Supervisory Board is summarised in the tables below.

Remuneration of the Supervisory Board	Chair	Vice-chair	Member
Supervisory Board	€95,000	€75,000	€65,000
Audit Committee	€17,000		€12,000
Risk and Compliance Committee	€17,000		€12,000
Remuneration Committee	€13,000		€10,000
Selection and Nomination Committee	€13,000		€10,000

Remuneration of the Supervisory Board (€1,000)	2024	2023
Frans Blom	130	117
Manfred Schepers	104	95
Karin Bergstein	104	92
Brigitte Boone	87	76
Else Bos (from 21 October 2024)	11	—
Maarten Muller	100	82
Elizabeth Nolan (from 25 May 2023)	94	44
Bernadette Langius (until 25 May 2023)	—	33
Lex van Overmeire (deceased 4 April 2023)	—	28

No share-based remuneration, loans, advances or guarantees have been granted to the members of the Supervisory Board.

The Supervisory Board peer group is composed of Dutch financial institutions that operate a two-tier board structure. As a specialist wealth manager in the financial sector, Van Lanschot Kempen wants to be able to appoint and retain high-quality Supervisory Board members. The composition of the current peer group is set out in the following table.

Supervisory Board peer group in 2024	
ABN AMRO Bank	NN Group
Achmea	Rabobank
ASR Nederland	Robeco
De Volksbank	

Remuneration of other employees

We aim to provide a remuneration package for all employees that is competitive, performance-related and fair. Our remuneration policy for other employees is in line with our strategy and purpose, and contributes to sustainable long-term value creation.

Fixed remuneration

Employees' fixed remuneration reflects their relevant work experience and organisational responsibilities. Our job and career framework consistently links the weight of each job to a pay line. The pay lines are based on external market data and are differentiated to ensure we pay competitive salaries across the organisation. The pay lines are fully transparent, promote better pay-for-performance focus, and have been set up with clear guidelines on pay-related decisions and governance.

Variable remuneration

Our variable remuneration policy covers all employees. Each individual variable remuneration grant is subject to meeting the criteria as described in this section.

Our variable remuneration policies comply with all relevant laws and regulations. The average variable remuneration of all Van Lanschot Kempen employees who work (mostly) in the Netherlands may not and does not exceed 20% of their fixed remuneration. For a small number of employees who are not directly engaged in providing financial services to clients, we may grant variable remuneration of up to 100% of fixed remuneration. These deviations require separate approval from the Supervisory Board.

Variable remuneration funding

Each year, the Management Board establishes a variable remuneration pool, from which individual variable remuneration awards are made. The pool funding depends on the achievement of financial and non-financial KPIs and is subject to Supervisory Board approval. Once the size of the variable remuneration pool has been established, the Management Board decides how the pool will be allocated in line with the industry benchmark principles applicable in the Netherlands.

Variable remuneration allocation

The individual allocation of variable remuneration depends on team and individual performance on financial and non-financial KPIs, market competitiveness and special factors.

Individual performance is measured by assessing the achievement of KPIs, as set at the beginning of the year. These indicators can be financial and non-financial, with some departments applying only non-financial criteria. For the departments that use both financial and non-financial indicators, at least 50% of the allocation of any variable remuneration is based on non-financial criteria, such as showing the desired professional behaviour, improving client satisfaction, developing new products or solutions for clients, and improving internal processes, policies or systems. The financial performance indicators include nothing that might encourage irresponsible risk-taking.

Variable remuneration is only awarded if:

- Van Lanschot Kempen's financial position allows;
- It is justified by Van Lanschot Kempen's performance, the relevant client segment and the individual employee;

- Van Lanschot Kempen meets the prevailing buffer requirements under the Capital Requirements Regulation, the Financial Supervision Act (*Wet op het financieel toezicht*) and its implementing legislation;
- The risks taken have been reassessed and no material risks have occurred that were not expected or factored in;
- The employee has received a good performance assessment, has met compliance targets, as a rule has not been subject to disciplinary measures and has not taken any risks that fall outside Van Lanschot Kempen's accepted risk appetite.

Variable remuneration pay-out

Variable remuneration up to €50,000 gross is paid out in cash directly. Above this amount, 50% of any variable remuneration is paid out directly, whereas the other 50% is deferred for a period of four years. Pay-out of the deferral is conditional on Van Lanschot Kempen meeting the prevailing buffer requirements (as mentioned above).

The Management Board may, with the approval of the Supervisory Board, hold or claw back all or part of the pay-out if pay-outs have taken place on the basis of incorrect information, or have been made in conflict with the variable remuneration policy and/or applicable legislation and regulations:

- Deferred, conditional, variable remuneration previously awarded to an employee (or former employee), if payment of the variable remuneration would be considered unfair or unreasonable (hold back);
- Unconditional variable remuneration previously paid to an employee (or former employee). This might occur if, for instance, payment was based on incorrect information about performance or about the conditions on which the variable remuneration depended (claw back).

Remuneration in 2024

Variable remuneration totalling €20.5 million was awarded to employees (including identified staff) over 2024 (2023: €18.6 million). Five people received total annual remuneration of over €1 million in 2024 (2023: six people).

Equal pay

Van Lanschot Kempen operates a merit-based remuneration policy, striving not to discriminate on the basis of gender, age, nationality, social status or cultural background. We periodically investigate this and, if necessary, make adjustments to equalise pay. In 2024, we further analysed the gender pay gap at different levels in the organisation to determine whether there are any unexplained differences. Our corrected gender pay declined to 1.4% in 2024 and is below our target of <2.0%. For more information on our pay practices, see our sustainability statement on page 47.

Matching Share Plan

Our employee participation plan, also known as the Matching Share Plan, offers an attractive investment opportunity in Van Lanschot Kempen, as well as the chance to share in the company's successes. More than 70% of our employees participates in the plan. For more information on the plan, see "Van Lanschot Kempen shares" on page 129.

Partnership for leadership

The reporting year was the third for the Van Lanschot Kempen Partnership: a long-term participation plan for key senior employees. More information is also available in "Van Lanschot Kempen shares" on page 129.

Pensions

Since 2020, all of our employees have participated in Van Lanschot Kempen's collective defined contribution pension plan. Management Board members do not participate in this plan as they receive an individual pension contribution.

Remuneration policy for identified staff

Identified staff are employees whose activities have a material impact on the risk profile of the business. For these employees, performance measurement is the same as for other employees, but additional rules apply for the pay-out of variable remuneration to align the interests and risks of the employee with those of the company. The selection of identified staff is reviewed and approved by the Management and Supervisory Boards on an annual basis.

As a general rule, any pay-out to identified staff is made 50% in cash and 50% in Van Lanschot Kempen shares. As an exception¹² to this, the variable remuneration of identified staff working at Van Lanschot Kempen Investment Management is paid 50% in cash and 50% in a flexible mix of Van Lanschot Kempen shares and investments in funds managed.

A lock-up period of one year applies to the shares that have become unconditional. In all cases, 60% of the award is paid out unconditionally (both the cash part and the non-cash part), whereas 40% is conditionally deferred for a period of four years. Pay-out of the deferral is conditional on a reassessment of the five conditions mentioned for any award of regular variable remuneration. If this reassessment leads to an adjustment of the deferred remuneration, the hold- and/or claw-back system applies.

Remuneration policy governance

The Management Board sets the remuneration policy for employees, based on the advice of several departments: Human Resource Management, Finance, Reporting & Control, Financial and Non-Financial Risk Management and Compliance. These, together with the Internal Audit department, have an important part to play in setting up, adjusting, implementing and reviewing our variable remuneration policy. They advise the Management and Supervisory Boards and report to them on their conclusions.

The Management Board is responsible for implementing the remuneration policy. The Supervisory Board approves the variable remuneration policy, including its general principles, and oversees its implementation. Approval by the Supervisory Board is also required for the variable remuneration pools, any significant¹³ individual variable remuneration, and for individual variable remuneration proposed for employees designated as identified staff. The Supervisory Board's Remuneration Committee prepares the Supervisory Board's decision-making on remuneration and advises it in this area.

More information about the remuneration policy for identified staff can be found in our 2024 Pillar 3 disclosures, available on our website from 13 March 2025: vanlanschotkempen.com/results.

¹² Based on the Alternative Investment Fund Managers Directive and Undertakings for the Collective Investment in Transferable Securities guidelines on sound remuneration policies.

¹³ More than 50% of fixed remuneration.

Making impact with the Van Lanschot Kempen Foundation



“

I'm proud of how we put people in touch with local communities

The Van Lanschot Kempen Foundation was established in 2016 to initiate and promote social projects that benefit future generations and contribute to a better world, by dedicating financial resources, time and knowledge.

"The Foundation's Board consists of volunteers within the company, and we see growing interest from colleagues in participating," reflects Nicolette.

Godfried also recognises this growth in the Foundation's activities. "During the pandemic, it was difficult for people to support projects in person," he says. "But now we're back in full swing. I appreciate the effort everyone has put in to get us to a much higher level than pre-Covid."

One of the Foundation's partners is Resto VanHarte, which combats loneliness in society by hosting regular community meals. Volunteers, including Van Lanschot Kempen employees, help to prepare and serve the food, as well as chatting with guests over the meal. Van Lanschot Kempen colleagues also give guest lessons to young adults on how to manage money and avoid common pitfalls.



“

We can use our skills to help make society that bit better

One of the Foundation's most important goals is to increase colleagues' participation, explains Godfried. "We're already doing well at around 29%, but I'd like to reach 50% in the next two to three years. We have a lot of dedicated people in our organisation, and it's great to be using their qualities to make a positive impact on society."

"We help open people's eyes to the world around them, working towards a society where people have more equal opportunities," says Nicolette. "There's still a lot of room to grow, for example in skills-based volunteering, where our colleagues put their specialist knowledge into action. I'd also like to integrate our international activities and bring more colleagues on board. I'm proud of how we can put people in touch with local communities and make a direct impact – it's what makes my job so fulfilling!"

Nicolette Bok (L)

Foundation Manager

Godfried van Lanschot (R)

Chair of the Foundation

Corporate governance

Van Lanschot Kempen NV is a listed public limited company under Dutch law, governed by a two-tier board. The Management Board is responsible for managing the company, while the Supervisory Board oversees the policies pursued by the Management Board and the general conduct of affairs at the company and its associated business. The Supervisory Board advises the Management Board on the performance of its duties.

Corporate governance structure

Van Lanschot Kempen is a *structuurvennootschap*. Under Dutch corporate law this means that in addition to the tasks already mentioned, the Supervisory Board is responsible for appointing and dismissing the Management Board and for approving some of its decisions. Both the Management Board and the Supervisory Board report to Van Lanschot Kempen's general meeting. For the Articles of Association and various other regulations and documents relating to corporate governance, see: vanlanschotkempen.com/management-structure and vanlanschotkempen.com/en-nl/about-us/who-we-are/governance.

Management Board

The Management Board of Van Lanschot Kempen is responsible for the continuity of the company. It focuses on long-term value creation for the company and takes relevant stakeholders' interests in this context into account. The Management Board is responsible for the management of the company, including drawing up and achieving Van Lanschot Kempen's purpose, its strategy and related risk profile, its goals and the pattern of its results, while also attending to the environmental and social aspects of doing business that are relevant to the company. In strategic decisions, the Management Board takes all material environmental and social factors into account. Periodically, with the approval of the Supervisory Board, it determines the financial and non-financial key performance indicators (KPIs) for Van Lanschot Kempen.

The Supervisory Board notifies the general meeting of any proposed appointment of a member of the Management Board. Appointment of a member of the Management Board is subject to the approval of De Nederlandsche Bank (DNB). A member is appointed by the Supervisory Board. The maximum term for appointment or reappointment is four years. The Supervisory Board may dismiss a member of the Management Board at any time, but only after consulting the general meeting.

The Management Board must consist of at least three members, with the actual number set by the Supervisory Board. The composition of the Management Board changed in 2024. On 1 June 2024, Richard Bruens stepped down as a member of the Management Board and Damla Hendriks was appointed as a member of the Management Board and CRO. Wendy Winkelhuijzen took over the responsibilities from Richard Bruens for Private Clients Netherlands and Investment Banking Clients, and Maarten Edixhoven became responsible for Private Clients Belgium.

The Management Board currently comprises Maarten Edixhoven (Chair and responsible for Private Clients Belgium), Jeroen Kroes (CFO), Damla Hendriks (CRO), Arjan Huisman (COO), Wendy Winkelhuijzen (responsible for Private Clients Netherlands and Investment Banking Clients) and Erik van Houwelingen (responsible for Investment Management Clients).

The Management Board evaluates its functioning as a whole and that of its members at least once a year. The Supervisory Board discusses, at least once a year, the performance of the Management Board as a whole and its members' performance individually. For more information about the evaluation of the Management Board's performance by the Supervisory Board and the remuneration of the Management Board, see "Report of the Supervisory Board" on page 133, and "Remuneration report", on page 143.

Supervisory Board

In performing its duties, the Supervisory Board focuses on long-term sustainable value creation for clients, shareholders and society. The members of Van Lanschot Kempen's Supervisory Board are appointed by the general meeting, in accordance with the provisions set out in Article 23 of Van Lanschot Kempen's Articles of Association. Appointment of a member of the Supervisory Board is subject to the approval of DNB. Members of the Supervisory Board are appointed for a term of four years and may be reappointed for one further four-year period. A member of the Supervisory Board may subsequently be reappointed for two years, and this appointment may be extended by another two years. In the event of reappointment after eight years, the reasons for reappointment should be given in the report of the Supervisory Board.

A member of the Supervisory Board may only be dismissed by the Enterprise Chamber of the Amsterdam Court of Appeal with due observance of Article 161(2) of Book 2 of the Dutch Civil Code. In addition, the general meeting may pass a motion of no confidence in the Supervisory Board as a whole, in accordance with Article 161(a) of Book 2 of the Dutch Civil Code. Such a resolution results in the immediate dismissal of all members of the Supervisory Board.

The Supervisory Board must have between three and nine members. The Supervisory Board currently has seven members: Frans Blom (Chair), Manfred Schepers (Vice-Chair), Karin Bergstein, Brigitte Boone, Else Bos, Maarten Muller and Elizabeth Nolan. At the AGM held on 23 May 2024, Karin Bergstein was reappointed as a member of the Supervisory Board until the closure of the 2028 annual general meeting (AGM). At an extraordinary general meeting (EGM) held on 21 October 2024, Else Bos was appointed as a member of the Supervisory Board until the closure of the 2029 AGM.

The Supervisory Board has appointed four committees from among its members to prepare the Board's decision-making: the Audit Committee, the Risk and Compliance Committee, the Remuneration Committee, and the Selection and Nomination Committee. These committees advise the Supervisory Board on matters relating to their respective areas of interest. For more information about the committees and their composition, see "Report of the Supervisory Board" on page 133.

The Supervisory Board has drawn up a profile¹ for its size and composition, taking into account the nature and activities of the business associated with Van Lanschot Kempen and its subsidiaries, and the required expertise and background of the members of the Supervisory Board. The Supervisory Board appraises its own performance, that of its committees and that of individual Supervisory Board members, at least once a year without members of the Management Board being present. The Supervisory Board appraises its own performance with independent support once every three years. One of the conclusions from the Supervisory Board's self-assessment is that the composition of the Board complies with the requirements set out in the Board's profile. For more information about the conclusions of the Supervisory Board's self-assessment of its performance in 2024, see "Report of the Supervisory Board" on page 133

Inclusion and diversity policy

Van Lanschot Kempen has drawn up an inclusion and diversity policy, which is available on our website: vanlanschotkempen.com/en-nl/about-us/who-we-are/purpose-values-and-strategy/inclusion-and-diversity. You can also read more about the policy in the sustainability statement on page 45.

Unlocking the potential of diversity first and foremost requires the creation of an inclusive environment, where the distinctive qualities of each individual are welcomed and valued. We aim for diversity not only in terms of gender, nationality, age, educational background, sexual orientation, gender identity, religion, ethnic background, disability or distance to the labour market, but also across personal experiences, characteristics, socioeconomic backgrounds and the different skills that people bring. We recognise the true value of having diverse perspectives at the table, and also realise it takes time to learn and adapt to get there.

We intend to increase the number of people working with us with a disability, a distance to the labour market or an international background each year. We have set specific targets with respect to gender diversity based on the Act to achieve a more balanced male/female ratio on management and supervisory boards. We aim for at least one-third women and one-third men in both our Management and Supervisory Boards, and for at least 30% women and 30% men in senior staff positions. For more information about gender diversity in senior staff positions, the action plan and the inclusion and diversity policy for employees, see "Inclusion and diversity" in our sustainability statement.

With regard to the composition of our Management and Supervisory Boards, we aim for a reasonable balance across multiple forms of diversity, but do not find it appropriate to set specific diversity targets across all dimensions. That said, we aim to ensure that the combined profiles of the respective Board members enable them to collectively execute their range of responsibilities and duties towards Van Lanschot Kempen to the best of their abilities, taking into account the nature of the business and its activities.

In implementing our inclusion and diversity policy for the Management and Supervisory Boards, the individual profiles drawn up for vacancies on these Boards take into account the Boards' profiles and the relevant inclusion and diversity criteria and objectives. These profiles form the basis for the recruitment and selection of new members of the Supervisory and Management Boards. These criteria and objectives are also taken into account when evaluating the performance of the Supervisory and Management Boards.

The Supervisory Board meets the objectives of our inclusion and diversity policy, with its diverse composition in terms of gender, age, nationality, characteristics, educational background, personal experiences and the skills that each member brings. This composition enables the Supervisory Board as a group to carry out its responsibilities and duties effectively. The following areas of expertise are represented in the Supervisory Board: executive experience, strategy formulation and execution, banking and finance, asset management, clients and markets, audit, financial reporting, risk management, IT, digitalisation, transformation, sustainability (social and environmental), legal, compliance and remuneration. The Supervisory Board currently has seven members, of which three are men and four are women. This means that 43% of the positions on the Supervisory Board are currently held by men and 57% of the positions are held by women and that the target for at least one-third of its members to be female/male, as included in the inclusion and diversity policy, has been met.

The Supervisory Board has concluded that the composition of the Management Board meets the objectives of our inclusion and diversity policy. The composition is complementary and there is a sufficient degree of diversity in terms of gender, age, educational background, personal experiences and skills. In terms of gender diversity, the Management Board currently consists of four men and two women. This means that the composition of the Management Board currently meets the gender diversity target.

Dutch Corporate Governance Code

On 20 December 2022, the revised Dutch Corporate Governance Code 2022² (the Code) was published. It came into force as of the 2023 financial year, and contains principles and best practice provisions that regulate relations between the management board, supervisory board and general meeting/shareholders. The Code aims to define responsibilities for sustainable long-term value creation, risk control, effective management and supervision, remuneration and the relationship with shareholders and other stakeholders.

In 2023, we carried out an extensive analysis of the impact of the Code. The by-laws of the Management and Supervisory Boards as well as the terms of reference of the Supervisory Board committees were amended in 2023 to comply with the revised Code. In the 2024 reporting year, we fully complied with the Code.

¹ The profile can be viewed at vanlanschotkempen.com/management-structure.

² The 2022 Dutch Corporate Governance Code can be downloaded from mccg.nl/documenten/2022/12/20/dutch-corporate-governance-code-2022.

Dutch Banking Code

The Dutch Banking Code³ contains principles on sound and ethical business operations, governance, risk policy, audit and remuneration policy. The Banking Code applies to activities performed in, and aimed at, the Netherlands by banks with registered offices in the Netherlands and which hold a banking licence issued by DNB. It therefore applies to Van Lanschot Kempen because we hold a banking licence in the Netherlands. Van Lanschot Kempen complied with the Banking Code in 2024. An explanation (in Dutch) of how Van Lanschot Kempen applied the Banking Code during the reporting year is provided on our website: vanlanschotkempen.com/en-nl/about-us/who-we-are/governance.

Capital structure and shares

Van Lanschot Kempen's authorised share capital consists of 150 million shares with a nominal value of €1 each, divided into 75 million Class A ordinary shares and 75 million Class C preference shares. Our outstanding capital did not change during 2024 and consisted entirely of Class A ordinary shares at 31 December 2024; a total of 43,039,938 Class A ordinary shares had been issued. There were no outstanding Class C preference shares in 2024.

Depository receipts for shares

Over 99.99% of Class A ordinary shares in issue are held by Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen ("Stichting Administratiekantoor"), which has issued depository receipts for these shares.

The receipts have been listed on the official market of the Euronext Amsterdam stock market since 1999. A depository receipt can be converted into its underlying share without any restrictions, although administrative costs may be charged. Stichting Administratiekantoor fully complies with Principle 4.5 of the Code, which specifies that "Depository receipts for shares can be a means of preventing a majority (including a chance majority) of shareholders from controlling the decision-making process as a result of absenteeism at a general meeting. Depository receipts for shares should not be issued as an anti-takeover protective measure."

Stichting Administratiekantoor grants proxies so that holders of depository receipts can always exercise their voting rights. In the case of shares for which Stichting Administratiekantoor has not granted proxies to the holders of depository receipts and for which no voting instructions have been received, Stichting Administratiekantoor's Board decides how the votes are to be cast. Stichting Administratiekantoor exercises the voting rights in the interest of the holders of depository receipts for shares, taking into account the interest of Van Lanschot Kempen, its associated business and all parties concerned. Its Board has three members and is independent of Van Lanschot Kempen. It appoints its own members, without requiring the approval of Van Lanschot Kempen. Before appointing a member, the Board allows the holders of depository receipts for shares the opportunity to recommend candidates for appointment as members of the Board. A meeting of holders of depository receipts takes place at least once every two years. At this meeting, the Board reports on its activities, vacancies in the Board, and candidates the Board intends to appoint as members of the Board.

Once every two years, the Board requests the holders of depository receipts at this meeting to confirm their confidence in the Board. At the meeting held on 20 November 2024, holders of depository receipts confirmed this. The Board reports on its activities annually. This report can be found on page 303.

Stichting preferente aandelen C Van Lanschot Kempen

A call option contract has been agreed between Stichting preferente aandelen C Van Lanschot Kempen ("Stichting preferente aandelen") and Van Lanschot Kempen, under which Stichting preferente aandelen was granted the right to acquire Class C preference shares up to 100% of the value of Van Lanschot Kempen's share capital in issue before the exercise of the call option, less one share. A general meeting, at which a proposal to redeem the preference shares will be placed on the agenda, is to be convened within 12 months.

The following circumstances may lead to the issuance of Class C preference shares:

- A concentration of shares or depository receipts for shares in Van Lanschot Kempen as a result of purchases on the stock market or the purchase of blocks of shares, other than as a pure investment;
- Merger talks that do not lead to an agreement;
- The announcement of a public bid, whether or not in combination with the above circumstances;
- A proposal by a shareholder or holder of depository receipts for shares to place an item on the agenda that represents a potential threat to Van Lanschot Kempen's continuity, identity and/or independence.

Interests in Van Lanschot Kempen notifiable under Chapter 5.3 of the Financial Supervision Act

Pursuant to the Financial Supervision Act, shareholders and holders of depository receipts of Van Lanschot Kempen are required to provide information on their holdings once they cross threshold levels of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. As of the publication date of this report, Van Lanschot Kempen is not aware of any shareholders or holders of depository receipts with an interest of 3% or more in Van Lanschot Kempen other than Stichting Administratiekantoor, Romij BV, LDDM Holding BV, Janus Henderson Group plc, FMR LLC and MVDP NV. For more information on Van Lanschot Kempen's shareholders, see "Van Lanschot Kempen shares" on page 129. Stichting preferente aandelen has reported a potential interest of 100% in Van Lanschot Kempen under the call option agreement between Stichting preferente aandelen and Van Lanschot Kempen.

In 2024, no transactions took place between Van Lanschot Kempen and any natural person or legal entity holding at least 10% of the shares in Van Lanschot Kempen, and which would be material to Van Lanschot Kempen and/or the person/entity involved.

Rights of shareholders

Since there are exclusively Class A ordinary shares in issue at present, this section only describes the rights of holders of Class A ordinary shares and depository receipts for Class A ordinary shares.

³ The Banking Code can be downloaded from nvv.nl.

Dividend

The portion of the profit remaining after addition to the reserves is at the disposal of the general meeting. In the event that a loss is incurred over a year, which cannot be covered by a reserve or by some other means, no profit distribution will occur in subsequent years until such time as this loss has been absorbed. A dividend on ordinary shares can only be paid out when the dividend proposal has been approved by the general meeting. Van Lanschot Kempen checks whether the proposed dividend satisfies the European Central Bank's recommendation on dividend payment policies. For more information on our dividend policy, see "Van Lanschot Kempen shares" on page 129.

Pre-emption rights

When ordinary shares are issued, each existing holder of ordinary shares has a pre-emption right proportionate to the aggregate nominal amount of the existing holding of ordinary shares. Class A ordinary shares are issued to holders of Class A ordinary shares. The same applies to the grant of rights to acquire ordinary shares. Pre-emption rights can be limited or excluded by resolution of the Management Board, any such resolution being subject to the approval of the Supervisory Board. The relevant authority of the Management Board ends as soon as its authority to issue shares expires (see "Share issues").

Shareholders do not have any pre-emption rights on shares issued in exchange for a non-cash contribution. Nor do shareholders have any pre-emption rights on shares or depositary receipts for those shares issued to employees of Van Lanschot Kempen or another group company.

Special rights of shareholders

There are no special statutory control rights attached to shares in Van Lanschot Kempen.

Van Lanschot Kempen signed a shareholder agreement with LDDM Holding BV in 2011, in which LDDM Holding affirms that it will respect Van Lanschot Kempen's independence. LDDM Holding will not cooperate with the acquisition by a third party of a shareholding in Van Lanschot Kempen exceeding 25% of the issued share capital without the approval of the Management and Supervisory Boards. In the event of any future share issues, Van Lanschot Kempen will give LDDM Holding the opportunity, subject to certain conditions, to keep its relative shareholding in Van Lanschot Kempen at the same level. As long as LDDM Holding retains an interest of at least 7.5% in Van Lanschot Kempen, it has the right to recommend one person for appointment as a member of the Supervisory Board of Van Lanschot Kempen. Maarten Muller currently serves on the Supervisory Board on LDDM Holding's recommendation.

Restrictions on voting rights and deadlines for exercising voting rights

Van Lanschot Kempen has not imposed any restrictions on the exercise of voting rights. In principle, voting rights are exercised at the general meeting by the shareholder or the person authorised by the shareholder to that end. A shareholder is entitled to vote at the general meeting if the shares in question are registered in the shareholder's name on the registration date (see "General meeting"). Holders of depositary receipts for Class A ordinary shares who register on time to attend the general meeting are granted a proxy by Stichting Administratiekantoor. They can use this proxy at the general meeting to exercise the voting rights on the shares held by Stichting Administratiekantoor, and in

exchange for which depositary receipts were issued. Proxies will be provided when the depositary receipt holders sign the attendance list prior to the start of the meeting or, in the case of a hybrid meeting, at the moment they log in to the designated platform to attend the virtual meeting. If the depositary receipt holder's right to attend the meeting is to be exercised by a representative authorised in writing, Stichting Administratiekantoor will grant a proxy to the representative. Shareholders and holders of depositary receipts for shares are also offered the opportunity to issue a voting instruction to an independent third party prior to the general meeting. The notice convening the relevant general meeting will state to whom this voting instruction should be sent and what the deadline is for submission.

Share issues

The extent of the Management Board's authority to decide on a share issue (subject to the approval of the Supervisory Board) is determined by a resolution of the general meeting. The duration and granting of this authority are also determined by resolution of the general meeting and may not exceed five years. The Management Board's authority to issue ordinary shares, including the granting of rights to acquire these shares, was extended at the AGM held on 23 May 2024 for a period of 18 months from the date of that meeting. The authority to issue these shares is limited to 10% of the issued capital.

Repurchase of shares

Repurchases of paid-up shares in the company or depositary receipts for such shares, other than for no consideration, may take place if the general meeting has authorised the Management Board to this effect. This authorisation applies for up to a maximum of 18 months. Repurchase occurs pursuant to a decision by the Management Board, subject to Supervisory Board and DNB approval.

The Management Board was authorised at the AGM held on 23 May 2024 to repurchase paid-up ordinary shares in the company or depositary receipts for these shares, by buying such shares on the stock market or otherwise, up to a maximum of 10% of the issued capital at the date of authorisation, subject to Supervisory Board approval. This authority has been granted for a period of 18 months from the date of the meeting.

Transfer of shares and depositary receipts

The Articles of Association and the conditions of administration do not contain any restrictions on the transfer of Class A ordinary shares or depositary receipts for Class A ordinary shares.

Amendment to the Articles of Association

A resolution to amend the Articles of Association of Van Lanschot Kempen may only be adopted based on a proposal by the Management Board that has been approved by the Supervisory Board. If a proposal to amend the Articles of Association is presented to the general meeting, a copy of the proposal will be made available to the shareholders and holders of depositary receipts prior to the meeting.

General meeting

Each voting shareholder and depositary receipt holder is authorised, either in person or through a representative authorised in writing, to attend the general meeting, to address the meeting and to exercise their voting rights.

A registration date applies to each general meeting, which is the 28th day prior to that meeting. The registration date determines who qualifies as a voting shareholder or depositary receipt holder for the relevant general meeting. The notice convening the meeting states the registration date, the way in which shareholders and depositary receipt holders can register and how they can exercise their rights, either in person or through a representative authorised in writing.

Shareholders and depositary receipt holders or their representatives are only admitted to the meeting if they have informed Van Lanschot Kempen in writing of their intention to attend, and if this has been done in the manner described in the notice convening the meeting. Access to the meeting is only possible if the relevant shares or depositary receipts are registered in the name of the shareholder or the depositary receipt holder on the registration date. Representatives must also present a written proxy. A written proxy may be sent electronically. Each share entitles the holder to cast one vote at the general meeting.

The powers of the general meeting include the following:

- Approving decisions of the Management Board to make important changes to the identity or nature of the company or the business;
- Appointing members of the Supervisory Board on the Supervisory Board's recommendation;
- Setting the remuneration policy for the Supervisory Board;
- Passing a motion of no confidence in the Supervisory Board;
- Setting the remuneration policy for the Management Board;
- Approving schemes in the form of shares and/or rights to acquire shares for the Management Board;
- Adopting the financial statements;
- Disposing of the profit remaining after dividend has been distributed to any outstanding Class C preference shares, and after the decision has been made to add all or part of the profit to the reserves;
- Discharging the Management Board;
- Discharging the Supervisory Board;
- Granting the Management Board the authority to issue shares and to limit or exclude pre-emption rights on the issue of shares;
- Granting the Management Board the authority to repurchase the company's own shares;
- Resolving to amend the Articles of Association of Van Lanschot Kempen, to dissolve Van Lanschot Kempen, or to effect a legal merger or demerger of Van Lanschot Kempen, following a proposal to that effect by the Management Board which has been approved by the Supervisory Board.

In addition, the general meeting has an advisory vote with regard to the remuneration report.

Main features of Van Lanschot Kempen's management and control system

Van Lanschot Kempen's management and control system is designed to manage internal and external risks. As part of this management and control system, financial and non-financial reporting risks are managed to ensure reliable reporting. In addition, this system contains controls to ensure that the financial statements are prepared in accordance with generally accepted accounting principles and comply with the prevailing legislation and regulations.

Van Lanschot Kempen applies the three lines of defence model for the management of risks. The first line of defence is operational management, responsible for day-to-day risk management. The second line of defence is provided by departments such as Financial Risk Management, Non-Financial Risk Management and Compliance, which oversee the first line's risk management activities. The Internal Audit department acts as the third line of defence, providing an independent evaluation of the adequacy of the internal risk management and control systems. The three lines of defence model provides the Management Board with a reasonable degree of certainty as to how the internal risk management and control system is functioning, including the effectiveness of the risk management activities of both the first and second lines.

A risk and control framework is in use, which contains key controls and business controls that are periodically tested to monitor the correct functioning of key processes. This enables operational management to manage the main risks in a structured way. Our specialised Internal Control department, which is part of the first line of defence, ensures a consistent use of this framework. The risk and control framework's effectiveness is evaluated by the Financial Risk Management, Non-Financial Risk Management and Compliance departments, while the Internal Audit department assesses its quality and effectiveness through audit engagements. In case of deviations, actions are agreed upon to mitigate and solve the identified issues. The departments Financial Risk Management, Non-Financial Risk Management, Compliance and Internal Audit report the results of their respective monitoring and evaluations in quarterly reports.

Management ensures adequate follow-up and prioritisation of actions to improve the internal risk management and control system. The Financial Risk Management, Non-Financial Risk Management, Compliance and Internal Audit departments monitor the timely follow-up of these actions, and validate the adequacy of the resolutions implemented. If necessary, supplementary control measures are defined to mitigate risks sufficiently.

For more detailed information on risk management at Van Lanschot Kempen, see "Risk and capital management" on page 114. The financial statements also include a more detailed explanation of risk management at Van Lanschot Kempen: see "Risk management" on page 183.

Financial and non-financial reporting risk

The Management Board is responsible for the design and operation of an adequate system of internal control for Van Lanschot Kempen's financial reporting. This system is designed to provide reasonable assurance on the reliability of our financial reporting. The financial statements must be prepared in accordance with generally accepted accounting principles and must comply with the prevailing legislation and regulations.

Van Lanschot Kempen has processes and tools in place to manage financial reporting risks:

- The accounting manual, which sets out our principles regarding financial accounting;
- A risk & control framework describing processes and procedures, and setting out primary controls such as authorisations and segregation of duties;

- Periodic management reports and KPI dashboards, accompanied by analysis of financial and non-financial figures and trends;
- Evaluation of the functioning of the internal risk management and control system by the Internal Audit department. The main findings are discussed with the Management Board, the Audit Committee and the Supervisory Board;
- Assessment and approval of the annual report by the Management Board, and discussion of the annual report by the Audit Committee and the Supervisory Board.

In-control statements are provided by the management of the relevant departments. These are based on the risks reported on a quarterly basis, the results of testing procedures for the risk & control framework, the follow-up of the test results and reported risks, and the incidents reported. Risk Management and Compliance evaluated the 2024 in-control statements.

In 2024, the main findings of the Internal Audit department's quarterly reports were discussed with the Management Board and the Audit Committee. The conclusions of the Audit Committee were subsequently shared with the Supervisory Board.

The Supervisory Board was informed about the Management Board's internal control of the organisation, and how it safeguards the integrity of financial information. The topics considered by the Supervisory Board when assessing the financial statements include the board report and the audit report prepared by the external auditors.

The key audit findings and other observations cited in the independent external auditors' report were discussed with the Management Board and the Audit Committee, and formed part of the organisation's risk management and control.

Non-financial information is subject to internal controls and reviews, whereas the sustainability reporting is drawn up in accordance with the Corporate Sustainability Reporting Directive and Sustainable Finance Disclosure Regulation requirements, and is subject to a limited assurance engagement performed by the independent external auditors.

Statement by the Management Board

In accordance with best practice provision 1.4.3 of the Dutch Corporate Governance Code, the Management Board states that:

- The management report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems related to strategic risks, operational risks, compliance risks and financial reporting risks;
- The aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- Based on the current state of affairs, it is justified that the financial reporting is prepared on a "going concern" basis;
- The management report states those material risks related to the aforementioned risk types and uncertainties that are relevant to the expectation of the company's continuity for the period of 12 months after the preparation of this report;

- Based on the analysis of in-control statements and the quarterly reports from the Financial Risk Management, Non-Financial Risk Management, Compliance and Internal Audit departments, it is justified to state that the financial statements are free of any material misstatements caused by fraud.

External auditors

KPMG Accountants NV (KPMG) were appointed as Van Lanschot Kempen's external auditors for the 2025 financial year at the AGM held on 25 May 2023. KPMG commenced transition activities in the last quarter of 2024.

For the 2024 financial year, PricewaterhouseCoopers Accountants NV (PwC) were reappointed as Van Lanschot Kempen's external auditors at the 2023 AGM. PwC's audit plan for 2024, of which the audit risk assessment is an integral part, was discussed in June 2024 at meetings of the Management Board and the Audit Committee.

PwC issued a board report for 2024 in February 2025, outlining their main observations regarding their audit of the 2024 financial statements. The external auditors may be questioned at the AGM in relation to their audit, and will be attending the meeting for this reason. The Management Board and the Audit Committee evaluated the effectiveness of PwC in January 2025.

Statement by the Management Board

As required by Article 5:25c (2c) of the Financial Supervision Act, each of the undersigned hereby confirms that to the best of their knowledge:

- The 2024 financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Van Lanschot Kempen and its consolidated entities;
- The 2024 report of the Management Board of Van Lanschot Kempen gives a true and fair view of the position of the company and its consolidated entities on balance sheet date, and of the course of their affairs during the 2024 financial year, and describes the material risks that Van Lanschot Kempen faces;
- The sustainability reporting in the 2024 report of the Management Board of Van Lanschot Kempen has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and with the specifications in the Disclosures Delegated Act, as adopted under Article 8(4) of the Taxonomy Regulation.

's-Hertogenbosch, the Netherlands, 26 February 2025

Management Board

Maarten Edixhoven, Chair

Jeroen Kroes
Damla Hendriks
Arjan Huisman
Wendy Winkelhuijzen
Erik van Houwelingen

Management Board members



From left to right: Jeroen Kroes, Damla Hendriks, Erik van Houwelingen, Maarten Edixhoven, Wendy Winkelhuijzen en Arjan Huisman.

Maarten Edixhoven

Chair, responsible for Private Clients Belgium

Born
1971, male

Nationality
Dutch

Appointed
1 October 2021

Total number of board and/or supervisory positions within the meaning of the Capital Requirements Regulation (CRR)
One

Significant supervisory board memberships and/or (board) positions
Women in Financial Services: member of advisory board
Stichting Het Rijksmuseum: member of supervisory board

Background
2017–21: Aegon: CEO of Aegon Netherlands and member of management board of Aegon NV
2014–16: Aegon: Director Pension and member of management board of Aegon Netherlands
2010–14: Zwitserleven: CEO and member of management committee of SNS Reaal NV
1995–2010: ING Group: various positions

Jeroen Kroes

Chief Financial Officer

Born
1973, male

Nationality
Dutch

Appointed
1 September 2022

Total number of board and/or supervisory positions within the meaning of the CRR
One

Significant supervisory board memberships and/or (board) positions

Amsterdams Klimaat & Energiefonds: member of investment committee

Background
2013–22: Van Lanschot Kempen: Managing Director of Finance, Reporting & Control
2013: Van Lanschot: project leader on strategic review project
2009–12: Kempen & Co: Managing Director of Corporate Finance
2006–08: Kempen & Co: Director of Corporate Finance
1996–2005: Kempen & Co: various positions in corporate finance

Damla Hendriks

Chief Risk Officer

Born
1985, female

Nationality
Dutch and Turkish

Appointed
1 June 2024

Total number of board and/or supervisory positions within the meaning of the CRR
Four

Significant supervisory board memberships and/or (board) positions

Van Lanschot Kempen Investment Management: member of the management board

Background
2021–24: Achmea Non-life Türkiye (Eureko Sigorta): Chief Financial Officer and statutory executive board member
2020–21: BeFrank: key risk function holder (dual role with role at NN Life and Pensions)
2018–21: NN Life and Pensions: Head of Enterprise Risk Management & DNB Affairs
2012–18: Aegon: various positions
2008–12: Robeco: Risk Manager Client Portfolios

Arjan Huisman

Chief Operating Officer

Born

1971, male

Nationality

Dutch

Appointed

6 May 2010

Total number of board and/or supervisory positions within the meaning of the CRR

Two

Background

2008–10: BCG Amsterdam office: Partner and Managing Director

2004–08: BCG Prague office: Partner and Managing Director

1995–2004: BCG Amsterdam and Boston offices: various consulting positions, with a strong focus on financial services

Wendy Winkelhuijzen

Responsible for Private Clients Netherlands (including Private Clients Switzerland and Evi) and Investment Banking Clients

Born

1978, female

Nationality

Dutch

Appointed

1 September 2022

Total number of board and/or supervisory positions within the meaning of the CRR

One

Background

2022–24: Van Lanschot Kempen: Member of the Management Board, Chief Risk Officer

2017–22: Van Lanschot Kempen: Managing Director of Strategy & Corporate Development

2014–17: Van Lanschot Kempen: Investor Relations Manager

2014: Van Lanschot Kempen: Project Manager Treasury/Financial Control/Financial Risk Management

2013: Van Lanschot: senior member of strategic review project

2010: Van Lanschot: member of Private & Business Banking management team

2001–09: Kempen & Co: various positions in corporate finance

Erik van Houwelingen

Responsible for Investment Management Clients

Born

1965, male

Nationality

Dutch

Appointed

27 May 2021

Total number of board and/or supervisory positions within the meaning of the CRR

Four

Significant supervisory board memberships and/or (board) positions

Van Lanschot Kempen Investment Management: Chair of management board

DUFAS: Vice-Chair

Background

2018–20: Dimensional Fund Advisors: Head of Client Group Europe

2012–18: ABP: member of board of trustees, Chair of investment committee and member of risk & balance sheet committee

2015–18: Achmea Investment Management: Chair of supervisory board

2008–10: Aegon Asset Management: CEO

1993–2010: Aegon: various positions

Supervisory Board members



From left to right: Brigitte Boone, Elizabeth Nolan, Karin Bergstein, Manfred Schepers, Else Bos, Frans Blom, Maarten Muller

Frans Blom

Chair of the Supervisory Board

Supervisory Board committees: Audit, Remuneration, Selection and Nomination (Chair)

Born

1962, male

Nationality

Dutch

Appointed

5 October 2018; second term of office expires in 2027

Total number of supervisory board memberships and/or board positions within the meaning of the Capital Requirements Regulation (CRR)

Two

Significant other positions

Boston Consulting Group: Senior Adviser
American European Community Association (AECA-NL): Chair
INSEAD: Member of board of directors
INSEAD Alumni Association: President

Previous positions held

Boston Consulting Group: Member of global executive committee

Manfred Schepers

Vice-Chair of the Supervisory Board

Supervisory Board committees: Audit, Risk and Compliance

Born

1960, male

Nationality

Dutch

Appointed

18 May 2017; second term of office expires in 2025

Total number of supervisory board memberships and/or board positions within the meaning of the CRR

One

Principal position

ILX Management: CEO

Previous positions held

European Bank for Reconstruction and Development: Vice President and Chief Financial Officer

Karin Bergstein

Member of the Supervisory Board

Supervisory Board committees: Audit (Chair),
Remuneration, Risk and Compliance

Born

1967, female

Nationality

Dutch

Appointed

28 May 2020; second term of office expires in 2028

Total number of supervisory board memberships and/or board positions within the meaning of the CRR

Five

Significant other positions

BNG Bank: Member of supervisory board
UMC Groningen: Member of supervisory board
Chesnara: Non-executive Director
Stichting Continuïteit NN Group: Board member
Foundation for the holding of preference shares
Wereldhave: Board member

Previous positions held

a.s.r.: Member of board of directors/COO
ING Bank Nederland: Member of managing board

Brigitte Boone

Member of the Supervisory Board

Supervisory Board committees: Risk and Compliance,
Selection and Nomination

Born

1960, female

Nationality

Belgian

Appointed

22 September 2021; first term of office expires in 2026

Total number of supervisory board memberships and/or board positions within the meaning of the CRR

Eight

Significant other positions

NN Group Belgium: Non-executive Director
Wereldhave Belgium: Non-executive Director
SD Worx: Non-executive Director
WorxInvest: Executive Director
GIMV: Non-executive Director
Imec VZW, Fidimec: Non-executive Director

Previous positions held

Fortis Bank: CEO Commercial and Investment Banking,
member of management board

Else Bos

Member of the Supervisory Board

Supervisory Board committees: Risk and Compliance,
Selection and Nomination

Born

1959, female

Nationality

Dutch

Appointed

21 October 2024; first term of office expires in 2029

Total number of supervisory board memberships and/or board positions within the meaning of the CRR

Three

Significant other positions

IFM Investors: Member of supervisory board
Ortec Finance: Non-executive Director

Previous positions held

De Nederlandsche Bank.: Executive board member and
Chair of Prudential Supervision
PGGM NV: CEO and Chair of the Executive Committee
PGGM Investments: Chief Executive Officer Investments

Maarten Muller

Member of the Supervisory Board

Supervisory Board committees: Risk and Compliance,
Remuneration (Chair), Selection and Nomination

Born

1954, male

Nationality

Dutch

Appointed

31 May 2018; second term of office expires in 2026

Total number of supervisory board memberships and/or board positions within the meaning of the CRR

One

Significant other positions

Stichting Continuïteit TomTom: Chair
Stichting Vopak: Chair

Previous positions held

Allen & Overy LLP: Partner

Elizabeth Nolan

Member of the Supervisory Board

Supervisory Board committees: Audit, Risk and Compliance (Chair), Selection and Nomination

Born

1962, female

Nationality

British

Appointed

25 May 2023; first term of office expires in 2027

Total number of supervisory board memberships and/or board positions within the meaning of the CRR

Two

Significant other positions

State Street Bank International: Vice-Chair of supervisory board

Previous positions held

State Street Bank & Trust Co.: CEO EMEA, Global Head of Operations

JPMorgan: Head of Worldwide Securities Services EMEA & APAC

Consolidated financial statements

Consolidated statement of financial position

(€1,000)

Consolidated statement of financial position at 31 December		2024	2023
Assets			
Cash and cash equivalents and balances at central banks	1	2,064,818	2,925,317
Due from banks	2	84,225	77,501
Derivatives	3	317,897	342,526
Financial assets at fair value through profit or loss	4	272,494	234,593
Financial assets at fair value through other comprehensive income	5	2,991,140	2,208,514
Loans and advances to the public and private sectors	6	9,331,093	9,161,433
Other financial assets at amortised cost	7	1,201,542	1,201,134
Investments in associates using the equity method	8	117,556	110,889
Property and equipment	9	71,462	65,159
Goodwill and other intangible assets	10	308,880	313,049
Current tax assets	11	1,329	634
Deferred tax assets	11	16,763	10,708
Other assets	12	204,132	184,427
Total assets		16,983,332	16,835,885
Equity and liabilities			
Due to banks	13	164,804	250,504
Public and private sector liabilities	14	12,766,921	12,573,814
Derivatives	3	254,566	245,578
Financial liabilities at fair value through profit or loss	15	464,891	466,672
Issued debt securities	16	1,491,254	1,473,639
Provisions	17	29,515	32,650
Current tax liabilities	18	11,367	2,246
Deferred tax liabilities	18	21,288	21,435
Other liabilities	19	247,596	250,333
Subordinated loans	20	153,825	170,238
Total liabilities		15,606,027	15,487,108
Issued share capital		43,040	43,040
Treasury shares		-19,928	-14,243
Share premium reserve		211,725	211,725
Other reserves		908,316	888,029
Undistributed profit attributable to shareholders		131,855	118,446
Equity attributable to shareholders		1,275,008	1,246,996
AT1 capital securities		100,000	100,000
Undistributed profit attributable to holders of AT1 capital securities		2,242	1,688
Equity attributable to AT1 capital securities		102,242	101,688
Other non-controlling interests		-135	134
Undistributed profit attributable to other non-controlling interests		189	-40
Equity attributable to other non-controlling interests		54	93
Total equity	21	1,377,304	1,348,777
Total equity and liabilities		16,983,332	16,835,885

The number beside each item refers to the Notes to the consolidated statement of financial position.

Consolidated statement of income

(€1,000)

Consolidated statement of income		2024	2023
Income from operating activities			
Interest income calculated using the effective interest method		405,532	347,237
Other interest income		260,990	179,415
Interest expense calculated using the effective interest method		276,789	183,730
Other interest expense		214,274	146,117
Net interest income	22	175,460	196,805
Income from associates using the equity method		6,413	32,238
Other income from securities and associates		11,938	5,875
Income from securities and associates	23	18,352	38,113
Commission income		520,780	434,208
Commission expense		9,690	6,895
Net commission income	24	511,089	427,313
Result on financial transactions	25	13,383	1,040
Net sales		9,058	8,475
Cost of sales		2,736	2,374
Other income	26	6,321	6,101
Total income from operating activities		724,606	669,372
Expenses			
Staff costs	27	345,591	328,073
Other administrative expenses	28	152,669	142,112
Staff costs and other administrative expenses		498,260	470,185
Depreciation and amortisation	29	34,273	32,987
Operating expenses		532,533	503,172
Impairments of financial instruments		-1,439	2,027
Impairments	30	-1,439	2,027
Total expenses		531,093	505,199
Operating profit before tax		193,512	164,173
Income tax	31	51,572	39,017
Net result		141,940	125,156
Of which attributable to shareholders		131,855	118,446
Of which attributable to holders of AT1 capital securities		9,896	6,750
Of which attributable to other non-controlling interests		189	-40
Earnings per ordinary share (€)	32	3.11	2.82
Diluted earnings per ordinary share (€)	33	3.10	2.78
Proposed dividend per ordinary share (€)	33	2.75	2.00

The number beside each item refers to the Notes to the consolidated statement of income.

Consolidated statement of comprehensive income

(€1,000)

Consolidated statement of comprehensive income	2024	2023
Net result (as per consolidated statement of income)	141,940	125,156
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Other comprehensive income through revaluation reserve		
Revaluation of financial assets at fair value through other comprehensive income	-14,250	11,312
Realised gains/losses on financial assets at fair value through other comprehensive income	820	1,629
Changes in loss allowance of financial assets at fair value through other comprehensive income	-481	-232
Income tax effect	3,589	-3,279
Total other comprehensive income through revaluation reserve	21	9,430
Other comprehensive income from value changes of derivatives (cash flow hedges)		
Reclassification from cash flow hedge reserve to profit or loss	878	878
Income tax effect	-227	-227
Total other comprehensive income from value changes of derivatives (cash flow hedges)	21	651
Other comprehensive income from currency translation differences		
Other comprehensive income from currency translation differences	-258	39
Income tax effect	—	—
Total other comprehensive income from currency translation differences	21	39
Total other comprehensive income to be reclassified in subsequent periods to profit or loss	-9,929	10,121
Other comprehensive income not to be reclassified in subsequent periods to profit or loss		
Change in fair value attributable to change in credit risk of financial liabilities at fair value through profit or loss		
Change in fair value attributable to change in credit risk of financial liabilities at fair value through profit or loss	-5,331	-8,036
Income tax effect	1,375	2,073
Total change in fair value attributable to change in credit risk of financial liabilities at fair value through profit or loss	21	-5,963
Remeasurement of defined benefit plans		
Remeasurement of defined benefit plans	248	3,666
Income tax effect	-73	-902
Total remeasurement of defined benefit plans	21	2,764
Total other comprehensive income not to be reclassified in subsequent periods to profit or loss	-3,780	-3,199
Total other comprehensive income	-13,709	6,922
Total comprehensive income	128,231	132,078
Of which attributable to shareholders	118,146	125,368
Of which attributable to holders of AT1 capital securities	9,896	6,750
Of which attributable to other non-controlling interests	189	-40

The number beside each item refers to the Notes to the consolidated statement of financial position.

Consolidated statement of changes in equity

(€1,000)

Consolidated statement of changes in equity in 2024									
	Issued share capital	Treasury shares ¹	Share premium reserve ¹	Other reserves ¹	Undistributed profit	Total equity attributable to shareholders	Equity attributable to AT1 capital securities	Equity attributable to other non-controlling interests	Total equity
At 1 January	43,040	-14,243	211,725	888,029	118,446	1,246,996	101,688	93	1,348,777
Net result (as per consolidated statement of income)	—	—	—	—	131,855	131,855	9,896	189	141,940
Total other comprehensive income	—	—	—	-13,709	—	-13,709	—	—	-13,709
Total comprehensive income	—	—	—	-13,709	131,855	118,146	9,896	189	128,231
Share plans	—	16,979	—	1,140	—	18,119	—	—	18,119
Profit appropriation	—	—	—	118,446	-118,446	—	—	—	—
Repurchased treasury shares	—	-22,664	—	—	—	-22,664	—	—	-22,664
Dividends	—	—	—	-84,731	—	-84,731	-9,341	-228	-94,300
Other changes	—	—	—	-860	—	-860	—	—	-860
Change in non-controlling interests	—	—	—	—	—	—	—	—	—
At 31 December	43,040	-19,928	211,725	908,316	131,855	1,275,008	102,242	54	1,377,304

Consolidated statement of changes in equity in 2023									
	Issued share capital	Treasury shares ¹	Share premium reserve ¹	Other reserves ¹	Undistributed profit	Total equity attributable to shareholders	Equity attributable to AT1 capital securities	Equity attributable to other non-controlling interests	Total equity
At 1 January	41,362	-15,109	262,658	914,223	77,405	1,280,539	101,688	146	1,382,372
Net result (as per consolidated statement of income)	—	—	—	—	118,446	118,446	6,750	-40	125,156
Total other comprehensive income	—	—	—	6,922	—	6,922	—	—	6,922
Total comprehensive income	—	—	—	6,922	118,446	125,368	6,750	-40	132,078
Issue of share capital	1,678	—	34,022	—	—	35,700	—	—	35,700
Share plans	—	10,498	—	902	—	11,400	—	—	11,400
Shares to be issued	—	—	—	-35,700	—	-35,700	—	—	-35,700
Profit appropriation	—	—	—	77,405	-77,405	—	—	—	—
Repurchased treasury shares	—	-9,632	—	—	—	-9,632	—	—	-9,632
Dividends / capital return	-84,954	—	—	-74,324	—	-159,278	-6,750	—	-166,028
To share capital	84,954	—	-84,954	—	—	—	—	—	—
Other changes	—	—	—	-1,400	—	-1,400	—	—	-1,400
Change in non-controlling interests	—	—	—	—	—	—	—	-12	-12
At 31 December	43,040	-14,243	211,725	888,029	118,446	1,246,996	101,688	93	1,348,777

¹ For additional information on the nature and composition of treasury shares, the share premium reserve and other reserves, see Note 21.

Consolidated statement of cash flows

(€1,000)

Consolidated statement of cash flows		2024	2023
Cash flow from operating activities			
Operating profit before tax		193,512	164,173
Adjustments for			
- Depreciation and amortisation	29	34,277	32,456
- Costs of share plans		5,233	4,895
- Results on associates using the equity method	8	-6,334	-32,214
- Valuation results on financial assets at fair value through profit or loss		-6,380	-6,889
- Valuation results on financial liabilities at fair value through profit or loss		14,868	28,413
- Valuation results on derivatives		-61,355	40,809
- Impairments	30	-1,439	2,027
- Other changes in debt instruments		-14,492	—
- Changes in provisions		4,804	16,194
Cash flow from operating activities		162,694	249,863
Net change in operating assets and liabilities			
- Financial assets/liabilities from trading activities		5,775	4,607
- Due from/to banks		-112,593	-109,913
- Loans and advances to public and private sectors & Public and private sector liabilities		48,121	136,552
- Derivatives		47,598	40,819
- Provisions		-7,691	-12,171
- Other assets and liabilities		-11,398	19,955
- Income taxes paid		-46,595	-45,481
- Dividends received		—	6,016
Total net change in operating assets and liabilities		-76,785	40,384
Net cash flow from operating activities		85,910	290,246
Cash flow from investing activities			
Investments and acquisitions			
- Debt instruments		-1,290,898	-1,581,831
- Equity instruments		-5,853	-7,024
- Associates using the equity method	8	-5,060	-16,110
- Property and equipment	9	-26,762	-17,366
- Other intangible assets	10	—	-1,597
- Payment of cash for acquisition of subsidiary, net of cash acquired		-8,251	-20,000
Divestments, redemptions and sales			
- Debt instruments		484,745	1,188,368
- Equity investments		32,434	44,896
- Associates using the equity method	8	3,334	36,231
- Property and equipment	9	2,538	4,400
Dividends received on associates using the equity method	8	1,393	4,469
Other dividends received		1,696	—
Net cash flow from investing activities of continuing operations		-810,686	-365,564

The number beside each item refers to the Notes to the consolidated statement of financial position and the Notes to the consolidated statement of income.

Consolidated statement of cash flows (continued)		2024	2023
Cash flow from financing activities			
Share plans		12,886	6,505
Repurchased treasury shares		-22,664	-9,632
Change in non-controlling interests		—	-12
Redemption of subordinated loans	20	-15,996	-113
Receipts of issued debt securities		—	691,561
Redemption of issued debt securities		—	-610,029
Receipts on financial liabilities at fair value through profit or loss		177,113	138,006
Redemption of financial liabilities at fair value through profit or loss		-198,753	-182,119
Payment of lease liabilities		-14,180	-13,326
Dividends & Capital return		-94,300	-166,028
Net cash flow from financing activities of continuing operations		-155,894	-145,188
Net change in cash and cash equivalents and balances at central banks		-880,670	-220,506
Cash and cash equivalents and balances at central banks at 1 January ¹		2,919,277	3,139,784
Cash and cash equivalents and balances at central banks at 31 December ¹		2,038,607	2,919,277
Additional disclosure			
Cash flows from interest received		652,055	507,013
Cash flows from interest paid		489,191	286,238

The table below provides a reconciliation of changes in liabilities arising from financing activities.

Reconciliation of liabilities arising from financing activities in 2024	Subordinated loans	Issued debt securities	Financial liabilities at fair value through profit or loss	Total
At 1 January	170,238	1,473,639	466,217	2,110,093
Cash flows	-15,996	—	-21,640	-37,636
Non-cash changes	-417	17,615	20,199	37,397
At 31 December	153,825	1,491,254	464,776	2,109,854

Reconciliation of liabilities arising from financing activities in 2023	Subordinated loans	Issued debt securities	Financial liabilities at fair value through profit or loss	Total
At 1 January	170,882	1,342,131	473,881	1,986,894
Cash flows	-113	81,532	-44,113	37,305
Non-cash changes	-531	49,976	36,449	85,895
At 31 December	170,238	1,473,639	466,217	2,110,093

¹ Cash and cash equivalents and balances at central banks also includes amounts due from/to banks available on demand; see Note 1.

Notes to the consolidated financial statements

Accounting policies

General

Van Lanschot Kempen NV ("Van Lanschot Kempen") is an independent specialist wealth manager. Our purpose is to preserve and create wealth for our clients and for society in a sustainable way. Van Lanschot Kempen has its registered office at Hooge Steenweg 29, 5211 JN 's Hertogenbosch, the Netherlands. Van Lanschot Kempen is a public limited company incorporated under Dutch law and registered under number 16038212 at the Chamber of Commerce. Depositary receipts for Class A ordinary shares are publicly traded on the Euronext markets.

The consolidated financial statements of Van Lanschot Kempen at 31 December 2024 were prepared by the Management Board and approved by the Supervisory Board on 26 February 2025, and will be submitted to the annual general meeting of shareholders (AGM) for adoption on 22 May 2025.

Basis of preparation

The consolidated financial statements of Van Lanschot Kempen and its subsidiaries have been prepared in accordance with IFRS Accounting Standards as adopted by the EU, and with Part 9, Book 2 of the Dutch Civil Code. Unless stated otherwise, assets and liabilities are measured at historical cost.

Continuity

The Management Board has assessed the ability of Van Lanschot Kempen to continue its operations and concluded that Van Lanschot Kempen is able to do so for the foreseeable future. Moreover, the Management Board is not aware of any material uncertainties that cast significant doubt on our – i.e. Van Lanschot Kempen's – ability to continue as a going concern. The consolidated financial statements have been prepared on this basis.

Economic context

After a slight decline in 2023, the Dutch economy saw growth resume in the second and third quarters of 2024. Inflation, while down from its peak in 2022, remained more persistent in 2024 than anticipated, with the Dutch consumer price index (CPI) nearing 4%. This trend contrasts with the broader European trend of consistently falling inflation, allowing the European Central Bank (ECB) to cut interest rates.

In the Netherlands, relatively high inflation was offset for many citizens by substantial pay rises in collective labour agreements (CLAs) in 2024. Current economic circumstances have had a limited impact on Van Lanschot Kempen. The growing economy has generated stable profits across most businesses, and most of our clients have either been compensated for the higher cost of living or have adequate buffers to absorb these costs. Consequently, our loan portfolio saw a minor fall in the loss allowance for expected credit losses (ECL) in 2024 compared with 2023. Additionally, economic conditions have enabled us to release our management overlay, which was no longer deemed necessary. For more information, see "Risk management", under 3.8, Loss allowance for expected credit losses.

Finally, strong US economic growth and a stable European economy, combined with somewhat lower interest rates, led to a surge in US stock markets and a moderate increase in their European counterparts, which significantly boosted our commission income.

Overall, Van Lanschot Kempen's capital and liquidity positions remain robust, with a net result of €141.9 million in 2024 (2023: €125.2 million).

Functional and reporting currency

The consolidated financial statements are denominated in euros, Van Lanschot Kempen's functional and reporting currency. Unless stated otherwise, all amounts are presented in thousands of euros. The totals may not always match the sum of the individual values due to rounding.

Presentation of off-balance commitments

To improve transparency, reduce duplication and present related information in one place, all off-balance sheet items are included in the "Commitments and contingent liabilities" section of the Notes to the consolidated financial statements and the "Commitments not recognised in the statement of financial position" section of the Notes to the company financial statements. As a result, the contingent liabilities and irrevocable commitments are no longer presented on the face of the statement of financial position.

Changes in accounting policies

The accounting policies adopted in the preparation of our consolidated financial statements for the year ended 31 December 2024 remain unchanged from the prior year, except for the adoption of new standards and interpretations effective from 1 January 2024 and the early adoption of the Annual Improvements to IFRS Accounting Standards – Volume 11.

Changes in published IFRS Accounting Standards and interpretations

The IFRS Accounting Standards listed below became effective from 1 January 2024 and have been applied to our financial statements for 2024. The application of these standards had no material impact on Van Lanschot Kempen's equity or result. Application of the amended standards generally entails amendment or expansion of notes.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale-and-leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1

The amendments clarify the requirements for classifying liabilities as current or non-current. Entities need to consider whether some of the amendments may impact their current practice and covenant testing.

We currently apply the exception provided by IAS1.60 and no distinction is made between current and non-current liabilities in the financial statements.

Published IFRS Accounting Standards and interpretations not yet effective

In addition to the IFRS Accounting Standards and interpretations referred to above, a number of IFRS Accounting Standards and interpretations are new or have been amended, and apply to financial statements for periods beginning on or after 1 January 2025. We have not applied the standards outlined below in the 2024 financial statements. Unless stated otherwise, standards will be applied as soon as they become effective and have been endorsed by the EU.

Lack of exchangeability – Amendments to IAS 21

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Based on our analysis, the amendment is not expected to have a material impact on the results or equity of the company.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments clarify the requirements for derecognition of a financial liability on the settlement date using an electronic payment system. They clarify how to assess contractual cash flow characteristics of financial assets, including those with ESG-linked features and other similar contingent features. Additional disclosures are required for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments designated at fair value through other comprehensive income. Finally, the amendments clarify the treatment of non-recourse assets and contractually linked instruments. The amendments are effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The amendments are not expected to have a material impact on the results or equity of the company.

Presentation and Disclosure in Financial Statements – IFRS 18

IFRS 18 replaces IAS 1 and responds to investor demand for better information about an entity's financial performance. The standard sets out the general and specific requirements for the presentation of financial statements and for disclosures in the notes. This includes the requirement to classify all income and expenses in the statement of profit or loss into one of five categories (three being new) and to present three mandatory subtotals (two being new). The standard requires disclosure on management-defined performance measures in one single note to the primary financial statements. Enhanced guidance is provided on the aggregation and disaggregation of information across the financial statements. IFRS 18 results in amendments to other standards, among others IAS 7, Statement of Cash Flows. The amendments are effective for annual periods beginning on or after 1 January 2027. Earlier application is permitted. The amendments are expected to impact presentation and disclosure requirements for the financial statements, including the statement of income, but will not materially impact our results.

Annual improvements to IFRS Accounting Standards – Volume 11

The amendments described below are part of the Annual improvements to IFRS Accounting Standards – Volume 11 and are effective for annual periods beginning on or after 1 January 2026. We decided to early adopt these amendments. Based on our analysis, the application of these standards had no material impact on Van Lanschot Kempen's equity or result.

Gain or Loss on Derecognition – Amendments to IFRS 7

The amendments update the language on unobservable inputs in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.

Introduction – Amendments to Guidance on implementing IFRS 7

The amendments to paragraph IG1 clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.

Disclosure of Deferred Difference between Fair Value and Transaction Price – Amendments to Guidance on implementing IFRS 7

Paragraph IG14 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

Credit Risk Disclosures – Amendments to Guidance on implementing IFRS 7

Paragraph IG20B has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

Lessee Derecognition of Lease Liabilities – Amendments to IFRS 9

Paragraph 2.1 has been amended to clarify that, when a lessee has determined that a lease liability has been terminated in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss.

Transaction Price – Amendments to IFRS 9

Paragraph 5.1.3 has been amended to replace the reference to "transaction price as defined by IFRS 15 Revenue from Contracts with Customers" with "the amount determined by applying IFRS 15". The term has also been deleted from Appendix A of IFRS 9 to address potential confusion.

Determination of a "De Facto Agent" – Amendments to IFRS 10 Consolidated Financial Statements

Paragraph B74 has been amended to clarify that the relationship described in paragraph B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents for the investor.

Cost method – Amendments to IAS 7 Statement of Cash Flows

Paragraph 37 has been amended to replace the term "cost method" with "at cost", following the prior deletion of the definition of "cost method".

Significant accounting judgements and estimates

We have identified those accounting policies which involve the most complex or subjective decisions or assessments. In the process of applying these accounting policies, we use estimates, assumptions and judgements which can have a significant impact on the amounts recognised in the financial statements. These estimates and assumptions are based on the most recent information available and include the impact of the uncertain economic circumstances caused by global unrest among other factors. Actual amounts may differ in the future. Where applicable, the impact of the uncertain economic circumstances on our assumptions are explained further in the consolidated financial statements. The most significant estimates and assumptions relate to the determination of significant influence, fair value of financial instruments, acquisitions, impairments of financial assets, and impairments of goodwill and other intangible assets.

Determination of significant influence

We have applied critical judgement to determine significant influence in companies in which we hold minority interests smaller than 20%. Our influence on the financial and operating policy decisions at some minority interests is more in line with that in an associate, e.g. veto rights in decisions on the issuance of new shares and decisions on amendments to the Articles of Association. For that reason, we classify these as associates and apply equity accounting instead of IFRS 9 fair value accounting. For further information, see the disclosure on Investments in associates using the equity method.

Determination of fair value

The fair value of financial instruments not traded in an active market is determined on the basis of cash flow, option and other valuation models. These models are based on the market circumstances prevailing at the reporting date.

Estimates mainly relate to future cash flows and discount rates. For the fair value level classification and more details, see "Risk management", under 15. Fair value.

Acquisitions

In the case of acquisitions, it is necessary to determine the fair value of the acquired assets (including any intangible assets and goodwill acquired), as well as of liabilities and obligations not recognised in the statement of financial position. Estimates are used for this, particularly for those items not traded on an active market. Management consideration is also needed to determine the moment control changes and thus the moment of consolidation of an acquired entity.

Impairments of financial assets

We recognise a loss allowance for ECL on financial assets measured at amortised cost or fair value through other comprehensive income (OCI), as well as for financial guarantees and loan commitments. When there has been no significant deterioration in credit risk since initial recognition, ECL is recognised based on a 12-month expected credit loss (Stage 1). When a significant increase in credit risk has occurred, ECL is recognised based on a lifetime expected credit loss (Stage 2). For impaired loans (Stage 3), a lifetime ECL is recognised. The impairments of financial assets are determined as a critical estimate. For more information on deterioration in credit risk, see "Risk management", under 3.8, Loss allowance for expected credit losses.

Impairments of goodwill and other intangible assets

We calculate the recoverable amount for each cash-generating unit (CGU) or group of CGUs as the higher of the fair value of the asset less costs of disposal and its value in use. If either of these amounts exceeds the carrying amount, an impairment is not necessary and the other value does not have to be calculated. The value-in-use calculation reflects an estimate of future cash flows, baseline scenario analysis and discount rates. The fair value less costs of disposal calculation uses price-earnings multiples of our peer group and future cash flows. Future cash flow estimates are based on our strategic plans and different types of investigation into possible trends. Events and factors that could have a significant impact on these estimates include market expectations, effects of mergers and acquisitions, competitive conditions, client behaviour and changes in client relationships, cost structure, trends in interest rates and risks, and other circumstances specific to the industry and sector. We carried out an annual impairment test on goodwill arising from acquisitions in prior years. For more information on the assumptions used, see Note 10, Goodwill and other intangible assets. In addition, an annual test is carried out for indications of impairment of other intangible assets with a finite useful life.

Other accounting estimates

Impairments of non-financial assets

The recoverable amount of a non-financial asset is the higher of the fair value of the asset less costs of disposal and its value in use. This fair value less costs to sell is the price that would be received on the sale of an asset or paid on the transfer of a liability in an orderly transaction between market participants at the valuation date. To determine whether assets are impaired, the individual assets are allocated to the lowest level at which cash flows can be identified (CGUs). Non-financial assets that have been subject to impairment, other than goodwill paid, are reviewed annually to determine whether the impairment can be reversed. Non-financial assets, other than goodwill paid, are tested for impairment annually by assessing whether there are any indications that these assets are impaired.

Deferred tax assets

Deferred tax assets are recognised only if it is probable that taxable profits will be realised in the near future against which these temporary differences can be offset. Estimates are used when determining future taxable profits, since these are inherently subject to uncertainty.

Actuarial assumptions for provisions

Pension liabilities are determined using actuarial calculations. These calculations use assumptions regarding elements such as the discount rate, future trends in salaries and returns on investments. These assumptions are subject to estimation uncertainty. See Note 17, Provisions.

Other provisions

Other provisions are determined on the basis of the most recent estimates of the expected costs. The timing of the cash outflow related to these provisions is by nature uncertain, given the unpredictability of the outcome and time required to conclude these claims and obligations. In determining these provisions, where applicable, we take into consideration the opinion of legal experts.

Summary of material accounting policies

Basis of consolidation

Subsidiaries

Our consolidated financial statements comprise the financial statements of Van Lanschot Kempen and its subsidiaries. These have been prepared at 31 December 2024 using accounting policies consistent with those used in the previous year, and their financial year is concurrent with the calendar year.

Subsidiaries (including the consolidated structured entities) are associates in which we exercise decisive control. Van Lanschot Kempen has decisive control over an entity when it has power over that entity and is exposed to or has rights to variable income from its involvement in the entity, and is able to use its power over the entity to influence the entity's income. The assessment of control is based on the actual relationship between Van Lanschot Kempen and the entity. Factors taken into account include existing and potential voting rights. A right is a material right if its holder is able to exercise that right in practice.

We have power over an entity if its existing and potential voting rights amount to more than 50%. If these rights amount to less than 50%, we determine whether we have power over the entity pursuant to contractual agreements. In making this assessment, a distinction is drawn between substantive and protective rights. Substantive rights are rights which enable the decision-making power of an enterprise to be influenced directly and which give us decisive control over an entity. Examples include the right to appoint and dismiss members of the Management Board, and to set the level of their remuneration. Protective rights are rights which protect the interests of an entity in another entity, but which do not directly confer decision-making powers. Protective rights do not give us decisive control over an entity. When acquiring non-controlling interests, we in principle include only protective rights in the contractual agreement. These are rights of approval which enable us to protect our minority position without acquiring decision-making power. Examples of protective rights are rights of approval in respect of the issue of shares and effecting significant acquisitions.

Intra-group transactions are eliminated in the consolidation process. Subsidiaries are consolidated from the date of incorporation or acquisition, being the date on which Van Lanschot Kempen acquires control, and are consolidated until the date that such control ceases.

We consolidate interests in investment funds if we have power over the investment fund and are exposed to or have rights to variable income stemming from our involvement and are able to use our power over the investment fund to influence the variable income. The assessment of control is based on the actual relationship between Van Lanschot Kempen and the investment fund. We take into account our interest for our own account and our own role, or that of one of our group companies, as fund manager.

In the case of subsidiaries not fully controlled by Van Lanschot Kempen, the non-controlling interest in equity is presented separately in the consolidated statement of financial position as a component of total equity. The profit or loss for the reporting period that can be attributed to the non-controlling interest is disclosed separately.

Acquisitions

Acquisitions are recognised using the acquisition method. Accordingly, the cost of an acquisition is allocated to the fair value of the acquired assets (inclusive of any intangible assets not previously recognised in the statement of financial position), liabilities and obligations not recognised in the statement of financial position.

Goodwill, being the difference between the cost of the acquisition (including assumed debts) and our interest in the fair value of acquired assets, liabilities and obligations not recognised in the statement of financial position at the acquisition date, is capitalised as an intangible asset. If this difference is negative (negative goodwill), it is taken directly to the statement of income. Goodwill is not amortised. For more information on its valuation, see Note 10, Goodwill and other intangible assets.

A non-controlling interest in the company acquired is recognised at the fair value prevailing on the acquisition date or at the proportionate share in the identifiable assets and liabilities of the company acquired. Results of companies acquired are disclosed in the statement of income from the date at which control is obtained.

Adjustments to the fair value of acquired assets and liabilities at the acquisition date which are identified within 12 months of the acquisition may lead to adjustment of goodwill. Adjustments identified after expiry of one year are disclosed in the statement of income.

On disposal of group companies, the difference between the sale proceeds and the acquisition cost (including goodwill) is included in the statement of income together with any unrealised gain or loss.

Foreign currencies

Functional currency

Items in the statement of financial position pertaining to each group company are stated in the currency of the economic environment in which the entity operates (i.e. the functional currency).

Group companies

The assets, liabilities, income and expenses of group companies that use a functional currency other than the reporting currency are translated as follows:

- Assets and liabilities are translated using the closing exchange rate at the reporting date;
- Income and expenses are translated using the rate prevailing on the transaction date;
- Remaining exchange-related gains or losses are recognised as a separate component of equity.

Upon consolidation, exchange-related gains or losses arising from monetary items forming part of a net investment in foreign subsidiaries are recognised in equity. Exchange-related gains or losses on borrowings and other items designated as hedging instruments for such investments are also recognised in equity.

Transactions and line items

On initial recognition, transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction date. Translation differences arising on the settlement of such transactions or on the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income, except where they are recognised in equity as qualifying cash flow hedges or qualifying net investment hedges in foreign subsidiaries.

In general, translation differences in the statement of income are included in the result on financial transactions. Translation differences on non-monetary items measured at fair value through profit or loss are reported as part of the fair value gain or loss. Non-monetary items are translated into the reporting currency at the same time as the determination of their fair value. By translation on the reporting date, currency translation differences on non-monetary items measured at fair value through other comprehensive income are included in the revaluation reserve in equity.

Non-monetary items not measured at fair value are translated at the exchange rate prevailing on the original transaction date.

Recognition of financial assets in the statement of financial position

The following financial assets are recognised on the transaction date, i.e. the date on which we undertake to purchase or sell the asset concerned, and are settled according to standard market conventions:

- Purchases of financial assets designated at fair value through profit or loss whose value is subject to change;
- Financial assets at fair value through other comprehensive income;
- Other financial assets at amortised cost.

Loans and advances are recognised on the settlement date, i.e. the date on which we receive the asset.

Derecognition of financial assets and liabilities in the statement of financial position

Financial assets are derecognised when:

- Our rights to the cash flows from the asset expire;
- We have retained the right to receive the cash flows from an asset, but have an obligation to pay these in full to a third party under a special agreement;
- We have transferred our rights to the cash flows from the asset and have transferred substantially all the risks and rewards;
- We have not transferred substantially all the risks and rewards but have transferred control over the asset.

If we have transferred our rights to the cash flows from an asset, but have not transferred substantially all the risks and rewards of the asset and have not transferred control, the asset is recognised as long as we have continued involvement in the asset.

A financial liability is derecognised as soon as the obligation under the liability is discharged, cancelled or expired.

Special purpose entities

We have placed parts of our loan portfolio in special purpose entities (SPEs), which comprise only covered bond companies. If we have effective control over an SPE, it is consolidated. We have control over an entity when we have power over that entity and are exposed to or have rights to variable income from our involvement in the entity and are able to use our power over the entity to influence the entity's income.

The accounting principles followed by Van Lanschot Kempen are applied when consolidating SPEs.

Transfers of financial assets

All or a part of a financial asset is transferred if:

- The contractual rights to receive the cash flows from that financial asset are transferred; or
- The contractual rights to receive the cash flows from that financial asset are retained, but a contractual obligation is assumed to pay the cash flows to one or more recipients under an arrangement.

Derivatives

A derivative is initially recognised at fair value on the effective date of the contract. After initial recognition, the derivative is subsequently remeasured at fair value and changes in value are taken to the statement of income under Result on financial transactions. Fair values are based on stock exchange prices, cash flow models, or option and other valuation models.

Hedge accounting

We use derivatives, such as interest rate swaps, to hedge our exposure to interest rate risks. The carrying amount of assets and liabilities which are hedged through fair value hedging and which would otherwise be recognised at cost is adjusted for changes in the fair value that can be attributed to the hedged risks. Any gains or losses arising from changes in the fair value of derivatives not relating to the hedged risks are taken directly to the statement of income.

At the inception of a hedge transaction, we formally designate and document the hedge relationship and the financial risk management objective when entering into the hedge transaction.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how we will assess the hedging instrument's effectiveness in offsetting the exposure to risks.

Hedges that qualify for hedge accounting are recognised as follows:

Fair value hedges

Fair value hedges are hedges of the exposure to changes in the fair value of an asset or liability arising as a result of interest rate changes. Changes in the value of the hedging instrument are taken to the statement of income.

Any change in the fair value of the hedged item is also recognised in the statement of income, in so far as the hedging instrument has been effective in the preceding period.

A hedge relationship ends if the hedging instrument is sold, expires or is exercised, or if the hedging transaction no longer meets the criteria for hedge accounting, with the remaining value adjustment of the hedged item amortised through profit or loss until the end of its term.

We apply micro fair value hedge accounting and macro fair value hedge accounting.

Micro fair value hedges

We apply hedge accounting for micro fair value hedges based on IFRS 9. A fair value hedge is classified as a micro fair value hedge when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. Debt securities at fair value through other comprehensive income and issued debt securities are hedged for interest rate risk in a micro fair value hedge. Effectiveness is assessed and documented on a monthly basis to determine that the hedge has been highly effective throughout the financial reporting periods for which it was intended. If necessary, adjustments are made to the hedge relationship.

Macro fair value hedges

We apply macro fair value hedges for fixed rate mortgages. A portfolio of mortgages is identified, comprising homogeneous loans based on their contractual interest rates, maturity and other risk characteristics. Mortgages within the identified portfolio are allocated into repricing term buckets based on expected repricing dates rather than contractual repricing dates. The hedging instruments are designated appropriately to those repricing term buckets.

Such hedges are considered to be effective if we may expect, both upon inception and during the term of the hedge, that changes in the fair value or cash flows of the hedged item will be almost fully offset by changes in the fair value or cash flows of the hedging instrument, in so far as they relate to the hedged risk, and the actual outcome is within a range of 80-125%. Effectiveness is assessed and documented on a monthly basis to determine that the hedge has been highly effective throughout the financial reporting periods for which it was intended. We apply the EU carve-out on portfolio fair value hedges.

Cash flow hedges

Cash flow hedges are hedges of the exposure to fluctuations in the cash flow of an asset, liability or future transaction arising as a result of interest rate changes and/or inflation. The portion of the gain or loss on the hedging instrument that has been determined to be an effective hedge is recognised directly in equity until the hedged item affects the statement of income, while the ineffective portion is recognised in the statement of income.

If the hedging instrument expires or is sold, or if it can no longer be designated as a hedge, accumulated gains and losses remain in equity until the expected future transaction is taken to the statement of income. If the expected future transaction is no longer likely to take place, the accumulated result is transferred directly from equity to the statement of income.

Embedded derivatives

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

If the hybrid contract contains a host that is not an asset, the embedded derivatives are separated from the host contract and treated as separate derivatives when:

- The economic characteristics are not closely related to those of the host contract;
- A separate instrument with the same terms would meet the definition of a derivative;
- The hybrid contract is not measured at fair value through profit or loss.

Day 1 profit

Discrepancies between the transaction price and the fair value may arise if valuation techniques are applied at the time of the transaction. Such a discrepancy is referred to as a Day 1 profit. Any resulting profit or loss is recognised directly in the statement of income if the valuation method is based on observable inputs in an active market. In the event of unobservable inputs, the gain or loss is amortised over the term of the transaction.

Netting of financial assets and liabilities

Financial assets and liabilities are netted and presented in the consolidated financial statements at the net amount when we have a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. See 3.7, Risk management.

Statement of financial position

Cash and cash equivalents and balances at central banks

Cash and cash equivalents and balances at central banks comprise, at nominal value, cash in hand and deposits with a term of less than three months, investments readily convertible into a known amount of cash with an insignificant risk of value changes, balances at central banks and balances withdrawable on demand at other banks in respect of which the risk of value changes is insignificant. The minimum reserve requirement amount is included in this item, along with the cash collateral for irrevocable payment commitments to the SRF.

Due from banks

Amounts due from banks are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

Derivatives

Derivatives are carried at fair value. The positive and negative values of derivatives are shown separately on the face of the statement of financial position on the assets side and the liabilities side, respectively. The values of derivatives with a positive and negative value, concluded with the same counterparty, are only netted if the cash flows are settled on a net basis and this is permitted under law. Changes in the value of derivatives are taken directly to the line item Result on financial transactions. If the hedge is completely effective, the net impact on the statement of income is nil. The difference, in so far as this remains within the ranges set, reflects ineffectiveness and is taken to the statement of income.

Derivatives include:

- *The fair value of derivatives held for trading*
Derivatives held for trading include transactions for own account whereby the aim is to actively sell them in the short term. Client option positions whereby offsetting market transactions are conducted for all option positions held by our clients on a one-on-one basis are also included in this item;
- *Economic hedges*
Economic hedges are derivatives used to manage risks without applying hedge accounting;
- *Structured product derivatives*
Structured product derivatives are instruments to hedge structured products sold to clients, without application of hedge accounting;
- *Derivatives with application of hedge accounting*
These are derivatives used as hedging instruments in the application of hedge accounting.

Financial assets at fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss (FVPL). Additionally, any instrument for which the contractual cash flow characteristics are not solely payments of principal and interest (SPPI) are measured at FVPL. No restrictions are set for sales within the fair value through profit or loss portfolio. Interest earned on these assets is recognised as interest income under Other interest income. All other realised and unrealised gains and losses on remeasuring debt instruments at fair value are recognised under Result on financial transactions. All realised and unrealised gains and losses on remeasuring equity instruments at fair value are recognised under Income from securities and associates.

Financial assets at fair value through profit or loss include financial assets from trading activities. These are transactions for our own account whereby the aim is to actively sell these instruments in the short term. Financial assets from trading activities consist of the trading portfolio of both equity instruments and debt instruments. The financial assets from trading activities are recognised at fair value with effect from the trade date and value adjustments are taken to the statement of income under Result on financial transactions.

Financial assets at fair value through other comprehensive income

A debt instrument that is held within the hold to collect and sell business model and meets the SPPI test is measured at fair value, with fair value adjustments recognised in Other comprehensive income unless the asset is designated at fair value through profit or loss. Sales as a result of managing everyday liquidity needs, maintaining a particular interest yield profile on the secondary market, or to match the duration and sales required by regulators, are consistent with the objective of the hold to collect and sell portfolio.

Under FVOCI, a financial asset is measured at its fair value and changes in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and currency gains and losses on the instrument's amortised cost, which are recognised in the statement of income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of income and recognised in Result on financial transactions. Interest income from these financial assets is included in Interest income using the effective interest method.

Loans and advances to the public and private sectors

Loans and advances to the public and private sectors are initially recognised at fair value plus transaction costs directly attributable to the acquisition of the financial asset, and are subsequently amortised using the effective interest rate method less any allowance for impairment. The loss allowance for expected credit losses is recognised in the statement of income.

Other financial assets at amortised cost

A debt instrument that is held within the hold to collect business model and meets the SPPI test is measured at amortised cost unless the asset is designated at fair value through profit or loss. Under this measurement category, the financial asset is initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, and subsequently at amortised cost less the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and adjusted for any impairment allowance. The impairment is recognised in the statement of income. Interest income from these financial assets is included in Interest income using the effective interest rate method.

Investments in associates using the equity method

These investments have been designated by management as transactions held indefinitely, and as a result of the acquired control can be classified as investments in associates using the equity method. These are investments in entities where we have significant influence but not control. If there is a change in the equity of the associate, we recognise our share in this change and include it in Other comprehensive income. This also applies to results of associates recognised in our statement of income.

In the first year of investment, investments classified as investments in associates using the equity method are recognised at cost, and where applicable are adjusted for any changes in the value of the associate's individual receivables and payables occurring after the acquisition, measured using the policies applied by Van Lanschot Kempen.

The recoverable amount of the investments in associates using the equity method is determined each quarter. The valuation methods applied to assess the carrying value are the capitalisation method (peer group analysis), the discounted cash flow method and the disclosed net asset value method. An impairment is recognised if the recoverable amount is lower than the carrying amount.

The capitalisation method determines the value of a business by multiplying the operating profit (EBIT) and the operating profit before depreciation and amortisation (EBITDA) by a multiplier factor derived from similar listed companies (the peer group), if applicable also taking account of a discount for poor liquidity and minority shareholdings. EBIT and EBITDA are adjusted for one-off items where applicable.

The discounted cash flow method calculates the enterprise value by discounting the forecast operational cash flows at a discount rate for the planning period and a final value based on the extrapolation of the operating profit.

The discount rate is determined on the basis of the discount rate of listed companies with a high degree of similarity and on the specific characteristics of the company. If applicable, the discounted cash flow method takes account of a discount for poor liquidity and minority shareholdings.

The company's net debt is then deducted from the value resulting from the capitalisation method and/or discounted cash flow method and multiplied by the share in the capital structure to derive the shareholder value from the enterprise value.

The disclosed net asset value method determines the value of a company based on the statement of financial position.

If our share in the associate's losses is equal to or exceeds our interest in the associate, no further losses are recognised unless we have assumed obligations or made payments for these associates.

Property and equipment

Property and equipment comprise buildings in own use, right-of-use assets, operation system software and IT, communication and safety equipment, renovation & refurbishment, and furniture & fixtures. Property and equipment are initially carried at cost and subsequently measured at historical cost less accumulated depreciation and accumulated impairments. The carrying value includes the costs for replacement of part of the existing property as soon as these costs are incurred, but excludes day-to-day servicing costs. Depreciation is calculated on a straight-line basis over the useful life of the asset.

Lease contracts which we entered into as a lessee are classified as right-of-use assets. Right-of-use assets are presented as part of Property and equipment in the statement of financial position and are measured at cost, comprising the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs;
- Restoration costs.

Depreciation is applied using the same method as for wholly owned tangible assets.

The recoverable amount of individual property items within the different CGUs or group of CGUs is determined every year, irrespective of whether there is any indication of impairment, and more often if market conditions so dictate. The recoverable amount is the higher of the fair value less costs to sell or the value in use. The value-in-use method is used to determine the recoverable amount of the CGU to which the asset belongs, unless the asset no longer generates any cash flows at all. In that case, the fair value less costs to sell is determined by an independent surveyor. If the recoverable amount is below the carrying amount, an impairment is recognised for the difference between the carrying amount and the higher of the fair value less costs to sell and the value in use.

Estimated useful life of property and equipment (years)

Buildings	25-40
Right-of-use assets	1-10
Operating system software and IT	3-5
Communication equipment	5
Safety equipment	15
Renovation & refurbishment	10-15
Furniture & fixtures	5-10

Operating system software expenses are capitalised if they are identifiable, if there is a likelihood that future economic benefits will flow to Van Lanschot Kempen and if costs can be measured reliably.

Goodwill and other intangible assets

Goodwill represents the difference between the fair value of the acquired assets (including intangible assets) and liabilities, and the purchase price paid (excluding acquisition costs). Goodwill paid is included in the financial statements at cost less any accumulated impairment losses. Goodwill paid is tested for impairment annually or whenever events or changes in circumstances indicate that the carrying value may be impaired. An impairment is calculated based on the difference between the carrying value and the recoverable amount of the CGU to which the goodwill relates. A CGU's recoverable amount is the higher of its fair value less costs of disposal and its value in use. If either of these amounts exceeds the carrying amount, an impairment is not necessary.

The fair value less costs of disposal uses price-earnings multiples for our peer group and estimated future cash flows. The value in use is determined by discounting the future equity cash flows generated by each CGU or group of CGUs to their net present value using a cost of equity for each CGU or group of CGUs. If the recoverable amount of a CGU is lower than its carrying amount, goodwill is impaired. The impairment is first applied in full to the goodwill and then pro rata to the individual assets.

Other intangible assets with a finite useful life, such as client relationships, brand names and application software, are capitalised at cost and amortised on a straight-line basis over their respective useful lives. For acquired intangible assets, an annual useful life test is conducted to assess indications of impairment. For client relationships, volume changes in assets under management (AuM) are assessed.

For acquired brand names and application software, the future continuation of these intangible assets is evaluated.

Estimated useful life of intangible assets (years)	
Client relationships	5-20
Brand names	5-20
Application software	3-5

Tax assets and liabilities

Tax assets and liabilities are stated at face value. Current and deferred tax assets and liabilities are offset if they relate to the same tax authority, concern the same type of tax, if it is permitted under law to offset these tax positions and if the tax positions are expected to be settled simultaneously.

Deferred taxes are recognised on the face of the statement of financial position if the valuation of an asset or liability temporarily differs from the valuation for tax purposes. Deferred taxes are calculated using the tax rates prevailing on the reporting date. Deferred tax assets are recognised only if it is probable that taxable profits will be realised in the near future against which these temporary differences can be offset.

Deferred tax assets and liabilities are assessed at every reporting date and derecognised to the extent necessary. This derecognition will be reversed if it is probable that sufficient taxable profits will be available.

Changes in the value of investments at fair value through other comprehensive income and movements in the value of derivatives forming part of a cash flow hedge are recognised in equity net of deferred tax. Deferred tax assets and liabilities cease to be recognised when these movements in value are realised. Current tax is taken to the statement of income on realisation of the change in value.

Other assets

Other assets comprise interest receivables, commission receivables and other receivables, and are carried at the lower of cost or the recoverable amount. This recoverable amount is the estimated selling or settlement price in the ordinary course of business less the relevant variable costs to sell. The recoverable amount less the relevant variable costs to sell is based on the appraisal value as determined by an independent surveyor if applicable. Other assets are initially recognised at fair value excluding transaction costs. After initial recognition, they are recognised at amortised cost using the effective interest method.

Due to banks

Amounts due to banks are initially recognised at fair value excluding transaction costs. After their initial recognition, they are recognised at amortised cost using the effective interest method.

Public and private sector liabilities

Public and private sector liabilities are initially recognised at fair value excluding transaction costs. After their initial recognition, they are recognised at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise financial instruments which management believes should be recognised at fair value through profit or loss based on one of the following reasons:

- Designation eliminates or significantly reduces inconsistencies in measurement and recognition which would otherwise arise as a result of liabilities being valued or income and expenses being recognised under different accounting policies; or
- The contract in which the financial instrument is included contains one or more embedded derivatives and the entire contract is recognised at fair value through profit or loss. This is only permitted if the embedded derivative has significant influence on the contractually agreed cash flows.

The valuation takes account of our own credit risk. Own credit risk is recognised in equity under the line item Other reserves. See also Note 21, Total equity. The remaining amount of change in the fair value of the financial liabilities at fair value is recognised in Result on financial transactions and Net interest income for the interest charges on medium-term notes.

Financial liabilities at fair value through profit or loss include financial liabilities from trading activities. These are transactions for own account whereby the aim is to repurchase these instruments in the short term. These instruments are stated at fair value, with movements in value recognised in the statement of income under Result on financial transactions. This line item comprises short positions on the trading portfolio in both equity instruments and debt instruments. Recognition is from the date on which the contract is concluded.

Issued debt securities

Issued debt securities are initially recognised at fair value excluding transaction costs. After initial recognition, issued debt securities are carried at amortised cost using the effective interest method. Repurchase of our own debt securities is offset in the consolidated financial statements against the liability; the difference between the cost and the carrying amount based on the remaining term is taken to the statement of income.

Provisions

A provision is a liability of uncertain timing and/or amount. A provision is included in the statement of financial position if we have an obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made. Provisions are discounted if the time value of money for the liability has a material effect. The most material types of provisions are the provision for pensions, provisions for long-service benefits and restructuring provisions.

Provision for pensions

We operate defined benefit plans and defined contribution plans. Under defined contribution plans, contributions to pension providers are taken to the statement of income as staff costs. We have no further payment obligations with respect to defined contribution plans once the contributions have been paid.

A defined benefit plan is a pension plan which defines the amount of pension benefit that an employee will receive on retirement. Factors such as age, years of service and salary are taken into account when determining the amounts to be paid. The provision for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets.

Differences between the expected and actual return on plan assets, actuarial gains and losses and changes in the effect of the asset ceiling are recognised directly in equity; net interest is recognised under Other interest expense in the statement of income.

Provisions for long-service benefits

Employees receive a bonus to mark a long-service anniversary of 25 and 40 years. The obligation is calculated on an actuarial basis.

Restructuring provision

A provision for restructuring is recognised only if the recognition criteria are met. We have a constructive obligation if we have a detailed formal restructuring plan identifying at least the business or part of the business concerned, the principal locations affected, the number of employees affected, a detailed estimate of the expenditure to be undertaken and a suitable timeframe. Employees are also notified of the main features of the plan.

Other liabilities

Other liabilities are initially recognised at fair value excluding transaction costs. After their initial recognition, they are recognised at amortised cost using the effective interest method.

Lease liabilities are presented in the statement of financial position as part of Other liabilities. Interest payments and amortisation in the year are charged to the statement of income on a straight-line basis over the term of the lease.

Lease liabilities consist of interest and amortisation payments and are initially measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

Subordinated loans

Subordinated loans are initially recognised at fair value excluding transaction costs. After initial recognition, they are carried at amortised cost. Purchases of our own subordinated loans are offset against the liability in the consolidated financial statements. The difference between cost and the carrying amount based on the remaining term is taken to the statement of income.

Equity

Direct costs of new share issues are deducted from equity, taking account of taxes.

If we purchase treasury shares, the purchase price, including direct transaction costs after tax, is deducted from equity. Treasury shares that we purchase do not qualify for profit or dividend and are not included in the calculation of earnings per share.

Statement of income

General

Revenue is recognised when it is likely that the economic benefits will flow to Van Lanschot Kempen and the revenue can be measured reliably. Costs are allocated as far as possible to the period in which the services were rendered or to the relevant proceeds.

Net interest income

This item consists of income earned on lending and costs of borrowing, derivatives, related commission, and other income/expense similar to interest. The amortisation of remaining value adjustments on mortgage portfolios of fair value hedges which expired in the past is presented under Interest income.

Interest income and interest expense are recognised in the statement of income on an accrual basis, using the effective interest method. The effective interest rate is the rate that exactly discounts estimated cash flows over the life of the financial instrument, or a shorter period when appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, we take into account all contractual terms of the financial instrument (for example early repayment) but not future losses due to uncollectible amounts.

Income from securities and associates

All dividends received from investments in equity instruments are recognised directly in the statement of income under Other income from securities and associates when they are made payable. Our share in the results of equity-valued associates is recognised under Income from securities and associates using the equity method. Dividends received are deducted from the carrying amount of the equity-valued associate. Due to the fact that these investments in associates using the equity method are part of our investment strategy, we present income from these as part of our operating activities. This line item also includes results realised on the sale of associates using the equity method, which are recognised upon closing of the transaction.

Net commission income

This item comprises the income, other than income similar to interest, earned on wealth management services provided to third parties. It also includes fees charged to managed investment funds. Commission paid to third parties is accounted for as commission expense. We receive commission for the wide range of services we provide to clients. This can be divided into commission on a transaction basis and periodic commission charged to the client during the year.

Commission on a transaction basis

Commission income on a transaction basis is recognised in the periods in which we provide the services. Transaction commission for which we only provide a service on the transaction date (e.g. commission on buying and selling shares) is taken directly to the statement of income. Transaction commission for which we have to provide a service in the future (e.g. commission on structured products) forms part of the amortised cost and is recognised in the statement of income over the expected term of the instrument.

Periodic commission

Periodic commission (e.g. management fees) is recognised in the statement of income in the period in which the services are provided.

Result on financial transactions

Result on securities trading includes realised and unrealised value differences on gains and losses on financial instruments relating to the securities trading portfolio. Exchange and price gains and losses on trading in other financial instruments are recognised under Result on foreign currency trading. Gains and losses due to ineffectiveness in hedge accounting are recognised under Unrealised gains/losses on derivatives under hedge accounting. When financial assets at fair value through OCI are derecognised, the cumulative gain or loss is reclassified to Realised gains or losses on financial assets at fair value through other comprehensive income. Result on economic hedges includes realised and unrealised gains and losses on derivatives that are not included in a hedge accounting model. Result on financial instruments at fair value through profit or loss comprises unrealised value differences and interest expenses on financial liabilities at fair value through profit or loss with the exception of the interest charges on medium-term notes, which are recognised under Net interest income.

Other income

Other income comprises income from categories not listed above, for example income resulting from the consolidation of non-banking subsidiaries.

Staff costs

Staff costs comprise wages and salaries, pension and early retirement costs, other social security costs and other staff costs such as remuneration in the form of share-based employee benefits.

Share-based payments

Employees may be eligible to receive remuneration in the form of share-based payments. The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which the equity instruments are granted. The fair value is determined based on the share price on the grant date, taking into account the discounted value of expected dividends over the vesting period. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, in the period in which the employee's performance criteria are fulfilled, ending on the date on which the employee becomes fully entitled to the award (the vesting date).

Partnership plan and partnership investment incentive

The partnership plan is a participation plan that allows key senior staff to contribute to and participate in the success of Van Lanschot Kempen. Its purpose is to anchor leadership more broadly in our organisation, to further encourage ownership and entrepreneurial spirit, and to create more long-term alignment with our shareholders and clients. Partners' contributions remain in the partnership during their full tenure as a partner. Partners receive a discount of 18.5% as their interest is subject to a lock-up period of five years. This discount is accounted for as an equity-settled share-based payment, and it is recognised immediately as an expense, with a corresponding increase in equity.

The purpose of the partnership investment incentive is to enhance return perspectives. If awarded, a partnership investment incentive will apply with respect to the contributions made in the relevant contribution round for five financial years and will be calculated at the end of each of those years in accordance with the partnership investment incentive formula.

Since the entitlement to the partnership investment incentive for a financial year is subject to continued service until the end of the financial year and the actual performance achieved, the estimated cost is recognised over the relevant vesting period.

The partnership investment incentive will be paid to partners in two components: 70% in Van Lanschot Kempen shares and 30% in cash. The portion settled in shares is accounted for as an equity-settled share-based payment and the portion settled in cash is accounted for as a long-term employee benefit.

Other administrative expenses

Other administrative expenses are allocated to the period in which the products and services are delivered.

Depreciation and amortisation

Depreciation and amortisation costs are determined on the basis of estimated useful life and charged to the statement of income.

Impairments

This item comprises the balance of the required impairments and reversals of such impairments, including those on financial instruments, on investments in associates using the equity method, on property and equipment, and on goodwill and other intangible assets.

Income tax

Tax on operating profit is recognised in the statement of income in accordance with applicable tax law in the jurisdictions in which we operate. Tax effects of any losses incurred in certain jurisdictions are recognised as assets when it is probable that sufficient future profits will be available in the relevant jurisdiction against which these losses can be offset.

Earnings per ordinary share

Earnings per ordinary share are calculated by dividing the profit for the year available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period (ignoring treasury shares). Diluted earnings per ordinary share are calculated by dividing the profit available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, adjusted for possible dilution as a result of, for example, outstanding option rights.

Statement of cash flows

The statement of cash flows is prepared using the indirect method. It distinguishes between cash flows from operating, investing and financing activities. Cash flows from operating activities include net changes in loans and advances, deposits from/with banks, public and private sector liabilities, and dividends received from investments in equity instruments. Investing activities include acquisition, redemption and sales of debt instruments, equity investments, associates using the equity method, property and equipment, goodwill and other intangible assets, and dividend received from investments in associates using the equity method. Financing activities include issues and repayments of share plans, debt instruments and issued debt securities, and dividends and capital returns paid to shareholders. Cash and cash equivalents comprise, at face value, all cash in hand, balances at central banks and balances withdrawable on demand at other banks. Investing and financing transactions that do not require the use of cash or cash equivalents are excluded from the statement of cash flows.

Commitments not recognised in the statement of financial position

This includes contingent liabilities that are carried at the contract value and relate in particular to guarantees and irrevocable letters of credit. This item consists of unused overdraft facilities, sale and repurchase commitments, irrevocable payment commitments for leases not yet commenced, irrevocable commitments for SRF and all other obligations resulting from irrevocable commitments that could give rise to loans or other assets.

Other commitments represent a potential credit risk, but of a type for which it is either not probable that this will lead to an outflow of resources or for which no reliable estimate can be made. For the commitments not recognised in the statement of financial position, see “Commitments and contingent liabilities” in the supplementary notes.

Segment information

The different operating segments form the basis for our primary segmentation. An operating segment is a business unit that can earn revenues and incur expenses and whose operating results are regularly reviewed by management or the chief operating decision-maker and for which discrete financial information is available. Additional information is reported geographically based on where the business activities are located. Intra-segment transactions are conducted on commercial terms and market conditions (at arm's length).

Risk management

1. Risk, capital management and compliance

Our front-office functions are essential in delivering services and products to our clients. The risk management function – which comprises Compliance, Financial Risk Management and Non-Financial Risk Management – supports the front office, clients and other stakeholders in ensuring that the risks taken by Van Lanschot Kempen are controlled, and comply with our risk appetite and legal requirements. This section describes our risk appetite, the organisational and governance arrangements that are in place regarding risk management, and the three lines of defence principle. After describing these general arrangements, the section continues with credit risk, market risk, model risk, settlement risk, credit valuation adjustment (CVA) risk, strategic risk, interest rate risk, liquidity risk, securitisation risk, sustainability risk, operational risk, compliance risk, financial reporting risk and financial instruments at fair value.

1.1 Risk appetite

Solid capital and liquidity ratios are essential prerequisites for a successful proposition to our clients and the financial stability of Van Lanschot Kempen in general. This is reflected in our risk appetite statement. We aim to have a simple and transparent balance sheet.

We have a robust risk appetite framework in place covering all significant risks of our company. Every year, the Management Board assesses and updates the risk appetite statement, which translates our risk appetite into strategic limits. The risk appetite statement is then submitted to the Supervisory Board for review and approval. Quarterly risk appetite reports serve as important monitoring instruments for the continuous review of our risk profile.

1.2 Organisation of risk, capital management and compliance

The purpose of our risk management framework is to identify and analyse risks at an early stage, as well as to mitigate and monitor those risks. Adequate internal control procedures and reporting systems, including the application of standards and limits, are key elements of our risk management framework.

The organisation of our risk management framework is based on the three lines of defence principle. Day-to-day responsibility for risk management and control lies with the front office and/or operational departments (the first line of defence), including Internal Control and Finance, Reporting & Control.

Compliance, Financial Risk Management and Non-Financial Risk Management form the second line of defence for financial and non-financial risks. These departments are responsible for initiating risk policies and the supervision of risks and controls within Van Lanschot Kempen.

Internal Audit forms the third line of defence and is responsible for performing independent audits on activities of the first and second lines. The department reports to the Chair of the Management Board and to the Chair of the Audit Committee. The three lines of defence set-up creates a clear, balanced and appropriate division of tasks, powers and responsibilities, and ensures independent and effective operation of the risk management function.

Financial Risk Management and Asset & Liability Management stand at the core of capital and liquidity management. We actively manage our capital base to cover risks inherent to our business and meet the capital adequacy requirements of De Nederlandsche Bank (DNB). The adequacy of our capital is monitored by using the rules and ratios established by the Basel Committee on Banking Supervision as transposed into EU law through the Capital Requirements Regulation (CRR). This legal framework also forms the basis for supervision by DNB through the Capital Requirements Directive (CRD) and the Financial Supervision Act (Wft). Over the reporting period, we fully complied with all capital and liquidity requirements. Both external and internal capital and liquidity adequacy targets are taken into account, and the central focus is on safeguarding our financial solidity and stability. A capital and funding plan is prepared annually for capital and liquidity management purposes.

Table 1.2 Risk, capital management and compliance framework

Supervision 1.2.1	Supervisory Board			
	<ul style="list-style-type: none"> – Risk and Compliance Committee – Audit Committee 			
Risk, capital management and compliance 1.2.2	Management Board			
	<ul style="list-style-type: none"> – Group Risk Committee – Credit Risk Committee – Market Risk Committee – Asset & Liability Committee – Sustainability Board – Compliance & Operational Risk Committee 			
Implementation and review 1.2.3	Asset & Liability Management	Finance, Reporting & Control	Financial and Non-Financial Risk Management and Compliance	Internal Audit
Execution 1.2.4	Private Clients Netherlands and Belgium, Investment Management Clients and Investment Banking Clients	Treasury	Credit Approval and Financial Restructuring & Recovery	

1.2.1 Supervision

The Supervisory Board oversees the risks and capital requirements in relation to the group's operations and balance sheet composition.

The Risk and Compliance Committee focuses on all identified risks in the group's business activities, as well as the risk management framework. Compliance risks and other matters including duty of care are discussed in this committee, which prepares decision-making by the Supervisory Board on risk matters.

The Audit Committee is tasked with advising the Supervisory Board on financial and non-financial reporting, internal and external audits.

1.2.2 Risk, capital management and compliance

The Management Board is responsible for developing and executing Van Lanschot Kempen's strategy. This includes our capital and funding plan, internal capital adequacy assessment process (ICAAP) and internal liquidity adequacy assessment process (ILAAP), based on extensive analyses of all risks run by Van Lanschot Kempen.

The primary objective of our capital management is to ensure that we comply with external and internal capital requirements to support our businesses and to create value for our stakeholders. We manage our capital structure by taking into account changes in economic conditions and the risk characteristics of our activities. To maintain and/or manage our capital structure, we may adjust the amount of profit we distribute to shareholders in dividend payments, return capital to shareholders, or issue capital securities. These adjustments are under constant review by the Management Board. Lastly, requests or demands by our supervisors DNB and/or the European Central Bank (ECB) and new regulation can also influence capital management.

The Management Board also bears responsibility for ensuring the proper operation of the processes that safeguard the group's liquidity position. In addition, it is required to provide information to the Supervisory Board, which in turn assesses the risk appetite of the group. To ensure the various risk types are managed properly, the Management Board has set up the following risk and compliance committees:

Group Risk Committee

The Group Risk Committee discusses group-wide risk management themes. The committee brings together, discusses and monitors the various risk types on an integrated level. The committee sets the annual risk appetite statement and discusses the risk appetite report and emerging trends in the risk profile. Other areas covered include recovery and resolution planning.

The committee includes all members of the Management Board and is chaired by the CRO. Other members represent Financial Risk Management, Non-Financial Risk Management and Compliance.

Credit Risk Committee

The Credit Risk Committee sets and adjusts the group's overall credit risk policy and translates this into acceptance and portfolio management policies. In executing its tasks, the committee bears in mind our strategic objectives and the guiding principles informing the risk appetite statement. The committee is also responsible for all IFRS and internal ratings-based (IRB) models.

This committee includes the CRO and the Management Board member whose responsibilities include Private Clients Netherlands. The CRO chairs this committee; other members represent Financial Risk Management, Private Clients and Credit Approval and Financial Restructuring & Recovery.

Market Risk Committee

The Market Risk Committee focuses on all market risks within Van Lanschot Kempen. Market risk is the risk of loss as a result of changes in market variables, including interest rates (excluding interest rate risk in the banking book), exchange rates and equity prices. It also considers variables not directly observable in the market, such as volatility and correlations, which also influence the value of certain financial instruments. Market risks at Investment Banking Clients arise from securities trading to facilitate our clients (mainly equities and equity derivatives). Van Lanschot Kempen is exposed to a certain amount of market risk through the Treasury department. Risks are limited as transactions are offset in the market within very tight limits. Van Lanschot Kempen is also exposed to market risk as a result of management book investments.

This committee includes the CRO and the CFO. The CRO chairs the committee; other members represent Financial Risk Management, Investment Banking, Trading & Sales and Treasury.

Asset & Liability Committee

The Asset & Liability Committee is responsible for managing risks that result from mismatches between assets and liabilities (interest rate and liquidity risks), as well as our capital position. The committee's main task is to oversee the asset and liability management process. The committee sets policies on interest rate risk in the banking book¹, liquidity and funding risk, funds transfer pricing and capitalisation, and it monitors the development of the balance sheet and balance-sheet projections.

This committee includes the Chair of the Management Board, the CRO, the CFO and the Management Board member responsible for Private Clients Netherlands and Investment Banking Clients. The CFO chairs the committee, with other members representing Asset & Liability Management, Treasury, Financial Risk Management and Finance Reporting & Control.

Compliance & Operational Risk Committee

The Compliance & Operational Risk Committee is responsible for the implementation and execution of our compliance and operational risk management policies. The committee assesses compliance and operational risks, and ensures remedial actions are taken where required. Among other matters, the root causes of major operational risk incidents are discussed in this committee.

¹ The banking book comprises all assets not held for trading under the regulatory definition.

This committee includes the Chair of the Management Board, the CRO, the Management Board member responsible for Private Clients Netherlands and Investment Banking Clients, the Board member responsible for Investment Management Clients, and the General Counsel/Company Secretary. The CRO chairs this committee, with other members representing Non-Financial Risk Management, Compliance and Financial Risk Management.

Sustainability Board

The Sustainability Board is responsible for driving and implementing Van Lanschot Kempen's sustainability strategy and is responsible for embedding sustainability-related goals in our own organisation, our balance sheet and our investments. In addition, the Sustainability Board is the risk owner for all sustainability-related risks within Van Lanschot Kempen and responsible for all sustainability-related policies, setting of key performance indicators (KPIs), risk appetite setting and sustainability monitoring.

This committee includes the Chair of the Management Board and the Management Board member responsible for Investment Management Clients. The Chair of the Management Board chairs this committee with other members representing Private Clients, Financial Risk Management, Compliance, Strategy, Sustainability & Corporate Development, IT and Procurement & Facility Management.

The Head of Internal Audit has a standing invitation to attend all committee meetings. Second-line departments take the lead in preparing the meetings of the committees described above, with the exception of the Asset & Liability Committee, where Asset & Liability Management is in charge, and the Sustainability Board, where the Corporate Sustainability team is in charge. We also have a number of committees that form part of the first line of defence and that cover specific risk-related topics, such as the Credit Committee and the Product Approval & Review Committees.

1.2.3 Implementation and review of risk, capital management and compliance policies

Implementation and monitoring of our risk and capital policies is carried out by Financial Risk Management, Non-Financial Risk Management, Asset & Liability Management, and Finance, Reporting & Control. In addition, Compliance oversees the implementation and carries out the monitoring and/or review of compliance policies.

Financial Risk Management is responsible for:

- Second-line monitoring and management of all risks relating to the statement of financial position at group level, including modelling, measuring, managing and reporting on our credit, market, interest rate, liquidity and strategic risks;
- The risk appetite process;
- Preparing, developing and maintaining policy documents;
- Issuing daily market risk reports;
- Proactively and reactively providing advice on managing risks;
- Raising risk awareness among staff to improve their ability to strike a sound balance between risk and return.

Non-Financial Risk Management is responsible for:

- Business continuity management;
- Information security (second-line monitoring);
- Preparing, developing and maintaining policy documents;

- Proactively and reactively providing advice on managing risks;
- Raising risk awareness among staff to improve their ability to strike a sound balance between risk and return.

Financial Risk Management and Asset & Liability Management are responsible for:

- Preparing ICAAP and ILAAP documentation as well as the recovery plan.

Finance, Reporting & Control is responsible for the financial accounting and business control function. Through its various reports, Finance, Reporting & Control fulfils an important role in challenging the businesses. These reports include monthly management reports and cost control reports, and are used to monitor the progress of business plans.

Compliance has both an advisory and a monitoring role with respect to compliance with applicable laws, regulations, internal policies and industry standards relevant for Van Lanschot Kempen. It is also responsible for preparing, developing and maintaining internal policies. As compliance risks are part of Van Lanschot Kempen's overall risk governance, Compliance as an independent function is involved in and supports the management of compliance risks by identifying, assessing, monitoring and reporting on such risks. Compliance risks include risks such as data privacy, financial crime, business conduct and client protection risks.

Internal Audit periodically reviews parts of the design and effectiveness of the risk organisation and the execution of our risk, capital management and compliance policies in accordance with their annual audit plan. The applicable policies form the starting point for the independent review by Internal Audit. Processes, infrastructure, organisation and systems are audited based on these policies to determine whether the organisation adequately executes its risk, capital management and compliance policies.

1.2.4 Execution of risk, capital management and compliance policies

Private Clients Netherlands and Private Clients Belgium, Investment Management Clients and Investment Banking Clients prepare their own business plans. On the basis of these plans, current and future risks are assessed, including expected capital and liquidity requirements. These assessments serve as input for the various risk committees.

1.3 Capital requirements

The standards set by the Basel Committee on Banking Supervision, translated into law and regulations (CRR, CRD and Wft), apply to all Dutch banks, including Van Lanschot Kempen. The Basel framework consists of three pillars:

- Pillar 1 stipulates capital requirements for credit, market and operational risk.
- Pillar 2 requires banks to have internal processes for risk management and to calculate the capital requirements needed to address all risks that are not included in Pillar 1. The Supervisory Review and Evaluation Process (SREP) is also part of Pillar 2.
- Pillar 3 sets out requirements for disclosure of information about the institution's risk profile to external stakeholders.

For Pillar 3 disclosures (unaudited), including a detailed breakdown of our portfolio of loans to companies and institutions, see vanlanschotkempen.com/en-nl/about-us/investor-relations/annual-reports. Meanwhile, our remuneration policy is explained on page 145 of this annual report.

1.4 Individual risks

The following sections detail the individual risk types to which we are exposed. They therefore cover a combination of Pillar 1 and Pillar 2 capital requirements. The risk types covered are:

- Strategic risk (Section 2);
- Credit risk (Section 3);
- Market risk (Section 4);
- Model risk (Section 5);
- Settlement risk (Section 6);
- CVA risk (Section 7);
- Interest rate risk (Section 8);
- Liquidity risk (Section 9);
- Securitisation risk (Section 10);
- Sustainability risks (Section 11);
- Operational risk (Section 12);
- Compliance risk (Section 13);
- Financial reporting risk (Section 14).

2. Strategic risk

Strategic risk can be defined as the threat to our results or our equity arising from a failure to (adequately) respond to changes in external factors or from incorrect strategic decisions. External factors include the actions of competitors, clients, potential market entrants, and public authorities. Strategic risk is not inherently undesirable, since there can also be an upside to taking these risks. We take a forward-looking approach to strategic risk, keep a close eye on external developments and set our strategic priorities accordingly. Our strategy puts a strong focus on organic and inorganic growth to profit from economies of scale. Existing risk management practices and measures are assessed regularly to ensure that possible new risks that may arise from changes in strategic direction or in the business environment are addressed adequately.

3. Credit risk

Credit risk is defined as the risk that a counterparty or client is no longer able to fulfil its obligations. Our credit risk policies focus on the counterparty risks associated with lending to private banking clients and SMEs. Strict selection criteria for new clients and active credit management for existing clients are applied to safeguard the quality of the loan portfolio. Our lending activities are required to be in line with stated objectives, and individual assessments are used to ascertain this.

Apart from lending activities, credit risk also arises from:

- Investment activities;
- International payment transactions and cash management;
- Currency and hedging activities;
- Settlement risk.

Our investment activities relate to the management of our liquidity buffer and equity investments. For the liquidity buffer, a limit framework is in place to manage and monitor associated credit risks.

Counterparty credit risk with respect to financial institutions arises from international payment transactions, cash management, currency and hedging activities. Some of these activities also involve settlement risk. For derivatives transactions, counterparty credit risk is mitigated by daily margining.

We apply a strict policy when determining and monitoring country and counterparty (financial institutions) limits. The country limits serve as a cross limit for financial institutions, meaning that the counterparty risks in respect of financial institutions in one country are limited by the relevant country limit, as the country limit is usually lower than the aggregate of the individual counterparty limits.

Limits on financial institutions and countries are determined using a number of hard criteria such as external ratings, Bank for International Settlements (BIS) ratios, capital ratios, country of origin and GDP (for countries). Limits can also be adjusted and withdrawn on a daily basis.

3.1 Loans and advances

3.1.1 Credit acceptance

Our loan approval policy focuses on maintaining a high-quality loan portfolio. The credit risk concentration mainly lies within our private banking activities in the Netherlands. Loan reviews and the authority to approve loans are delegated to a limited number of teams, mainly our Credit Approval team.

The authority to approve large loans rests with the Credit Committee, which comprises representatives of the relevant departments as well as members of the Management Board.

The mid- and back-office for nearly all residential mortgage loans is run by a third party. A service level agreement (SLA) is in place to ensure adequate control of the operational risks, including the outsourcing risk.

The acceptance process is not outsourced, with the exception of our white label loans – residential mortgages offered by a third party. The acceptance and management of credit risks has been outsourced to this third party, within our strict guidelines and in accordance with prevailing legal requirements.

New loan requests are assessed to determine if they are in line with our strategy and policies, and we adopt a conservative approach to granting them.

3.1.2 Credit management – policy and processes

To achieve a high-quality loan portfolio, strict credit management is required. Credit management is carried out at both individual loan and portfolio level. At the individual loan level, explicit attention is devoted to the management of unauthorised overdrafts and accounts past due. Loans with an elevated risk profile are subjected to a risk check. In addition, a proportion of the portfolio is regularly reviewed and the credit risk of individual clients is scrutinised as part of this review. The frequency of reviews varies according to the individual borrower's risk profile and are carried out at least annually for the main exposures. In addition to financial analyses, reviews take account of future developments in a client's situation (partly in the light of relevant macroeconomic trends).

A deterioration in a client's risk profile may lead to closer supervision, an adjusted rating, corrective measures (such as requiring additional collateral or increasing the frequency of financial reporting), involvement of Credit Approval and Financial Restructuring & Recovery or a combination of these measures. It may also lead to a stage transfer under IFRS 9 – see Section 3.8.

At portfolio level, credit risks are monitored on a monthly basis. In addition, several early warning indicators are used to draw up a watch list, which is discussed bi-monthly. A detailed credit risk report and any relevant developments or expected developments are discussed in the Credit Risk Committee on a quarterly basis. Any negative trend identified in the risk profile of a particular client segment, sector or loan type can lead to the adjustment of the relevant lending policy. Trends in sectors where there is a concentration risk are monitored closely.

If the review, risk check, payment arrears or external signals point to an increased risk of discontinuity, the Financial Restructuring & Recovery team is involved in the credit management process. An estimate is made of the probability of discontinuity. Depending on the seriousness and magnitude of the problem, either monitoring or intensive supervision is applied. If there are objective indicators of impairment, the Financial Restructuring & Recovery team draws up an impairment proposal. The Impairment Committee determines the impairment for the whole credit portfolio on a quarterly basis.

Active management of past due loans enables potential problem loans to be identified at an early stage. If an individual assessment identifies an increased risk, the Financial Restructuring & Recovery team will supervise the client. Increased credit risk occurs in situations including the following:

- If clients fail to meet their payment obligations;
- If clients report difficulties in meeting future payments, e.g. because of a divorce, unemployment;
- In the event of a default (see Section 3.1.3);
- For business clients, in the event of e.g. a significant decrease in turnover, breach of one or more covenants, a debt service coverage ratio below 1.

The primary goal of the Financial Restructuring & Recovery team is to migrate clients back to accounts with regular status (i.e. not under the supervision of Financial Restructuring & Recovery) by reducing their credit risk. The aim is to do this in accordance with the loan agreements made with these clients, but forbearance measures are applied if necessary. For more information on forborne exposures, see Section 3.2.

3.1.3 Credit risk measurement

We have developed internal models for measuring and monitoring credit risk for the majority of the loan portfolio. Some of these internal models are also used to determine the required capital that has to be set aside for absorbing unexpected credit losses. For this reason, the models, the use of these models and the model governance have to adhere to strict requirements set out in the CRR.

The CRR distinguishes three approaches for determining the required capital for credit risk: the standardised approach (SA), the foundation internal ratings-based (F-IRB) approach, and the advanced internal ratings-based (A-IRB) approach. We use SA and A-IRB for our loan portfolios.

The SA prescribes a set of rules for determining the required capital based on various characteristics such as client type, loan type, collateral type, and external rating. Meanwhile, the A-IRB approach allows banks to use own estimates for probability of default (PD), exposure at default (EAD) and loss given default (LGD). PD is defined as the likelihood that a client will default within one year, the EAD is defined as our expected exposure at the time a client defaults, and the LGD

is the expected loss percentage in the event that a client defaults. As a result, A-IRB is more risk-sensitive than SA.

We have approval from DNB to determine and report the required regulatory capital for our residential mortgage exposures portfolio using the A-IRB approach. Our models are captured by our model governance framework.

As part of this, the performance of our A-IRB models is periodically monitored, and these models are also periodically validated against independent models.

The PD model is mostly based on behavioural aspects of the client and the LGD models on the underlying collateral. For the capital calculations a so-called downturn LGD is applied, i.e. the expected loss at default during an economic downturn. Estimation of the EAD is based on the limit and credit utilisation.

The SA method has been used for capital calculations in all our other retail and non-retail loan portfolios.

IRB equity portfolio

The IRB equity portfolio includes our positions in equities in the investment portfolio, subordinated receivables, non-controlling interests and shareholdings which appear on Van Lanschot Kempen's company statement of financial position. We use the simple risk-weighted method to calculate the risk-weighted assets for positions in shares.

In this method, a specific risk weighting (190%, 290% or 370%) is assigned to each position, based on a number of characteristics. A risk weighting of 250% is applied for significant investments in financial institutions that are not deducted from equity because they fall below the regulatory threshold. Positions taken in shares and subordinated loans of wholly owned subsidiaries are excluded from IRB. These are reported using the SA method.

Other loans and advances

The risk-weighted assets of other portfolios, such as the debt securities in our investment portfolio managed by Treasury (i.e. excluding retail, non-retail and equity), are calculated on the basis of the SA method.

Definition of default and credit-impaired assets

Our definition of default is informed by European Banking Authority guidelines. Most notably, the materiality threshold complies with the uniform EU standard. A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flows:

- A breach of contract such as a more than 90 days past due event with a materiality of more than €100 and more than 1% of total credit obligation for retail exposures or more than €500 and more than 1% of total credit obligation for non-retail exposures;
- Significant financial difficulty of the issuer or the borrower and an inability to meet future payments;
- Concession(s) granted to the borrower that the lender would not otherwise consider, relating to the borrower's financial difficulties (forbearance);
- A growing likelihood that the borrower will enter bankruptcy or other financial restructuring;
- The disappearance of an active market for the financial asset because of financial market difficulties;
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit loss.

It may not always be possible to identify a single discrete event; instead the combined effect of several events may have caused financial assets to become impaired. All impaired assets are also classified as defaulted by Van Lanschot Kempen under CRR rules. Van Lanschot Kempen has implemented one definition that serves for all its different purposes.

3.2 Forborne exposures

A loan is considered forborne if the borrower is structurally unable to meet their contractual obligations towards us and we decide to make a concession to the client by modifying the terms and conditions of the loan agreement. The objective of this modification is to enable the borrower to meet the renewed obligations, and it would not have been offered if those circumstances had not arisen. Forbearance actions may include one or more of the following measures:

- Amendment of the original terms and conditions of the loan agreement that the client cannot meet due to financial difficulties, with a view to restoring the client's payment capacity;
- Full or partial refinancing of a forborne exposure.

The purpose of the measures taken in forbearance situations is to maximise the chance of restoring the borrower's payment capacity and to minimise the risk of losses due to having to write off all or part of the loan. Measures must offer the client an appropriate and sustainable solution, enabling them to comply with the original obligations arising from the credit agreement in due course.

Applying forbearance measures is exclusively reserved for the Financial Restructuring & Recovery team, which pursues a policy based on general principles and translates this to the specific situation of the individual client. Given the nature of these loans, the Financial Restructuring & Recovery team carries out intensive credit management. Before any new arrangements are agreed, a detailed analysis is made of the client, their financial situation and the likelihood of income recovery. The outcome of this analysis may have consequences for the client's review frequency and the size of any loan loss provision. If the client qualifies for appropriate forbearance measures, a proposal will be drawn up and submitted to the competent assessor(s) for approval. If a forbearance measure is granted, the exposure is classified as non-performing.

In practice, forbearance measures do not always have the desired effect – i.e. the recovery of the client's payment capacity or an end to the process of declining payment capacity. This may, for example, be the result of a further deterioration in the client's financial circumstances or the failure of those circumstances to improve as expected. Such cases are reanalysed and a new repayment strategy is agreed. However, the principle is explicitly maintained that the forbearance measure must be appropriate, enduring and effective. Any new arrangements agreed with the borrower must also meet these strict criteria.

A forbearance situation ends when the non-performing status has no longer been applied to the loan for a probation period of two years. The non-performing status must last a minimum of one year starting from the last forbearance measure. Moreover, the client must have made significant and regular payments of interest and/or principal during at least half of the probation period. During the two-year probation period, no payments by the borrower may be in arrears for more than 30 days. If this condition is not met, the probation period will start again from the date the client is no longer in arrears for more than 30 days.

The recording and monitoring of loans which are subject to forbearance is carried out by the Financial Restructuring & Recovery team. Each quarter, and where appropriate more frequently for specific loans, an individual assessment is carried out of forborne exposures which are in default, in relation to any provision made. In addition to this quarterly assessment (as part of the provisioning process), these loans are subject to extensive credit risk management, the intensity and frequency of which will as far as possible match the specific circumstances of the loan.

Tables 3.2.A through 3.2.C show the total volume of forborne exposures. We apply several types of forbearance measures (see Table 3.2.A).

Following the decision to apply such a measure, a loan remains under the supervision of the Financial Restructuring & Recovery team until the forbearance situation has ended.

Table 3.2.A Types of forborne exposure	31/12/2024	31/12/2023
Total	17,211	26,210
Refinancing or new loans	3,116	1,881
Reduction of repayments	1,661	7,619
Deferred payment of financing costs	1,282	741
Extension of loan term	2,641	2,548
Reduction in interest rate	508	3,747
Sale by agreement/assisted sale	437	1,041
Rescheduled payments	9	—
Other alteration of contract conditions/covenants	7,521	8,364
Partial or total debt forgiveness	37	268

Tables 3.2.B and 3.2.C provide an insight into the underlying collateral of forborne loans. This breakdown is based on the collateral used under Basel regulations, with the exception of commercial real estate, for which collateral is based on

market values. The value in the Total primary collateral column is the lower of the subscription value or the value of the collateral.

Table 3.2.B Forborne exposures by collateral at 31 December 2024

	Balance outstanding	Mortgage collateral	Commercial real estate	Financial collateral	Total primary collateral	Secondary collateral and unsecured loans
Total	17,181	2,499	9,343	1,634	13,476	3,705
Mortgage loans	2,499	2,499	—	—	2,499	—
Current accounts	4,991	—	—	1,634	1,634	3,357
Loans	9,691	—	9,343	—	9,343	348

Table 3.2.C Forborne exposures by collateral at 31 December 2023

	Balance outstanding	Mortgage collateral	Commercial real estate	Financial collateral	Total primary collateral	Secondary collateral and unsecured loans
Total	26,210	2,368	16,596	2,044	21,008	5,202
Mortgage loans	2,368	2,368	—	—	2,368	—
Current accounts	5,550	—	—	2,044	2,044	3,505
Loans	18,293	—	16,596	—	16,596	1,697

Write-off policy

We write off loans as soon as there is sufficient certainty about the loss after the sale of collateral and after exploring other redress opportunities.

3.3 Breakdown of the loan portfolio

We adopt a cautious approach to granting unsecured loans. Our loan book mainly consists of loans to private banking clients such as loans secured by residential real estate, a number of commercial real estate loans and Lombard loans. The remainder of the loan portfolio comprises consumer loans and customised financing for private banking clients. Mortgage loans also include ground leases (*erfpacht*), made by Kempen Dutch Inflation Fund.

Table 3.3 Breakdown of loan portfolio by entity excluding impairments

	31/12/2024		31/12/2023	
	Limit	Utilisation	Limit	Utilisation
Total	9,730,708	9,366,177	9,672,400	9,199,580
Van Lanschot Kempen	9,199,624	8,954,847	9,136,786	8,810,598
Kempen Dutch Inflation Fund	127,289	127,289	132,786	132,786
Other	403,795	284,041	402,828	256,196

3.4 Collateral

In general, collateral can be used for all current and future amounts owed by a debtor. In addition to residential mortgage collateral and guarantees provided by governments and credit institutions, commercial real estate, financial collateral, receivables, stocks and inventories may serve as collateral.

Tables 3.4.A and 3.4.B provide insight into the underlying collateral of the loan portfolio.

Table 3.4.A Loans and advances to the public and private sectors by collateral at 31 December 2024

	Balance outstanding	Mortgage collateral	Commercial real estate	Financial collateral	Other	Total collateralised loans	Unsecured loans
Total	9,450,267	7,058,144	491,103	867,780	248,874	8,665,901	784,366
Mortgage loans	6,841,316	6,724,729	46,478	3,402	1,562	6,776,171	65,146
Loans	1,911,899	237,402	417,973	481,092	246,161	1,382,628	529,271
Current accounts	402,491	61,279	26,653	218,719	1,151	307,802	94,689
Securities-backed loans and settlement receivables	291,082	34,734	—	164,567	—	199,300	91,782
Subordinated loans	3,479	—	—	—	—	—	3,479

Table 3.4.B Loans and advances to the public and private sectors by collateral at 31 December 2023

	Balance outstanding	Mortgage collateral	Commercial real estate	Financial collateral	Other	Total collateralised loans	Unsecured loans
Total	9,303,365	7,401,403	109,032	631,503	273,668	8,415,607	887,758
Mortgage loans	6,851,876	6,760,199	7,310	842	1,929	6,770,280	81,596
Loans	1,790,128	537,152	95,411	361,308	268,136	1,262,007	528,121
Current accounts	409,293	67,725	6,311	134,203	3,604	211,843	197,450
Securities-backed loans and settlement receivables	248,976	36,327	—	135,150	—	171,477	77,499
Subordinated loans	3,092	—	—	—	—	—	3,092

Tables 3.4.A and 3.4.B have been drawn up on the basis of the definitions contained in the Basel regulations. Additional data fields unlocked in 2024 for Basel IV purposes have resulted in some movements, mainly from Mortgage collateral to Commercial real estate. The balance outstanding is the carrying amount excluding value adjustments for fair value hedge accounting. The collateral value is the lower of the balance outstanding of the related loan or the value of the collateral itself.

The category Other mainly comprises loans for which collateral has been pledged in the form of operating assets, inventories and receivables, as well as collateral which for technical reasons is not directly linked to a specific loan. The total amount of unsecured loans is small.

The loan-to-value (LTV) of our mortgage loans is based on indexed foreclosure values, in line with generally accepted standards for LTV determination. The weighted average LTV at year-end 2024 was 60% (2023: 64%).

3.5 Concentration within the loan portfolio

The vast majority of our loan portfolio consists of loans to our private banking clients. For the credit risk in this portfolio, see Section 3.8, Loss allowance for expected credit losses. We aim for a diversified loan portfolio, reflecting our risk appetite. We have set limits for concentrations in individual sectors.

3.5.1 Individual loan concentrations

The ten largest loans to individual clients other than financial institutions totalled €176 million at year-end 2024, compared with a total loan portfolio of €7.8 billion (2023: €179 million; total loan portfolio €7.8 billion). In this calculation, Lombard loans secured by non-single stock are excluded.

3.5.2 Geographical concentrations

The bulk of our lending takes place in the Netherlands. The geographical breakdown reflects client locations.

Table 3.5.2 Loans and advances to the public and private sectors by geographical area

	31/12/2024	31/12/2023
Total	9,331,093	9,161,433
Netherlands	8,547,476	8,486,270
Belgium	558,597	464,301
Other	225,019	210,862

3.6 Encumbered and unencumbered assets

Certain items in the statement of financial position are classified as encumbered. Tables 3.6.A and 3.6.B provide insight into the financial assets treated as encumbered. These tables have been drawn up on the basis of carrying value.

Encumbered assets

Pledged as collateral:

- Cash pledged to a counterparty bank or central clearing party as security for obligations stemming from derivatives (CSA contracts);
- Investments in debt instruments pledged to DNB or counterparty banks in the context of payments, repo transactions or securities and derivatives clearing purposes;
- Mortgage loans and receivables that act as a guarantee for debt instruments which have been placed with institutional investors in the form of covered bonds or have been pledged as collateral to DNB, e.g. for transaction settlements.

Other:

- Statutory reserve deposits with central banks;
- Reserve accounts of the covered bond entities to which we have no access.

Unencumbered assets

Eligible as collateral:

- Investments in debt instruments which appear on the ECB eligible list of marketable assets but are not classified as encumbered at the reporting date;
- Mortgage loans and advances on underlying debt instruments which are held by us and which appear on the ECB eligible list of marketable assets but are not classified as encumbered at the reporting date.

Table 3.6.A Encumbered and unencumbered assets		Encumbered assets		Unencumbered assets		31/12/2024
	Pledged as collateral	Other	Eligible as collateral	Not eligible as collateral	Total	
Total	2,138,444	134,287	4,414,692	9,257,888	15,945,312	
Cash and cash equivalents and balances at central banks	—	129,665	—	1,935,153	2,064,818	
Due from banks	63,323	4,622	—	16,280	84,225	
Financial assets at fair value through profit or loss	—	—	180,734	91,760	272,494	
Financial assets at fair value through other comprehensive income	30,006	—	2,788,606	172,528	2,991,140	
Loans and advances to the public and private sectors	1,830,000	—	525,000	6,976,093	9,331,093	
Other financial assets at amortised cost	215,115	—	920,352	66,074	1,201,542	

Table 3.6.B Encumbered and unencumbered assets		Encumbered assets		Unencumbered assets		31/12/2023
	Pledged as collateral	Other	Eligible as collateral	Not eligible as collateral	Total	
Total	2,081,098	129,779	3,237,799	10,359,817	15,808,493	
Cash and cash equivalents and balances at central banks	—	123,637	—	2,801,681	2,925,318	
Due from banks	41,948	6,142	—	29,411	77,501	
Financial assets at fair value through profit or loss	—	—	130,245	104,348	234,593	
Financial assets at fair value through other comprehensive income	20,428	—	1,785,096	402,990	2,208,514	
Loans and advances to the public and private sectors	1,830,000	—	525,000	6,806,433	9,161,433	
Other financial assets at amortised cost	188,722	—	797,458	214,954	1,201,134	

3.7 Netting of financial assets and liabilities

Tables 3.7.A and 3.7.B show the netting of financial assets and liabilities. The right to net derivatives is laid down in a master netting agreement per counterparty. For information about the netting criteria, see “Summary of material accounting policies”.

Table 3.7.A Netting of financial assets and liabilities 31/12/2024					
	Gross	Gross in the statement of financial position	Net in the statement of financial position	Related amounts not netted in the statement of financial position	Net
Derivatives (assets)	915,087	597,189	317,897	157,037	160,860
Derivatives (liabilities)	851,755	597,189	254,566	157,037	97,529

Table 3.7.B Netting of financial assets and liabilities 31/12/2023					
	Gross	Gross in the statement of financial position	Net in the statement of financial position	Related amounts not netted in the statement of financial position	Net
Derivatives (assets)	882,882	540,356	342,526	126,341	216,185
Derivatives (liabilities)	785,934	540,356	245,578	126,341	119,237

3.8 Loss allowance for expected credit losses

Under the IFRS 9 Accounting Standard, we recognise a loss allowance for ECL on financial assets measured at amortised cost or fair value through other comprehensive income, as well as for financial guarantees and loan commitments. When there is no significant deterioration in credit risk since initial recognition, ECL is recognised based on a 12-month expected credit losses (Stage 1).

When a significant increase in credit risk has occurred, ECL is recognised based on a lifetime ECL (Stage 2). Likewise, for impaired loans (Stage 3) a lifetime ECL is recognised.

3.8.1 Expected loss measurement

We measure ECL by using a sophisticated approach and an alternative approach. For the sophisticated approach we use models to calculate the ECL, governed by a model governance framework. Under this framework, the performance of the models is periodically monitored, and these models are also periodically validated. Every quarter, the models are subject to performance monitoring. If models are consistently performing outside the agreed threshold, recalibration or ultimately redevelopment will follow.

In both approaches, ECL reflects an unbiased probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money, and reasonable and verifiable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Both approaches calculate a 12-month and a lifetime ECL for the exposures of all three stages.

After the risk stage determination in the stage calculation, the relevant ECL is assigned:

- 12-month ECL for Stage 1;
- Lifetime ECL for Stage 2 and Stage 3.

The key elements of the ECL calculation are the probability of default (PD), exposure at default (EAD), cure rate (CR), and loss given default (LGD). An important part of the LGD is the loss given non-cure (LGN). LGN is an estimate of the loss arising in the event of a default without cure occurring at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

In addition to these four key elements, we incorporate forward-looking information for the sophisticated approach.

We identify macroeconomic variables and consider three macroeconomic scenarios in calculating ECL:

- A baseline scenario;
- An upside scenario;
- A downside scenario.

These scenarios are associated with different PDs, EADs and LGNs. In the process of building the PD, cure rate and LGN models for IFRS Accounting Standards, we included several macroeconomic risk drivers in the long list of risk drivers. Those determined as best-performing during modelling were selected to be part of the model. The macroeconomic scenarios are generated based on inputs from CPB Netherlands Bureau for Economic Policy Analysis, DNB, ECB and our in-house economic experts. The reported ECL (12-month or lifetime, depending on the stage) is a weighted ECL average per macroeconomic scenario. The table below shows the macroeconomic variables used for the sophisticated approach.

Model	Macroeconomic variables
PD calibration	<ul style="list-style-type: none"> – GDP – Volume of exports
Cure rate	<ul style="list-style-type: none"> – Residential real estate price – Volume of exports
LGN	<ul style="list-style-type: none"> – GDP – Residential real estate price – Unemployment
EAD	n/a

3.8.2 Significant deterioration in credit risk

To determine the deterioration in credit risk of a financial instrument since initial recognition, we compare the risk of default at the reporting date with the risk of default on initial recognition.

To calculate the lifetime probability of default (LPD) at origination and the LPD at reporting date, we use four PD models: private individuals, SMEs, corporates, and commercial real estate. If the increase in LPD exceeds the designated threshold, the exposure is transferred to Stage 2 and the lifetime ECL is calculated.

A backstop is applied and financial instruments that are materially overdrawn and more than 30 days past due are transferred from Stage 1 to Stage 2. If the financial instrument is credit-impaired, it is transferred to Stage 3.

3.8.3 Financial instruments following the sophisticated approach

For the majority of financial instruments included in the line item Loans and advances to the public and private sectors, including mortgage loans, loans, current accounts, subordinated loans and financial guarantees and loan commitments, we apply a sophisticated approach to calculate expected credit losses. This approach uses an umbrella model that combines the following sub-models:

- Various models that provide the expected flow of exposures to the default state;
- A PD calibration model giving the flow from performing to default;
- A full prepayment model and amortisation model giving the outflow from the portfolio of an entire exposure due to prepayment or contract expiration;
- A migration model providing flows from performing rating classes to other performing rating classes;
- A cure rate model giving the flow from default to performing classes and the non-cure state;
- Various product-level models that give the expected exposure at the moment a client goes into default;
- An amortisation model showing the contractual payments during the lifetime of a product and the part of the exposure flowing out of the portfolio due to partial prepayments;
- An EAD model giving the exposure as a function of the limit or outstanding amount just before default;
- A product-level model evaluating the part of EAD that may be lost – the loss given loss (LGL) model;
- A discount factor to discount the loss from the moment of default to the moment of reporting.

3.8.4 Financial instruments following the alternative approach

We apply an alternative approach for cash and cash equivalents, due from banks, debt instruments at amortised cost, debt instruments at fair value through other comprehensive income, and loans and securities-backed loans issued by Mercier Van Lanschot and Van Lanschot Kempen Switzerland. The alternative approach comprises an investments model and a foreign loan model.

3.8.5 Investments model

The investments model is applied to calculate the ECL for cash and cash equivalents, due from banks, debt instruments at amortised cost, and debt instruments at fair value through other comprehensive income. These financial instruments all have a low risk profile. All such exposures are assigned to Stage 1 as long as their external rating is investment-grade. We use a simplified model to calculate 12-month ECL, using publicly available data for PD and LGD based on external ratings. If financial assets are downgraded below investment grade, these assets will be sold.

3.8.6 Foreign loans model

For the loans and securities-backed loans issued by Mercier Van Lanschot and Van Lanschot Kempen Switzerland, we have developed a foreign loans model. The foreign loans model calculates ECL as the sum of future exposure discounted at the effective interest rate at recognition for non-revolving products and the current effective interest rate for revolving products.

3.8.7 Model changes

As of 2020, a management overlay was applied to the ECL to incorporate risks generated by the pandemic and later the rise in geopolitical tensions, which were not captured by the models used earlier. After several years, the only significant

effect within the credit risk domain is a change in customer prepayment behaviour due to higher interest rates introduced in response to increased inflation. In general, repayments have fallen, thus increasing the probability of loss, as exposures remain within the portfolio for a longer time period. To incorporate this change in behaviour in our models, our prepayment and maturity models have been recalibrated, increasing the ECL by €1.3 million.

Several years have passed since the onset of the pandemic and the rise in geopolitical tensions, giving any unforeseen risks and consequences time to materialise. Given that the observable gap in the models due to the pandemic and the heightened geopolitical tensions has now been incorporated, maintaining a management overlay is no longer defensible. Future economic developments are expected to be captured by our macroeconomic variables and scenarios. For these reasons, the overlay is no longer applied, leading to an ECL decline of €3.4 million in 2024.

3.8.8 Loss allowances

The table below shows the ECL loss allowances and the corresponding book values (including revocable and irrevocable commitments), categorised by balance sheet line item and ECL by stage.

Table 3.8.A Loss allowance for expected credit losses		31/12/2024		31/12/2023	
		Carrying value (excluding impairments)	Expected credit losses	Carrying value (excluding impairments)	Expected credit losses
Total		16,867,053	38,146	16,766,183	40,767
Cash and cash equivalents and balances at central banks		2,064,818	0	2,925,318	0
Due from banks		84,225	—	77,501	—
Financial assets at fair value through other comprehensive income		2,991,140	762	2,208,514	280
Loans and advances to the public and private sectors		9,610,954	35,084	9,525,767	38,146
Other financial assets at amortised cost		1,201,838	296	1,201,267	133
Financial guarantees and loan commitments		914,078	2,004	827,816	2,207

The table below shows total loss allowances recognised by IFRS 9 stage. The total change in Stage 3 amounted to an increase of €0.4 million (2023: increase of €0.8 million); of this amount, €2.1 million (2023: €5.6 million) is related to write-offs and €2.5 million (2023: releases of €6.4 million) to additions of loss allowances at Stage 3.

Table 3.8.B Loss allowance recognised by IFRS 9 stage	31/12/2024	31/12/2023	Write-offs	Change in provision	Total change
Stage 1	4,385	5,701	—	-1,316	-1,316
Stage 2	5,662	7,338	—	-1,676	-1,676
Stage 3	28,099	27,729	-2,100	2,470	370
Total	38,146	40,767	-2,100	-521	-2,621

The table below shows the IFRS 9 stage and coverage ratios for loss allowances recognised in the loan portfolio, categorised by ECL stage.

Table 3.8.C IFRS 9 stage and coverage ratio by ECL stage (€ million)	31/12/2024				31/12/2023			
	Loan portfolio	Provision	Coverage ratio	Stage ratio	Loan portfolio	Provision	Coverage ratio	Stage ratio
Stage 1	8,221	2.7	0.0%	87.8%	7,760	4.3	0.1%	84.4%
Stage 2	1,018	4.3	0.4%	10.9%	1,314	6.1	0.5%	14.3%
Stage 3	127	28.1	22.1%	1.4%	126	27.7	22.0%	1.4%
Total	9,366	35.1	0.4%		9,200	38.1	0.4%	

Stage 1

Model-based Stage 1 provisions on loans decreased by €1.6 million to €2.7 million, with the Stage 1 exposure adding €461 million. The main driver was the release of the management overlay (€1.1 million). The coverage ratio was down slightly from 2023.

Stage 2

Stage 2 provisions on loans went down from €6.1 million to €4.3 million in 2024. The fall in provisions in Stage 2 was mainly caused by the release of the management overlay (€2.3 million) and improved economic conditions. The recalibration of the IFRS 9 models resulted in a higher provision. The coverage ratio narrowed slightly compared with 2023.

Stage 3

The baseline for Stage 3 provisions is determined by the Financial Restructuring & Recovery team, with limited IFRS 9 model adjustments. In 2024, Stage 3 provisions rose slightly to €28.1 million. This was due to a release of provisions on the resolution of some specific impaired exposures and write-offs, offset by increased provisioning on existing impaired loans and new defaults. The total impaired exposure remained virtually stable at €127 million, while the coverage ratio rose slightly compared with 2023.

Loss allowances for ECL change over time for several reasons: the credit risk of financial instruments may significantly increase or decrease, financial instruments may become credit-impaired, or new financial assets may be purchased. The following tables explain the changes in the loss allowances during the year and the loss allowance recognised in the statement of income.

Table 3.8.D Changes in loss allowance for Financial assets at fair value through other comprehensive income	Stage 1	Stage 2	Stage 3	Total
At 1 January 2024	280	—	—	280
Additions or releases without transfer	270	—	—	270
Financial assets originated or purchased	212	—	—	212
Total balance excluding write-offs	762	—	—	762
At 31 December 2024	762	—	—	762

Table 3.8.E Changes in loss allowance for Financial assets at fair value through other comprehensive income	Stage 1	Stage 2	Stage 3	Total
At 1 January 2023	49	—	—	49
Additions or releases without transfer	-13	—	—	-13
Financial assets originated or purchased	245	—	—	245
Total balance excluding write-offs	280	—	—	280
At 31 December 2023	280	—	—	280

Table 3.8.F Changes in loss allowance for expected credit losses of Loans and advances to the public and private sectors	Stage 1	Stage 2	Stage 3	Total
At 1 January 2024	4,346	6,107	27,694	38,146
Additions or releases without transfer	-2,231	-1,749	1,245	-2,735
Transfer to Stage 1	247	-4,515	—	-4,268
Transfer to Stage 2	-491	4,827	-635	3,701
Transfer to Stage 3	-89	-332	1,851	1,429
Financial assets originated or purchased	911	—	—	911
Total balance excluding write-offs	2,693	4,337	30,155	37,185
Amounts written off	—	—	-2,100	-2,100
At 31 December 2024	2,693	4,337	28,055	35,084

Table 3.8.G Changes in loss allowance for expected credit losses of Loans and advances to the public and private sectors	Stage 1	Stage 2	Stage 3	Total
At 1 January 2023	6,098	6,974	26,927	39,998
Additions or releases without transfer	-2,608	-2,305	-1,517	-6,430
Transfer to Stage 1	260	-4,166	-1,843	-5,749
Transfer to Stage 2	-485	5,870	—	5,385
Transfer to Stage 3	-24	-266	9,745	9,455
Financial assets originated or purchased	1,105	—	—	1,105
Total balance excluding write-offs	4,346	6,107	33,312	43,765
Amounts written off	—	—	-5,618	-5,618
At 31 December 2023	4,346	6,107	27,694	38,146

Table 3.8.H Changes in impairments of Other financial assets at amortised cost	Stage 1	Stage 2	Stage 3	Total
At 1 January 2024	133	—	—	133
Additions or releases without transfer	163	—	—	163
Financial assets originated or purchased	—	—	—	—
Total balance excluding write-offs	296	—	—	296
At 31 December 2024	296	—	—	296

Table 3.8.I Changes in impairments of Other financial assets at amortised cost	Stage 1	Stage 2	Stage 3	Total
At 1 January 2023	49	—	—	49
Additions or releases without transfer	67	—	—	67
Financial assets originated or purchased	17	—	—	17
Total balance excluding write-offs	133	—	—	133
At 31 December 2023	133	—	—	133

Table 3.8.J Changes in impairments of Financial guarantees and loan commitments	Stage 1	Stage 2	Stage 3	Total
At 1 January 2024	942	1,230	35	2,207
Additions or releases without transfer	-324	-100	15	-408
Transfer to Stage 1	7	-43	—	-37
Transfer to Stage 2	-13	239	-25	202
Transfer to Stage 3	—	-2	18	16
Financial assets originated or purchased	23	—	—	23
Total balance excluding write-offs	636	1,325	44	2,004
At 31 December 2024	636	1,325	44	2,004

Table 3.8.K Changes in impairments of Financial guarantees and loan commitments	Stage 1	Stage 2	Stage 3	Total
At 1 January 2023	664	1,761	10	2,435
Additions or releases without transfer	268	-530	10	-253
Transfer to Stage 1	5	-84	—	-78
Transfer to Stage 2	-8	85	—	76
Transfer to Stage 3	—	-1	15	14
Financial assets originated or purchased	13	—	—	13
Total balance excluding write-offs	942	1,230	35	2,207
At 31 December 2023	942	1,230	35	2,207

All financial instruments included in the line items Cash and cash equivalents, Due from banks, and Debt instruments at amortised cost are classified in Stage 1, and no transfers have taken place.

3.8.9 Credit quality

Van Lanschot Kempen allocates each exposure to a credit risk grade based on a variety of data that are determined to be predictive of the risk of default. Credit risk grades are defined using qualitative (applying experienced credit judgement) and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

We use internally developed rating pools for the line items Loans and advances to the public and private sectors and Financial guarantees and loan commitments.

Credit grade	Description
Investment grade	Non-credit-impaired financial assets that are not placed under the supervision of the Financial Restructuring & Recovery team, internal rating pool 1
Standard monitoring	Non-credit-impaired financial assets that are not placed under the supervision of the Financial Restructuring & Recovery team, internal rating pools 2 to 4
Special monitoring	Non-credit-impaired financial assets that are placed under the supervision of the Financial Restructuring & Recovery team
Default	Credit-impaired financial assets

All financial instruments under the line items Cash and cash equivalents, Due from banks, Debt instruments at amortised cost and Debt instruments at fair value through other comprehensive income are investment grade, which means their external rating is at least BBB-. We use external ratings for these line items.

The credit quality of the line items Loans and advances to the public and private sectors and Financial guarantees and loan commitments is shown in the tables below. Assessment of credit quality is based on our internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Table 3.8.L Credit quality of Loans and advances to the public and private sectors at 31 December 2024	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Investment grade (AAA to BBB-)	6,735,392	—	—	6,735,392
Standard monitoring (BB+ to B-)	1,805,831	1,005,730	—	2,811,560
Special monitoring (CCC to C)	1,863	74,533	-423	75,973
Default (DDD to D)	—	—	107,203	107,203
Gross carrying amount	8,543,086	1,080,262	106,780	9,730,128
Loss allowance	2,691	4,338	28,055	35,084
Carrying amount	8,540,395	1,075,925	78,725	9,695,044

Table 3.8.M Credit quality of Loans and advances to the public and private sectors at 31 December 2023	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Investment grade (AAA to BBB-)	6,337,169	—	—	6,337,169
Standard monitoring (BB+ to B-)	1,634,816	1,478,121	—	3,112,937
Special monitoring (CCC to C)	—	90,814	20,312	111,126
Default (DDD to D)	—	—	106,468	106,468
Gross carrying amount	7,971,984	1,568,935	126,779	9,667,699
Loss allowance	4,345	6,108	27,694	38,146
Carrying amount	7,967,640	1,562,828	99,085	9,629,553

Table 3.8.N Credit quality of Financial guarantees and loan commitments at 31 December 2024	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Investment grade (AAA to BBB-)	124,964	—	—	124,964
Standard monitoring (BB+ to B-)	20,922	89,630	—	110,552
Special monitoring (CCC to C)	—	89	30	119
Default (DDD to D)	—	—	3,301	3,301
Gross carrying amount	145,887	89,719	3,331	238,937
Loss allowance	636	1,325	44	2,004
Carrying amount	145,251	88,394	3,288	236,933

Table 3.8.O Credit quality of Financial guarantees and loan commitments at 31 December 2023	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Investment grade (AAA to BBB-)	663,322	—	—	663,322
Standard monitoring (BB+ to B-)	27,897	133,083	—	160,980
Special monitoring (CCC to C)	—	79	153	232
Default (DDD to D)	—	—	3,282	3,282
Gross carrying amount	691,219	133,163	3,435	827,816
Loss allowance	942	1,230	35	2,207
Carrying amount	690,277	131,932	3,400	825,609

3.8.10 Macroeconomic variables

We incorporate forward-looking information for the sophisticated approach. We use macroeconomic variables and consider three macroeconomic scenarios in calculating ECL: a baseline scenario, an upside scenario, and a downside scenario.

Our weightings were 70% for the baseline scenario, 10% for the upside scenario and 20% for the downside scenario.

The table below shows the macroeconomic variables used for the sophisticated approach.

Table 3.8.P Macroeconomic variables	31/12/2024			31/12/2023		
	2024	2025	2026	2023	2024	2025
Gross domestic product						
Baseline scenario	0.86%	1.46%	1.46%	0.13%	0.33%	1.03%
Upside scenario	3.80%	4.40%	4.40%	2.98%	3.18%	3.88%
Downside scenario	-1.91%	-1.31%	-1.31%	-2.83%	-2.63%	-1.93%
Volume of exports						
Baseline scenario	0.32%	2.12%	2.02%	-0.85%	0.05%	2.35%
Upside scenario	5.53%	7.33%	7.23%	4.35%	5.25%	7.55%
Downside scenario	-4.59%	-2.78%	-2.88%	-6.25%	-5.35%	-3.05%
Total investments						
Baseline scenario	-3.31%	3.79%	3.79%	2.67%	0.17%	0.17%
Upside scenario	4.00%	11.10%	11.10%	9.63%	7.13%	7.13%
Downside scenario	-10.19%	-3.09%	-3.09%	-4.57%	-7.07%	-7.07%
Private consumption						
Baseline scenario	0.75%	2.05%	1.75%	0.23%	0.43%	0.93%
Upside scenario	4.18%	5.48%	5.18%	3.68%	3.88%	4.38%
Downside scenario	-2.48%	-1.18%	-1.48%	-3.35%	-3.15%	-2.65%
Residential real estate price						
Baseline scenario	8.84%	7.44%	4.04%	-3.26%	0.44%	2.04%
Upside scenario	13.10%	11.70%	8.30%	0.87%	4.57%	6.17%
Downside scenario	4.82%	2.43%	0.02%	-7.55%	-3.85%	-2.25%
Government consumption						
Baseline scenario	2.49%	1.69%	2.79%	2.51%	3.11%	2.41%
Upside scenario	2.84%	2.04%	3.14%	3.03%	3.63%	2.93%
Downside scenario	2.17%	1.37%	2.47%	1.96%	2.56%	1.86%

For the portfolios that fall under the scope of IFRS 9, we perform a scenario analysis to calculate the sensitivity of the ECL to macroeconomic variables. The multiple macroeconomic variables as presented above are used to calculate various outcomes for the ECL models.

The final ECL figure is the weighted average of the outcomes under the various scenarios. The table below shows ECL per stage and per scenario.

Table 3.8.Q Sensitivity analysis at 31 December 2024	Stage 1	Stage 2	Stage 3	Total	Change
Probability-weighted	4,385	5,662	28,099	38,146	
Baseline scenario	4,204	5,549	28,060	37,813	-334
Upside scenario	2,823	4,679	27,559	35,062	-3,084
Downside scenario	5,800	6,549	28,505	40,855	2,709

3.9 Collateral credit-impaired financial instruments

In general, collateral can be used for all current and future amounts owed by a debtor. In addition to residential mortgage collateral and guarantees provided by governments and credit institutions, commercial real estate, financial collateral, receivables, stocks and inventories may serve as collateral. The majority of collateral is not directly linked to a specific financing arrangement.

For credit-impaired financial instruments, the Financial Restructuring & Recovery team determines the liquidation or recovery value of the available collateral, based on the most recent valuation reports and applying the applicable haircuts.

The table below shows the collateral for financial instruments considered credit-impaired.

Table 3.9 Collateral for credit-impaired instruments at 31 December 2024	Gross exposure	Impairment	Carrying amount	Value of collateral
Loans and advances to public and private sectors	127,883	28,056	99,828	159,290
Financial guarantees and loan commitments	3,301	44	3,258	4,919

No impairment is recognised for credit-impaired financial instruments if the collateral is sufficient to cover the outstanding obligation. The total carrying amount of credit-impaired financial instruments for which there is no impairment recognised is €42.0 million (2023: €31.7 million).

4. Market risk

Market risk is the risk of loss as a result of changes in market variables, including interest rates (except exposure in the banking book), exchange rates and share prices. Other variables not directly observable in the market, such as volatility, (long-term) dividend expectations and correlations, can also influence the value of financial instruments. The market risk to which we are exposed can be divided into three components. Firstly, the market risk to which Treasury is exposed in respect of its structured products activities (part of the Other activities operating segment) and services to clients. Secondly, market risk stemming from trading activities in institutional securities, which is concentrated in Investment Banking Clients. Lastly, exposure to market risks is also generated by investments in our management book of €56.1 million (2023: €79.1 million). These investments provide seed capital for newly launched Van Lanschot Kempen funds and allow us to co-invest with our clients.

4.1 Trading activities in securities

Our trading activities in securities mainly comprise equities, equity derivatives and interest rate derivatives. Equities are concentrated in Investment Banking Clients (equity brokerage) while equity derivatives and interest rate derivatives are concentrated in Treasury (structured products activities). As interest rates fell in 2024, we observed a shift among our clients from simple to more complex structured products as the latter yield a more attractive (expected) return.

A governance structure has been created to facilitate effective risk management. This is based on the three lines of defence model, where the first line has direct insights into the live risk exposures and is responsible for staying within the set limits, the second line monitors daily to ensure that limits are respected, and Internal Audit performs periodic audits on the policies and procedures set by Risk Management and evaluates effectiveness and completeness. The risks are managed using value at risk (VaR) limits as well as gross and net limits. Daily stress tests provide information about changes in portfolio values in extreme market conditions and complement the VaR calculation.

The VaR for the trading portfolios is computed daily, based on a one-day time horizon with a 97.5% confidence level on one year of historical data.

Other risks relating to derivatives, such as stock market changes and volatility, and interest rate changes (delta, vega and rho respectively) are embedded in our structured notes. These risks are separately monitored on a daily basis or more frequently if necessary.

Separate limits are in place for all risk drivers. VaR and other relevant risk parameters are reported to senior management (including two Management Board members) on a daily basis. The embedded derivatives sold to our clients are hedged. The majority of the complex market risks (exotic risks) are hedged on a back-to-back basis. The non-exotic risks and limited exotic risks due to secondary market trading are hedged via the macro-hedging strategy. This means that the complex derivatives sold to clients are broken down into individual risk drivers (i.e. delta exposure on the S&P 500 or Euro Stoxx 50). The total macro exposure per risk driver is calculated and this is hedged by using relatively simple (mostly listed) options. All risk drivers have limits both on an individual as well as on an aggregate level, and we monitor them at least daily. This highly granular view of limits results in limited basis risks.

Table 4.1 Trading activities VaR	2024		2023	
	Derivatives-related	Share-related	Derivatives-related	Share-related
At 31 December	25	137	32	70
Highest VaR	136	369	275	288
Lowest VaR	7	81	9	39
Average VaR	41	186	114	157

4.2 Market risk due to foreign exchange positions

To a limited degree, treasury activities (mainly foreign exchange exposure, comprising client transactions and own positions) result in positions exposed to market risks. The Treasury department is part of the Other activities operating segment. The majority of transactions and positions in the statement of financial position are denominated in euros. Exchange rate risk is managed within the required limits and an authorisation structure applies.

Foreign exchange positions are shown in Table 4.2.B and include all cash, forward and option positions of the entities in scope of consolidation.

Table 4.2.A Exchange rate risk of treasury trading activities (total gross nominal foreign exchange position translated to euros)	2024	2023
At 31 December	244	245
Highest position	4,916	780
Lowest position	-900	-4,646
Average position	55	-126

Table 4.2.B Foreign exchange positions	31/12/2024	31/12/2023
Total	1,905	592
US dollar	987	216
Swiss franc	290	8
Netherlands Antillean guilder	244	-10
Danish krone	235	103
Swedish krona	89	-55
Hong Kong dollar	67	36
Singapore dollar	55	101
Czech koruna	33	29
Norwegian krone	-86	-8
Other	-10	174

The capital requirement for exchange rate risk was €0.2 million at year-end 2024 (2023: €0.1 million). This amounts to 7% of the net open positions in each currency (2023: 7%). Under the Fundamental Review of the Trading Book regulation, which will take effect as of 2026, our capital requirements for exchange rate risk amounted to €0.5 million at year-end 2024 (2023: €0.3 million).

Credit spread risk in the banking book (CSRBB) is the risk of volatility in earnings and/or equity, caused by spread changes in the yield on banking book instruments that are classified at fair value, versus the swap curve.

For Van Lanschot Kempen, CSRBB is mainly concentrated in the investment and liquidity portfolios. CSRBB limits have been imposed on these portfolios, which are monitored by the Asset & Liability Committee on a monthly basis.

4.3 Market risk capitalisation

We use the maturity method to calculate the capital adequacy requirement in respect of the general risk on debt instruments in the trading portfolio. Share-related instruments are share instruments included under Financial assets from trading activities (see Table 4.3).

Table 4.3 Market risk	31/12/2024		31/12/2023	
	Risk weighting	Capital adequacy requirement	Risk weighting	Capital adequacy requirement
Total	155,664	12,453	170,930	13,674
Interest-related instruments	110,530	8,842	120,287	9,623
Share-related instruments	43,045	3,444	49,943	3,995
Currency-related instruments	2,089	167	700	56

Weighting and requirements

We use the standardised approach for all types of market risk. The market risk of interest rate derivatives is included under Interest-related instruments; the market risk of share-related derivatives is included under Share-related instruments; and the market risk of currency derivatives is included under Currency-related instruments.

5. Model risk

The use of models exposes Van Lanschot Kempen to model risk. Model-related risks can materialise in different ways. Examples include using inappropriate models, implementing models incorrectly, calibrating models on data with insufficient quality or using model output for an inappropriate purpose.

Model risk is mitigated by applying the three lines of defence model. The first line of defence is formed by the model owners, whose primary role is to identify, assess and manage the risks associated with models throughout their lifecycle.

The second line of defence is model risk management, carried out by the Model Validation team, which is responsible for performing independent validations and maintaining the model risk management framework and related policies in line with regulatory requirements.

The Internal Audit department acts as the third line of defence, providing an independent evaluation of the adequacy of the model risk management process.

We apply a risk-based approach to managing model risk, which means that those models containing the most model risk are validated more frequently and in more depth. Furthermore, Van Lanschot Kempen keeps a registry of all models in use. Lastly, model-related risk is quantified and capital is held under Pillar 2.

6. Settlement risk

We are required to hold capital for financial transactions that are not settled within five days of the agreed deadline, if the difference between the agreed settlement price and the price at the reporting date could lead to a loss. Settlement risk is monitored and managed on a daily basis.

At year-end 2024, financial transactions totalling €19.2 million (2023: €9.1 million) had to be reported in the context of settlement risk.

7. CVA risk

CVA is the price impact on a derivatives transaction (bilateral or centrally cleared) when the creditworthiness of the counterparty deteriorates. We are required to hold capital under the CRR to account for CVA risk. This CVA capital adequacy requirement is additional to requirements applying to the risk-weighted assets in relation to the “regular” default risk of a counterparty. We use the standardised method to calculate the capital requirement for CVA.

Table 8 Interest rate risk metrics	31/12/2024	31/12/2023
Delta net interest income (Δ NII)	-9.2%	-6.6%
Delta economic value of equity (Δ EVE)	-7.1%	-5.3%

We address long-term interest rate risk by means of the economic value approach, which looks at how changes in interest rates impact the value of our assets and liabilities. The rule-of-thumb metric for economic value analysis is duration of equity, which indicates the net impact of parallel interest rate changes on economic value, assuming a linear relationship between these parameters.

8. Interest rate risk

Interest rate risk in the banking book (IRRBB) is the exposure to adverse market interest rate movements, arising from banking book activities. Adverse interest rate movements may impact a bank's current and/or future earnings, capital and market value. Responsibility for IRRBB management has been delegated by the Management Board to the Asset & Liability Committee.

Interest rate risks in non-banking book items are managed as part of market risk.

Our main source of interest rate risk is the maturity mismatch between assets and liabilities. In general, assets have longer interest rate maturities than liabilities, contractually as well as behaviourally. We model client behaviour with respect to the prepayment patterns of mortgages and loans and the interest rate risk profiles of non-maturing deposits such as savings and current accounts. When modelling client behaviour, a risk remains that actually observed client behaviour deviates from the model outcomes. Differences between modelled and observed client behaviour could have a material adverse impact on future results.

We manage interest rate risk from both a long- and a short-term perspective. The short-term interest rate risk is addressed mainly from a net interest income perspective. This involves an analysis of the change in interest income under a number of market interest rate scenarios, relative to the baseline scenario in which interest rates are expected to develop based on constant rates (delta net interest income, or Δ NII).

By year-end 2024, the most adverse scenario was a scenario in which short-term interest rates reduce sharply. The Δ NII for this scenario was -9.2% at the end of 2024 (end of 2023: -6.6%, in a scenario in which interest rates would flatten). The table below shows the interest rate risk metrics.

Although we use duration of equity as a rule of thumb for economic value sensitivity, we also calculate economic value changes under various scenarios. In doing so, all interest rate cash flows are replotted and revalued at shocked interest rate curves and we use coupon rates that are stripped of margins. By year-end 2024, the most adverse scenario was an instant upwards shock of 200 bps. The Δ EVE for this scenario was -7.1% at the end of 2024 (end of 2023: -5.3%).

We aim to neutralise the impact of differences in accounting classifications on interest rate steering. Hence, we mostly hedge the interest rate risk in fair value through profit or loss items in the banking book on a back-to-back basis, by means of interest rate swaps. By doing so, we make sure that Result on financial transactions – to the extent that it arises from banking book items – is only impacted by market changes in credit spreads over the swap curve and that there is no net impact from changes in the swap curve itself. For this reason, the Δ NII scenarios we use to assess our interest rate risk profile do not affect the Result on financial transactions.

We use hedge accounting to offset changes in the market value of derivatives that are used for hedging portfolios classified at amortised cost or at fair value through other comprehensive income.

9. Liquidity risk

The main objective of our liquidity risk management is to ensure that we are able to maintain or generate sufficient cash resources to meet our payment obligations in full as they come due, on acceptable terms. One of the key elements of our approach towards liquidity risk management is to maintain stakeholder confidence in Van Lanschot Kempen's solidity at all times.

The main source of liquidity risk that we are exposed to relates to the share of client deposits in our funding base. Although client deposits have proven to be relatively price-inelastic and sticky over time, the withdrawable nature of such deposits poses potential outflow risks, especially for those deposits not covered by the deposit guarantee scheme (DGS).

The roll-over risk with respect to maturing capital market funding is less substantial for us, since our client deposit base comfortably funds our entire loan book. To still obtain a certain degree of diversification in our funding mix, we have covered bond programmes in place.

To manage liquidity risk, we use a forward-looking liquidity risk management framework that enables the comprehensive measurement, evaluation and calibration of indicators related to liquidity risk. The framework consists of the risk appetite statement, the liquidity buffer, monitoring and reporting, forecasting, funding planning and contingency planning.

Limits for liquidity risk are revised on an annual basis as part of the risk appetite limit structure. Limits set include, but are not limited to, levels of the liquidity coverage ratio, the net stable funding ratio and stress test survival periods, which are reported to the Asset & Liability Committee on a monthly basis. In addition to the regular monthly liquidity reporting, the liquidity buffer and client deposit flows are monitored in the weekly liquidity report. This report includes metrics that have been identified as early warning indicators for possible liquidity stress. The liquidity buffer is the main defensive element against liquidity risk, and the quality and size of the buffer are monitored frequently, along with inflows and outflows in the client deposit base.

Every year, we outline our capital and funding planning for a three-year horizon, both under regular circumstances in the capital and funding plan, and under potential future stress or emergency situations in the liquidity contingency plan, complemented by the recovery plan.

Part of our liquidity and funding planning is scenario analysis, of which stress testing is a key element. By means of stress testing, we assess our resilience to a variety of adverse liquidity events – Van Lanschot Kempen-specific events, system-wide events, and a combination of these two.

9.1 Contractual maturity

Tables 9.1.A and 9.1.B show the assets and liabilities based on their remaining contractual terms to maturity at the reporting date, without taking behavioural aspects into account. These amounts correspond with the amounts included in the consolidated statement of financial position. Items with no maturity, such as equity instruments, assets and liabilities classified as held for sale, and provisions are presented separately.

Derivative liabilities are included on a net basis if cash flows are settled net. For other derivative liabilities the contractual gross cash flow payable is included.

As savings and current accounts do not have fixed terms, the balances of non-maturing instruments are presented within the withdrawable on demand category.

Due from banks and amounts due to banks include collateral delivered and received related to derivatives transactions. Allocation of this collateral over the maturity buckets is conducted in accordance with the maturity classification of the derivative contracts.

Table 9.1.A Contractual maturity of assets and liabilities at 31 December 2024

	Withdraw- able on demand	< 3 months	3 to 12 months	1 to 5 years	More than 5 years	Subtotal	Maturity not applicable	Total
Assets								
Cash and cash equivalents and balances at central banks	2,064,818	—	—	—	—	2,064,818	—	2,064,818
Due from banks	16,280	—	1,258	66,687	—	84,225	—	84,225
Derivatives	—	39,755	13,999	87,489	176,654	317,897	—	317,897
Financial assets at fair value through profit or loss	59,358	—	—	196,243	—	255,601	16,893	272,494
Financial assets at fair value through other comprehensive income	—	48,794	87,943	1,553,125	1,301,278	2,991,140	—	2,991,140
Loans and advances to the public and private sectors	664,592	69,619	114,086	716,154	7,766,642	9,331,093	—	9,331,093
Other financial assets at amortised cost	—	28,952	108,095	1,027,141	37,353	1,201,542	—	1,201,542
Investments in associates using the equity method	—	—	—	—	—	—	117,556	117,556
Other assets ¹	—	173,257	31,617	49,129	10,516	264,520	338,046	602,566
Total assets	2,805,048	360,377	356,998	3,695,968	9,292,444	16,510,836	472,496	16,983,332
Total assets excluding derivatives	2,805,048	320,622	342,999	3,608,479	9,115,790	16,192,939	472,496	16,665,434
Equity and liabilities								
Due to banks	42,491	2,397	850	107,647	11,420	164,804	—	164,804
Public and private sector liabilities	9,463,537	2,579,929	429,148	186,520	107,787	12,766,921	—	12,766,921
Derivatives	—	24,695	12,897	119,003	97,970	254,566	—	254,566
Financial liabilities at fair value through profit or loss	—	32,270	80,831	308,474	43,316	464,891	—	464,891
Issued debt securities	—	—	—	1,491,254	—	1,491,254	—	1,491,254
Lease liabilities	—	33	744	32,819	11,561	45,157	—	45,157
Other liabilities ²	—	107,158	127,936	—	—	235,095	29,515	264,610
Subordinated loans	—	—	—	25,000	128,825	153,825	—	153,825
Equity	—	—	—	—	—	—	1,377,304	1,377,304
Total equity and liabilities	9,506,027	2,746,482	652,407	2,270,717	400,879	15,576,512	1,406,819	16,983,332
Total equity and liabilities excluding derivatives	9,506,027	2,721,787	639,510	2,151,714	302,909	15,321,946	1,406,819	16,728,766
On-balance gap	-6,700,979	-2,386,105	-295,409	1,425,251	8,891,565	934,324	-934,324	—

¹ Includes Property and equipment, Goodwill and other intangible assets, Current tax assets, Deferred tax assets and Other assets as presented in the consolidated statement of financial position.

² Includes Provision, Current tax liabilities, Deferred tax liabilities and Other liabilities as presented in the consolidated statement of financial position.

Table 9.1.B Contractual maturity of assets and liabilities at 31 December 2023

	Withdraw- able on demand	< 3 months	3 to 12 months	1 to 5 years	More than 5 years	Subtotal	Maturity not applicable	Total
Assets								
Cash and cash equivalents and balances at central banks	2,925,317	—	—	—	—	2,925,317	—	2,925,317
Due from banks	23,348	3,849	1,240	43,022	6,043	77,501	—	77,501
Derivatives	—	12,213	35,092	77,910	217,311	342,526	—	342,526
Financial assets at fair value through profit or loss	77,167	—	—	132,374	—	209,541	25,052	234,593
Financial assets at fair value through other comprehensive income	—	95,179	111,667	1,201,120	800,548	2,208,514	—	2,208,514
Loans and advances to the public and private sectors	632,067	61,524	84,642	637,404	7,745,796	9,161,433	—	9,161,433
Other financial assets at amortised cost	—	—	56,451	1,000,493	144,190	1,201,134	—	1,201,134
Investments in associates using the equity method	—	—	—	—	—	—	110,889	110,889
Other assets ¹	—	125,436	59,718	41,718	5,002	231,874	342,103	573,977
Total assets	3,657,899	298,202	348,810	3,134,041	8,918,889	16,357,840	478,044	16,835,885
Total assets excluding derivatives	3,657,899	285,988	313,718	3,056,131	8,701,578	16,015,315	478,044	16,493,359
Equity and liabilities								
Due to banks	29,388	—	102,230	118,046	840	250,504	—	250,504
Public and private sector liabilities	9,136,974	2,447,651	699,545	160,950	128,694	12,573,814	—	12,573,814
Derivatives	—	14,860	26,178	144,017	60,522	245,578	—	245,578
Financial liabilities at fair value through profit or loss	—	22,414	88,208	331,811	24,239	466,672	—	466,672
Issued debt securities	—	—	—	1,473,639	—	1,473,639	—	1,473,639
Lease liabilities	—	24	732	32,558	5,292	38,606	—	38,606
Other liabilities ²	—	108,076	127,332	—	—	235,408	32,650	268,058
Subordinated loans	—	16,034	—	—	154,205	170,238	—	170,238
Equity	—	—	—	—	—	—	1,348,777	1,348,777
Total equity and liabilities	9,166,362	2,609,059	1,044,225	2,261,020	373,791	15,454,457	1,381,428	16,835,885
Total equity and liabilities excluding derivatives	9,166,362	2,594,199	1,018,046	2,117,003	313,269	15,208,880	1,381,428	16,590,307
On-balance gap	-5,508,463	-2,310,858	-695,415	873,021	8,545,098	903,383	-903,383	—

The assets comprise many long-term mortgage loans while the liabilities are made up of many short-term deposits. The latter are predominantly current and savings accounts. This results in a gap between the Withdrawable on demand and More than five years columns. Potential liquidity risks are addressed by means of monthly stress tests – discussed monthly in the Asset & Liability Committee – that test our resilience to a variety of adverse liquidity events and take behavioural aspects into account.

For each transaction we have guaranteed, the maximum guaranteed amount is included in the appropriate term bucket, allowing for our termination options. The same applies to irrevocable commitments.

¹ Includes Property and equipment, Goodwill and other intangible assets, Current tax assets, Deferred tax assets and Other assets as presented in the consolidated statement of financial position.

² Includes Provision, Current tax liabilities, Deferred tax liabilities and Other liabilities as presented in the consolidated statement of financial position.

9.2 Contractual maturities of undiscounted cash flow of financial liabilities

Tables 9.2.A and 9.2.B show liabilities by maturity based on contractual, undiscounted cash flows and including related future cash flows, such as interest payments.

Repayments which are subject to notice are treated as if notice were to be given immediately. However, we expect that many clients will not request repayment at the earliest possible date, and the tables below do not reflect the expected cash flows as indicated by our deposit retention history.

Table 9.2.A Contractual maturities of undiscounted cash flow of liabilities at 31 December 2024

	Withdrawable on demand	< 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Due to banks	16,587	28,301	850	107,647	11,420	164,804
Public and private sector liabilities	9,319,801	2,573,513	447,315	202,335	541,008	13,083,973
Derivatives	88,345	13,593	30,737	94,592	27,300	254,566
Financial liabilities at fair value through profit or loss	—	41,379	88,583	351,712	44,911	526,584
Issued debt securities	—	16,875	17,500	1,563,750	—	1,598,125
Subordinated loans	—	1,000	7,789	106,193	117,680	232,662
Total undiscounted liabilities	9,424,732	2,674,661	592,773	2,426,229	742,320	15,860,715

Table 9.2.B Contractual maturities of undiscounted cash flow of liabilities at 31 December 2023

	Withdrawable on demand	< 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Due to banks	23,269	6,120	106,680	118,046	840	254,954
Public and private sector liabilities	9,153,065	2,442,877	730,461	200,111	143,603	12,670,118
Derivatives	65,705	16,119	37,476	106,247	20,030	245,578
Financial liabilities at fair value through profit or loss	—	32,694	98,630	381,615	25,716	538,655
Issued debt securities	—	16,875	17,500	1,598,125	—	1,632,500
Subordinated loans	—	17,235	6,410	103,641	114,888	242,174
Total undiscounted liabilities	9,242,039	2,531,919	997,158	2,507,784	305,079	15,583,979

10. Securitisation risk

We treat securitisation as an asset class in our investment portfolio. We are not party to any synthetic securitisations and have no trading position in securitisation transactions.

Funding

We do not structure securitisations for other entities and have no outstanding securitisation transactions in which we act as a sponsor, seller and/or servicer.

Investments

Part of our liquidity investment portfolio is invested in residential mortgage-backed securities (RMBS). We invest only in the most senior and AAA-rated RMBS tranches. If they comply with the simple, transparent and standardised requirements, these securitisations qualify as high-quality liquid assets. All our RMBS investments are ECB eligible, meaning that they have at least two ratings from an external credit assessment institution.

As the investments are part of the liquidity buffer, they can be used as collateral, in repo transactions, or sold if necessary. The holdings in RMBS represent a minor share of the total investment portfolio.

Risk exposures within the investment portfolio

The credit risks of the investments are not hedged. Our investment portfolio as a whole is monitored by the Treasury department and the Credit Approval team on a daily basis. The portfolio is monitored on nominal limits as well as on credit risk limits.

Management

Interest rate risk is limited, as RMBS are typically floating-rate notes. Interest rate risk is monitored at balance sheet level and includes the investment portfolio.

11. Sustainability risks

Sustainability risks relate to ESG themes. As these are relatively new types of risk, we are still developing policies and frameworks, and are collecting data to manage them. Currently, the most measurable sustainability risks are climate and environmental risks, and these are discussed in more detail in this section. Climate and environmental risk reflects the physical and/or transitional impacts of a change in the climate or environment on our financial position and/or reputation. Based on the factors as discussed below, we conclude that no impairments as a result of sustainability risks are necessary. However, sustainability risks could very well lead to a combination of financial, reputational and legal problems in the long term if not addressed proactively.

Our approach to managing sustainability risks includes aligning our organisation with the ECB's expectations as set out in its guidance on climate-related and environmental risks. The risk to our activities posed by climate change and environmental degradation is periodically assessed.

Sustainability risks are addressed and managed via our sustainability risk policy. This policy assures that risks are assessed from an integrated/holistic perspective, taking all risk drivers and activities into account. In 2024, we made improvements to our sustainability risk assessment, particularly in the area of environmental risk (e.g. biodiversity risk). This has resulted in increased granularity of our risk analyses that provide further insight into our risk profile. Sustainability risks could have an effect on our on- and off-balance sheet activities.

Table 11 Balance sheet based on sustainability criteria (€ million)	31/12/2024	31/12/2023
1. Cash at central banks	1,991	2,820
2. Sovereign, supranational and agency bonds	2,442	1,584
3. Covered bonds and RMBS	1,941	1,941
4. Corporate bonds	—	—
5. Residential mortgage exposure	7,019	7,018
6. Family business & entrepreneurs	588	594
7. Lombard loans	869	724
8. Real estate loans	378	325
9. Other loans	478	500
10. Management book	56	79
11. Equity trading activities	9	13
12. Structured product activities	38	37
13. Other items	1,176	1,200
Total assets	16,983	16,836

On-balance sheet activities

1. We believe that the sustainability risks of our central bank exposures are limited. Our main exposure is via DNB. DNB has exposure to national commercial banks via their investments in relatively safe assets and is backed by a sovereign entity. The risks run by DNB and the Eurosystem at large are mitigated by the fact that the Eurosystem can correct unacceptable risks by changing supervisory rules. Moreover, DNB, as a monetary authority, is able to accept temporarily negative equity positions, so even large losses arising from a sustainability risk event can be absorbed.

2. Our sovereign, supranational and agency bonds are mainly from EU issuers. Their debt has a minimum credit rating of AA-, making these issuers capable of withstanding major costs as a result of physical or transitional risks. Also, by signing the Paris Agreement, these issuers' countries have committed to build resilience against the consequences of climate change – e.g. rising sea levels – thereby reducing local physical climate risks.

3. Our covered bonds and RMBS holdings are almost exclusively AAA-rated (99.5%). The majority of the financial assets backed by mortgages are located in the Netherlands and France. Currently, no loan level data is available to calculate the specific ESG risks on these positions. For our RMBS instruments – where we have direct exposure to the underlying pool of mortgages – some general analytics are available. The geographical distribution of the mortgage pools does not materially differ from the total issuers mortgage pool, thereby reducing the physical risks. Moreover, there is a substantial credit enhancement present

in the RMBS transactions, which ranges from 3.2% to 65.0%, and the average LTV range from 28.5% to 76.1%. The RMBS instruments in the lower range of the credit enhancement are also in the lower range of LTV. Covered bonds give additional protection through dual recourse, as the underlying mortgage pool will only be resorted to if the issuing bank defaults. What's more, the mortgage pool is continuously monitored and, if needed, adapted to meet the criteria of the asset cover test. Physical concentration is also taken into account. In our opinion, the mortgage-backed financial assets we have invested in are capable of withstanding costs arising from physical and transitional risks.

4. Corporate bonds are potentially significantly prone to climate risks if the issuing corporation is heavily impacted by changes in climate and policies (for example fossil fuel companies). Currently, we do not hold any corporate bonds.

5. Residential mortgage exposure represents our most concentrated position in terms of (potential) sustainability risks. Given the geographical characteristics of the Netherlands, we are mainly exposed to physical risks related to riverine and sea flooding and the effect of drought on the stability of building foundations (pole rot and changes in surface levels). Regarding riverine and sea flooding, we combine highly detailed data on flood risk in the Netherlands (probability of a flood and, if a flood event takes place, the distribution of potential water levels) and specific characteristics of the collateral (house/apartment) to quantify the potential impact on collateral valuations. Using internally defined flood scenarios, we determine our exposure to flood risk.

The limited average LTV increase as a result of flood damage, given the low probability of such an event, implies that actual projected losses are expected to be manageable. At the same time, given our solid capital position, a temporary increase in regulatory capital (as a result of lower collateral valuations after a flood, which directly impact capital under IRB) is also manageable. We have also carried out a similar analysis on the effect of drought on the stability of building foundations, again using highly detailed data on the risk of pole rot and changes in building surfaces to calculate potential economic risk as well as the effect on our capital. Given the limited number of houses on timber supports and the limited impact in terms of changes in foundation stability, these factors are seen as manageable.

Our residential mortgage portfolio is also prone to transitional risks which could impact the value of the collateral in the future due to rising energy prices and/or renovation costs to meet future legislation on energy efficiency. Using the characteristics of the collateral (building year, size, current energy label, etc.), we determined the renovation costs needed to improve the energy efficiency of the collateral. We then deducted these renovation costs from the current market value of the collateral to derive a stressed market value as a result of transition risk (we assume non-renovated collateral will be worth less in the future). Given the limited renovation costs, our low average LTV and the on average significant assets of our clients, the transition risks are immaterial. In addition, the provision for defaulted mortgages is determined per individual credit file by the Financial Restructuring & Recovery team. If there are significant climate risks relating to defaulted loans, those risks are taken into consideration when the provision is determined.

6. Family business & entrepreneurial loans mostly comprise niche lending to healthcare specialists and to business professionals such as partners at major audit or law firms. These business professionals have limited direct exposure to climate and environmental risks. The same holds for healthcare specialists, such as pharmacists, general practitioners and veterinarians. Based on the limited exposures and non-impacted sectors, the sustainability risks are immaterial. If loans are in default, the provision is determined per individual credit file by the Financial Restructuring & Recovery team. If there are significant climate risks relating to our Stage 3 loans, those risks are taken into consideration when the provision is determined.

7. For our Lombard loans, there are several general risk protection features in place to limit credit losses. We only allow loans up to a maximum of 80% of the pledged investment portfolio and apply a client-specific threshold based on their portfolio composition. When the applicable threshold is reached, securities will be automatically sold to lower the loan amount and thereby the risk level. In addition, the underlying investment portfolio must be well diversified to limit downside risk. The probability that a climate-related event will have such a severe impact on a well-diversified client portfolio that the LTV increases above 100% is deemed very limited.

8. Our real estate loans comprise both residential and commercial properties and are moderate in size, at €378 million. Van Lanschot Kempen's exposure to commercial mortgages is limited, due to the run-off of our corporate banking activities. Lending policies regarding office buildings and rental properties have been updated to reflect more stringent rules on the energy efficiency of the collateral. For office buildings, a minimum energy label C is required from 2023 onwards and for residential rental properties, a minimum label of D is required for new loans. Given our moderate exposure and acceptance criteria, we conclude that there is no material climate risk to our real estate loan portfolio.

9. Other loans mostly comprise current account assets and the remainder of the corporate banking loans. Given the generally short-term nature of the current account assets and limited size and nature of our corporate banking loans, the climate risk is deemed immaterial.

10. Our management book includes co-investments in our own investment funds, totalling €56.1 million. We invest in accordance with our sustainable investment policies and assess sustainability risks via three defined stress scenarios. Losses resulting from this stress test are immaterial and well within our current trading limits.

11. Equity brokerage is aimed at agency trading with the purpose of client facilitation. In the process of facilitating trades for clients, residual equity positions can be (temporarily) held on our own accounts. If these positions become too large, they will be hedged with financial instruments such as derivatives. Given the nature of the trading book (short holding positions, daily position management), we have limited exposure to sustainability risks. For the equity positions in our trading book, we assess sustainability risks via three defined stress scenarios. Losses resulting from this stress test are limited and well within our current trading limits. We thus deem these risks to be immaterial.

12. The structured products activities revolve around issuing medium-term notes (mostly Van Lanschot Kempen notes) combined with a derivative. In most cases, this derivative is associated with a well-diversified equity index (for example the Euro Stoxx 50 or the S&P 500 index), and this generally results in less exposure to sustainability risk than more concentrated equity positions in specific single stocks. Additionally, nearly all market risk present at the Structured Products desk is hedged (largely back-to-back), resulting in very limited exposures to sustainability risks that could materialise through financial market movements. We conclude that these risks are immaterial.

13. Other items comprise various relatively small items, with no large concentrations, and hence an immaterial risk.

Off-balance sheet activities

In our investment management process, the physical and transitional impacts of climate change and environmental degradation are taken into account when investments are made or external asset managers are selected. On both a quantitative and qualitative basis, Risk Management measures and analyses the sustainability risks related to our investment management activities. All sustainability-related policies for our assets under management (AuM) are defined by the Sustainability Investment Council and approved by the Sustainability Board.

Compliance, legal and operational risks associated with climate change and sustainability risks

For our own organisation, physical climate risks are defined as the risk of flooding, drought and other natural hazards that could put the regular execution of our operations at risk. This type of risk is included in our business continuity stress-testing methodology among several scenarios that could lead to a prolonged disruption of facility usage. From a transition climate risk perspective, the most prominent risk for our organisation is the risk of non-compliance with regulatory requirements, which could result in regulatory fines or lawsuits due to sustainability misrepresentation ("greenwashing"). The risk is mitigated through the three lines of defence model.

12. Operational risk

Operational risks are potential losses that result from inadequate or failed internal processes, systems, inadequate or incorrect human actions or from external events.

Operational risk also includes cybercrime and information security risk, which is defined as the risk that the confidentiality, integrity and/or availability of Van Lanschot Kempen's information assets is compromised by internal failure of IT equipment, resulting in financial or reputational damage, and/or regulatory sanctions. Within Van Lanschot Kempen, operational losses are classified using operational loss event types as set out in the Basel framework.

We have created a range of instruments for identifying, assessing, treating, monitoring and reporting operational risks to support Van Lanschot Kempen's management in their roles as risk owners.

- **Operational risk appetite:** This appetite defines the level of – quantitative and qualitative – operational risk we are willing to accept. Exceeding this appetite requires the attention of the Management Board and will lead to additional mitigation measures as and when necessary.
- **Risk identification and assessment** via risk and control self-assessments and scenario analyses:
 - **Risk and control self-assessment** is a tool that allows line managers to systematically identify and assess risks so that steps can be taken to manage any risks that are assessed as being outside of the risk appetite. Risk and control self-assessments are carried out, at tactical (department) level, on the most important value chains of the organisation and on our most important programmes and projects. These assessments are re-performed periodically to reassess and update the existing operational risk level.
 - **Scenario analyses** are used to assess low frequency but high-impact risks. The results of these analyses are used, among other things, to provide insight into the adequacy of the Pillar 1 operational risk capital requirement vis-à-vis our operational risk profile.

- **Risk response:** Management is responsible for deciding how to manage risks. A "4T approach" applies: treat, transfer, tolerate or terminate.
 - **Treat:** To ensure that the most important risks (key risks) are mitigated sufficiently, key controls have been defined; these are tested for effectiveness on a regular basis. In addition, the second line of defence risk and compliance functions monitor such tests. Action tracking is used to track progress made in the delivery of actions to mitigate risks identified as a result of risk and control self-assessments, failing controls, analysis of incidents or complaints, findings by Internal Audit, external auditors and regulators, and other relevant events.
 - **Transfer:** To protect the organisation against major operational risk-related losses, we have taken out insurance policies that cover claims and losses resulting from the services offered. Broadly speaking, these policies are a combination of fraud and professional liability insurance, directors' liability insurance and various other liability and accident insurance policies.
 - **Tolerate:** If a risk is assessed to be outside of our risk appetite and it is not possible or economically viable to lower it, the risk can be accepted at Management Board level. Such acceptance is always temporary, as new technological developments may offer new possibilities to reduce our risk profile.
 - **Terminate:** If a risk is assessed to be outside our risk appetite, we end the product, process or relationship.
- **Risk monitoring:**
 - **Incident management:** Van Lanschot Kempen defines an incident as an (undesirable) event that directly or indirectly harms its services or causes other damage. This includes incidents that qualify as a near miss or have no financial impact. Incidents are registered in our incidents database via the incident management process. For severe incidents, root cause analyses are carried out and reported to the Compliance & Operational Risk Committee. The incidents database allows the systematic recording and analysis of losses resulting from operational risks. It contains information about losses incurred as a result of operational risks in prior years and the current year and forms the foundation of Van Lanschot Kempen's operational risk management measurement system. A total of 83 incidents (2023: 97 incidents) entailing a loss of more than €1,000 were logged in the database in 2024, resulting in a total loss of €0.6 million (2023: €0.8 million).
 - **Risk measurement:** This is based on key risk indicators (early warnings), which highlight trends and/or provide prospective information about operational risks. Key risk indicators are aligned with the Van Lanschot Kempen Risk Appetite Statement.
 - **Risk meetings:** Periodic meetings with risk owners are held to monitor the development of the risk profile in relation to the risk appetite.

Information security risk

Information security risk relates to the protection of client and corporate information. Both automated and manual information processing are carried out. Taking the right measures on the basis of targeted risk analyses of business and IT processes ensures that both our client data and our corporate data are adequately protected and access to this data is ensured.

Third-party risk

In line with our strategy, we outsource certain processes to carefully selected third parties. From an operational risk perspective, this means replacing processing and transaction risks with third-party risk, which is defined as follows: the risk of failing to manage third-party relationships and risk appropriately. A comprehensive risk control framework is in place to handle third-party risk. Contracts containing access and audit rights as well as independent assurance on third-party performance are included in this framework.

Fraud risk

The main mitigants for fraud risk are strong processes with checks and balances (i.e. the four-eyes principle) and access controls. Internal fraud risk is defined as the risk of unexpected financial, material or reputational loss as the result of the fraudulent actions of people internal to the organisation. Incidents such as internal fraud cases are dealt with in accordance with the incident management procedure, which requires a root cause analysis to be conducted, and adequate follow-up to prevent reoccurrence. In 2024, no internal fraud event was identified nor any attempt to commit internal fraud. No investigation of any person regarding internal fraud therefore needed to be conducted.

External fraud risk is defined as fraud attempted or perpetrated against the organisation by an external party (i.e. a party without a direct relationship to Van Lanschot Kempen) without the involvement of an employee or affiliate of the organisation. We recognise that there is an increasing trend of external fraud risk in terms of both attempts and total impact, and we are continuously improving our capabilities for detecting, stopping or recovering external fraud attempts.

Business continuity management

Our business continuity management (BCM) framework is carefully designed to ensure the resilience and continuity of our critical operations, in alignment with the Digital Operational Resilience Act (DORA) and other relevant regulations. Our BCM activities begin with comprehensive business impact analyses to identify critical business processes, applications, and required resources. These insights inform the development of robust business continuity plans and detailed IT response and recovery plans, outlining strategies to maintain operations and swiftly restore services in the event of disruptions.

Central to our framework is a structured crisis management organisation, comprising dedicated crisis management and support teams trained in crisis management skills. These teams are adept at implementing plans for restoring business operations and ensuring a coordinated and efficient response to various crises and disruptions. Crisis communication protocols are also in place to ensure quick and accurate internal communication, and to maintain transparency and manage stakeholder expectations during incidents.

Our framework emphasises regular testing and exercises to validate the effectiveness of our plans, procedures and business continuity arrangement, such as alternative IT infrastructure. We conduct annual tests of the different plans in place and various IT tests, including an annual failover from primary to redundant IT infrastructure. Crisis management exercises are performed annually to ensure our teams are prepared for real-world scenarios.

By continuously refining our BCM processes, Van Lanschot Kempen is committed to safeguarding operations, minimising negative impact, and maintaining the trust of our clients.

13. Compliance risk

When operating in financial markets, it is important that we conduct our business activities in accordance with the expectations of our clients, employees, shareholders and supervisory authorities. We follow high ethical standards, in alignment with our values, code of conduct and risk appetite. Van Lanschot Kempen has established a compliance framework to effectively manage compliance risks across the organisation, to safeguard that business operations adhere to applicable laws, regulations, internal policies, and industry standards, and that we act in the best interests of our clients.

Compliance risk can be described as the threat posed to our organisation's financial, organisational or reputational standing resulting from violations of regulatory requirements, industry standards or internal policies and procedures. Non-compliance with these requirements could potentially result in reputational damage, claims from clients or other stakeholders, enforcement actions by legal and supervisory authorities, fines and other liabilities, even the potential loss of our licence to operate, which could negatively impact our business, results and profitability, and the financial sector as a whole.

In addition, the regulatory landscape governing the financial sector is dynamic and complex. Being compliant with applicable laws and regulations and continuing to stay abreast of new emerging trends is resources-intensive.

Financial crime risks

As a gatekeeper of the financial system, we face the potential risk of unintentional involvement in activities related to money laundering, terrorism financing, sanctions, client tax integrity, and bribery and corruption. This could result in reputational damage, fines, or other sanctions from regulators, which could significantly impact our organisation. Financial crime risks are managed by implementing proper policies and processes, by offering anti-financial crime training to all employees, and providing specialised training to employees who interact with clients or are involved in detecting financial crime.

Client protection risks

Client protection risks involve the potential for unfair treatment of clients, and offering products that do not align with their needs, objectives, sustainability preferences or risk appetite. Our organisation is mainly exposed to the risk of claims from clients who might feel treated unfairly because of information or advice received or because products and/or services have not met their expectations. To make sure that we act in the best interest of our clients, a thorough product governance process is in place when offering, developing, or distributing (new) financial products and services. This also relates to marketing and communication materials.

Business conduct risks

It is crucial that we maintain and safeguard the integrity of the financial system and conduct our business in line with applicable laws and regulations. Business conduct risks refer to the potential of our organisation's actions to negatively impact the financial markets, clients, or other stakeholders, including society as a whole. Adverse effects on market stability, market abuse or misconduct by employees could negatively impact our organisation and result in reputational

damage, fines or enforcement actions by legal and supervisory authorities. Business conduct risks are managed by having proper policies and processes in place, as well as promoting ethical behaviour and responsible business conduct among employees.

Data privacy risks

Data privacy risks relate to processing personal data, data retention and adherence to the General Data Protection Regulation (GDPR) and the AI Act. We operate a data privacy programme to protect the data of clients and employees, to support the organisation in its obligations, advise on data privacy matters and monitor compliance.

14. Financial reporting risk

The Management Board is responsible for designing and implementing an adequate system of internal control for our financial reporting. The system is designed to provide reasonable assurance as to the reliability of financial reporting. The financial statements are prepared in accordance with generally accepted accounting principles and comply with applicable legislation and regulations.

We have the following processes and tools in place to manage financial reporting risks:

- Our accounting manual, which sets out the principles regarding financial accounting;
- A risk and control framework describing processes and procedures, and setting out primary controls such as authorisations and segregation of duties;
- Periodic management reports and KPI dashboards, accompanied by analyses of financial and non-financial figures and trends;
- Evaluation of the functioning of the internal risk management and control system by Internal Audit. The main findings are discussed with the Management Board, the Audit Committee and the Supervisory Board;
- Assessment and approval of the annual report by the Management Board and discussion of the annual report by the Audit Committee and by the Supervisory Board.

The management teams of the relevant departments provide the Management Board with in-control statements. These are based on the risks reported on a quarterly basis, the results of testing procedures for the risk and control framework, the follow-up of the reported risks and the test results, and, the incidents reported. The risk functions evaluate these statements.

15. Fair value

15.1 Financial instruments at fair value through profit or loss

Some financial instruments in the statement of financial position are measured at fair value. Tables 15.1.A and 15.1.B provide a breakdown of these instruments into three levels. The fair value is based either on quoted prices in active markets, inputs other than quoted prices that are observable in the market, or inputs based on data not observable in the market.

We have developed a policy on the criteria for allocating financial instruments recognised in the statement of financial position at fair value to each of the three levels.

A review is carried out at the end of each reporting period to determine whether any changes have taken place in the hierarchy between the levels.

Level 1: Quoted prices in active markets

The fair value of financial instruments traded in an active market is based on the price at the reporting date (market price). The bid price is applied for financial assets and the offer price for financial liabilities. Since these instruments are traded in an active market, their prices adequately reflect current and frequent market transactions between unrelated parties.

Level 2: Inputs observable in the markets

The fair value of financial instruments not traded in an active market (e.g. over-the-counter (OTC) financial derivatives) is established using cash flow and option valuation models. Using estimates, we make assumptions based on the market conditions (observable data) at the reporting date.

The estimated present value of future cash flows is used to determine the fair value of the other financial instruments. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows. The discount rate is the same as the market interest rate at the reporting date for a similar instrument subject to the same conditions, taking into account collateral furnished under credit support annexes (CSAs).

The fair value of forward currency contracts is calculated by reference to forward exchange rates at the reporting date. This is subsequently discounted to determine the present value.

Estimates and judgements made are based on past experience as well as other factors, including expectations with respect to future events that could reasonably occur given current circumstances. Estimates and judgements are assessed on an ongoing basis.

Level 3: Significance of unobservable market data

The financial instruments in this category are assessed on an individual basis. Their valuation is based on the best estimate of management by reference to the most recent prices, prices of similar instruments and, to a not insignificant extent, information not observable in the market. Unobservable inputs may include volatility, correlation, seasonality and credit spreads.

A valuation technique is used in which at least one input that has a significant effect on the instrument's valuation is not based on observable market data. Valuation techniques used include:

- The net asset value method;
- Discounted cash flow projections based on reliable estimates of future cash flows;
- The option model.

A significant effect on the instrument's valuation is considered to be present when the unobservable input accounts for at least 10% of the total instrument's fair value and exceeds a threshold of €50,000. The effect of fair value adjustments on the instrument's valuation is included in the assessment.

Table 15.1.A Financial instruments at fair value at 31 December 2024	Level 1	Level 2	Level 3	Total
Assets				
Derivatives	53,502	255,900	8,495	317,897
Financial assets at fair value through profit or loss	236,566	27,821	8,108	272,494
Financial assets at fair value through other comprehensive income	2,991,140	—	—	2,991,140
Total assets	3,281,208	283,721	16,603	3,581,531
Liabilities				
Derivatives	53,501	192,507	8,557	254,566
Financial liabilities at fair value through profit or loss	116	462,553	2,223	464,891
Total liabilities	53,617	655,060	10,780	719,457

Table 15.1.B Financial instruments at fair value at 31 December 2023	Level 1	Level 2	Level 3	Total
Assets				
Derivatives	36,829	303,097	2,600	342,526
Financial assets at fair value through profit or loss	198,435	28,197	7,960	234,593
Financial assets at fair value through other comprehensive income	2,208,514	—	—	2,208,514
Total assets	2,443,778	331,294	10,561	2,785,633
Liabilities				
Derivatives	36,764	206,013	2,800	245,578
Financial liabilities at fair value through profit or loss	455	466,217	—	466,672
Total liabilities	37,219	672,230	2,800	712,249

Transfers of financial assets or liabilities between levels

We have developed a policy document for the fair value hierarchy. This divides the variables used into observable and unobservable market inputs. If the unobservable input variables are significant, the instrument is classified as Level 3. An unobservable input variable is significant if the change in the fair value due to the application of the variable is greater than the threshold values. Our policy is to recognise transfers into and out of fair value hierarchy levels at the end of the reporting period.

In 2024, our valuation technique remained unchanged, with non-observable input variables being assessed on significance. As a result of this assessment, some financial instruments included in Derivatives (both assets and liabilities) and in Financial liabilities at fair value through profit or loss have been transferred from Level 2 to Level 3 and vice versa.

As a result of the input variables' correlation and seasonality, some derivatives and financial liabilities at fair value through profit or loss were transferred to Level 2. The shorter remaining term to maturity of these financial instruments meant that these input variables qualified as non-significant, justifying a transfer to Level 2. In the case of Derivatives (assets), this entailed a transfer of €10.1 million from Level 3 to Level 2. For financial assets and liabilities at fair value through profit or loss, there were no transfers from Level 2 to Level 3 and vice versa. The transfer of Derivatives (liabilities) includes a €10.1 million shift from Level 3 to Level 2.

Breakdown of movements in financial assets and liabilities classified under Level 3

Tables 15.1.C and 15.1.D provide a breakdown of the movements in all financial assets and liabilities classified as Level 3 items and recognised at fair value in the statement of financial position.

Table 15.1.C Breakdown of changes in financial assets less liabilities classified as Level 3 in 2024

	At 1 January	To statement of income	Issues	Settlements	Transfers	At 31 December
Assets						
Derivatives	2,600	—	8,495	-2,600	—	8,495
Financial assets at fair value through profit or loss	7,960	109	42	-17	14	8,108
Total assets	10,561	109	8,537	-2,618	14	16,603
Liabilities						
Derivatives	2,800	—	8,557	-2,800	—	8,557
Financial liabilities at fair value through profit or loss	—	—	2,223	—	—	2,223
Total liabilities	2,800	—	10,780	-2,800	—	10,780
Total assets less liabilities	7,761	109	-2,243	182	14	5,823

Table 15.1.D Breakdown of changes in financial assets less liabilities classified as Level 3 in 2023

	At 1 January	To statement of income	Issues	Settlements	Transfers	At 31 December
Assets						
Derivatives	408	—	2,600	-395	-13	2,600
Financial assets at fair value through profit or loss	8,579	26	230	-799	-76	7,960
Total assets	8,987	26	2,830	-1,194	-89	10,561
Liabilities						
Derivatives	8,241	-1,883	2,541	-2,327	-3,772	2,800
Financial liabilities at fair value through profit or loss	52,559	2,027	—	-11,578	-43,008	—
Total liabilities	60,801	144	2,541	-13,905	-46,780	2,800
Total assets less liabilities	-51,813	-117	289	12,711	46,691	7,761

Table 15.1.E Fair value changes recognised in profit or loss of financial instruments classified as Level 3

	2024			2023		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Income from securities and associates	-3	-1	-4	-2	-92	-94
Result on financial transactions	—	113	113	—	-23	-23
Total	-3	112	109	-2	-115	-117

	Fair value		Significant unobservable inputs	Range of inputs (probability-weighted average) ³		Relationships of unobservable inputs to fair value ⁴
	31/12/2024	31/12/2023		31/12/2024	31/12/2023	
Assets						
Derivatives						
Structured product derivatives						
– Equity swaps	8,495	2,600	Volatility	13.2% - 21.4% (15.8%)	15.5% - 21.9% (17.7%)	Changed volatility (8.2 percentage points) would decrease fair value by €1.9m
			Correlation	-15.6% - 21.2% (1.8%)	-14.4% - 19.4% (1.0%)	Changed correlation (36.8 percentage points) would decrease fair value by €0.0m
			Dividend	0.5% - 6.2% (3.1%)	1.1% - 3.4% (2.3%)	Changed dividend (5.6 percentage points) would decrease fair value by €0.4m
Financial assets at fair value through profit or loss						
Debt instruments: company cumprefs (shareholdings) (FVPL mandatory)	1,238	1,124	Interest rates	10%	6% - 10% (8%)	Changed interest rate (1.0 percentage points) would decrease the fair value by €0.0m
			Discount rates	10%	6% - 10% (8%)	Changed discount rate (1.0 percentage points) would decrease the fair value by €0.0m
Shares, unlisted	6,870	6,836	Most recent published net asset values of the underlying assets	n/a	n/a	n/a
			Cost or lower market value	n/a	n/a	n/a
			Multiple analyses of comparable companies less a discount for illiquidity and company size based on EVCA guidelines	n/a	n/a	n/a
			Most recently known share price	n/a	n/a	n/a
			EBITA	n/a	n/a	n/a
			Issue or transfer price	n/a	n/a	n/a
			Market price on final trading day	n/a	n/a	n/a
			Face value less provisions	n/a	n/a	n/a
Total assets	16,603	10,561				

³ When no range of the significant unobservable input used in the valuation of the asset/liability applies, this is indicated by "n/a".

⁴ When there is no relationship of the unobservable inputs with the fair value of the asset/liability, this is indicated by "n/a".

	Fair value		Significant unobservable inputs	Range of inputs (probability-weighted average) ⁵		Relationships of unobservable inputs to fair value ⁶
	31/12/2024	31/12/2023		31/12/2024	31/12/2023	
Liabilities						
Derivatives						
Structured product derivatives						
– Equity swaps	8,557	2,800	Volatility	13.2% - 16.2% (15.2%)	13.8% - 19.6% (17.3%)	Changed volatility (3.0 percentage points) would increase fair value by €2.0m
			Correlation	-10.2% - 9.4% (-0.4%)	-20.1% - 25.8% (1.9%)	Changed correlation (19.7 percentage points) would increase fair value by €0.0m
			Dividend	2.9% - 6.2% (3.7%)	2.9% - 6.1% (3.5%)	Changed dividend (3.3 percentage points) would increase fair value by €0.5m
Financial liabilities at fair value through profit or loss						
Other financial liabilities at fair value through profit or loss	2,223	—	Volatility	n/a	n/a	n/a
			Correlation	n/a	n/a	n/a
Total liabilities	10,780	2,800				

⁵ When no range of the significant unobservable input used in the valuation of the asset/liability applies, this is indicated by "n/a".

⁶ When there is no relationship of the unobservable input with the fair value of the asset/liability, this is indicated by "n/a".

15.2 Financial instruments at amortised cost

Table 15.2 shows the carrying amount and fair value of financial instruments at amortised cost, with the exception of line items Cash and cash equivalents and balances at central banks, Other assets and Other liabilities. For these financial instruments the carrying amount is a reasonable approximation of the fair value.

The value of financial instruments at amortised cost is taken as the amount for which the instrument could be exchanged in a commercial transaction between willing parties, other than in a forced or liquidation sale. If there is an active market, we use the market value to determine the fair value. For financial instruments for which no market prices are available, the fair values shown in Table 15.2 are estimated on the basis of the present value or using other estimation or valuation methods.

Table 15.2 Financial instruments at amortised cost							
	31/12/2024		31/12/2023				
	Fair value	Carrying amount	Fair value	Carrying amount	Level	Valuation method	Significant observable and unobservable market inputs
Assets							
Due from banks	84,035	84,225	77,296	77,501	2	Discounted cash flows using applicable money market rates	Interest rate and discount rate
Loans and advances to the public and private sectors	8,999,733	9,331,093	8,602,008	9,161,433	3	Discounted cash flows using current market fees for comparable loans and taking into account the creditworthiness of the counterparty	Interest rate, discount rate and counterparty credit risk
Other financial assets at amortised cost	1,205,522	1,201,542	1,198,442	1,201,134	1	Quoted prices in active markets	-
Total assets	10,289,290	10,616,859	9,877,746	10,440,068			
Liabilities							
Due to banks	164,692	164,804	252,367	250,504	2	Discounted cash flows using applicable money market rates for liabilities	Interest rate and discount rate
Public and private sector liabilities	12,709,033	12,766,921	12,401,813	12,573,814	3	Discounted cash flows using applicable money market rates for liabilities with a comparable term to maturity ⁷	Interest rate, discount rate and own credit risk
Issued debt securities	1,487,180	1,491,254	1,472,220	1,473,639	1	Quoted prices in active markets	Interest rate and discount rate
Subordinated loans	163,936	153,825	181,194	170,238	3	Discounted cash flows using applicable money market rates for debt instruments with a comparable term to maturity, taking account of own credit risk	Interest rate, discount rate and own credit risk
Total liabilities	14,524,842	14,576,804	14,307,595	14,468,194			

⁷ The fair values of client deposits without contractual maturities (non-maturing deposits or NMDs) are approximated by the "economic values" that we calculate for these products as part of our interest rate risk management. We gauge their interest rate sensitivity (duration) by means of replicating portfolios, in which NMDs are "invested" in fixed income instruments (swaps) with various interest rate maturities. To arrive at economic values, we discount these replicating portfolio investments' cash flows at current market interest rates (swap rates).

Notes to the consolidated statement of financial position

At 31 December (€1,000)

1. Cash and cash equivalents and balances at central banks

Cash and cash equivalents and balances at central banks	2024	2023
Total	2,064,818	2,925,317
Cash	28	29
Balances at central banks	1,861,171	2,696,603
Statutory reserve deposits at central banks	129,665	123,637
Amounts due from banks	73,954	105,050
Impairments	0	0

Statutory reserve deposits comprise balances at central banks within the scope of the minimum reserves requirement. The balances at central banks also include irrevocable payment commitments (IPC) cash collateral regarding the SRF. The IPC cash collateral amounted to €7.1 million at year-end 2024 (2023: €7.1 million). The amount of IPC made in the reporting year was nil (2023: €1.7 million). We cannot use these balances in our day-to-day operations. See "Summary of material accounting policies" for our other accounting policies on cash and cash equivalents and balances at central banks.

Reconciliation with consolidated statement of cash flows	2024	2023	Changes
Cash and cash equivalents	2,064,818	2,925,317	-860,499
Due from banks, available on demand	16,280	23,348	-7,068
Due to banks, available on demand	-42,491	-29,388	-13,103
Due from/to banks, available on demand, net	-26,211	-6,041	-20,170
Total	2,038,607	2,919,277	-880,670

2. Due from banks

Due from banks	2024	2023
Total	84,225	77,501
Deposits	67,945	48,111
Receivables arising from unsettled securities transactions	16,280	23,348
Loans and advances	—	6,043

Deposits include a total of €63.3 million (2023: €41.9 million), serving as collateral for liabilities arising from derivatives transactions.

3. Derivatives

Derivatives at 31 December 2024	Asset	Liability	Contract amount
Total	317,897	254,566	9,591,436
Derivatives used for trading purposes			
Currency derivatives	141	141	13,303
Client option positions	53,361	53,361	592,998
Total derivatives used for trading purposes	53,502	53,501	606,300
Derivatives used for hedge accounting purposes			
Derivatives: fair value hedge accounting	63,236	116,386	4,209,535
Derivatives: portfolio fair value hedge accounting	155,998	42,320	3,264,750
Total derivatives used for hedge accounting purposes	219,234	158,706	7,474,285
Other derivatives			
Economic hedges	7,477	7,891	194,500
Structured product derivatives	37,685	34,467	1,316,350
Total other derivatives	45,162	42,358	1,510,850

Derivatives at 31 December 2023	Asset	Liability	Contract amount
Total	342,526	245,578	7,732,684
Derivatives used for trading purposes			
Currency derivatives	77	71	8,156
Equity derivatives	37	—	3,611
Client option positions	36,751	36,692	493,559
Total derivatives used for trading purposes	36,866	36,764	505,325
Derivatives used for hedge accounting purposes			
Derivatives: fair value hedge accounting	77,752	90,534	3,323,035
Derivatives: portfolio fair value hedge accounting	189,487	72,718	2,819,250
Total derivatives used for hedge accounting purposes	267,239	163,252	6,142,285
Other derivatives			
Economic hedges	3,864	9,120	50,000
Structured product derivatives	34,557	36,441	1,035,074
Total other derivatives	38,421	45,561	1,085,074

We use derivatives for both trading and hedging purposes.

Note 3, Derivatives, shows both the positive and negative market values of the derivatives, as well as their notional values.

The following types of interest rate derivatives are used:

- Interest rate swaps;
- Interest rate options.

The following types of currency derivatives are used:

- Currency options;
- Currency forwards.

The following types of equity derivatives are used:

- Equity forwards;
- Futures;
- Long and short structured product options;
- Equity swaps.

We use interest rate swaps as hedging instruments in our hedge accounting.

Ineffectiveness of derivatives for hedge accounting purposes	2024		2023	
	Fair value	Ineffective	Fair value	Ineffective
Total	60,527	1,121	103,987	-1,834
Fair value hedge accounting model	-53,150	470	-12,782	-1,333
Portfolio fair value hedge accounting model	113,677	651	116,769	-501

The total ineffectiveness of fair value hedges at year-end 2024 was €1.1 million (2023: -€1.8 million), comprising €58.2 million in negative value changes in hedging instruments (2023: €160.5 million negative) and positive changes in the value of the hedged items of €59.3 million (2023: €158.6 million positive).

4. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss	2024	2023
Total	272,494	234,593
Debt instruments		
Financial assets from trading activities (FVPL)		
Structured debt instruments	—	2,129
Financial assets at fair value through profit or loss		
Government and government-guaranteed bonds	45,621	20,542
Sovereign, supranationals and agencies (SSA) bonds	80,686	39,671
Covered bonds	69,936	70,032
Puttable investment funds	59,358	77,167
Company cumprefs (shareholdings) (FVPL mandatory)	1,238	1,124
Total debt instruments	256,838	210,665
Equity instruments		
Financial assets from trading activities (FVPL)		
Shares, listed	8,787	12,769
Shares, unlisted	10	13
Financial assets at fair value through profit or loss		
Shares, unlisted (FVPL mandatory)	6,859	11,146
Total equity instruments	15,656	23,928

With the exception of company cumulative preference shares (shareholdings) and equity instruments, all financial assets at fair value through profit or loss are designated at fair value through profit or loss, as this significantly reduces inconsistency in measurement or recognition. Company cumprefs (shareholdings) and equity instruments are mandatorily measured at fair value because they do not meet the SPPI test. The maximum credit risk to which we were exposed in the reporting period is equal to the carrying amount. Our investments in covered bonds are collateralised by mortgages.

Changes in financial assets at fair value through profit or loss ¹	2024	2023
At 1 January	219,681	360,452
Purchases	71,048	188,643
Sales	-32,434	-51,531
Redemptions	—	-285,141
Value changes	4,847	7,023
Amortisation	554	235
At 31 December	263,696	219,681

5. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income	2024		2023	
	Fair value	Face value	Fair value	Face value
Total	2,991,140	3,047,101	2,208,514	2,260,442
Debt instruments				
Government and government-guaranteed bonds	746,789	768,800	397,979	406,400
Sovereign, supranationals and agencies (SSA) bonds	1,115,129	1,146,523	726,492	754,723
Banks and financial institutions, listed	—	—	8,678	9,500
Covered bonds	890,680	893,585	802,136	817,755
Residential mortgage-backed securities	238,543	238,193	273,229	272,064
Total debt instruments	2,991,140	3,047,101	2,208,514	2,260,442

Changes in face value of Financial assets at fair value through other comprehensive income	2024	2023
At 1 January	2,260,442	1,817,086
Additions or releases without transfer	-426,941	-791,975
Financial assets originated or purchased	1,213,600	1,235,332
At 31 December	3,047,101	2,260,442

Changes in Financial assets at fair value through other comprehensive income	2024	2023
At 1 January	2,208,514	1,704,938
Purchases	1,174,019	1,183,449
Sales	-211,304	-597,510
Redemptions	-216,941	-205,098
Value changes	28,300	119,117
Amortisation	8,552	3,619
At 31 December	2,991,140	2,208,514

The change in loss allowance for financial assets at fair value through other comprehensive income is recognised in Other comprehensive income and does not reduce the carrying amount of the financial asset.

¹ This table excludes the changes in Financial assets from trading activities (FVPL).

6. Loans and advances to the public and private sectors

Loans and advances to the public and private sectors	2024	2023
Total	9,331,093	9,161,433
Mortgage loans	6,844,833	6,857,894
Loans	1,926,295	1,806,940
Current accounts	419,662	424,604
Securities-backed loans and settlement claims	291,082	248,981
Subordinated loans	3,479	3,092
Value adjustments fair value hedge accounting	-119,174	-141,932
Loss allowance for expected credit losses	-35,084	-38,146

Part of our mortgage portfolio and fund of loans managed by AEGON Asset Management, serves as a hedged item for our macro fair value hedging model. Due to falling interest rates, the value adjustments of this portfolio have picked up compared with the previous year. The value adjustments are offset by the decreased value of interest rate swaps.

The loans managed by AEGON Asset Management are part of a fund that was set up to facilitate unitholders to hold the investment to the end of the term of the underlying mortgages and provide them with the cash flows (solely contractual repayment of principal amount and interest cash flows) resulting from the underlying investments.

Loss allowance for expected credit losses	2024	2023
Total	-35,084	-38,146
Mortgage loans	-3,516	-6,017
Current accounts	-17,171	-15,317
Other loans and advances	-14,397	-16,812

For more information, see "Risk management", under 3.8, Loss allowance for expected credit losses.

Changes in gross carrying amount of Loans and advances to the public and private sectors	Stage 1	Stage 2	Stage 3	Total
At 1 January 2024	7,971,984	1,568,936	126,779	9,667,699
Additions or releases without transfer	-2,530,827	828,163	-47,638	-1,750,302
Transfer to Stage 1	4,169,441	-4,182,728	-7,387	-20,673
Transfer to Stage 2	-2,917,432	2,888,423	-4,617	-33,625
Transfer to Stage 3	-19,276	-22,532	41,742	-65
Financial assets originated or purchased	1,869,195	—	—	1,869,195
Amounts written off	—	—	-2,100	-2,100
At 31 December 2024	8,543,086	1,080,263	106,780	9,730,128

Changes in gross carrying amount of Loans and advances to the public and private sectors	Stage 1	Stage 2	Stage 3	Total
At 1 January 2023	8,179,087	1,403,325	109,221	9,691,633
Additions or releases without transfer	-1,989,748	240,480	-8,680	-1,757,949
Transfer to Stage 1	2,240,625	-2,247,179	-7,030	-13,584
Transfer to Stage 2	-2,192,283	2,193,077	-5,741	-4,947
Transfer to Stage 3	-23,857	-20,767	44,629	4
Financial assets originated or purchased	1,758,160	—	—	1,758,160
Amounts written off	—	—	-5,618	-5,618
At 31 December 2023	7,971,984	1,568,936	126,779	9,667,699

See "Risk management", under 3, Credit risk, for more information about Loans and advances to the public and private sectors.

7. Other financial assets at amortised cost

Other financial assets at amortised cost	2024		2023	
	Carrying amount	Face value	Carrying amount	Face value
Total	1,201,542	1,211,331	1,201,134	1,217,831
Debt instruments				
Government and government-guaranteed bonds	91,748	93,268	91,102	93,268
Sovereign, supranationals and agencies (SSA) bonds	362,013	365,663	308,385	315,663
Banks and financial institutions, listed	5,994	6,000	5,988	6,000
Covered bonds	725,583	729,900	779,291	786,400
Residential mortgage-backed securities	16,500	16,500	16,500	16,500
Impairments	-296	—	-133	—

Changes in face value of Other financial assets at amortised cost	2024	2023
At 1 January	1,217,831	1,110,081
Additions or releases without transfer	-56,500	-100,000
Financial assets originated or purchased	50,000	207,750
At 31 December	1,211,331	1,217,831

Changes in Other financial assets at amortised cost	2024	2023
At 1 January	1,201,134	1,088,358
Purchases	51,685	207,031
Redemptions	-56,500	-100,000
Impairments	-163	-133
Amortisation	5,386	5,878
At 31 December	1,201,542	1,201,134

8. Investments in associates using the equity method

Changes in associates using the equity method	2024	2023
At 1 January	110,890	103,265
Acquisitions and contributions	5,060	16,110
Sales and repayments	-3,076	-36,153
Income from associates	6,334	32,214
Dividend received	-1,393	-4,469
Other changes	-258	-78
At 31 December	117,557	110,890

All associates valued using the equity method are unlisted investments. See also Note 23, Income from securities and associates.

9. Property and equipment

Property and equipment	2024	2023
Total	71,462	65,159
Buildings	19,707	19,326
Right-of-use – buildings	29,413	30,139
Right-of-use – transport equipment	12,883	5,966
IT, operating system software and communications equipment	3,747	4,573
Other assets	4,104	4,117
Work in progress	1,607	1,038

Lease liabilities amounted to €45.2 million at year-end 2024 (2023: €38.6 million) and are included in Other liabilities.

Van Lanschot Kempen Investment Management (UK) Ltd entered into a long-term lease agreement on 25 September 2023, which runs until 31 October 2031. Van Lanschot Kempen co-signed the lease agreement, guaranteeing the obligations arising from it. The total obligation until the end of the contract amounts to €3.1 million (2023: €3.5 million).

Changes in property and equipment in 2024	Buildings	Right-of-use – buildings	Right-of-use – transport equipment	IT, operating system software and communications equipment	Other assets	Work in progress	Total
At 1 January	19,326	30,139	5,966	4,573	4,117	1,038	65,159
Additions	3,482	8,526	11,140	1,349	1,697	569	26,762
Disposals	-1,325	—	—	—	-1,213	—	-2,538
Capitalisation of investments	—	—	—	—	—	—	—
Depreciation	-1,776	-9,252	-4,223	-2,175	-497	—	-17,922
At 31 December	19,707	29,413	12,883	3,747	4,104	1,607	71,462
Historical cost	38,469	41,579	17,105	14,810	8,063	1,607	121,634
Accumulated depreciation and impairments	-18,762	-12,165	-4,223	-11,063	-3,959	—	-50,172
Net carrying amount at 31 December	19,707	29,413	12,883	3,747	4,104	1,607	71,462

Changes in property and equipment in 2023	Buildings	Right-of-use – buildings	Right-of-use – transport equipment	IT, operating system software and communications equipment	Other assets	Work in progress	Total
At 1 January	22,499	29,405	7,097	4,758	4,037	1,551	69,347
Additions	2,726	9,835	2,668	2,025	626	—	17,879
Disposals	-3,935	—	-464	—	—	—	-4,400
Capitalisation of investments	—	—	—	—	—	-513	-513
Depreciation	-1,963	-9,101	-3,334	-2,209	-546	—	-17,154
At 31 December	19,326	30,139	5,966	4,573	4,117	1,038	65,159
Historical cost	36,485	41,820	9,300	17,918	9,014	1,038	115,574
Accumulated depreciation and impairments	-17,159	-11,680	-3,334	-13,344	-4,897	—	-50,415
Net carrying amount at 31 December	19,326	30,139	5,966	4,573	4,117	1,038	65,159

10. Goodwill and other intangible assets

Goodwill and other intangible assets	2024	2023
Total	308,880	313,049
Goodwill	184,070	179,363
Other intangible assets	124,810	133,685

The carrying amounts of goodwill arising from acquisitions and other intangible assets are presented in the table above.

Changes in goodwill and other intangible assets in 2024	Goodwill	Client relationships	Brand names	Carbon credits	Application software	Total
At 1 January	179,363	121,134	6,054	1,557	4,941	313,049
Additions acquired through business combinations	4,707	7,479	—	—	—	12,186
Amortisation	—	-13,154	-2,007	-80	-1,114	-16,355
At 31 December	184,070	115,459	4,046	1,477	3,827	308,880
Historical cost	184,070	181,664	21,897	1,597	9,584	398,812
Accumulated amortisation and impairments	—	-66,205	-17,850	-120	-5,757	-89,932
Net carrying amount at 31 December	184,070	115,459	4,046	1,477	3,827	308,880

The additions to goodwill and client relationships are due to the acquisition of Accuro in the first half of 2024; see “Business combination in 2024”.

Changes in goodwill and other intangible assets in 2023	Goodwill	Client relationships	Brand names	Carbon credits	Application software	Total
At 1 January	176,761	122,957	6,901	—	134	306,753
Additions acquired through business combinations	2,603	10,846	1,087	—	5,465	20,000
Additions acquired separately	—	—	—	1,597	—	1,597
Amortisation	—	-12,669	-1,935	-40	-658	-15,302
At 31 December	179,363	121,134	6,054	1,557	4,941	313,049
Historical cost	179,363	174,185	21,897	1,597	9,584	386,626
Accumulated amortisation and impairments	—	-53,051	-15,843	-40	-4,643	-73,577
Net carrying amount at 31 December	179,363	121,134	6,054	1,557	4,941	313,049

As of 1 January 2024, we changed our organisational structure with the goal to optimally equip it to respond decisively to commercial developments and regulatory requirements: as close to the client as possible, with effective support and with clear responsibilities and roles. The cash-generating unit (CGU) level at which the goodwill is monitored for internal management purposes has changed accordingly, and the goodwill has been reallocated to the newly determined CGU levels: Private Clients Netherlands, Private Clients Belgium, Investment Management Clients and Investment Banking Clients, based on a relative value approach. Goodwill at former CGU Wholesale & Institutional Clients has been fully reallocated to the new CGU Investment Management Clients. Goodwill arisen from the acquisition of Mercier Vanderlinden has been fully allocated from CGU Private Clients to CGU Private Clients Belgium. Based on the relative value approach, the goodwill related to Kempen & Co at former CGU Private Clients (€33.3 million) has been split into €28.4 million for Private Clients Netherlands and €4.9 million for Investment Management Clients.

The remainder of the goodwill at Private Clients has been transferred to CGU Private Clients Netherlands.

Our CGUs correspond to our operating segments (see section on segment information) except for Other, which is split between the CGUs Other and Non-strategic investments.

Private Clients Netherlands and Private Clients Belgium performed strongly in 2024, mainly due to increased net commission income. Investment Management Clients recorded solid results in 2024, driven by net AuM inflows and positive market performance. Results at Investment Banking Clients picked up compared with 2023. The performances of our segments do not indicate any triggers for impairment.

Allocation of goodwill to CGUs (based on segments)	2024	2023
Total	184,070	179,363
Private Clients Netherlands	40,499	n/a
Private Clients Belgium	81,391	n/a
Investment Management Clients	20,888	n/a
Private Clients (until 1 January 2024)	n/a	122,040
Wholesale & Institutional Clients (until 1 January 2024)	n/a	16,031
Investment Banking Clients	41,293	41,293

Methodology

We carried out our annual impairment test on goodwill. To determine whether an impairment is necessary, the recoverable amount of each CGU or group of CGUs is compared with its carrying amount. In line with IFRS Accounting Standards, the recoverable amount is determined as the higher of the fair value less costs of disposal (FVLCD) and value in use (ViU). If either of these amounts exceeds the carrying amount, an impairment is not necessary and the other value does not have to be calculated.

Value in use

The ViU calculation uses equity cash flow projections for each CGU or group of CGUs for a five-year period. These projections are based on 2024 and on the financial estimates for the years 2025 until 2028 used by management in its strategic forecast at the end of 2024. For the period after the explicit projections per CGU, the growth rate is set at the long-term market growth rate of 2.0%. This growth rate applies to all CGUs, as in the long term all CGUs will be impacted by the same economic market developments. The rate is based on our own projections and on wealth management market projections by market experts. The discounted cash flow model uses one base-case scenario.

Management has compared the main assumptions with market forecasts and expectations. Cash flow estimates are based on our strategic plans and on potential future trends. Events and factors that could have a significant impact on estimates include stock and bond market developments, effects of mergers and acquisitions, competitive conditions, client behaviour and changes in client relationships, cost structure, trends in inflation, interest rates and risks, and other circumstances specific to the industry and sector. Equity cash flows are discounted using a cost of equity for each CGU that reflects the risk-free interest rate, supplemented with a surcharge for the market risk exposure of the CGU or group of CGUs, and a small-firm premium.

Fair value less costs of disposal

The FVLCD method uses the market price at valuation date of our peer group within the segment and their average earnings for a five-year reference period are used to calculate the price-earnings (PE) multiple. The recoverable amount is calculated using the median price-earnings ratio and the average earnings of the CGU over a five-year period, including projections based on management's strategic forecast.

CGU	Method used for recoverable amount		Discount rate after tax %		PE multiple	
	2024	2023	2024	2023	2024	2023
Private Clients Netherlands	ViU	ViU	10.7	n/a	n/a	n/a
Private Clients Belgium	ViU	ViU	10.7	n/a	n/a	n/a
Investment Management Clients	ViU	ViU	12.2	n/a	n/a	n/a
Private Clients (until 1 January 2024)	ViU	ViU	n/a	11.1	n/a	n/a
Wholesale & Institutional Clients (until 1 January 2024)	ViU	ViU	n/a	13.2	n/a	n/a
Investment Banking Clients	ViU	FVLCD	11.2	n/a	n/a	14.9

The impairment test performed in 2024 did not result in goodwill impairments. Based on the ViU calculation and the headroom for all CGUs with allocated goodwill, we did not see reason to use the FVLCD calculation for 2024. The sensitivity analysis in the table below supports this conclusion. For the CGUs with allocated goodwill, a sensitivity analysis was carried out on the baseline scenario with particular attention to changes in long-term growth, the discount rate and the long-term EBIT margin.

In addition, an annual test is carried out for indications of impairment of other intangible assets with a finite useful life. The acquired brand names are still active and no objective indication for impairment was apparent at year-end 2024 and year-end 2023. For the line item Client relationships, changes in the AuM volume are assessed. The useful life tests carried out in 2024 and 2023 provided no indication of a need for further examination. Consequently, no impairment is recognised for other intangible assets.

Sensitivity analysis value in use method	Change required in each key assumption for headroom to equal zero, in percentage points			Headroom with terminal growth rate at 0%
	Headroom	Net profit margin	Cost of equity	
Private Clients Netherlands	536,185	-18.6%	7.2%	437,356
Private Clients Belgium	416,753	-40.1%	17.1%	348,493
Investment Management Clients	279,122	-30.0%	30.6%	239,174
Investment Banking Clients	46,682	-11.5%	6.3%	38,389

Expected amortisation of intangible assets	2025	2026	2027	2028	2029	2030-43
Total	14,211	14,209	13,443	12,348	11,253	61,580

11. Tax assets

Tax assets	2024	2023
Total	18,092	11,342
Current tax assets	1,329	634
Deferred tax assets	16,763	10,708

Changes in deferred taxes in 2024	At 1 January	Through statement of income	To equity	At 31 December
Deferred tax assets				
Employee benefits	5,553	253	-64	5,742
Property and equipment	2,531	486	—	3,017
Lease liabilities	9,304	1,595	—	10,900
Derivatives	2,439	—	-227	2,213
Loss available for set-off	134	1	—	135
Commission	26	4	—	30
Investment portfolio	3,506	—	3,589	7,095
Other	-576	-201	1,375	598
Total deferred tax assets before offsetting	22,917	2,138	4,674	29,730
Offsetting deferred tax assets				-12,968
Total deferred tax assets after offsetting				16,763
Deferred tax liabilities				
Right-of-use assets – buildings	6,661	-349	—	6,313
Right-of-use assets – transport equipment	1,530	1,733	—	3,264
Intangible assets	25,291	-784	—	24,507
Other	163	—	9	172
Total deferred tax liabilities before offsetting	33,646	601	9	34,257
Offsetting deferred tax liabilities				-12,968
Total deferred tax liabilities after offsetting				21,288

The non-current portion of deferred tax assets that is expected to be recovered or settled after more than 12 months amounted to €29.7 million (2023: €22.9 million). See Note 31, Income tax, for more information.

Changes in deferred taxes in 2023	At 1 January	Through statement of income	To equity	At 31 December
Deferred tax assets				
Employee benefits	5,453	1,002	-902	5,553
Property and equipment	2,512	19	—	2,531
Lease liabilities	9,889	-584	—	9,304
Derivatives	2,666	—	-227	2,439
Loss available for set-off	1,140	-1,006	—	134
Commission	68	-43	—	26
Investment portfolio	6,785	—	-3,279	3,506
Other	-2,225	-424	2,073	-576
Total deferred tax assets before offsetting	26,288	-1,037	-2,334	22,917
Offsetting deferred tax assets				-12,211
Total deferred tax assets after offsetting				10,708
Deferred tax liabilities				
Right-of-use assets – buildings	6,964	-303	—	6,661
Right-of-use assets – transport equipment	1,705	-175	—	1,530
Intangible assets	27,862	-2,570	—	25,291
Other	163	—	—	163
Total deferred tax liabilities before offsetting	36,695	-3,048	—	33,646
Offsetting deferred tax liabilities				-12,211
Total deferred tax liabilities after offsetting				21,435

Unrecognised losses	2024	2023
Total unrecognised losses	21,374	17,942

Unrecognised losses are losses for which it is not probable that future taxable profit will be available against which the unused tax losses can be offset.

Unrecognised losses relate to carry-forward losses of Van Lanschot Kempen Investment Management (UK) Ltd, amounting to €16 million (2023: €13 million), and to our non-strategic subsidiary Allshare BV, amounting to €5 million (2023: €5 million). As neither the UK nor the Netherlands observe any time limit for offsetting losses, these tax losses can be carried forward indefinitely.

12. Other assets

Other assets	2024	2023
Total	204,132	184,427
Interest receivable	50,621	36,153
Commission receivable	88,397	74,640
Transitory items	34,208	14,619
Other	30,907	59,015

The line item Other comprises amounts receivable such as debtors, short-term receivables related to solicitor escrow accounts and to the investment in the fund managed by AEGON Asset Management, and suspense accounts.

13. Due to banks

Due to banks	2024	2023
Total	164,804	250,504
Deposits	122,314	221,116
Payables arising from unsettled securities transactions	25,904	6,120
Loans and advances drawn	16,587	23,269

Deposits mainly refer to cash collateral related to derivatives transactions.

14. Public and private sector liabilities

Public and private sector liabilities	2024	2023
Total	12,766,921	12,573,814
Savings	5,846,985	5,056,634
Deposits	3,071,220	3,196,201
Current accounts	3,525,079	3,977,921
Other client assets	324,995	344,334
Value adjustments fair value hedge accounting	-1,359	-1,277

15. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss	2024	2023
Total	464,891	466,672
Debt instruments		
Financial liabilities at fair value through profit or loss		
Unstructured debt instruments	—	27,911
Structured debt instruments	462,553	438,306
Other financial liabilities at fair value through profit or loss	2,223	—
Total debt instruments	464,776	466,217
Equity instruments		
Financial liabilities from trading activities		
Shares, listed	116	455
Total equity instruments	116	455

All financial liabilities at fair value through profit or loss, except for Other financial liabilities at fair value through profit or loss, are designated at fair value through profit or loss on initial recognition because this significantly reduces inconsistency in measurement or recognition. Other financial liabilities at fair value through profit or loss of €2.2 million comprise the contingent cash consideration regarding the Accuro acquisition; see "Business combination in 2024".

We have issued debt instruments which are managed on the basis of fair value. Management believes that valuation at fair value through profit or loss applies, as this largely eliminates or reduces inconsistencies in valuation and disclosure, and performance is assessed on the basis of fair value.

The cumulative change in the fair value of Financial liabilities at fair value through profit or loss can be attributed to several factors, including changes in the entity's own credit risk, the maturity of all unstructured debt instruments, and the issuance of new structured debt instruments.

The change in own credit risk amounted to a total of negative €2.6 million (2023: negative €2.7 million) and is mainly caused by a decline in the credit spread across the entire curve compared with 2023.

16. Issued debt securities

Issued debt securities	2024	2023
Total	1,491,254	1,473,639
Covered bonds	1,496,977	1,495,525
Value adjustments fair value hedge accounting	-5,724	-21,887

Issued debt securities comprise debt instruments with interest rates that are either fixed or variable, in so far as not subordinated. Of these debt securities no instruments became payable on demand in 2024 (2023: €299.8 million).

Face value versus carrying amount

The value adjustment of debt securities as a result of hedge accounting is recognised under the line item Issued debt securities.

Face value versus carrying amount of issued debt securities at 31 December 2024	Face value	Value adjustments fair value hedge accounting	Premium/discount	Carrying amount
Total	1,500,000	-5,724	-3,023	1,491,254
Covered bond	1,500,000	-5,724	-3,023	1,491,254

Face value versus carrying amount of issued debt securities at 31 December 2023	Face value	Value adjustments fair value hedge accounting	Premium/discount	Carrying amount
Total	1,500,000	-21,887	-4,475	1,473,639
Covered bond	1,500,000	-21,887	-4,475	1,473,639

17. Provisions

Provisions	2024	2023
Total	29,515	32,650
Provision for pensions	23,023	23,051
Provision for long-service benefits	3,034	3,007
Provision for restructuring	—	2,156
Provision for financial guarantees and loan commitments	2,004	2,207
Other provisions	1,454	2,229

We operate a number of employee schemes under which participants receive payments or benefits after they retire. Specifically, there is a pension scheme and a discount scheme for mortgage interest rates, as well as a long-service benefits scheme.

The following defined benefit schemes were valued for the purpose of the 2024 financial statements:

- The long-service benefits depend on the number of years of service.
- Both a defined contribution scheme and a defined benefit scheme are in place for employees working at Mercier Van Lanschot. The defined benefit scheme applies only for pension accrued up to and including 2024. The pensionable salary for the defined benefit scheme is taken as the average basic salary over the last five years of service. The pension capital is insured with UKZT (*Uitgesteld Kapitaal Zonder Tegenverzekering*). The accompanying term life assurance is funded from risk premiums. The defined contribution pension plans have been set up according to the Belgian approach of defined contributions but do not fulfil all the criteria of a defined contribution pension plan according to IAS 19.

- For this reason, the defined contribution pension plans are treated as a defined benefit plan in the consolidated financial statements.
- Until year-end 2019, former Kempen operated an average salary scheme under which 1.875% of the pensionable salary – salary less state pension offset, with an annual ceiling of €41,232 – was accrued for each year of service and which was based on a retirement age of 68. The surviving dependants' pension was insured on a risk basis.
- The pension plan of Van Lanschot Kempen Switzerland has been set up according to the Swiss approach of defined contributions but does not fulfil all the criteria of a defined contribution pension plan according to IAS 19. For this reason, the Swiss pension plan is treated as defined benefit plan in the consolidated financial statements.

Only within our Kempen pension scheme, plan assets fund the obligations (i.e. the scheme is funded). The other schemes are unfunded; payments in any year are made directly by Van Lanschot Kempen.

The pension schemes have been placed with insurers and a pension institution, which are responsible for the pension administration, risk insurance and communication of legal documents to employees who are scheme members. Decisions on and changes to pension scheme content are taken by an internal pensions committee.

Where applicable, in the Netherlands the Works Council is consulted for its advice and/or approval.

Our current Van Lanschot Kempen scheme is an individual defined contribution scheme. The former Van Lanschot scheme is classified as a collective defined contribution

scheme, and the change of scheme has no impact from an accounting perspective. The former Kempen scheme still has an obligation to pay guarantee costs and to provide indexation on the accrued pension benefits, the remainder of the provision (€17.0 million) stays on the balance sheet. As it has no legally enforceable right to use the surplus in plan assets for settling the obligations for indexation and guarantee costs, Van Lanschot Kempen applies an asset ceiling to the relevant assets in the pension scheme.

Defined benefit obligations are calculated using the projected unit credit method.

Obligations/assets included in the statement of financial position by scheme at 31 December 2024	Pensions	Employee discounts	Long-service benefits
Defined benefit obligations	183,854	—	3,034
Fair value of plan assets	160,831	—	—
Surplus/deficit	-23,023	—	-3,034
Obligation at year-end	-23,023	—	-3,034

Obligations/assets included in the statement of financial position by scheme at 31 December 2023	Pensions	Employee discounts	Long-service benefits
Defined benefit obligations ¹	168,056	53	3,007
Fair value of plan assets	145,005	—	—
Surplus/deficit	-23,051	-53	-3,007
Obligation at year-end	-23,051	-53	-3,007

Changes in defined benefit obligations for pension scheme	2024	2023
Defined benefit obligations at 1 January	168,056	162,144
Current service costs	2,462	2,893
Interest costs	5,645	5,869
Members' contributions	495	413
Gross benefits	-2,362	-4,672
Transfers	-488	-564
Remeasurements arising from changes in financial assumptions	6,631	2,312
Remeasurements arising from changes in demographic assumptions	-237	-501
Experience adjustments	3,755	-435
Effect of foreign exchange rates	-103	597
Defined benefit obligations at 31 December	183,854	168,056

At 31 December 2024, the weighted average duration of the defined benefit obligation was 18 years (2023: 18 years).

Changes in defined benefit obligations for long-service benefits scheme	2024	2023
Defined benefit obligations at 1 January	3,007	2,617
Current service costs	195	158
Interest costs	92	94
Financial assumptions	-53	147
Gross benefits	-273	-281
Experience adjustments	66	272
Defined benefit obligations at 31 December	3,034	3,007

¹ Because of a data inaccuracy in 2023 there is an estimated misstatement at 31 December 2023 of the DBO of c. €3.8 million and a misstatement of the fair value plan of assets of c. €3.5 million. As a result, the net liability was understated by €0.3 million. This was adjusted in the experience adjustments in 2024.

Changes in fair value of pension plan assets	2024	2023
Fair value at 1 January	145,005	139,039
Expected return on plan assets	4,906	5,076
Financial assumptions	10,120	1,125
Employer's contribution	3,533	4,170
Gross benefits	-2,150	-4,389
Transfers	-488	-564
Effect of foreign exchange rates	-95	548
Fair value at 31 December	160,831	145,005
Actual return on plan assets	15,026	6,201

Current service costs of pension scheme included in statement of income	2024	2023
Current service costs	2,462	2,893
Net interest income	5,645	5,869
Expected return on plan assets	-4,906	-5,076
Net costs	3,201	3,686

Current service costs of long-service benefits scheme included in statement of income	2024	2023
Current service costs	195	158
Net interest income	92	94
Financial assumptions	-53	147
Net costs	234	399

The assets in Van Lanschot Kempen's pension plan are funded through contracts with insurance companies. Consequently, the asset value in the measurement of the pension liability is based on these insurance contracts.

At each reporting date, an asset/liability matching study is carried out by the pension fund's asset manager, in which the consequences of the strategic investment policies are analysed. The strategic investment policies pursued by the pension fund are bound by the maximum investment risk.

The maximum investment risk is linked to a strategic asset mix comprising 73% in fixed income and 27% in equity income investments, with a duration match of 75%. A bandwidth of 5% is in place. The other investment category consists of funds managed by an external pension fund manager. Because of our well-diversified strategic asset mix, concentration risk and entity-specific or plan-specific risks are limited. The most significant actuarial assumptions made at the reporting date are as follows:

Assumptions	2024	2023
Actuarial interest rate pension	0.90% - 3.50%	1.70% - 3.60%
Actuarial interest rate employee discounts	0.0%	0.0%
Actuarial interest rate long-service benefits	3.20%	3.00%
Expected return on investments	1.20% - 3.50%	1.70% - 3.60%
Price inflation	2.25% - 2.00%	2.25% - 2.10%
General salary increase	1.00% - 2.10%	1.00% - 2.10%
Retirement age	65-68 years	65-68 years

The mortality rate is based on publicly available mortality tables for the relevant countries. For the calculations at 31 December 2024, the following mortality tables were used:

- Kempen's former pension plans: the mortality tables as published by the Dutch Association of Actuaries (Prognosetafel AG2024);
- Mercier Van Lanschot: the mortality table as published by the Institute of Actuaries in Belgium (MR/FR) with an age correction of -3 years;
- Van Lanschot Kempen Switzerland: the mortality table as published by BVG (BVG 2020 GT).

For Kempen's former pension plans, a rise of ten bps in the actuarial interest rate will lead to a decrease of 1.8% in the pension obligations and will have no effect on the current service costs in the statement of income, as no future

contributions will be made due to the change in pension scheme.

For Mercier Van Lanschot, a reduction of 25 bps in the actuarial interest rate will lead to an increase of 1.5% in the pension obligations and a rise of 25 bps in the actuarial interest rate will lead to a decrease of 1.5% in the pension obligations.

For Van Lanschot Kempen Switzerland, a reduction of 50 bps in the actuarial interest rate will lead to an increase of 8.2% in the pension obligations and a rise of 50 bps in the actuarial interest rate will lead to a decrease of 7.2% in the pension obligations.

History of changes in pension scheme gains and losses	2024	2023	2022	2021	2020
Defined benefit obligations	183,854	168,056	162,144	248,435	300,791
Fair value of plan assets	160,831	145,005	139,039	209,841	251,792
Surplus/deficit	-23,023	-23,051	-23,105	-38,594	-48,999
Actuarial gains/losses on obligations	10,149	1,376	-88,829	-50,011	33,456
Actuarial gains/losses on investments	10,120	1,125	-73,578	-40,351	21,894

Expected contributions for 2025	Pension obligations	Employee discounts	Long-service benefits scheme
Total	3,784	—	197
Expected employer's contributions	3,251	—	197
Expected employees' contributions	533	—	—

Provision for restructuring	2024	2023
At 1 January	2,156	390
Withdrawals	-2,156	-1,802
Additions	—	3,568
At 31 December	—	2,156

Provision for financial guarantees and loan commitments	2024	2023
At 1 January	2,207	2,435
Withdrawals	-203	-228
Additions	—	—
At 31 December	2,004	2,207

Other provisions	2024	2023
At 1 January	2,229	3,746
Withdrawals	-750	-1,280
Release	-261	-463
Additions	235	226
Other changes	2	—
At 31 December	1,454	2,229

Other provisions include provisions made for various legal claims and defined benefit obligations for employee discount schemes.

Other provisions include an amount of €1.1 million (2023: €0.4 million) with an expected maturity of one year or longer. All provisions for financial guarantees and loan commitments are short-term. The amount and timing of the outflow of economic benefits regarding provisions are uncertain.

18. Tax liabilities

Tax liabilities	2024	2023
Total	32,655	23,681
Current tax liabilities	11,367	2,246
Deferred tax liabilities	21,288	21,435

For changes in deferred tax liabilities, see Note 11, Tax assets. See Note 31, Income tax, for more information.

19. Other liabilities

Other liabilities	2024	2023
Total	247,596	250,333
Interest payable	75,398	73,526
Other accruals and deferred income	49,263	43,529
Lease liabilities	45,157	38,606
Other	77,779	94,672

Other liabilities comprise lease liabilities, income received to be credited to future periods and amounts payable such as accrued interest, payables, suspense accounts and unsettled items.

Payments not included in lease liability measurement	2024	2023
Total	1,346	1,214
Leases of low-value assets	299	123
Variable lease payments	1,047	1,091

Interest expense on leases amounted to €1.3 million in 2024 (2023: €0.8 million) and is recognised in the statement of income under line item Other interest expense in Note 22, Net interest income.

20. Subordinated loans

Subordinated loans	2024	2023
Total	153,825	170,238
Certificates of indebtedness	153,825	154,205
Other subordinated loans	—	15,996
Value adjustments fair value hedge accounting	—	38

Amortised cost versus carrying amount

The value adjustment of subordinated loans used as hedged items is recognised under Subordinated loans.

Amortised cost versus carrying amount subordinated loans at 31 December 2024	Amortised cost	Value adjustments fair value hedge accounting	Premium/discount	Carrying amount
Total	150,000	—	3,825	153,825
Inflation-linked subordinated bond 08/33	25,000	—	457	25,457
Inflation-linked subordinated bond 08/38	25,000	—	924	25,924
Inflation-linked subordinated bond 08/43	50,000	—	2,525	52,525
2.000% subordinated bond 03/32	50,000	—	-81	49,919

Amortised cost versus carrying amount subordinated loans at 31 December 2023	Amortised cost	Value adjustments fair value hedge accounting	Premium/discount	Carrying amount
Total	165,996	38	4,205	170,238
Inflation-linked subordinated bond 08/33	25,000	—	582	25,582
Inflation-linked subordinated bond 08/38	25,000	—	1,030	26,030
Inflation-linked subordinated bond 08/43	50,000	—	2,710	52,710
2.000% subordinated bond 03/32	50,000	—	-117	49,883
Other subordinated loans	15,996	38	—	16,034

All subordinated loans reported as Other subordinated loans expired in 2024. The average coupon on the other subordinated loans in 2023 was 6.03%.

21. Total equity

Total equity	31/12/2024	31/12/2023
Total	1,377,304	1,348,777
Equity attributable to shareholders		
Issued share capital	43,040	43,040
Treasury shares	-19,928	-14,243
Share premium reserve	211,725	211,725
Revaluation reserve	-20,405	-10,083
Actuarial results on defined benefit schemes	-26,584	-26,759
Currency translation reserve	768	1,026
Cash flow hedge reserve	-6,363	-7,015
Own credit risk reserve	-1,966	1,989
Retained earnings	962,866	928,870
Other reserves	908,316	888,029
Undistributed profit (attributable to shareholders)	131,855	118,446
Total equity attributable to shareholders	1,275,008	1,246,996
Equity attributable to AT1 capital securities		
AT1 capital securities	100,000	100,000
Undistributed profit attributable to AT1 capital securities	2,242	1,688
Total equity attributable to AT1 capital securities	102,242	101,688
Equity attributable to other non-controlling interests		
Other non-controlling interests	-135	134
Undistributed profit attributable to other non-controlling interests	189	-40
Total equity attributable to other non-controlling interests	54	93

Share capital	31/12/2024		31/12/2023	
	Number	Nominal value	Number	Nominal value
Class A ordinary shares	43,039,938	43,040	43,039,938	43,040
Unissued shares	106,960,062	106,960	106,960,062	106,960
Authorised capital	150,000,000	150,000	150,000,000	150,000

Changes in share capital	2024		2023	
	Number	Nominal value	Number	Nominal value
At 1 January	43,039,938	43,040	41,361,668	41,362
Shares issued	—	—	1,678,270	1,678
At 31 December	43,039,938	—	43,039,938	43,040

In 2023, 1,678,270 new shares were issued to the amount of €35.7 million, related to the acquisition of the remaining 30% stake in Mercier Vanderlinden by Van Lanschot Kempen.

All shares were paid up in cash. During the 2024 financial year, we conditionally granted 27,479 depositary receipts for Class A ordinary shares (2023: 27,191). Van Lanschot Kempen holds 662,748 depositary receipts for Class A ordinary shares to meet open positions (2023: 562,852). For more information on share-based payments, see Note 27, Staff costs.

Awards of unconditional shares and depositary receipts to staff are linked to performance and employment contracts. For more information about share schemes for staff and the Management Board, see page 143.

Changes in reserves in 2024	Revaluation reserve financial assets at fair value through other comprehensive income	Actuarial results on defined benefit schemes	Currency translation reserve	Cash flow hedge reserve	Own credit risk reserve	Retained earnings	Total
At 1 January	-10,083	-26,759	1,026	-7,015	1,989	928,871	888,029
Net changes in fair value	-10,322	—	—	651	—	—	-9,670
Value change own credit risk	—	—	—	—	-3,956	—	-3,956
Profit appropriation	—	—	—	—	—	118,446	118,446
Dividends	—	—	—	—	—	-84,731	-84,731
Share plans	—	—	—	—	—	1,140	1,140
Actuarial results	—	175	—	—	—	—	175
Other changes	—	—	-258	—	—	-860	-1,119
At 31 December	-20,405	-26,584	768	-6,363	-1,966	962,866	908,316
Tax effects	3,589	-73	—	-227	1,375	—	4,665

Changes in reserves in 2023	Revaluation reserve financial assets at fair value through other comprehensive income	Actuarial results on defined benefit schemes	Currency translation reserve	Cash flow hedge reserve	Own credit risk reserve	Retained earnings	Total
At 1 January	-19,513	-29,523	987	-7,666	7,952	961,987	914,223
Net changes in fair value	9,430	—	—	651	—	—	10,082
Value change own credit risk	—	—	—	—	-5,963	—	-5,963
Profit appropriation	—	—	—	—	—	77,405	77,405
Dividend	—	—	—	—	—	-74,324	-74,324
Share plans	—	—	—	—	—	902	902
Actuarial results	—	2,764	—	—	—	—	2,764
Other changes	—	—	39	—	—	-37,100	-37,061
At 31 December	-10,083	-26,759	1,026	-7,015	1,989	928,871	888,029
Tax effects	-3,279	-902	—	-227	2,073	—	-2,334

The proposed dividend for 2024 has been set at €2.75 per ordinary share (2023: €2.00 per ordinary share). At the AGM to be held on 22 May 2025, shareholders will be invited to approve the distribution of the dividend.

Nature and purpose of other reserves

Treasury shares: This includes the cost price of treasury shares kept by Van Lanschot Kempen for shares awarded to staff under current remuneration and equity schemes.

Share premium reserve: This includes amounts paid to Van Lanschot Kempen by shareholders above the nominal value of purchased shares.

Revaluation reserve: This includes changes in the fair value of FVOCI investments.

Actuarial results on defined benefit schemes: This includes actuarial gains and losses on revaluation of investments and defined benefit obligations. The actuarial gains and losses related to a shortfall in minimum performance on defined contribution plan assets, required under Belgian and Swiss law, are also included.

Currency translation reserve: This reserve (which is not available for free distribution) includes currency exchange differences resulting from the valuation of investments in group companies at the prevailing exchange rate in so far as the currency rate risk is not hedged.

Cash flow hedge reserve: This includes the share in the gain or loss on hedging instruments in cash flow hedges that have been designated as an effective hedge.

Own credit risk reserve: This includes the changes in Van Lanschot Kempen's own credit risk of financial liabilities at fair value through profit or loss.

Retained earnings: This includes past profits added to equity and changes in connection with the share scheme, as well as the settlement of shares related to the Mercier Vanderlinden transaction in 2023.

Notes to the consolidated statement of income (€1,000)

22. Net interest income

Net interest income	2024	2023
Total interest income	666,523	526,651
Interest income on cash equivalents	79	2,403
Interest income on balances at central banks	64,317	62,836
Interest income on banks, and public and private sectors	234,482	225,488
Interest income on financial assets at fair value through other comprehensive income	68,491	21,617
Interest income on other financial assets at amortised cost	38,163	34,892
Interest income calculated using the effective interest method	405,532	347,237
Interest income on financial assets at fair value through profit or loss	6,138	3,233
Interest income on derivatives	246,353	162,714
Other interest income	8,499	13,468
Other interest income	260,990	179,415
Total interest expense	491,063	329,847
Interest expense on banks, and public and private sectors	227,226	141,909
Interest expense on issued debt securities	40,302	31,191
Interest expense on subordinated loans	9,261	10,631
Interest expense calculated using the effective interest method	276,789	183,730
Interest expense on derivatives	189,433	119,435
Other interest expense	24,841	26,682
Other interest expense	214,274	146,117
Net interest income	175,460	196,805

In 2024, net interest income was €21.3 million lower than in 2023. This was mainly driven by two factors. First, the margin between interest rates on client savings accounts

and market rates decreased. Second, we saw a further conversion of current accounts into savings. The interest income on balances at central banks consists of the interest received on overnight deposits at DNB.

23. Income from securities and associates

Income from securities and associates	2024	2023
Total	18,352	38,113
Income from associates using the equity method	6,334	9,089
Realised result of associates using the equity method	79	23,149
Realised and unrealised gains/losses on investments at fair value through profit or loss	6,208	5,375
Other gains/losses on sales	5,731	500

Income from securities and associates decreased by €19.8 million, mainly due to the sale of our 33.3% interest in Movares Group BV in November 2023 with a gain of €23.1 million.

The other gains relate to realisation and revaluation of earn-outs from the sale of former subsidiaries.

24. Net commission income

Net commission income	2024	2023
Total	511,089	427,313
Securities commissions	31,532	28,445
Management commissions	437,491	361,256
Cash transactions and funds transfer commissions	6,407	5,929
Corporate Finance and Equity Capital Markets commissions	29,700	25,853
Other commissions	5,960	5,830

Securities and management commissions were up by €79.3 million compared with 2023, mainly due to strong

AuM growth on the back of inflows and market performance.

25. Result on financial transactions

Result on financial transactions	2024	2023
Total	13,383	1,040
Gains/losses on securities trading	2,347	1,657
Gains/losses on currency trading	10,994	7,600
Gains/losses on derivatives under hedge accounting	1,121	-1,834
Realised gains/losses on financial assets at fair value through other comprehensive income	-820	-1,629
Gains/losses on economic hedges/hedge accounting not applied	30,975	31,165
Gains/losses on financial assets and liabilities at fair value through profit or loss	-31,234	-35,919

Gains/losses on financial assets and liabilities mandatory at fair value through profit or loss worked out at -€0.5 million.

26. Other income

Other income	2024	2023
Total	6,321	6,101
Net sales	9,058	8,475
Cost of sales	-2,736	-2,374

Other income comprises net sales and cost of sales from non-strategic investments arising from debt conversion. In certain cases, where a company has not been able to repay a corporate loan granted by Van Lanschot Kempen, the loan has been converted into a shareholding, thus giving the company time to recover.

27. Staff costs

Staff costs	2024	2023
Total	345,591	328,073
Salaries and wages	250,024	242,402
Pension costs for defined contribution schemes	31,940	30,031
Pension costs for defined benefit schemes	2,936	2,582
Other social security costs	30,218	26,905
Share-based payments for variable remuneration	7,467	6,660
Other staff costs	23,005	19,493

In 2024, share-based payments added €4.4 million to equity (2023: €4.0 million). Of the total expenses arising from share-based payments, €2.8 million is included in Salaries and wages (2023: €2.7 million). Share-based payment expenses totalled €9.0 million at year-end 2024 (2023: €8.6 million). Pension costs for defined contribution schemes include €1.8 million for Management Board members (2023: €1.7 million).

The number of staff at year-end 2024 was 2,229 (2023: 2,112). The average number of staff in FTEs was 1,990 (2023: 1,901), as shown below:

Average number of staff (FTEs) during the year	2024	2023
Total	1,990	1,901
Netherlands	1,736	1,653
Belgium	175	172
Other	78	75

Conditional depositary receipts for shares are granted to staff both under the variable remuneration policy for identified staff and the long-term share plan (LTP).

Conditional depositary receipts for shares granted to staff (excluding Management Board)	2024	2023
At 1 January	88,133	98,040
Granted	27,479	27,191
Vested	-26,301	-34,509
Forfeited rights	-4,856	-2,589
At 31 December	84,455	88,133

The fair value is determined based on the volume-weighted day price for depositary receipts for Class A ordinary shares on the second trading day after release of Van Lanschot Kempen's annual figures. The fair value is equal to the share price less the discounted value of expected dividends during the vesting period. Depositary receipts granted in 2024 had a weighted average fair value of €20.51 (2023: €18.97).

In 2024, 4,221 conditional depositary receipts for shares were granted under the LTP to a number of senior managers other than members of the Management Board (2023: 10,472).

The part of the variable remuneration that is deferred and conditional is spread evenly over the vesting period of four years, and a one-year retention period applies to the deferred and conditional share certificates after they have become unconditional.

28. Other administrative expenses

Other administrative expenses	2024	2023
Total	152,669	142,112
Accommodation expenses	11,030	12,230
Marketing and communication	13,914	12,200
Office expenses	3,824	3,844
IT expenses	53,120	43,062
External independent auditors' fees	5,583	4,749
Consultancy fees	16,091	18,344
Travel and hotel fees	4,348	4,008
Information providers' fees	17,724	17,869
External service provider charges	10,984	11,106
Other	16,052	14,701

Consultancy fees relate to advisory services (business consultancy, tax) and the implementation and maintenance of software and hardware.

Fees charged by our external independent auditors and their network of offices are presented including VAT and can be broken down as follows:

Fees charged by external independent auditors in 2024	PwC Accountants NV	Other PwC network firms	Total
Total	4,441	995	5,436
Audit of the financial statements	2,931	995	3,926
Other audit services	278	—	278
Limited assurance procedures regarding CSRD	635	—	635
Tax services	—	—	—
Other non-audit services	597	—	597

Fees charged by external independent auditors in 2023	PwC Accountants NV	Other PwC network firms	Total
Total	3,586	1,024	4,610
Audit of the financial statements	2,741	1,024	3,765
Other audit services	299	—	299
Tax services	—	—	—
Other non-audit services	546	—	546

This is a summary of the services rendered by our external independent auditor PricewaterhouseCoopers Accountants NV and its network:

- Financial statements audit;
- Financial statements audit for funds managed by Van Lanschot Kempen Investment Management NV;
- Statutory audit of controlled and related entities;
- Audit of the regulatory returns to be submitted to De Nederlandsche Bank;
- ISAE 3402 type II engagement in respect of institutional and semi-institutional clients administering asset management services of Van Lanschot Kempen NV and Van Lanschot Kempen Investment Management NV;
- Non-audit assurance engagements on safeguarding client assets;
- Review procedures on the condensed consolidated report in the context of Article 26.2 of Capital Requirements Regulation No. 575/2013 as of 31 December 2024;
- Comfort and consent letters issued as part of funding transactions and based on Dutch Accounting Standard 3850N;
- DGS ISAE 3402 Type II;
- Limited assurance on CSRD.

29. Depreciation and amortisation

Depreciation and amortisation	2024	2023
Total	34,273	32,987
Buildings	1,776	1,963
Right-of-use assets – buildings	9,252	9,101
Right-of-use assets – transport equipment	4,223	3,334
IT, operating system software and communications equipment	2,175	2,209
Application software	1,114	658
Intangible assets arising from acquisitions	15,162	14,604
Other depreciation and amortisation	572	1,117

30. Impairments

Impairments	2024	2023
Total	-1,439	2,027
Cash and cash equivalents and balances at central banks	0	0
Due from banks	–	-1
Financial assets at fair value through other comprehensive income	481	232
Loans and advances to the public and private sectors	-2,079	1,756
Other financial assets at amortised cost	163	84
Financial guarantees and loan commitments	-5	-44
Impairments of financial instruments	-1,439	2,027

The impairment charges relating to the financial instruments were down on 2023, mainly due to a reduced need for provisioning for new impaired loans and the release of the management overlay. For more information on impairments related to financial instruments, see "Risk management", under 3.8, Loss allowance for expected credit losses.

31. Income tax

Income tax	2024	2023
Operating profit before tax	193,512	164,173
Total gross result	193,512	164,173
Prevailing tax rate in the Netherlands (in %)	25.8	25.8
Tax	51,572	39,017
Total tax	51,572	39,017
Expected tax on the basis of the prevailing tax rate in the Netherlands	49,926	42,357
Increase/decrease in tax payable due to:		
Non-deductible interest	3,273	2,110
Tax-free income from securities and associates	-1,711	-8,399
Non-deductible costs	3,243	2,412
Non-deductible losses	141	1,167
Adjustments to taxes for prior financial years	179	-481
Impact of foreign tax rate differences	-422	-521
Addition/(release) deferred tax assets	-1	6
Other changes	-3,056	366
Total increase/decrease	1,646	-3,340
Total tax	51,572	39,017

This tax amount consists of the tax expense for the financial year on the operating result as disclosed in the statement of income, also allowing for any tax relief facilities. Changes in the effective tax rate were mainly due to non-deductible expenses and higher interest expenses, only partially offset by the deductibility of coupon payments on our AT1 capital securities, which is included in Other changes.

In December 2022, EU member states adopted the EU Directive on minimum taxation (Pillar 2). Under this directive, multinational companies are subject to a minimum effective tax rate of 15% in every jurisdiction where they have an entity. If the effective tax rate is lower than 15%, a top-up tax is applied to reach a 15% effective tax burden.

Companies with a global turnover exceeding €750 million in at least two of the four reporting years immediately preceding the reporting year fall within the scope of Pillar 2. As of 2024, the Minimum Tax Act, in which Pillar 2 is formalised, has been effective in the Netherlands. Our consolidated revenues in the 2020–22 period were below €750 million; in 2023 and 2024 they ended up above that figure. Note that Van Lanschot Kempen will fall within the scope of the Pillar 2 rules from the 2025 financial year if the 2025 consolidated revenues exceed €750 million. However, neither the mandatory recognition and disclosure exception in IAS 12.4A nor the disclosure requirements in IAS 12.88A–88D applied to us in 2024.

Key income tax components	2024	2023
Total	51,572	39,016
Income tax	48,590	42,099
Income/expense from foreign tax rate differences	422	521
Income/expense from changes in deferred tax assets	2,138	-1,037
Income/expense from changes in deferred tax liabilities	601	-3,048
Income/expense from prior-year adjustments	-179	481

The breakdown of deferred tax assets and liabilities through the statement of income is as follows:

Deferred tax assets	2024	2023
Total	2,138	-1,037
Employee benefits	253	1,002
Commissions	4	-43
Property and equipment	486	19
Lease liabilities	1,595	-584
Tax-loss carry-forwards	1	-1,006
Other	-201	-424

Deferred tax liabilities	2024	2023
Total	601	-3,048
Property and equipment	1,385	-477
Intangible assets	-784	-2,570

32. Earnings per ordinary share

Earnings per ordinary share	2024	2023
Net result	141,940	125,156
Share of AT1 capital securities	-9,896	-6,750
Share of other non-controlling interests	-189	40
Net result for calculation of earnings per share	131,855	118,446
Weighted average number of ordinary shares in issue	42,385,602	41,969,250
Earnings per ordinary share (€)	3.11	2.82
Proposed dividend per ordinary share (€)	2.75	2.00

To calculate earnings per ordinary share, the number of ordinary shares consists solely of the weighted average number of shares in issue, ignoring any treasury shares held by the company.

33. Diluted earnings per ordinary share

Diluted earnings per ordinary share	2024	2023
Net result for calculation of diluted earnings per share	131,855	118,446
Weighted average number of ordinary shares in issue	42,385,602	41,969,250
Potential shares ¹	165,192	590,989
Weighted average number of ordinary shares in issue, fully diluted	42,550,794	42,560,239
Diluted earnings per ordinary share (€)	3.10	2.78

Diluted earnings per ordinary share are calculated the same way as earnings per share, but taking into account the number of shares that could potentially cause dilution. Diluted earnings per ordinary share reflect the weighted average number of ordinary shares that would be in issue upon conversion into ordinary shares of all potential shares.

¹ Potential shares include shares issued in the year in which these are entitled to full dividend.

Business combination in 2024

On 21 December 2023, we announced the acquisition of the Belgian investment adviser Accuro NV ("Accuro"). This acquisition was in line with our strategy, enabling us to expand our wealth management activities in Belgium. The assets acquired included Accuro's client relationships, which have been joined with Mercier Van Lanschot. On 29 April 2024, Van Lanschot Kempen announced the completion of this transaction. We consolidated Accuro in our financial statements as of 29 April 2024, as part of our Private Clients Belgium segment.

Accuro's operating result before tax since the acquisition date of 29 April 2024 has been included in our consolidated statement of income. For 2024, this amounted to a result of €0.8 million, consisting of total income of €2.1 million and total expenses of €1.3 million.

The table below sets out the allocation of the acquisition price to the fair value of the acquired assets (including any identifiable intangible assets) and liabilities at the acquisition date. The identifiable intangible assets reflect the acquired client relationships. The goodwill is attributable to the future profitability of the acquired business in anticipation of synergies achieved from the business combination.

The total purchase consideration is composed of a cash and shares component. It includes a contingent amount of €2.6 million related to the earn-out agreement and was initially recognised under Note 15, Financial liabilities at fair value through profit or loss. The deferred contingent liability will be remeasured on reporting dates, based on Accuro's current and projected financial performance.

The shares component of the total price consideration is considered to be management compensation and expensed through profit or loss over the period until 1 January 2030. As a consequence, an amount of €4.2 million was recognised under Staff costs in 2024.

Accuro (€ million)	Fair value of acquisition	Carrying amount of acquisition
Cash and cash equivalents	0.7	0.7
Property and equipment	0.5	0.3
Intangible assets	7.5	—
Financial assets at fair value through profit or loss	1.4	1.4
Other assets	1.2	1.2
Total identifiable assets	11.2	3.6
Other liabilities	0.6	0.6
Deferred tax liabilities	1.9	—
Total identifiable liabilities	2.5	0.6
Total net assets	8.7	3.0
Goodwill	4.7	
Cash consideration	13.4	

Related parties

(€1,000)

In the normal course of business, we enter into various related party transactions. Parties are considered related if one party exercises control or has significant influence over the other party regarding financial or operating decisions. Parties related to us include our key management staff, Supervisory Board members, our subsidiaries, affiliates and parties with significant influence in Van Lanschot Kempen. These transactions are conducted at arm's length.

The Management Board comprises our key management staff and is responsible for implementing our strategy and managing our activities (see "Management Board members").

Management and Supervisory Board remuneration	2024	2023
Fixed salary, amount in cash	3,589	3,396
Fixed salary, amount in shares	2,032	1,947
Extraordinary items	—	34
Fixed payment for pension and disability insurance costs	1,835	1,747
Supervisory Board fee in cash	630	567
Total remuneration	8,086	7,691
Share-based payment expenses	261	253
Total staff cost	8,347	7,944

For transactions with key management staff, see "Remuneration of the Management and Supervisory Boards".

Affiliates	2024		2023	
	Income	Expenses	Income	Expenses
Stichting Pensioenfonds F. van Lanschot	968	—	968	—

Parties with significant influence in Van Lanschot Kempen

On the basis of regulatory guidelines, entities with a shareholding of at least 5% in Van Lanschot Kempen are parties with significant influence in Van Lanschot Kempen.

The table below shows the year-end income and expenses relating to these parties in the statement of income and the statement of financial position.

Parties with significant influence in Van Lanschot Kempen in 2024				
	Income	Expenses	Amount receivable	Amount payable
Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen	—	—	—	67
Romij BV	—	—	—	—
LDDM Holding BV	5	8	—	1,720
Janus Henderson Group plc	—	—	—	—

Van Lanschot Kempen did not grant any loans or guarantees to parties with significant influence in Van Lanschot Kempen in either 2024 or 2023.

Parties with significant influence in Van Lanschot Kempen in 2023				
	Income	Expenses	Amount receivable	Amount payable
Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen	—	—	—	61
Romij BV	—	—	—	—
LDDM Holding BV	3	2	—	1,917
Janus Henderson Group plc	—	—	—	—

List of shareholders

Based on the requirements of Section 5.3 of the Financial Supervision Act, the following notifications have been recorded in the major interests register held by the Dutch Authority for the Financial Markets (AFM). The percentages reflect the number of shares on the register on the dates listed. This list includes the notifications until 31 December 2024.

Shareholder	Notification date	Interest
Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen	24 May 2013	97.30%

Depository receipt holders	Notification date	Interest
Romij BV	11 June 2024	16.87%
LDDM Holding BV	3 June 2014	9.76%
Janus Henderson Group plc	17 October 2016	5.60%
FMR LCC	7 July 2016	4.99%
MVDP NV	5 April 2023	3.90%

Disclosure is required once a shareholder's interest reaches or exceeds certain threshold values, and it should be noted that current stakes of listed shareholders and/or depository receipt holders may have changed since notification date. Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen currently holds more than 99.99% of the Class A ordinary shares.

For transactions in associates, see "Disclosures of interest in other entities".

Disclosure of interests in other entities

Key judgements and assumptions

We rely on key judgements and assumptions when determining control and significant influence. We have included these under the headings "Basis of consolidation" and "Summary of material accounting policies".

Interests in subsidiaries

The consolidated statement of financial position and statement of income comprise subsidiaries and entities in which Van Lanschot Kempen has control, but exclude the names of relatively minor subsidiaries and entities.

Subsidiaries (%)	2024	2023
Van Lanschot Kempen (Schweiz) AG	100	100
Kempen Dutch Inflation Fund I NV	100	100
Van Lanschot Kempen Investment Management NV	100	100
Van Lanschot Kempen Bewaarder NV	100	100
Van Lanschot Kempen AM NL BV	100	100
Van Lanschot Kempen (USA) Inc.	100	100
Van Lanschot Kempen Participaties BV	100	100
Beheermaatschappij "Orthenstraat" BV	100	100
Sapphire Investments BV	100	100
Quion 17 BV	100	100
Efima Hypotheken BV	100	100
LansOG Beheer BV	100	100
Hof Hoorneman NV	100	100
St. Custodian Van Lanschot Kempen Partnership ¹	—	—
Mercier Vanderlinden Asset Management NV ²	—	100
Accuro NV	100	n/a

Consolidated structured entities controlled by Van Lanschot Kempen

In the consolidated statement of financial position, we consolidate structured entities. These are designed in such a way that the voting rights are not the dominant factor in deciding who controls the entity, and the relevant activities are governed by contractual arrangements. Van Lanschot Kempen is exposed to substantially all of the risk of the structured entity and thereby controls it. Therefore, these structured entities do not qualify as a transfer of financial assets and are not derecognised from our statement of financial position.

We consolidate the following structured entities:

- Van Lanschot Conditional Pass-Through Covered Bond Company 2 BV;
- Van Lanschot Kempen SB Covered Bond Company BV.

Retained Conditional Pass-Through (CPT) Covered Bond programme

We established a retained CPT programme in July 2019. In September 2019, the first bond of €300 million was issued. This bond was increased by €200 million to €500 million in June 2023. All bonds were retained. In 2024, we restructured the outstanding instrument, extended the maturity date to September 2028, and reset the coupon at 1.3%.

Public Soft Bullet Covered Bond (SBCB) programme

We established a soft bullet covered bond programme in March 2022. In June 2022, we launched the first bond of €500 million (maturity of five and a half years, coupon of 2.5%). A second €500 million bond was issued in May 2023 (maturity of three years, coupon of 3.5%). Finally, in October 2023 a bond was transferred from the discontinued CPT programme. All bonds were placed with institutional investors.

¹ Van Lanschot Kempen can exercise indirect control via its partners participating in the partnership plan.

² On 1 January 2024, the legal merger between Mercier Vanderlinden Asset Management and Van Lanschot Kempen (the acquiring entity) became effective. As a result of this merger, Mercier Vanderlinden Asset Management ceased to exist as a legal entity and continued, after integration with the Van Lanschot Belgium branch, as Mercier Van Lanschot.

The table below shows the total amounts of the mortgage loans involved in each covered bond programme.

Structured entities (€1,000)	31/12/2024		31/12/2023	
	Fair value	Carrying amount	Fair value	Carrying amount
Total	2,408,048	2,553,285	2,471,899	2,700,817
Retained Conditional Pass-Through Covered Bond programme	563,299	603,577	546,070	604,964
Public Soft Bullet Covered Bond programme	1,844,749	1,949,707	1,925,829	2,095,853

Van Lanschot Kempen provides no financial or other support to the covered bond entities, and has no intention of providing such support.

Non-consolidated structured entities

Residential mortgage-backed securities are classified as financial assets at fair value through other comprehensive income or other financial assets at amortised cost. These investments are structured entities. We do not consolidate these because Van Lanschot Kempen is not substantially exposed to all of the risk of the structured entity. The table below shows Van Lanschot Kempen's investments in non-consolidated structured entities and the total income from these investments. The Investments column shows the carrying value as recognised in the consolidated statement of financial position.

Van Lanschot Kempen has no other interests in non-consolidated structured entities such as commitments, guarantees, provisions, derivatives or other obligations. The maximum exposure to non-consolidated structured entities is equal to the acquisition cost and amounted to €240.6 million at 31 December 2024 (2023: €276.3 million).

Van Lanschot Kempen is not required to provide financial or other support to non-consolidated structured entities, and has no intention of providing such support.

Non-consolidated structured entities 2024 (€1,000)					
	Interest income	Impairment	Comprehensive income	Total income	Investments
Total	7,827	-11	939	8,756	255,043
Residential mortgage-backed securities	7,827	-11	939	8,756	255,043

Non-consolidated structured entities 2023 (€1,000)					
	Interest income	Impairment	Comprehensive income	Total income	Investments
Total	2,473	-17	1,982	4,438	289,729
Residential mortgage-backed securities	2,473	-17	1,982	4,438	289,729

Non-controlling interests

The consolidated statement of financial position and statement of income include a number of non-controlling interests; a list of non-controlling interests in Van Lanschot Kempen subsidiaries is provided below.

Non-controlling interests (€1,000)	31/12/2024	31/12/2023
Total	54	93
Consolidated investment funds	54	93

Van Lanschot Kempen's minority interests are recognised under non-controlling interests as part of equity.

Changes in non-controlling interests (€1,000)	2024			2023		
	Non-controlling interests	Undistributed profit attributable to non-controlling interests	Total	Non-controlling interests	Undistributed profit attributable to non-controlling interests	Total
At 1 January	134	-40	93	—	146	146
Profit appropriation	-40	40	—	146	-146	—
Dividend	-228	—	-228	—	—	—
Result for the reporting period	—	189	189	—	-40	-40
Other changes	—	—	—	-12	—	-12
At 31 December	-134	189	55	134	-40	93

Consolidated investments

The table below provides aggregated information on consolidated investments.

Financial information consolidated investments (€1,000)	2024	2023
Total assets	116	151
Total liabilities	48	33
Equity attributable to shareholders	14	25
Equity attributable to non-controlling interests	54	93
Total income from operating activities	285	-43
Total expenses	49	8
Taxes	—	—
Net income	236	-50
Of which attributable to shareholders	47	-10
Of which attributable to non-controlling interests	189	-40

Associates

Investments in associates using the equity method

As part of our investment policy, we invest in medium-sized companies in the Netherlands, only holding minority interests. These investments are classified as investments in associates using the equity method.

The table below shows the largest investments in associates based on the carrying amount.

In 2024, no investments were sold. In 2023, we sold our interest in Movares Group BV (33.3%); see Note 23, Income from securities and associates.

Name	Activities	Head office	Interest
Bolster Investments Coöperatief UA	Bolster Investments Coöperatief UA is an investment fund managed by Bolster Investment Partners BV. A flexible, long-term investor, Bolster Investment Partners specialises in partnerships with entrepreneur-led and family-owned businesses through minority and majority interests.	Amsterdam	29.75%
Bolster Investments II Coöperatief UA	Bolster Investments II Coöperatief UA is an investment fund, managed by Bolster Investment Partners BV. A flexible, long-term investor, Bolster Investment Partners specialises in partnerships with entrepreneur-led and family-owned businesses through minority and majority interests.	Amsterdam	22.00%
Langosta BV	Langosta participates in financing companies.	Amsterdam	47.74%
OGD Holding BV	OGD provides IT services to medium-sized and large companies, public and semi-public and non-profit organisations. Its services include service management, outsourcing, software development and ICT training.	Delft	31.30%
Ploeger Oxbo Holding BV	Ploeger Oxbo develops, manufactures and sells a wide range of specialist harvesting equipment to customers across the world.	Roosendaal	11.83%
Tecnotion Investment BV	Tecnotion designs, produces and sells linear motors across the world, to the semiconductor, electronics, LCD, automotive and robotics industries among other sectors.	Almelo	38.00%

Aggregated financial information of associates for which Van Lanschot Kempen applies the equity method (€1,000)	2024		2023	
	Associates, equity method	Attributable to Van Lanschot Kempen	Associates, equity method	Attributable to Van Lanschot Kempen
Total	367,205	110,892	350,759	103,987
Current assets	261,316	40,444	250,307	40,274
Non-current assets	530,779	102,946	498,891	96,628
Current liabilities	-101,551	-18,156	-103,565	-18,540
Non-current liabilities	-323,339	-43,559	-294,874	-40,252
Goodwill		17,541		18,221
Impairments		—		—
Other		11,676		7,656
Other financial information				
Dividend received		1,393		4,469
Income from operational activities		6,638		13,020
Share of net income		6,334		32,214
Unrecognised share of losses		117		117
Comprehensive income		—		—

The table below shows the income and expenses that we report for associates using the equity method in the statement of income and the positions included in the statement of financial position, as well as commitments given at year-end in respect of these entities.

Transactions with Investments in associates using the equity method (€1,000)	2024	2023
Income	—	—
Amount payable	1,361	4,003
Commitments	20,595	25,655

Loans granted to entities in which we exercise significant influence but do not have decisive control are granted on market terms and secured on collateral provided. No impairments were applied to the receivables in either 2024 or 2023.

The table below shows Van Lanschot Kempen Participaties' financial impact on the consolidated statement of financial position and statement of income. The table does not include information about controlling interests.

Van Lanschot Kempen Participaties

Investments using the equity method held by Van Lanschot Kempen Participaties are managed by Bolster Investment Partners. Van Lanschot Kempen Participaties invests in a portfolio of equity funds. In addition, one of the portfolio companies issued cumulative preference shares. Moreover, a subordinated loan has been issued to one of the portfolio companies.

Van Lanschot Kempen Participaties at 31 December 2024 (€1,000)						
Investment activity	Item	Carrying value	Interest	Income from securities and associates	Impairments	Total
Direct investment	Investment in associates using the equity method	34,394	—	1,445	—	1,445
Shareholdings	Financial assets at fair value through profit or loss	1,238	113	—	—	113
Subordinated loans	Loans and advances to the public and private sectors	3,479	—	—	—	—
Fund investment	Financial assets at fair value through profit or loss	540	—	91	—	91
Total		39,651	113	1,536	—	1,649

Commitments and contingent liabilities (€1,000)

Contingent liabilities and irrevocable commitments	2024	2023
Total	219,624	214,510
Guarantees, etc.	52,588	66,036
Irrevocable unused credit facilities	130,745	113,284
Irrevocable lease commitments	58,326	—
Other irrevocable commitments	36,291	35,190

This item does not include unconditionally revocable unused credit facilities, which amounted to €1,001 million in 2024 (2023: €1,086 million). In the 2023 financial statements the split between irrevocable and revocable facilities was not made.

For several group companies, guarantees totalling €237.3 million (2023: €254.1 million) have been issued. It is uncertain whether, when and how much of these contingent liabilities will be claimed.

The following tables show the contingent items (contingent liabilities and irrevocable commitments) based on their remaining contractual terms to maturity at the reporting date.

For each transaction that we have guaranteed, the maximum guaranteed amount is included in the relevant term bucket.

Irrevocable lease commitments consist of a long-term lease contract signed before year-end 2024. This contract had not yet commenced at year-end 2024. It relates to the relocation to a new office in Amsterdam from 2027.

For each obligation arising from an irrevocable commitment, the committed amount is classified in the relevant term bucket. Comparative figures for the Guarantees, etc. and Irrevocable unused credit facilities have been restated for an amount of €23 million and €916 million respectively. This amount has been reclassified as revocable facilities as these may be revoked on demand.

Contractual maturity of contingent items at 31 December 2024						
	Withdrawable on demand	< 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Total	33,333	76,201	11,086	49,836	107,493	277,950
Guarantees	2,483	4,237	8,862	13,887	23,119	52,588
Irrevocable unused credit facilities	30,850	71,965	2,224	21,284	4,423	130,745
Irrevocable lease commitments	—	—	—	13,366	44,960	58,326
Other irrevocable commitments	—	—	—	1,300	34,991	36,291

Contractual maturity of contingent items at 31 December 2023						
	Withdrawable on demand	< 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Total	74,169	37,336	21,642	9,454	71,908	214,510
Guarantees	2,807	1,691	20,481	6,239	34,818	66,036
Irrevocable unused credit facilities	71,362	35,645	1,161	1,915	3,200	113,284
Irrevocable lease commitments	—	—	—	—	—	—
Other irrevocable commitments	—	—	—	1,300	33,890	35,190

Other commitments

We have entered into several IT contracts, e.g. for hiring services and capacity, and for licensing and maintenance of our systems. Our future contractual payment commitments for IT contracts amount to €56.8 million (2023: €46.3 million) and solely consist of intangible asset expenses.

Early termination of these contracts could result in additional costs. Potential exit fees are linked to the remaining term of the contracts.

Future payments for IT and other contracts (€1,000)	2024	2023
Total	150,695	128,150
Within 1 year	54,445	48,187
1 to 5 years	88,191	69,783
More than 5 years	8,059	10,180

The increase in Future payments for IT and other contracts was due to higher costs of IT and other contracts.

Segment information

As a specialist wealth manager, we serve the entire spectrum of client groups, ranging from private banking clients to institutional investors and corporates. Key to our strategy is the ability to adapt quickly to changing client needs and market circumstances. At the beginning of 2024, we changed our organisational structure.

This new organisational structure means that our segment reporting has also changed to client groups from 2024 onwards, i.e. Private Clients Netherlands, Private Clients Belgium, Investment Management Clients, Investment Banking Clients, and Other activities. Comparative figures for 2023 have been adjusted in a compressed manner due to the change in operating segments.

Private Clients Netherlands

Private Clients Netherlands offers private banking clients and entrepreneurs a range of wealth management services and products in the private banking market in the Netherlands and Switzerland, while also focusing on business professionals and executives, healthcare professionals, family businesses, foundations and associations. The activities of Evi, Van Lanschot Kempen's online investment platform, are integrated in this segment and specifically target affluent individuals.

Private Clients Belgium

Private Clients Belgium offers private banking clients wealth planning, discretionary solutions, and investment advice complemented by specific banking services under the new brand name Mercier Van Lanschot. The focus is on excellent client service and understanding of client needs.

Investment Management Clients

This client segment includes Van Lanschot Kempen's investment management activities in the Netherlands and the UK. Investment Management Clients is an active management boutique with expertise in small caps, credits and private equity. It serves Dutch and international clients with focused strategies and fiduciary management services.

Investment Banking Clients

Investment Banking Clients is a specialist investment bank with an international sector-focused approach in European real estate, life sciences & healthcare, tech & fintech and infrastructure. Investment Banking Clients offers specialist services including equities research and trading, M&A, equity capital market transactions and debt advisory services to corporate and institutional investors.

Other

The Other segment comprises activities in the fields of interest rate, management book, market and liquidity risk management, structured products activities, and staff departments, as well as the activities of Van Lanschot Kempen Participaties, our investment in the Bolster funds, and consolidated investments.

Operating segments in 2024 (€ million)	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Investment Banking Clients	Other	Total
Statement of income						
Net interest income	156.9	9.3	0.9	-0.4	8.7	175.5
Income from securities and associates	—	—	0.2	3.7	14.5	18.4
Net commission income	234.2	105.5	127.2	40.4	3.8	511.1
Result on financial transactions	1.3	0.0	-0.1	2.2	10.0	13.4
Other income	—	—	—	—	6.3	6.3
Total income from operating activities	392.4	114.9	128.2	45.8	43.4	724.6
Staff costs	92.3	40.4	62.6	22.8	127.6	345.6
Other administrative expenses	68.2	18.2	40.5	8.9	16.9	152.7
Allocated expenses	92.4	7.9	-0.7	10.1	-109.7	—
Depreciation and amortisation	7.0	10.4	0.9	0.2	15.8	34.3
Impairments	-2.4	0.1	—	—	0.9	-1.4
Total expenses	257.4	77.0	103.3	41.9	51.4	531.1
Operating result before tax	134.9	37.8	24.9	3.9	-8.1	193.5

Operating segments in 2023 (€ million)	Private Clients Netherlands	Private Clients Belgium	Investment Management Clients	Investment Banking Clients	Other	Total
Statement of income						
Net interest income	172.4	12.6	0.4	-0.3	11.7	196.8
Net commission income	193.8	80.0	111.8	36.7	5.0	427.3
Other income ¹	0.9	0.5	0.1	2.1	41.7	45.3
Total income from operating activities	367.1	93.1	112.3	38.6	58.4	669.4
Total expenses	239.7	67.1	102.1	42.9	51.3	503.2
Operating result before tax	123.9	27.8	10.1	-4.4	6.7	164.2

The tables below give additional information on the geographical spread of income from operations.

Geographical segments in 2024 (€ million)	Netherlands	Belgium	Other	Total
Statement of income				
Total income from operating activities	580.1	113.6	30.9	724.6
Of which income from other segments	-26.0	32.0	-5.9	—
Statement of financial position				
Due from banks	66.7	—	—	66.7
Investments in associates using the equity method	117.6	—	—	117.6
Other non-current assets ²	270.5	106.0	3.1	379.6
Total non-current assets³	454.7	106.0	3.1	563.8

Geographical segments in 2023 (€ million)	Netherlands	Belgium	Other	Total
Statement of income				
Total income from operating activities	548.5	92.5	28.4	669.4
Of which income from other segments	-20.5	23.0	-2.6	—
Statement of financial position				
Due from banks	49.1	—	—	49.1
Investments in associates using the equity method	110.9	—	—	110.9
Other non-current assets ²	276.2	98.2	3.0	377.5
Total non-current assets³	436.1	98.2	3.0	537.4

¹ Includes Income from securities and associates, Result on financial transactions and Other income as presented in the consolidated statement of income.

² Includes Property and equipment, Goodwill and other intangible assets and Other assets as presented in the consolidated statement of financial position.

³ Other than financial instruments, deferred tax assets and post-employment assets.

Country-by-country reporting 2024							
Country	Name of subsidiary	Nature of activities	Average number of staff (FTEs)	Total income from operating activities (€ million)	Operating result before tax (€ million)	Income tax (€ million)	Government subsidies (€ million)
Total			1,990	724.6	193.5	-51.6	—
Netherlands	Van Lanschot Kempen NV	Wealth management	1,736	580.1	150.1	-39.1	—
Belgium	Van Lanschot Kempen NV branch Mercier Van Lanschot ⁴ Accuro NV	Wealth management	175	113.6	43.5	-12.0	—
Switzerland	Van Lanschot Kempen (Schweiz) AG	Wealth management	39	19.2	1.5	-0.2	—
United Kingdom	Van Lanschot Kempen Investment Management (UK) Ltd	Asset management	33	7.3	-2.4	—	—
United States	Van Lanschot Kempen (USA) Inc.	Securities broker-dealer	5	3.7	0.7	-0.2	—
France	Van Lanschot Kempen Investment Management NV branch	Asset management	2	0.7	0.2	-0.1	—
Sweden	Van Lanschot Kempen NV cross-border activity	Investment banking	0	0.0	0.0	0.0	—

Country-by-country reporting 2023							
Country	Name of subsidiary	Nature of activities	Average number of staff (FTEs)	Total income from operating activities (€ million)	Operating result before tax (€ million)	Income tax (€ million)	Government subsidies (€ million)
Total			1,901	669.4	164.2	-39.0	—
Netherlands	Van Lanschot Kempen NV	Wealth management	1,653	548.5	134.2	-28.3	—
Belgium	Van Lanschot Kempen NV branch Mercier Vanderlinden Asset Management NV	Wealth management	172	92.5	29.0	-8.3	—
Switzerland	Van Lanschot Kempen (Schweiz) AG	Wealth management	36	17.9	4.8	-1.0	—
United Kingdom	Van Lanschot Kempen Investment Management (UK) Ltd	Asset management	33	5.8	-4.7	-1.1	—
United States	Van Lanschot Kempen (USA) Inc.	Securities broker-dealer	4	3.5	0.7	-0.2	—
France	Van Lanschot Kempen Investment Management NV branch	Asset management	2	0.7	0.0	0.0	—
Sweden	Van Lanschot Kempen NV cross-border activity	Investment banking	1	0.5	0.0	0.0	—

⁴ On 1 January 2024, the legal merger between Mercier Vanderlinden Asset Management and Van Lanschot Kempen (the acquiring entity) became effective. As a result of this merger, Mercier Vanderlinden Asset Management ceased to exist as a legal entity and continued, after integration with the Van Lanschot Belgium branch, as Mercier Van Lanschot.

Profit appropriation

If the annual general meeting of shareholders approves the dividend proposal as included in these financial statements (see Note 32, Earnings per ordinary share), the appropriation of net result will be as follows:

Profit appropriation (€1,000)	2024	2023
Total	131,855	118,446
Addition to reserves	15,318	33,492
Dividend on Class A ordinary shares	116,537	84,954

Remuneration of the Management and Supervisory Boards

For further details of remuneration received in 2024, see "Remuneration report" on page 143.

Total remuneration of the individual members of the Management Board (€1,000) ¹									
Management Board member	Year	Fixed salary amount in cash	Fixed salary amount in shares ²	Total fixed salaries	Extra-ordinary items	Pension and disability insurance	Total remuneration	Share-based payment expenses ³	Total staff cost
Maarten Edixhoven ⁴	2024	891	388	1,279	—	417	1,696	78	1,774
	2023	875	388	1,263	34	412	1,709	78	1,787
Jeroen Kroes	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Damla Hendriks ⁵	2024	300	183	483	—	158	641	20	661
	2023	—	—	—	—	—	—	—	—
Arjan Huisman	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Wendy Winkelhuijzen	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Erik van Houwelingen	2024	514	313	827	—	270	1,097	35	1,132
	2023	504	312	816	—	267	1,083	35	1,118
Richard Bruens ⁶	2024	342	209	551	—	180	731	46	777
	2023	504	312	816	—	267	1,083	35	1,118
Total 2024	2024						7,456	284	7,740
Total 2023	2023						7,124	253	7,377

¹ To be able to make a comparison between 2024 and 2023, the same definition of total remuneration has been used (total fixed salary plus pension and disability insurance). Business expenses have not been included.

² A proportion of fixed salary is paid in the form of Van Lanschot Kempen shares. Maarten Edixhoven received 13,788 shares (2023: 17,206 shares), Damla Hendriks received 6,481 shares, Richard Bruens received 7,407 shares (2023: 13,865 shares), while the other members of the Management Board each received 11,110 shares (2023: 13,865 shares). The number of shares granted is based on the average share price for the first four trading days in January. For 2024 the average share price amounted to €28.10 in January (2023: €22.52); in June for Damla Hendriks €37.29. IFRS Accounting Standards take the share price at grant date as the basis for recognition. This price also amounted to €28.10 in 2024 (2023: €22.54).

³ Share-based payments have a lock-up period of five years, allowing Van Lanschot Kempen to provide a discount of 18.5% on the shares.

⁴ The extraordinary item of €34,000 in 2023 relates to deferred compensation for lapsed rights to variable remuneration at Maarten Edixhoven's previous employer.

⁵ Damla Hendriks was appointed as a member of the Management Board on 1 June 2024.

⁶ Richard Bruens stepped down as a member of the Management Board on 1 June 2024.

Number of depositary receipts for shares held by Management Board members in 2024

	At 1 January	Bought/awarded	Sold/post-employment	At 31 December
Maarten Edixhoven	44,669	17,327	—	61,996
Jeroen Kroes	27,616	6,884	—	34,500
Damla Hendriks (as of 1 June 2024)	—	3,026	—	3,026
Arjan Huisman	80,617	6,884	—	87,501
Wendy Winkelhuijzen	19,333	6,884	—	26,217
Erik van Houwelingen	45,118	6,884	—	52,002
Richard Bruens (until 1 June 2024)	96,966	8,586	—	n/a
Total	314,319	56,475	—	265,242

Loans to Management Board members 2024 (€1,000)

	At 31 December	Repaid in the year	Interest range	Type
Maarten Edixhoven	—	—	—	—
Jeroen Kroes	320	12	1.35%	Mortgage
Damla Hendriks	—	—	—	—
Arjan Huisman	—	—	—	—
Wendy Winkelhuijzen	1,052	409	1.65 - 4.31%	Mortgage
	—	680	5.60%	Bridge loan
Erik van Houwelingen	2,151	24	1.25 - 4.91%	Mortgage
Total	3,523	1,125		

Loans to Management Board members 2023 (€1,000)

	At 31 December	Repaid in the year	Interest range	Type
Maarten Edixhoven	—	—	—	—
Jeroen Kroes	332	12	1.35%	Mortgage
Wendy Winkelhuijzen	1,461	15	1.85 - 4.61%	Mortgage
	680	—	5.60%	Bridge loan
Arjan Huisman	—	—	—	—
Richard Bruens	2,296	37	1.10 - 1.56%	Mortgage
Erik van Houwelingen	2,175	20	1.35 - 5.21%	Mortgage
Total	6,944	84		

No advances or guarantees have been granted to members of the Management Board. No impairments or write-offs have occurred on loans granted to Management Board members.

Remuneration of the Supervisory Board (€1,000)

	2024	2023
Frans Blom	130	117
Manfred Schepers	104	95
Karin Bergstein	104	92
Brigitte Boone	87	76
Else Bos (from 21 October 2024)	11	—
Maarten Muller	100	82
Elizabeth Nolan (from 25 May 2023)	94	44
Bernadette Langius (until 25 May 2023)	—	33
Lex van Overmeire (deceased 4 April 2023)	—	28
Total	630	567

No loans or advances had been granted to members of the Supervisory Board at 31 December 2024 and 31 December 2023.

The company and its subsidiaries only grant personal loans, guarantees etc. to Supervisory Board members as part of normal operations and in keeping with conditions laid down in financial services regulations. Any such loans or guarantees are subject to the approval of the Supervisory Board. Loans are not forgiven.

Events after the reporting period

We propose to return €1.40 per share in June 2025 and this has been approved by DNB. We will convene an extraordinary general meeting (EGM) on 10 April 2025 to confirm this proposal. The expected impact of this capital return on our equity is approximately -€59 million.

Company financial statements

Company statement of financial position

(€1,000)

Company statement of financial position at 31 December Before profit appropriation		2024	2023
Assets			
Cash and cash equivalents and balances at central banks	1	1,965,490	2,812,997
Government paper eligible for central bank refinancing	2	884,157	509,623
Due from banks	3	242,116	255,087
Loans and advances to the public and private sectors	4	9,126,650	8,984,652
Debt instruments	5	3,508,016	3,034,744
Equity instruments	6	11,254	15,242
Investments in group companies	7	284,292	355,633
Investments in associates using the net asset value method	8	83,162	76,299
Goodwill and other intangible assets	9	298,309	225,151
Property and equipment	10	67,891	59,490
Other assets	11	53,288	59,064
Derivatives	12	314,610	339,604
Accrued assets	11	152,997	99,215
Total assets		16,992,230	16,826,802
Liabilities			
Due to banks	13	482,046	791,097
Public and private sector liabilities	14	12,490,439	12,073,202
Issued debt securities	15	1,956,145	1,940,310
Other liabilities	16	140,058	121,335
Derivatives	12	251,279	242,662
Accrued liabilities	16	109,105	104,336
Provisions	17	32,065	34,943
Subordinated loans	18	153,825	170,238
Total liabilities		15,614,962	15,478,124
Issued share capital		43,040	43,040
Treasury shares		-19,928	-14,243
Share premium reserve		211,725	211,725
Revaluation reserve		-20,405	-10,083
Reserves required by law		46,904	41,029
Other reserves		881,834	857,076
Undistributed profit attributable to shareholders		131,855	118,446
Equity attributable to shareholders		1,275,026	1,246,991
AT1 capital securities		100,000	100,000
Undistributed profit attributable to holders of AT1 capital securities		2,242	1,688
Equity attributable to AT1 capital securities		102,242	101,688
Total equity	19	1,377,268	1,348,678
Total equity and liabilities		16,992,230	16,826,802

The number beside each item refers to the Notes to the company statement of financial position.

Company statement of income

(€1,000)

Company statement of income		2024	2023
Income from operating activities			
Interest income		657,295	514,029
Interest expense		493,136	332,018
Net interest income	21	164,159	182,011
Income from associates using the net asset value method		4,879	3,941
Other income from securities and group companies		83,960	97,784
Income from securities and subsidiaries	22	88,839	101,725
Commission income		299,390	204,841
Commission expense		8,112	5,553
Net commission income	23	291,278	199,289
Result on financial transactions	24	12,438	3,374
Total income from operating activities		556,714	486,398
Expenses			
Staff costs	25	271,665	256,248
Other administrative expenses	26	86,891	66,753
Staff costs and other administrative expenses		358,556	323,001
Depreciation and amortisation	27	33,704	24,171
Operating expenses		392,261	347,173
Impairments of financial instruments		-1,905	1,892
Impairments	28	-1,905	1,892
Total expenses		390,356	349,065
Operating profit before tax		166,358	137,333
Income tax	29	24,606	12,137
Net result		141,751	125,196
Of which attributable to shareholders		131,855	118,446
Of which attributable to holders of AT1 capital securities		9,896	6,750

The number beside each item refers to the Notes to the company statement of income.

Company statement of changes in equity

Before profit appropriation (€1,000)

Company statement of changes in equity in 2024								
	Issued share capital	Treasury shares	Share premium reserve	Other reserves	Undistributed profit	Total equity attributable to shareholders	Equity attributable to AT1 capital securities	Total equity
At 1 January	43,040	-14,243	211,725	888,023	118,446	1,246,991	101,688	1,348,678
Net profit (as per company statement of income)	—	—	—	—	131,855	131,855	9,896	141,751
Total other comprehensive income	—	—	—	-13,709	—	-13,709	—	-13,709
Total comprehensive income	—	—	—	-13,709	131,855	118,146	9,896	128,042
Issue of share capital	—	—	—	—	—	—	—	—
Share plans	—	16,979	—	1,140	—	18,119	—	18,119
Shares to be issued	—	—	—	—	—	—	—	—
Profit appropriation	—	—	—	118,446	-118,446	—	—	—
Repurchased treasury shares	—	-22,664	—	—	—	-22,664	—	-22,664
To reserves required by law	—	—	—	5,875	—	5,875	—	5,875
Dividends/Capital return	—	—	—	-84,731	—	-84,731	-9,341	-94,072
To share capital	—	—	—	—	—	—	—	—
Other changes	—	—	—	-6,710	—	-6,710	—	-6,710
At 31 December	43,040	-19,928	211,725	908,335	131,856	1,275,027	102,243	1,377,269

Company statement of changes in equity in 2023								
	Issued share capital	Treasury shares	Share premium reserve	Other reserves	Undistributed profit	Total equity attributable to shareholders	Equity attributable to AT1 capital securities	Total equity
At 1 January	41,362	-15,109	262,658	914,120	77,799	1,280,829	101,688	1,382,517
Net profit (as per company statement of income)	—	—	—	—	118,446	118,446	6,750	125,196
Total other comprehensive income	—	—	—	6,922	—	6,922	—	6,922
Total comprehensive income	—	—	—	6,922	118,446	125,368	6,750	132,118
Issue of share capital	1,678	—	34,022	—	—	35,700	—	35,700
Share plans	—	10,498	—	902	—	11,400	—	11,400
Shares to be issued	—	—	—	-35,700	—	-35,700	—	-35,700
Profit appropriation	—	—	—	77,799	-77,799	—	—	—
Repurchased treasury shares	—	-9,632	—	—	—	-9,632	—	-9,632
To reserves required by law	—	—	—	-3,766	—	-3,766	—	-3,766
Dividends/Capital return	-84,954	—	—	-74,324	—	-159,278	-6,750	-166,028
To share capital	84,954	—	-84,954	—	—	—	—	—
Other changes	—	—	—	2,069	—	2,069	—	2,069
At 31 December	43,040	-14,243	211,725	888,023	118,446	1,246,991	101,688	1,348,678

In 2023, 1,678,270 new shares were issued to the amount of €35.7 million, of which €34.0 million in share premium related to the acquisition of the remaining 30% stake in Mercier Vanderlinden by Van Lanschot Kempen.

Notes to the company financial statements

Basis of preparation

The company financial statements of Van Lanschot Kempen NV ("Van Lanschot Kempen") have been prepared in accordance with the legal requirements as set out in Part 9, Book 2 of the Dutch Civil Code.

We have taken the option offered in Article 362 (8), Book 2 of the Dutch Civil Code to apply the same accounting principles of recognition, measurement and determination of results in the company financial statements as used for the preparation of the consolidated financial statements (including the accounting principles for the presentation of financial instruments as equity or liabilities). The line items Investments in group companies and Investments in associates are exceptions to this general rule; these are accounted for using the net asset value method.

The company financial statements are denominated in euros, Van Lanschot Kempen's functional and reporting currency. All amounts are in thousands of euros unless otherwise stated. The totals may not always match because rounding is applied.

Notes to the company statement of financial position

At 31 December (€1,000)

1. Cash and cash equivalents and balances at central banks

Cash and cash equivalents and balances at central banks	2024	2023
Total	1,965,490	2,812,997
Balances at central banks	1,804,638	2,627,674
Statutory reserve deposits at central banks	126,089	121,417
Amounts due from banks	34,763	63,907
Impairments	0	0

Statutory reserve deposits at central banks comprise balances at central banks within the scope of the minimum reserve requirement. The balances at central banks also include irrevocable payment commitments (IPC) cash collateral regarding the SRF. The IPC cash collateral amounted to €7.1 million at year-end 2024 (2023: €7.1 million). The amount of IPC made in the reporting year was nil (2023: €1.7 million). We cannot use these balances in our day-to-day operations. See "Summary of material accounting policies" for our other accounting policies on cash and cash equivalents.

2. Government paper eligible for central bank refinancing

Government paper eligible for central bank refinancing	2024		2023	
	Carrying amount	Acquisition cost	Carrying amount	Acquisition cost
Total	884,157	858,875	509,623	495,741
Government paper at fair value	792,409	768,484	418,521	405,230
Government paper at amortised cost	91,748	90,391	91,102	90,511

Changes in government paper eligible for central bank refinancing	2024	2023
At 1 January	509,624	407,056
Purchases	402,093	470,278
Sales	-32,933	-103,071
Redemptions	-5,900	-282,789
Amortisation of premiums/discounts on debt instruments	5,810	-6,234
Value changes to equity	5,364	24,325
Value changes to profit and loss	99	60
At 31 December	884,157	509,623

The nominal value of government paper eligible for central bank refinancing amounted to €859 million in 2024 (2023: €520 million), while cumulative revaluation amounted to €18.5 million (2023: €13.1 million). Accumulated amortisation and impairments were nil (2023: nil). In 2024, €825.1 million of government paper eligible for central bank refinancing will be repayable on demand (2023: €457.7 million). In 2024 and 2023, we held no government paper eligible for central bank refinancing with an original maturity of less than two years.

The carrying amount of government paper serving as collateral to financial institutions amounted to €140 million (2023: €114 million) and to nil for group companies (2023: nil). We do not have free access to these debt instruments.

3. Due from banks

Due from banks	2024	2023
Total	242,116	255,087
Repayable on demand	16,280	23,348
Other receivables	225,836	231,739
Impairments	0	0

The line item Other receivables comprises deposits to the value of €63.3 million (2023: €41.9 million) serving as collateral for obligations arising from derivatives transactions, and these are not repayable on demand.

Due from banks includes €162.5 million from group companies (2023: €183.7 million).

4. Loans and advances to the public and private sectors

Loans and advances to the public and private sectors	2024	2023
Total	9,126,650	8,984,652
Mortgage loans	6,410,069	6,400,611
Loans	2,334,857	2,235,223
Current accounts	537,735	547,805
Securities-backed loans and settlement receivables	28,721	16,387
Value adjustment fair value hedge accounting	-154,937	-181,419
Loss allowance for expected credit losses	-29,795	-33,955

The credit risk in the company financial statements is similar to that described in the consolidated financial statements. For more information, see "Risk management" under 3, Credit risk.

See "Notes to the consolidated financial statements" for a more in-depth review of the criteria and the way in which we determine loss allowance for expected credit losses and the write-down of loans and advances to the public and private sectors.

Loans and advances to the public and private sectors include €531.1 million from group companies (2023: €556.0 million).

5. Debt instruments

Debt instruments	2024		2023	
	Carrying amount	Purchase price	Carrying amount	Purchase price
Total	3,508,016	3,490,047	3,034,744	3,123,278
Debt instruments at fair value	2,398,222	2,390,583	1,924,713	2,018,995
Debt instruments at amortised cost	1,109,794	1,099,464	1,110,032	1,104,283

Changes in debt instruments	2024	2023
At 1 January	3,034,744	2,621,028
Purchases	888,805	1,101,820
Sales	-178,371	-494,439
Redemptions	-267,541	-307,450
Amortisation of premiums/discounts on debt instruments	8,681	15,917
Value changes to equity	22,936	94,792
Value changes to statement of income	-349	-2,964
Other changes	-890	6,040
At 31 December	3,508,016	3,034,744

The cumulative revaluation amounted to €3.1 million in 2024 (2023: €19.8 million negative). Accumulated amortisation and impairment was nil (2023: nil). The nominal value of these debt instruments amounted to €3.5 billion in 2024 (2023: €3.1 billion). Debt instruments from group companies were nil (2023: nil).

In 2024, debt instruments serving as collateral to DNB amounted to €9 million (2023: €4 million). The carrying amount of debt instruments serving as collateral to financial institutions amounted to €105 million (2023: €91 million) and to nil for group companies (2023: nil). These debt instruments are not freely available to us.

6. Equity instruments

Equity instruments	2024		2023	
	Fair value	Purchase price	Fair value	Purchase price
Total	11,254	10,807	15,242	10,784
Listed shares	8,787	8,554	12,769	8,433
Unlisted shares	2,466	2,253	2,473	2,351

Changes in equity instruments	2024	2023
At 1 January	15,242	19,211
Purchases	212	384
Sales	-6,249	-6,051
Value changes to statement of income	2,056	1,639
Other changes	-7	59
At 31 December	11,254	15,242

We purchased 22% of the listed and unlisted shares (2023: 16%), with the intention to hold them for an indefinite period.

7. Investments in group companies

Investments in group companies	2024	2023
Total	284,292	355,633
Subsidiaries – credit institutions	31,963	32,798
Other subsidiaries	252,328	322,834

Investments in group companies are measured in accordance with the net asset value method, with the share in the profit of these interests recognised under Other income from securities and group companies in the company statement of income.

Changes in investments in group companies	2024	2023
At 1 January	355,633	328,841
Purchases	2,984	–
Deconsolidation of group companies	-73,886	–
Share of profit	80,044	97,238
Revaluations	-651	1,375
Dividend received	-79,337	-70,619
Other changes	-496	-1,203
At 31 December	284,292	355,633

On 1 January 2024, the legal merger between Mercier Vanderlinden Asset Management and Van Lanschot Kempen (the acquiring entity) became effective. As a result of this merger, Mercier Vanderlinden Asset Management ceased to exist as a legal entity and continued, after integration with the Van Lanschot Belgium branch, as Mercier Van Lanschot.

Accumulated impairments stood at nil (2023: nil).

Group companies	Head office	Consolidated interest
Van Lanschot Kempen (Schweiz) AG	Zurich	100%
Van Lanschot Kempen Investment Management NV	Amsterdam	100%
Van Lanschot Kempen Bewaarder NV	Amsterdam	100%
Van Lanschot Kempen AM NL BV	Amsterdam	100%
Van Lanschot Kempen (USA) Inc.	New York	100%
Van Lanschot Kempen Participaties BV	s-Hertogenbosch	100%
Beheermaatschappij "Orthenstraat" BV	s-Hertogenbosch	100%
Kempen Dutch Inflation Fund I NV	Amsterdam	100%
Sapphire Investments BV	Amsterdam	100%
Quion 17 BV	Capelle aan den IJssel	100%
Efima Hypotheken BV	s-Hertogenbosch	100%
LansOG Beheer BV	s-Hertogenbosch	100%
Hof Hoorneman NV	Amsterdam	100%
Accuro NV	Antwerp	100%

Entities in which Van Lanschot Kempen exercises control:

- Van Lanschot Conditional Pass-Through Covered Bond Company 2 BV;
- Van Lanschot Kempen SB Covered Bond Company BV.

All investments in group companies are unlisted holdings.

8. Investments in associates using the net asset value method

Investments in associates using the net asset value method	2024	2023
Total	83,162	76,299
Investments in associates	83,162	76,299

Investments in associates are measured in accordance with the net asset value method, with the share in the profit of these interests recognised under Income from associates using the net asset value method in the company statement of income.

Changes in investments in associates	2024	2023
At 1 January	76,299	63,091
Purchases	5,060	10,835
Sales	-3,076	-1,568
Share of profit	4,879	3,941
At 31 December	83,162	76,299

Accumulated impairments stood at nil (2023: nil).

Name	Head office	Interest
Bolster Investments Coöperatief UA	Amsterdam	29.75%
Bolster Investments II Coöperatief UA	Amsterdam	22.00%

Bolster Investments Coöperatief UA and Bolster Investments II Coöperatief UA are unlisted investments.

9. Goodwill and other intangible assets

Goodwill and other intangible assets	2024	2023
Total	298,309	225,151
Goodwill	184,070	179,363
Brand names	4,046	3,314
Other intangible assets	110,192	42,474

The goodwill shown above represents goodwill arising from acquisitions. For the impairment test, this goodwill is allocated to the relevant cash-generating units. In 2024, the impairment test did not result in a goodwill impairment. Additional information on the impairment test is included in Note 10, Goodwill and other intangible assets, in the

consolidated financial statements. Other intangible assets mainly relate to client relationships and application software. Based on the useful life tests carried out in 2024, we concluded that no other intangible assets need to be impaired.

Changes in goodwill and other intangible assets in 2024	Goodwill	Brand names	Other intangible assets	Total
At 1 January	179,363	3,314	42,474	225,151
Additions due to legal merger	—	5,480	99,599	105,079
Additions acquired through business combinations	4,707	—	—	4,707
Amortisation	—	-4,748	-31,881	-36,629
At 31 December	184,070	4,046	110,192	298,308
Historical cost	184,070	21,897	172,190	378,158
Accumulated amortisation and impairments	—	-17,850	-61,999	-79,849
Net carrying amount at 31 December	184,070	4,046	110,192	298,309

Due to the merger of Mercier Vanderlinden Asset Management with the Van Lanschot Belgium branch, the related brand name and client relationships were included in our company financial statements.

Changes in goodwill and other intangible assets in 2023	Goodwill	Brand names	Other intangible assets	Total
At 1 January	176,761	3,066	30,846	210,673
Additions acquired through business combinations	2,603	1,087	16,311	20,000
Additions acquired separately	—	—	1,597	1,597
Amortisation	—	-839	-6,280	-7,119
At 31 December	179,363	3,314	42,474	225,151
Historical cost	179,363	16,417	78,280	274,060
Accumulated amortisation and impairments	—	-13,103	35,805	22,702
Net carrying amount at 31 December	179,363	3,314	42,474	225,151

10. Property and equipment

Property and equipment	2024	2023
Total	67,891	59,490
Buildings	19,642	19,040
Right-of-use – buildings	26,124	25,472
Right-of-use – transport equipment	12,883	5,966
Other property and equipment	7,635	7,996
Work in progress	1,607	1,016

Changes in property and equipment in 2024	Buildings	Right-of-use – buildings	Right-of-use – transport equipment	Other property and equipment	Work in progress	Total
At 1 January	19,040	25,472	5,966	7,996	1,016	59,490
Additions	3,371	9,332	11,140	3,447	591	27,880
Disposals	-1,002	–	–	-1,213	–	-2,215
Depreciation	-1,767	-8,679	-4,223	-2,595	–	-17,264
At 31 December	19,642	26,124	12,883	7,635	1,607	67,891
Historical cost	38,153	34,803	17,105	21,416	1,607	113,085
Accumulated depreciation and impairments	-18,512	-8,679	-4,223	-13,781	–	-45,194
Net carrying amount at 31 December	19,642	26,124	12,883	7,635	1,607	67,891

Changes in property and equipment in 2023	Buildings	Right-of-use – buildings	Right-of-use – transport equipment	Other property and equipment	Work in progress	Total
At 1 January	22,221	28,880	6,633	8,043	1,551	67,328
Additions	2,671	5,358	2,668	2,448	–	13,143
Disposals	-3,935	–	–	–	-535	-4,470
Depreciation	-1,916	-8,766	-3,334	-2,494	–	-16,511
At 31 December	19,040	25,472	5,966	7,996	1,016	59,490
Historical cost	35,785	34,238	9,300	24,299	1,016	104,639
Accumulated depreciation and impairments	-16,745	-8,766	-3,334	-16,303	–	-45,149
Net carrying amount at 31 December	19,040	25,472	5,966	7,996	1,016	59,490

The line item Buildings comprises real estate in own use.

We have entered into lease contracts for buildings – including service fees and rent for any parking spaces – as well as car lease contracts. These contracts are recognised as right-of-use assets.

Other property and equipment comprises IT, furniture and fixtures, and communications and safety equipment.

11. Other assets and accrued assets

Other assets relate to current tax assets (2024: €1.3 million; 2023: €0.6 million), deferred tax assets (2024: €17.2 million; 2023: €11.4 million) and amounts receivable, such as debtors, suspense accounts and intercompany assets.

Accrued assets relate to interest receivables, commission receivables and transitory items.

The fair value of the receivables approximates the carrying amount due to their short-term nature and the fact that provisions for bad debt are recognised, where necessary. All current assets fall due in less than one year.

12. Derivatives

Derivatives			
At 31 December 2024	Asset	Liability	Contract amount
Total	314,610	251,279	9,546,676
Derivatives used for trading purposes	50,214	50,214	561,540
Derivatives used for hedge accounting purposes	219,234	158,706	7,474,285
Other derivatives	45,162	42,358	1,510,850
At 31 December 2023	Asset	Liability	Contract amount
Total	339,604	242,662	7,696,011
Derivatives used for trading purposes	33,944	33,849	468,653
Derivatives used for hedge accounting purposes	267,239	163,252	6,142,285
Other derivatives	38,420	45,561	1,085,074

We use derivatives for both trading and hedging purposes. This note shows both the positive and negative market values of the derivatives, as well as their notional values.

The following types of derivatives are used: interest rate, currency and equity derivatives, as well as forward contracts.

13. Due to banks

Due to banks	2024	2023
Total	482,046	791,097
Liabilities withdrawable on demand	286,049	461,949
Other liabilities	195,997	329,148

Due to banks includes €317.6 million from group companies (2023: €541.1 million).

14. Public and private sector liabilities

Public and private sector liabilities	2024	2023
Total	12,490,439	12,073,202
Savings		
Savings withdrawable on demand	3,237,959	2,659,079
Savings not withdrawable on demand	685,732	738,958
Total savings	3,923,691	3,398,037
Other public and private sector liabilities		
Other public and private sector liabilities withdrawable on demand	6,681,057	6,677,757
Other public and private sector liabilities not withdrawable on demand	1,885,691	1,997,407
Total other public and private sector liabilities	8,566,748	8,675,164

Savings include all deposit and savings accounts held by private individuals and not-for-profit organisations.

Public and private sector liabilities include €156.9 million from group companies (2023: €157.2 million).

15. Issued debt securities

Issued debt securities	2024	2023
Total	1,956,145	1,940,310
Issued debt securities at fair value, listed	116	482
Issued debt securities at fair value, unlisted	464,776	466,189
Issued debt securities at amortised cost, listed	1,491,254	1,473,639

Changes in issued debt securities	2024	2023
At 1 January	1,940,310	1,816,014
Purchases	177,113	829,567
Sales	-2,552	-5,687
Redemptions	-196,202	-786,461
Amortisation of premiums/discounts on debt instruments	1,452	-794
Revaluations	36,023	87,672
At 31 December	1,956,145	1,940,310

In 2025, €115.3 million of these debt securities will mature (2024: €110.6 million). The discount on issued debt securities amounted to €3.0 million (2023: €4.5 million) and is included in the item's carrying value.

16. Other liabilities and accrued liabilities

Other liabilities relate to lease liabilities, current tax liabilities (2024: €11.2 million; 2023: €0.8 million), deferred tax liabilities (2024: €19.5 million; 2023: nil) and amounts payable such as creditors, accruals and intercompany liabilities.

Lease liabilities stood at €42.6 million (2023: €34.8 million). Payments not included in the lease liability measurement amounted to €1.3 million (2023: €1.2 million). Interest expense on leases amounted to €1.2 million in 2024 (2023: €0.7 million) and is recognised in the statement of income under line item Other interest expense in Note 21, Net interest income.

Accrued liabilities relate to interest payable (2024: €75.2 million; 2023: €73.2 million) and other accruals (2024: €33.9 million; 2023: €31.1 million).

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term nature.

Van Lanschot Kempen NV forms a corporate income tax group with Beheermaatschappij "Orthenstraat" BV, Van Lanschot Kempen Participaties BV, Efima Hypotheken BV, Van Lanschot Kempen Investment Management NV, Van Lanschot Kempen AM NL BV, Kempen Dutch Inflation Fund I NV, Quion 17 BV, Sapphire Investments BV, LansOG Beheer BV, Hof Hoorneman NV and Hof Hoorneman Fund Management NV. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the corporate income tax group.

17. Provisions

Provisions	2024	2023
Total	32,065	34,943
Pension provision	21,828	22,400
Other provisions	10,237	12,543

The pension provision is a long-term obligation on behalf of employees in our entities and branches. We operate both defined benefit and defined contribution schemes.

Other provisions comprise provisions taken for restructuring, the jubilee benefits scheme, interest rates, employee discounts, financial guarantees and loan commitments, and all other provisions. Of these other provisions, €1.3 million relates to legal claims, of which 83% are long-term (2023: 18%) and 17% short-term (2023: 82%). For more information about provisions, see Note 17, Provisions, in the consolidated financial statements.

18. Subordinated loans

Subordinated loans	2024	2023
Total	153,825	170,238
Inflation-linked subordinated bond 08/33	25,457	25,582
Inflation-linked subordinated bond 08/38	25,924	26,030
Inflation-linked subordinated bond 08/43	52,525	52,710
2.000% subordinated bond 03/32	49,919	49,883
Other subordinated loans	—	16,034

Changes in subordinated loans	2024	2023
At 1 January	170,238	170,882
Redemptions	-15,996	-113
Amortisation of premiums/discounts on debt instruments	-416	-416
Other changes	-1	-115
At 31 December	153,825	170,238

Subordinated loans provide solvency capital for Van Lanschot Kempen. Holders of our subordinated loans have a position in our capital structure between senior claims and share capital. This implies that, in the event of liquidation or bankruptcy, a holder of a subordinated bond will only be repaid after all senior claims have been settled.

Depending on the instrument's terms and conditions, early repayment (at its nominal amount) may take place at the optional redemption date and all subsequent interest payment dates.

Interest expenses on subordinated loans amounted to €9.3 million (2023: €10.6 million).

19. Total equity

Total equity	2024	2023
Total	1,377,268	1,348,678
Equity attributable to shareholders		
Issued share capital	43,040	43,040
Treasury shares	-19,928	-14,243
Share premium reserve	211,725	211,725
Revaluation reserve	-20,405	-10,083
Actuarial results on defined benefit pension scheme	-26,584	-26,759
Cash flow hedge reserve	-6,363	-7,015
Own credit risk reserve	-1,966	1,989
Reserves required by law	46,904	41,029
Freely available reserves	916,748	888,861
Other reserves	908,334	888,023
Undistributed profit attributable to shareholder	131,855	118,446
Total equity attributable to shareholders	1,275,026	1,246,991
Equity attributable to AT1 capital securities		
AT1 capital securities	100,000	100,000
Undistributed profit attributable to AT1 capital securities	2,242	1,688
Total equity attributable to AT1 capital securities	102,242	101,688

The reserves required by law comprise a reserve in the amount of the share in the positive income from associates of €43.1 million (2023: €37.1 million), a reserve for currency translation differences on associates and subsidiaries of €0.8 million (2023: €1.0 million) and a reserve required under the Articles of Association from subsidiaries of €3.0 million (2023: €2.9 million).

Tax effects on changes in the revaluation reserves amounted to €3.6 million negative in 2024 (2023: €3.3 million positive).

Liability capital comprises equity and subordinated loans, which are accounted for under non-current liabilities. At year-end 2024, this liability capital amounted to €1,429 million (2023: €1,417 million).

Distributable items	2024	2023
Other reserves	908,334	888,023
Revaluation reserve	-20,405	-10,083
Actuarial results on defined benefit pension scheme	-26,584	-26,759
Cash flow hedge reserve	-6,363	-7,015
Own credit risk reserve	-1,966	1,989
Reserves required by law	46,904	41,029
Freely available reserves	916,748	888,861
Share premium reserve	211,725	211,725
Total distributable items	1,128,473	1,100,586

20. Other notes to the statement of financial position

Contractual maturity of assets and liabilities

The tables below show the assets and liabilities based on their remaining contractual terms to maturity at the reporting date, without taking behavioural aspects into account. These amounts reconcile with the values presented in the company statement of financial position.

Contractual maturity of assets and liabilities at 31 December 2024						
	Withdrawable on demand	< 3 months	≥ 3 months < 1 years	≥ 1 years < 5 years	≥ 5 years	Total
Assets						
Due from banks	16,280	158,870	2,558	64,409	—	242,116
Loans and advances to the public and private sectors	845,347	69,613	110,927	695,825	7,404,937	9,126,650
Total assets	861,627	228,483	113,485	760,234	7,404,937	9,368,766
Liabilities						
Due to banks	286,049	62,366	14,563	107,647	11,420	482,046
Public and private sector liabilities	9,267,025	2,514,670	415,435	185,522	107,787	12,490,439
Issued debt securities	—	34,493	80,831	1,797,505	43,316	1,956,145
Subordinated loans	—	—	—	25,000	128,825	153,825
Total liabilities	9,553,075	2,611,529	510,830	2,115,674	291,348	15,082,455

Contractual maturity of assets and liabilities at 31 December 2023						
	Withdrawable on demand	< 3 months	≥ 3 months < 1 years	≥ 1 years < 5 years	≥ 5 years	Total
Assets						
Due from banks	23,348	156,916	28,416	40,364	6,043	255,087
Loans and advances to the public and private sectors	873,915	61,505	81,660	614,328	7,353,244	8,984,652
Total assets	897,262	218,421	110,076	654,692	7,359,287	9,239,739
Liabilities						
Due to banks	361,949	179,876	130,386	118,046	840	791,097
Public and private sector liabilities	8,842,846	2,270,543	671,389	159,730	128,693	12,073,202
Issued debt securities	—	22,414	88,208	1,805,449	24,239	1,940,310
Subordinated loans	—	16,034	—	—	154,205	170,238
Total liabilities	9,204,796	2,488,867	889,983	2,083,225	307,977	14,974,847

Financial instruments measured at fair value

The tables below show financial instruments designated at fair value through profit or loss. For a review of valuation models and techniques and for information about these instruments, see "Risk management", under 15. Fair value.

Financial instruments at fair value at 31 December 2024				
Item	Fair value determination using listed market prices	Fair value determination using observable market inputs	Fair value determination using non-observable market inputs	Total
Assets				
Government paper eligible for central bank refinancing	792,409	—	—	792,409
Debt instruments	2,398,222	—	—	2,398,222
Equity instruments	8,787	—	2,466	11,254
Derivatives (assets)	50,214	255,900	8,495	314,610
Total assets	3,249,633	255,900	10,961	3,516,495
Liabilities				
Issued debt securities	116	462,553	2,223	464,891
Derivatives (liabilities)	50,214	192,507	8,557	251,279
Total liabilities	50,330	655,060	10,780	716,170

Financial instruments at fair value at 31 December 2023				
Item	Fair value determination using listed market prices	Fair value determination using observable market inputs	Fair value determination using non-observable market inputs	Total
Assets				
Government paper eligible for central bank refinancing	418,521	—	—	418,521
Debt instruments	1,922,584	2,129	—	1,924,713
Equity instruments	12,769	—	2,473	15,242
Derivatives (assets)	33,944	303,059	2,600	339,604
Total assets	2,387,818	305,188	5,073	2,698,080
Liabilities				
Issued debt securities	455	466,217	—	466,672
Derivatives (liabilities)	33,849	206,013	2,800	242,662
Total liabilities	34,304	672,230	2,800	709,334

The table below shows value changes recognised in profit or loss and in the revaluation reserve of financial instruments designated at fair value.

Value changes of financial instruments designated at fair value						
Item	2024			2023		
	Value changes recognised in profit or loss	Value changes to revaluation reserve	Total value changes	Value changes recognised in profit or loss	Value changes to revaluation reserve	Total value changes
Government paper eligible for central bank refinancing	99	5,364	5,463	60	24,325	24,385
Debt instruments	-349	22,936	22,587	-2,964	94,792	91,827
Equity instruments	2,056	—	2,056	1,639	—	1,639
Derivatives	33,269	—	33,269	32,818	—	32,818
Issued debt securities	-31,007	—	-31,007	-38,858	—	-38,858
Total	4,067	28,300	32,367	-7,306	119,117	111,811

Financial instruments at amortised cost

The table below shows the nominal and fair values of financial instruments at amortised cost, with the exception of financial instruments of which the nominal value is a reasonable approximation of the fair value. This includes positions arising from group companies. The fair value of financial instruments at amortised cost is taken as the amount for which the instrument could be exchanged in a

commercial transaction between willing parties, other than in a forced or liquidation sale. If there is an active market, we use the market value to determine the fair value. For financial instruments for which no market prices are available, the fair values shown in the table are estimated on the basis of the present value or other estimation or valuation methods.

Financial instruments at amortised cost						
	2024		2023			
	Fair value	Carrying amount	Fair value	Carrying amount	Valued using	Valuation method
Assets						
Government paper eligible for central bank refinancing	92,634	91,748	91,977	91,102	Listed market prices	Listed market prices
Due from banks	241,257	242,116	253,385	255,087	Observable market inputs	Discounted cash flows using applicable money market rates
Loans and advances to the public and private sectors	8,819,690	9,126,650	8,460,994	8,984,652	Unobservable market inputs	Discounted cash flows using current market fees for comparable loans and taking into account the creditworthiness of the counterparty
Debt instruments – Other debt instruments at amortised cost	1,112,888	1,109,794	1,106,465	1,110,032	Listed market prices	Listed market prices
Total assets	10,266,469	10,570,308	9,912,820	10,440,872		
Liabilities						
Due to banks	482,134	482,046	787,161	791,097	Observable market inputs	Discounted cash flows using applicable money market rates for liabilities
Public and private sector liabilities	12,434,971	12,490,439	11,909,980	12,073,202	Unobservable market inputs	Discounted cash flows using applicable money market rates for liabilities with a comparable term to maturity, taking account of own credit risk ¹
Issued debt securities	1,487,180	1,491,254	1,472,220	1,473,639	Listed market prices	Quoted prices in active markets
Subordinated loans	163,936	153,825	181,194	170,238	Unobservable market inputs	Discounted cash flows using applicable money market rates for liabilities with a comparable term to maturity, taking account of own credit risk
Total liabilities	14,568,221	14,617,564	14,350,555	14,508,175		

¹ The fair values of client deposits without contractual maturities (non-maturing deposits or NMDs) are approximated by the economic values that we calculate for these products as part of our interest rate risk management. We gauge their interest rate sensitivity (duration) by means of replicating portfolios, in which NMDs are hypothetically invested in fixed income instruments (swaps) with various interest rate maturities. To arrive at economic values, we discount these replicating portfolio investments' cash flows at current market interest rates (swap rates).

Commitments not recognised in the statement of financial position

Contingent liabilities and irrevocable commitments	2024	2023
Total	520,758	458,274
Guarantees, etc.	273,774	287,555
Irrevocable unused credit facilities	154,007	137,284
Irrevocable lease commitments	58,326	—
Other irrevocable commitments	34,651	33,435

This item does not include unconditionally revocable unused credit facilities, which amounted to €881 million in 2024 (2023: €939 million). In the 2023 financial statements the split between irrevocable and revocable facilities was not made.

At year-end 2024, issued guarantees for a number of group companies amounted to €228.8 million (2023: €229.3 million). Irrevocable unused credit facilities from group companies amounted to €25.0 million (2023: €25.0 million).

Irrevocable lease commitments consist of a long-term lease contract signed before year-end 2024. This contract had not yet commenced at year-end 2024. It relates to the relocation to a new office in Amsterdam from 2027.

Comparative figures for Guarantees, etc. and Irrevocable unused credit facilities have been restated for an amount of €23 million and €916 million respectively. These amounts are reclassified as revocable facilities as these may be revoked on demand.

Other commitments

We have entered into several IT contracts, e.g. for hiring services and capacity, and for licensing and maintenance of our systems. Our future contractual payment commitments for IT contracts amount to €56.8 million (2023: €46.3 million), of which €17.3 million (2023: €18.1 million) within one year, €31.5 million (2023: €18.0 million) between one and five years, and €8.1 million (2023: €10.2) in more than five years.

Van Lanschot Kempen has issued 403 statements pursuant to Article 403, Book 2, of the Dutch Civil Code for the following entities:

- Efima Hypotheken BV;
- Beheermaatschappij "Orthenstraat" BV;
- Van Lanschot Kempen Participaties BV.

Notes to the company statement of income (€1,000)

21. Net interest income

Net interest income	2024	2023
Total interest income	657,295	514,029
Interest income on cash and cash equivalents	79	2,403
Interest income on balances at central banks	64,317	62,836
Interest income on public and private sectors	225,569	213,189
Interest income on derivatives	246,353	162,714
Other interest income	120,976	72,886
Total interest expense	493,136	332,018
Interest expense on public and private sectors	227,761	142,410
Interest expense on issued debt securities	40,302	31,191
Interest expense on subordinated loans	9,261	10,631
Interest expense on derivatives	189,433	119,435
Other interest expense	26,380	28,351
Net interest income	164,159	182,011

Total interest income includes €13.5 million from group companies (2023: €9.5 million). Total interest expense from group companies amounted to €2.3 million (2023: €2.4 million).

22. Income from securities and subsidiaries

This item includes the income realised by associates and by securities, and other income related to securities and group companies. The income from investments in group companies of €84.0 million (2023: €97.8 million) is included in Other income from securities and group companies.

23. Net commission income

Net commission income	2024	2023
Total	291,278	199,289
Securities commissions	40,673	30,634
Management commissions	210,385	132,686
Cash transactions and funds transfer commissions	6,377	5,920
Corporate Finance and Equity Capital Markets commissions	29,057	25,125
Other commissions	4,786	4,924

24. Result on financial transactions

Result on financial transactions	2024	2023
Total	12,438	3,374
Gains/losses on securities trading	2,104	1,657
Gains/losses on currency trading	9,120	6,446
Gains/losses on derivatives under hedge accounting	1,121	-1,834
Realised gains/losses on debt instruments	-820	-1,629
Gains/losses on economic hedges – hedge accounting not applied	32,148	34,652
Gains/losses on financial assets and liabilities at fair value through profit or loss	-31,234	-35,919

25. Staff costs

The number of staff at year-end 2024 was 1,878 (2023: 1,766). The average number of staff in FTEs was 1,656 (2023: 1,564). Of these, 182 were employed outside the Netherlands (2023: 205).

Staff costs	2024	2023
Total	271,665	256,248
Salaries and wages	192,731	186,554
Pension costs	29,020	27,418
Other social security costs	24,451	21,442
Other staff costs	25,464	20,835

26. Other administrative expenses

Other administrative expenses comprise IT expenses, accommodation expenses, costs of marketing and communication, consultancy fees, office expenses and other administrative expenses.

For more information about the independent external auditors' fees, see Note 28, Other administrative expenses, in the consolidated financial statements.

27. Depreciation and amortisation

This item includes the depreciation and amortisation on buildings, IT, operating system software and communications equipment, application software, intangible assets arising from acquisitions such as client relationships and brand names, results on disposals of property and equipment, and other depreciation and amortisation.

28. Impairments

This item comprises the recognised impairments on financial instruments and other impairments and reversals of such impairments.

29. Income tax

This item consists of the income tax expense for the financial year on the operating result as recognised in the statement of income, also allowing for any tax relief facilities. We have applied currently existing tax rules to determine the tax amount. The effective tax rate amounts to 14.8% (2023: 8.8%). Changes in the effective tax rate were mainly due to the equity holding exemption and non-deductible expenses. The tax effect due to the deduction of coupon payments on our AT1 instruments is included in Other changes.

Income tax	2024	2023
Operating profit before tax	166,358	137,333
Prevailing tax rate in the Netherlands (in %)	25.8	25.8
Expected tax	42,920	35,432
Increase/decrease in tax expense due to:		
Tax-free interest	3,273	2,110
Tax-free income from securities and subsidiaries	-21,383	-25,945
Non-deductible costs	3,052	2,014
Adjustments to taxes for prior financial years	108	-192
Impact of foreign tax differences	-341	-109
Other changes	-3,022	-1,173
	-18,314	-23,295
Total tax	24,606	12,137

Events after the reporting period

We propose to return €1.40 per share in June 2025 and this has been approved by DNB. We will convene an extraordinary general meeting (EGM) on 10 April 2025 to confirm this proposal. The expected impact of this capital return on our equity is approximately -€59 million.

's-Hertogenbosch, 26 February 2025

Supervisory Board

- Frans Blom, *Chair*
- Manfred Schepers, *Vice-Chair*
- Karin Bergstein
- Brigitte Boone
- Else Bos
- Maarten Muller
- Elizabeth Nolan

Management Board

- Maarten Edixhoven, *Chair*
- Jeroen Kroes
- Damla Hendriks
- Arjan Huisman
- Wendy Winkelhuijzen
- Erik van Houwelingen

Other information



Independent auditor's report

To: the general meeting and the supervisory board of Van Lanschot Kempen N.V.

Report on the audit of the financial statements 2024

Our opinion

In our opinion:

- the consolidated financial statements of Van Lanschot Kempen N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code; and
- the company financial statements of Van Lanschot Kempen N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2024 of Van Lanschot Kempen N.V., 's Hertogenbosch. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the following statements for 2024: the consolidated statement of income, the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.



The company financial statements comprise:

- the company statement of financial position as at 31 December 2024;
- the company statement of income for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

Independence

We are independent of Van Lanschot Kempen N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.



Overview and context

Van Lanschot Kempen N.V. is an independent wealth manager whose purpose is the preservation and creation of wealth, in a sustainable way, for its clients and society. The Group operates its business through the business segments 'Private Clients Netherlands', 'Private Clients Belgium', 'Investment Management Clients', and 'Investment Banking Clients'. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change.

In the section 'Accounting policies', subsection 'Significant accounting judgements and estimates' of the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the impairment allowances of loans and advances to the public and private sectors and the recognition and measurement of goodwill, we considered these matters as key audit matters as further set out in the section 'Key audit matters' of this report. Furthermore, we identified 'reliability and continuity of IT systems' as key audit matter following the implicit significance of the reliability and continuity of electronic data processing to the Group's operational, regulatory and financial reporting processes. One of the underlying drivers of this is also IT change initiatives (such as the implementation of digital solutions, moving infrastructure and applications to the cloud and the realisation of a further integrated IT environment across the Group) that bring inherent operational and potential reputational risks.

Van Lanschot Kempen N.V. assessed the possible effects of climate change. In the section 'Sustainability risks' in the financial statements and the sections 'Risk and capital management' and 'Environment' in the director's report, the management board assessed the possible effects of climate change on its financial position, as well as the Group's targets and KPIs for further reducing its carbon footprint. We discussed Van Lanschot Kempen N.V.'s assessment, methodology and governance thereof with management and evaluated the potential impact on the financial position including underlying assumptions and estimates. The impact of climate change is taken into consideration as part of our work in relation to the key audit matter 'impairment allowances of loans and advances to public and private sectors'.

Other areas of focus that were not considered to be key audit matters, were, amongst others, the assessment of compliance with laws and regulations and our procedures in response to the risk of fraud.

We ensured that the audit teams at both group and component level encompass the appropriate skills and competences that are needed for the audit of a wealth management organisation with banking operations and a Dutch banking license. We also involved experts and specialists in the areas of: IT, accounting and valuation of financial instruments, hedge accounting, impairment assessment of goodwill, employee benefits, actuarial expertise, real estate valuation, taxation and sustainability.

The outline of our audit approach was as follows:

Materiality
<ul style="list-style-type: none"> Overall materiality: €9.6 million (2023: €8.2 million).
Audit scope
<ul style="list-style-type: none"> We conducted audit work in three locations (Van Lanschot Kempen N.V., Mercier Van Lanschot and Van Lanschot Kempen (Schweiz) AG). The group engagement team conducted audit work on the Dutch components in scope. Site visits were conducted to three countries – Belgium, Switzerland and the United Kingdom. Audit coverage: 97% of consolidated income from operating activities, 96% of consolidated total assets and 98% of consolidated profit before tax.
Key audit matters
<ul style="list-style-type: none"> Impairment allowances of loans and advances to the public and private sectors. Recognition and measurement of goodwill. Reliability and continuity of IT systems.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section ‘Our responsibilities for the audit of the financial statements’.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€9.6 million (2023: €8.2 million).
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 5% of profit before tax from continuing operations.
Rationale for benchmark applied	We used profit before tax as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that profit before tax is the most relevant metric for the financial performance of the Company.
Component materiality	Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €2 million and €9.4 million.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.



We agreed with the supervisory board that we would report to them any misstatement identified during our audit above €0.5 million (2023: €0.4 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Van Lanschot Kempen N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Van Lanschot Kempen N.V.

We are responsible for the identification and assessment of the risks of material misstatement of the financial statements of the group, including those with respect to the consolidation process. Based on our risk assessment, we tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the financial statements to enable us to provide an opinion on the financial statements as a whole.

In setting the scope of our group audit we determined what audit work needed to be performed at group level or component level and whether involvement of component auditors was necessary.

Based on this outcome, we subjected four components to audits of their complete financial information, as those components are considered significant due to risk or size. We further selected one component for audit procedures to achieve appropriate coverage on specific financial line items in the consolidated financial statements.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

<i>Income from operating activities</i>	97%
<i>Total assets</i>	96%
<i>Profit before tax</i>	98%

None of the remaining components represented more than 2% of total group income from operating activities, total group assets or total group profit before tax. For those remaining components we performed, among other procedures, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work for the group entities Van Lanschot Kempen N.V., Van Lanschot Kempen Investment Management N.V. and Van Lanschot Kempen Participaties B.V. For components Mercier Van Lanschot and Van Lanschot Kempen (Schweiz) AG we used component auditors who are familiar with the local laws and regulations to perform the audit work.

Where component auditors performed the work, we determined the nature, timing and extent of direction and supervision of the component auditors and review of their work. We also:

- Issued group audit instructions to component auditors to set expectations for the component auditor's work and facilitate our direction and supervision of the component auditor and review of their work.

- Participated in discussions with component auditors as part of planning the engagement. Including when we as the group auditor assigned tasks or procedures such as the performance of risk assessment procedures or determining the nature, timing and extent of audit responses to identified and assessed risks of material misstatement to component auditors.
- Communicated with component auditors throughout the course of the group audit in order to discuss the progress of the component auditor's work. These ongoing communications included matters effecting the execution, completion and reporting of the group audit.
- Reviewed relevant parts of the component auditor's work including the component auditor's communication of matters relevant to our conclusion with regard to the group audit. Our review of the component auditor's work took place throughout the engagement.
- Attended certain key client meetings (including site visit meetings and closing meetings) between the component auditor and component management.

The group engagement team performed the audit work on the group consolidation, financial statement disclosures and a number of more complex items such as the measurement of derivative financial instruments, hedge accounting, the recognition and measurement of goodwill and other intangible assets (including for this year the purchase price allocation of the Accuro transaction), as well as the impairment allowance of loans and advances to the public and private sectors.

Van Lanschot Kempen N.V. has outsourced various parts of its services to third parties amongst which: payment services, mortgage administration services and parts of its IT software management. In our assessment related to these service providers, we evaluated the design and tested the operating effectiveness of the internal controls in place at Van Lanschot Kempen N.V. over these outsourced services. Furthermore, where available, we evaluated the ISAE 3402 type 2 assurance reports issued by independent auditors and/or we performed additional substantive audit procedures ourselves.

By performing the procedures outlined above at the components, combined with additional procedures at group level, we obtained sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatement of the financial statements due to fraud. During our audit we obtained an understanding of Van Lanschot Kempen N.V. and its environment and the components of the internal control system. This includes the management board's risk assessment process, their process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the respective outcomes. We refer to section 'Risk and capital management – Internal fraud' of the directors' report for management's fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, incident registration and the group's Systematic Integrity Risk Analysis (SIRA). We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We performed inquiries of a selection of members of the management board and senior management to evaluate their fraud awareness, the Group (internal) control environment in relation to fraud, the 'tone at the top' and entity-level controls.

We asked members of the management board as well as the internal audit department, risk management and compliance whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
<p>The risk of management override of controls</p> <p>Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls.</p> <p>In this respect, specific consideration may be given to:</p> <ul style="list-style-type: none"> the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; possible management bias in management estimates; and significant transactions, if any, outside the normal course of business for the Group. <p>In assessing the fraud risk and discussing and evaluating the interrelation between incentive/pressure, opportunity, and rationalisation, we consider:</p> <ol style="list-style-type: none"> 1. authenticity and reliability of documentation, 2. validity of respective data used, and 3. accuracy of calculations made in relation to management's estimates as an important cornerstone of our fraud-related specific audit work. <p>We also considered the risk of management override of controls in relation to our audit work on IT systems and environment.</p>	<p>We evaluated the design and implementation of the internal controls that intend to mitigate fraud risks, such as the process of generating, reviewing and processing of journal entries, estimates and procedures on unexpected journal entries. We also paid specific attention to the access safeguards in the IT systems and the possibility that these lead to violations of the segregation of duties.</p> <p>We have selected journal entries based on risk criteria and conducted specific audit activities for these entries. These procedures include, amongst others, inspection of the entries to source documentation.</p> <p>We also performed fraud-related specific audit work on important estimates of management. In this context, we paid specific attention to the following estimates:</p> <ul style="list-style-type: none"> the measurement of the loans and advances to the public and private sectors and corresponding loan-loss provisions; the recognition and measurement of goodwill; and the measurement of level 2 and 3 financial instruments. <p>For an overview of audit procedures performed on the measurement of the loans and advances and the recognition and measurement of goodwill, including those related to fraud or error, we refer to the section 'Key audit matters'.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.</p>

Identified fraud risks	Our audit work and observations
<p>The risk of fraud in revenue recognition (commission income)</p> <p>As part of our risk assessment and based on the presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue transactions or assertions give rise to the risk of fraud in revenue recognition.</p> <p>The risk of fraud in revenue recognition for Van Lanschot Kempen N.V. is identified for the accuracy and cut-off risk of relevant components of commission income. This selection is primarily driven by the nature of the commission and its underlying diversity in calculations and agreements.</p> <p>Consequently, we identified a fraud risk related to these revenue streams.</p>	<p>We assessed the design and tested the operating effectiveness of the internal control measures related to revenue recognition as part of our revenue related audit work. This includes both automated controls (e.g. system calculations and segregation of duties in the core applications) and (IT-dependent) manual controls (e.g. monthly reconciliations). We also paid specific attention to the access safeguards in the relevant IT systems and the possibility that these could lead to breaches of the segregation of duties.</p> <p>For the relevant components of commission income, we designed substantive procedures that comprise for example: an independent recalculation based on the underlying net asset value of the assets under management and contractual conditions, testing of a sample of transactions with reconciliation to underlying supporting documentation (e.g. contracts, invoices, bank statements).</p> <p>As part of our journal entry testing, we have run queries to identify higher risk journal entries, specifically on the commission income streams, based on pre-defined risk criteria (for example unusual account combinations) and we assessed their appropriateness through the substantiation with supporting evidence.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to revenue recognition.</p>

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations. These procedures did not lead to specific indications of fraud or suspicions of fraud.

Audit approach going concern

As disclosed in section 'Continuity' in the financial statements, the management board performed their assessment of the entity's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going-concern risks).

Our procedures to evaluate the management board's going-concern assessment included, amongst others:

- considering whether the management board's going-concern assessment included relevant information of which we were aware as a result of our audit and inquiring with the management board regarding their relevant assumptions underlying its going-concern assessment. Amongst others, we took into consideration the capital and liquidity position, financial performance and -outlook and current macroeconomic context and uncertainties;
- as the Group is a wealth management organisation with banking operations and a Dutch banking license, we evaluated, as also stated above, the developments in respect of funding, liquidity and solvency of the Group and, where applicable, assessed these in light of the prudential requirements imposed by 'De Nederlandsche Bank';
- evaluating management's 2025 budget and capital funding plan 2024–2026 and current developments and;
- performing inquiries of the management board as to its knowledge of going-concern risks beyond the period of their own assessment.

Our procedures did not result in outcomes contrary to the management board's assumptions and judgements used in the application of the going-concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters. We note that, in comparison to previous years, we consider the key audit matter 'fair value measurement of level 2 and level 3 financial instruments' to no longer meeting all relevant aspects of a key audit matter. Consequently, we have identified three key audit matters in our 2024 audit.

Key audit matter	Our audit work and observations
<p>Impairment allowances of loans and advances to the public and private sectors</p> <p>See note 6 to the consolidated financial statements for the disclosures of loans and advances to the public and private sectors including impairment allowances, the section 'Impairments of financial assets' of the summary of accounting policies and subsection 3.8 of the 'Risk Management' section containing the disclosures in view of credit risk including the implications of the current macroeconomic environment, outlook and related uncertainties.</p> <p>As at 31 December 2024, the gross loans and advances to the public and private sectors amount to €9,300 million (2023: €9,200 million). The impairment allowances amount to €35.1 million as at 31 December 2024 (2023: €38.1 million).</p> <p>In accordance with the requirements of IFRS 9 'Financial instruments', the Group applies a three-stage expected credit loss impairment model. The Group determines loan impairments in stage 1 (allowance equal to twelve-month expected credit loss), and stage 2 (amount equal to the life-time expected credit loss) on a modelled basis. For stage 3 exposures, a case-by-case impairment allowance is determined.</p> <p><i>Model methodology and inputs (stage 1 and 2)</i></p> <p>For the modelled loan impairment allowance, the Group utilises the point-in-time probability of default (PD), the loss-given default (LGD), loss-given non-cure (LGN) and the exposure at default (EAD) models for the majority of its loan portfolio. Macroeconomic variables and global macroeconomic scenarios are incorporated as assumptions with the probability of the scenarios being weighted.</p>	<p><i>Control design and operating effectiveness</i></p> <p>We evaluated the design of relevant business processes and tested the operating effectiveness of respective controls. This included:</p> <ul style="list-style-type: none"> the loan origination process; the internal credit risk management process to assess the loan quality classification (including the identification of credit-impaired loans); testing the operating effectiveness of relevant controls ensuring the completeness and accuracy of significant assumptions and data used; management's review and approval process for timely, accurate and complete determination of stage 3 specific impairment allowances; and management's review and approval process regarding the impairment models outputs, and any adjustments applied to the model results. <p>Based on our testing of controls, we determined that it was appropriate to place reliance on the above controls for the purpose of our audit.</p> <p><i>Assessment of stage 1 and 2 impairment allowances</i></p> <p>With support of our credit modelling specialists, we tested management's estimate on the model-based impairment allowances (stage 1 and 2) by inquiry and evaluation of the applied model methodology, the model performance, the evaluation of the macroeconomic variables and relevant scenarios applied.</p> <p>Considering the complexity of the models and assumptions, together with our credit modelling specialists and IT specialists, we:</p> <ul style="list-style-type: none"> verified and assessed the periodic model monitoring activities ensuring model suitability; assessed (model) change management policies; assessed the methodology applied in determining significant increases in credit risk;

Key audit matter	Our audit work and observations
<p><i>Stage 3 – specific impairment allowances</i></p> <p>For each individually credit-impaired loan, the Group determines an impairment allowance based on management's scenario (weighting) taking into account assumptions and data such as: expected future cash flows and the value and recoverability of the corresponding collateral.</p> <p><i>Judgements and estimation uncertainty</i></p> <p>The judgements and estimation uncertainty in the impairment allowance of loans and advances is primarily linked to the following aspects:</p> <ul style="list-style-type: none"> the identification of credit-impaired loans including the assessment of the significant increase of credit risk (triggering stage transfers); the determination of the future cash flows based on the appropriate use of key parameters (such as forward-looking information) and the valuation of the recoverable collateral for the specific loan-by-loan (stage 3) impairment allowance. Furthermore, the probability weighting of each impairment scenario in this category is subjective in nature; the assumptions regarding the PDs, LGDs, LGNs and EADs applied, including the assumptions applied in considering management overlays, if and when applicable. <p>Due to the degree of estimation uncertainty, the complexity and subjectivity of the credit impairment models used and the sensitivity to management assumptions, this area is subject to a higher risk of material misstatement due to error or fraud. Therefore, we consider the impairment allowances of loans and advances to the public and private sectors as a key audit matter in our audit.</p>	<ul style="list-style-type: none"> performed substantive procedures regarding the completeness and accuracy of relevant data (e.g. contractual terms of financial assets, macroeconomic predictions); determined whether the significant assumptions (e.g. macroeconomic variables and scenarios, PDs, LGDs, LGNs and EADs) used by management are appropriate in the context of the applicable financial reporting framework; and assessed the reasonability of the release of the management overlay of €3.4 million. <p><i>Assessment of stage 3 specific impairment allowances</i></p> <p>For the individually credit-impaired loans, we performed risk-based sample testing on the stage 3 population to obtain evidence on the correct classification of loans and the appropriate estimation for the impairment allowances applied or the absence of the impairment allowance.</p> <p>The following judgemental areas were tested for the risk-based sample:</p> <ul style="list-style-type: none"> nature and accuracy of the assumptions and data related to expected future cash flows with reference to relevant economic circumstances; and the valuation of the respective collateral (e.g. using appraisal reports and/or other information) with support of our valuation experts, with reference to industry standards and through inspection of legal agreements and supporting documentation to confirm the existence and the legal right to collateral. <p>As mentioned in the section 'Our audit approach', we paid attention to the potential impact of physical and transition climate-related risks. In this context, we assessed management's so-called 'sustainability risk report' including the evaluation of the climate-related risks and relevant risk mitigating measures present within the Group.</p> <p>We assessed the completeness, accuracy and adequacy of the disclosures relating to the impairment allowances as disclosed in note 6 to the consolidated financial statements, to verify compliance with the IFRS Accounting Standards as adopted by the EU.</p> <p>We evaluated whether judgements and decisions made by management in making this accounting estimate, were indicators of possible management bias. Based on the procedures outlined above, we have not identified indicators of possible management bias.</p>

Key audit matter	Our audit work and observations
<p>Recognition and measurement of goodwill</p> <p>See note 10 to the consolidated financial statements for the disclosures of goodwill.</p> <p>The value of goodwill as at 31 December 2024 amounts to €184.0 million (2023: €179.4 million).</p> <p>The overall goodwill balance has been allocated to the following four cash generating units ('CGUs'): Private Clients Netherlands, Private Clients Belgium, Investment Management Clients and Investment Banking Clients. Goodwill resulting from the acquisition of Accuro of €4.7 million has been added to CGU Private Clients Belgium.</p> <p>Management carried out their annual impairment test on the goodwill. To determine whether an impairment may be required, the recoverable amount of each CGU or group of CGUs is compared to its carrying amount. The recoverable amount is calculated on the basis of the so-called 'value in use'. The value in use calculation uses cash flow projections for each relevant CGU for a five-year period.</p> <p>For the period after the explicit projections per CGU, the growth rate is set at the long-term market growth rate. Cash flow estimates are based on strategic plans and anticipated future developments. Cash flows are discounted using a cost of equity for each CGU that reflects the risk-free interest rate, supplemented with a surcharge for market risk exposure, and a so-called 'small firm premium'.</p> <p>Due to the degree of estimation uncertainty, the complexity and subjectivity of the valuation techniques used, the sensitivity to assumptions of management and other inherent risk factors, this area is subject to a higher risk of material misstatement due to error or fraud. Therefore, we consider the recognition and measurement of goodwill a key audit matter in our audit.</p>	<p><i>Control design and implementation</i></p> <p>We evaluated the design and implementation of the business process and internal controls with respect to the (governance over) impairment testing model including (projected) data used and assumptions made by management.</p> <p><i>Assessment of annual impairment test</i></p> <p>With the support of our valuation experts, we assessed management's measurement of the goodwill position per CGU, including the recognition of the goodwill resulting from the acquisition of Accuro. Our procedures included:</p> <ul style="list-style-type: none"> • assessing contractual documentation in relation to the Accuro acquisition and the 'purchase price allocation' to test the identified 'other intangible assets' including the resulting goodwill; • determining that the methodology applied by management is in line with the requirements of IAS 36; • testing whether the calculations are performed in accordance with the group's methodology and consistently applied; • testing the goodwill reallocation following the change in management reporting as well as the split of the Private Clients CGU in the Netherlands and Belgium, respectively; • relevance, completeness and accuracy of data and significant assumptions applied in the respective models; and • determining whether significant assumptions (e.g. cost of equity and projected future cash flows (including terminal growth rate)) used by management are appropriate in the context of the applicable financial reporting framework and, if available, in line with observable market data and reflecting the potential impact, if any, of physical and transition climate-related risks. <p>Based on the above, we consider the methodology and assumptions applied in the annual goodwill impairment test of the respective CGUs to be appropriate, with no impairment of the goodwill being applicable.</p> <p>We assessed the completeness, accuracy and adequacy of the disclosures relating to goodwill, as disclosed in note 10 of the consolidated financial statements, to verify compliance with the IFRS Accounting Standards as adopted by the EU.</p> <p>We evaluated whether judgements and decisions made by management in making this accounting estimate, were indicators of possible management bias. Based on the procedures outlined above, we have not identified indicators of possible management bias.</p>

Key audit matter	Our audit work and observations
<p>Reliability and continuity of IT systems</p> <p><i>See subsection 'Business continuity management' in section '12. Operational risk' of the Risk Management paragraph.</i></p> <p>The Group relies on the reliability and continuity of information technology (IT) systems for its day to day operational, regulatory and financial reporting processes.</p> <p>The Group's accounting and reporting processes are dependent on IT general controls ('ITGCs') that establish and preserve the ongoing integrity of the system access rights and restrictions intended in the design of internal control.</p> <p>The Group is executing a considerable number of IT projects in order to be able to continue to meet the reporting standards and expectations from stakeholders relating to operating effectiveness, efficiency, cybersecurity and data quality. This way, the Group is continuously improving its IT-landscape and accommodating the ongoing regulatory changes imposed to the banking and asset management industry. These projects (including the cybersecurity related programme 'security 10.0') also impact the Group's internal control activities related to financial reporting. This may increase the inherent risk of material misstatement in financial reporting.</p> <p>Deficiencies in ITGCs and/or application controls could have a pervasive impact across the Group's internal control framework. Outsourcing activities within the Group and to third-party service providers is considered an additional focus area to our audit as this brings extra complexity to the IT environment. Through the period of change, there is an increased risk that ITGCs and/or application controls are not operating as intended also giving a potential opportunity for fraud.</p> <p>As a result of the above developments, in combination with the increased threat and probability of cyberattacks, we considered the reliability and continuity of information technology of the Group a key audit matter.</p>	<p>We focused on the ITGCs to the extent relevant for the purpose of our audit of the financial statements.</p> <p>As part of our audit, our procedures included the assessment and testing of:</p> <ul style="list-style-type: none"> entity-level controls over information technology in the IT organisation, including IT governance, IT risk management and cybersecurity management; governance over the strategic IT change projects including vendor risk and third-party assurance. For the procedures performed on the outsourced activities relevant to our audit work, we refer to the summary in section 'The scope of our group audit' above; management and governance of access to programmes and data, including identity and user access to the network, access to and authorisations within applications, privileged access rights to applications, databases and operating systems; use of IT audit tooling to extract detailed logical access information; change management procedures to applications and IT infrastructure; computer operations, including batch monitoring, back-up and recovery and incident management; and management of cybersecurity, through understanding of the Group's approach to enhancing and managing cybersecurity. <p>We assessed the Group's governance and procedures related to cybersecurity and determined the cybersecurity factors that are considered relevant to our audit of the financial statements. We inspected the security reports prepared on a quarterly basis including the status of the security 10.0 programme. Our procedures in relation to business continuity management, in particular on the integration of cyberattack scenarios as a part of business continuity management, did not reveal material shortcomings.</p> <p>Our audit procedures indicate that we could place reliance on ITGCs for the purpose of our audit.</p>

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were appointed as auditors of Van Lanschot Kempen N.V. on 13 May 2015 by the annual general meeting. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 9 years.

European Single Electronic Format (ESEF)

Van Lanschot Kempen N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by Van Lanschot Kempen N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
 - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
 - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 28 to the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

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

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.



A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 26 February 2025

PricewaterhouseCoopers Accountants N.V.

Original has been signed by C.C.J. Segers RA

Appendix to our auditor's report on the financial statements 2024 of Van Lanschot Kempen N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Limited assurance report of the independent auditor on the sustainability statement

To: the general meeting and the supervisory board of Van Lanschot Kempen N.V.

Our limited assurance conclusion

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement (the sustainability statement) of Van Lanschot Kempen N.V. (the company) for 2024 is not, in all material respects,

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the process, carried out by the company, to identify the information to be reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation).

The subject matter of our limited assurance procedures

We have conducted a limited assurance engagement on the consolidated sustainability statement of Van Lanschot Kempen N.V., 's-Hertogenbosch for 2024, included in section sustainability statement of the directors' report including the information incorporated in the sustainability statement by reference (hereafter: the sustainability statement).

In the sustainability statement, references are made to external sources or websites. The information on these external sources or websites is not subject to our limited assurance procedures for the sustainability statement. We therefore do not provide assurance on this information.



The basis for our conclusion

We conducted our limited assurance engagement in accordance with Dutch law, including the Dutch Standard 3810N 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (assurance engagements relating to sustainability reporting), which is a specific Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 'Assurance engagements other than audits or reviews of historical financial information'. Our responsibilities under this standard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statement' of our report. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our independence and quality management

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

PwC applies the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Emphasis of matters

Emphasis on significant measurement uncertainties

We draw attention to section 'Carbon calculation for financed emissions' in the sustainability statement that identifies the quantitative metrics and monetary amounts for financed emissions that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS.



Emphasis on the double materiality assessment process

We draw attention to section 'Due diligence within Van Lanschot Kempen' of the sustainability statement. The disclosure in this section explains possible future changes in the ongoing due diligence and double materiality assessment process, including engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts relevant for stakeholders as a group. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The sustainability statement may therefore not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important in its own assessment.

Our conclusion is not modified in respect of these matters.

Corresponding information not subject to assurance procedures

The corresponding information in the sustainability statement and thereto related disclosures with respect to previous years have not been subjected to reasonable or limited assurance procedures.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with the ESRS, the management board of the company is required to prepare the forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions by the company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur. We do not provide assurance on the achievability of this forward-looking information.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Calculations to determine information as included in the sustainability statement could be based on assumptions and sources from third parties that include information about, among others, value chain and information collected from actors in the value chain, when appropriate. We have not performed procedures on the content of these assumptions and these external sources, other than evaluating the suitability and plausibility of these assumptions and sources from third parties used.

Responsibilities for the sustainability statement and for the limited assurance procedures thereon

Responsibilities of the management board and the supervisory board for the sustainability statement

The management board of Van Lanschot Kempen N.V. is responsible for the preparation of the sustainability statement in accordance with ESRS, including the development and implementation of the double materiality process, which is a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this process in the sustainability statement.

This responsibility includes:

- understanding the context in which Van Lanschot Kempen N.V.'s activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the company's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions and estimates that are reasonable in the circumstances.

The management board is also responsible for preparing the disclosures in compliance with the reporting requirements provided in the Taxonomy Regulation.

The management board is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the management board is responsible for such internal control as the management board determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.



The supervisory board is responsible for overseeing the company's sustainability reporting process including the double materiality process carried out by the company.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient appropriate assurance evidence to provide a basis for our conclusion.

Our objectives are to obtain a limited level of assurance, as appropriate, about whether the sustainability statement is free from material misstatements, and to issue a limited assurance conclusion in our report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement. The procedures vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance obtained in a reasonable assurance engagement.

Our other responsibilities in respect of the limited assurance engagement on the sustainability statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the assurance engagement, in accordance with the Dutch Standard 3810N, ethical requirements and independence requirements. Our procedures included, amongst others, the following:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources to assess the process to identify the information to be reported carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned activities and prepare the disclosures provided for in the Taxonomy Regulation, without testing the operating effectiveness of controls.

- Assessing the double materiality process carried out by the company and identifying and assessing areas of the sustainability statement, including the disclosures provided for in the Taxonomy Regulation where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise. We designed and performed further assurance procedures aimed at determining that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the process to identify the information to be reported in the sustainability statement made by the management board appears consistent with the process carried out by the company.
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information. Assessing whether the company's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the company's estimates.
- Analysing, on a limited sample basis, relevant internal and external documentation at the level of the company (including other entities or value chain from which the information may stem) for selected disclosures.
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement.
- Considering whether the disclosures provided to address the reporting requirements provided for in the Taxonomy Regulation for each of the environmental objectives, reconcile with the underlying records of the company and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical criteria are met, and whether the accompanying key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in the Taxonomy Regulation, including the format in which the activities are presented.
- Reconciling the relevant financial information to the financial statements.
- Considering the overall presentation, structure and the balanced content of the sustainability statement, including the reporting requirements provided for in the Taxonomy Regulation.
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the sustainability statement as a whole, including the sustainability matters and disclosures, is clearly and adequately disclosed in accordance with ESRS.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the limited assurance engagement and significant findings that we identify during our limited assurance engagement.

Amsterdam, 26 February 2025

PricewaterhouseCoopers Accountants N.V.

Original has been signed by C.C.J. Segers RA

Articles of Association on profit appropriation

Profit is appropriated in accordance with Article 32 of the Articles of Association. This article states that the dividend on Class C preference shares¹ must first be paid from distributable profits (Article 32(1)). The Management Board, with the approval of the Supervisory Board, will then determine what portion of remaining profits after dividend distribution on Class C preference shares will go to reserves (Article 32(3)).

The portion of the profit remaining after the distribution on Class C preference shares and transfer to the reserves will be at the disposal of the annual general meeting of shareholders, providing that no further distributions will be made on Class C preference shares.

If losses have been incurred in any financial year which could not be covered by a reserve or in any other way, no profit distributions will be made until such losses have been recovered (Article 32(5)).

The Management Board may decide that a dividend distribution on Class A ordinary shares will be made in full or in part in the form of shares or depositary receipts rather than in cash. This decision is subject to the approval of the Supervisory Board (Article 32(8)).

¹ There are no Class C preference shares in issue.

Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen

Board report

The board (the “Board”) of Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen (the “Stichting”) reports on its activities in 2024.

Purpose, policies and activities

The Stichting issues depositary receipts for shares that are exchangeable for their underlying Class A ordinary shares in Van Lanschot Kempen NV (“Van Lanschot Kempen”). The Stichting's policy is solely aimed at pursuing what is described in its objects clause as included in Article 2 of its Articles of Association (*statutaire doelomschrijving*). Its activities exclusively concern holding and managing shares in Van Lanschot Kempen; the Stichting does not engage in any commercial activities.

In line with the Dutch Corporate Governance Code, at every Van Lanschot Kempen general meeting the Stichting grants a proxy to depositary receipt holders that either attend the meeting in person or are represented by a third party. In other words, depositary receipt holders can always vote at their own discretion for the number of shares for which they hold depositary receipts.

In 2024, the Stichting's activities consisted of:

- Convening board meetings (at which the matters mentioned below were discussed);
- Granting proxies for Van Lanschot Kempen's general meetings;
- Attending Van Lanschot Kempen's general meetings;
- Exercising the voting rights on Van Lanschot Kempen shares held by the Stichting at Van Lanschot Kempen's general meetings, to the extent that no proxies had been granted to depositary receipt holders;
- Reviewing a proposal for the remuneration policies of the Management and Supervisory Boards;
- Convening a meeting of holders of depositary receipts.

The Stichting will continue to pursue its policies and activities in 2025 in accordance with its objects clause and in keeping with past practice. No changes in the activities of the Stichting in 2025 are foreseen.

The Stichting's income consists of an “independence donation” paid by Van Lanschot Kempen (in the year 2024 this amounted to €60,150). The costs incurred by the Stichting typically only consist of the remuneration due to its Board members and administrative charges (such as audit fees). As the Stichting does not have any discretionary funds, it has no policies in place related to such spending. The Board expects the Stichting's budget for 2025 to be similar to the budget (as well as the profit and loss account) for 2024.

Board meetings

In 2024, the Board held three board meetings. The topics covered in these meetings included:

- Van Lanschot Kempen's 2023 financial statements;
- The state of affairs within Van Lanschot Kempen;
- The agenda of the general meeting of Van Lanschot Kempen held on 23 May 2024 (the “AGM”) and the Stichting's voting intentions;

- Van Lanschot Kempen's 2024 half-year results;
- The agenda of the extraordinary general meeting of Van Lanschot Kempen held on 21 October 2024 (the “EGM”) and the Stichting's voting intention;
- The amendment of the Stichting's Articles of Association;
- The meeting of holders of depositary receipts on 20 November 2024 and the preparation thereof;
- The reappointment of Ms Mennen-Vermeule as a member of the Board in 2024 and the reappointment of Mr Norbruis as a member of the Board in 2026.

Van Lanschot Kempen's general meetings

The Board attended the AGM and the EGM. The Stichting granted proxy votes to holders of depositary receipts for shares that attended these meetings in person or were represented by third parties. This enabled these depositary receipt holders to vote at their own discretion for the number of Class A ordinary shares corresponding to the depositary receipts of Class A ordinary shares held by them at record date. The Stichting voted, at its own discretion, on the Class A ordinary shares for which no proxy votes had been requested. Such shares represented 36.45% of the total number of votes that could be cast at the AGM and 36.11% of the total number of votes that could be cast at the EGM.

The Board carefully considered each of the items put to the ballot and after due consideration decided to vote in favour of all items put to the ballot. This included the remuneration report for the year 2023 and the remuneration policies for the Management and Supervisory Boards, the discharge of the Management and Supervisory Boards, the composition of the Supervisory Board and the discharge of the members of the former board of directors of Mercier Vanderlinden Asset Management NV.

Meeting of holders of depositary receipts

In 2024, a vacancy arose due to the expiry of Ms Mennen-Vermeule's current term in accordance with the appointment schedule. Ms Mennen-Vermeule was available for reappointment. The terms of appointment for Mr Hendriksen and Mr Norbruis will end after the meeting of holders of depositary receipts to be held in 2026. To ensure the continuity of the Board, the Board has already decided on its appointment to fill the vacancy that will arise in 2026 due to the expiry of Mr Norbruis's current term. Mr Norbruis was available for reappointment.

The Board called a meeting of holders of depositary receipts which took place on 20 November 2024. Holders of depositary receipts were given the opportunity, in advance of this meeting, to make a recommendation to fill the Board vacancies. They did not make a recommendation. During the meeting, the Board explained its intention to reappoint Ms Mennen-Vermeule and Mr Norbruis.

Ms Mennen-Vermeule was reappointed as a member of the Board until the meeting of holders of depositary receipts to be held in 2026. The reappointment of Ms Mennen-Vermeule for a third term was motivated by the fact that her reappointment will ensure continuity in the composition of

the Board and because her extensive financial, economic and managerial knowledge and experience are of great value to the Board.

Mr Norbruis was reappointed as a member of the Board for a period of four years with effect from the date on which the biennial meeting of holders of depositary receipt will be held in 2026 and as of the time immediately preceding the commencement of that meeting, subject to the condition that the Board has not previously reversed (in writing or otherwise) by resolution the decision to reappoint Mr Norbruis in 2026. The reappointment of Mr Norbruis was motivated by his extensive legal and managerial knowledge and experience, which are of great value to the Board.

At the request of the Board, the holders of depositary receipts confirmed their trust in the Board.

Composition of the Board

The Board's current members are:

- Mr R.W.Th. Norbruis, Chair
- Ms C.M.P. Mennen-Vermeule, Secretary
- Mr W.F. Hendriksen

Mr Norbruis is a partner at Norbruis Clement Advocaten and the Chair of the Supervisory Board of BE Semiconductor Industries.

Ms Mennen-Vermeule is a member of the Management Board and CFO of Koninklijke Ahrend, and Chair of the Audit Committee of Efteling and Enstall.

Mr Hendriksen is a partner at Van Doorne.

The annual remuneration of the Chair of the Board amounts to €12,500 and that of each other Board member to €10,000.

Expenses

Other expenses incurred by the Stichting amounted to €28,660 in 2024.

Outstanding depositary receipts

At 31 December 2024, the Stichting held 43,036,928 Class A ordinary shares, constituting 99.99% of the shares in Van Lanschot Kempen, with a nominal value of €1 each, for which depositary receipts with the same nominal value have been issued.

Other

The Stichting is a legal entity independent of Van Lanschot Kempen, as referred to in Section 5:71 (1) sub-paragraph (d) of the Financial Supervision Act.

Stichting contact details

The Board can be contacted at:
 Secretariat of Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen
 PO Box 1021
 5200 HC 's-Hertogenbosch
 The Netherlands

The Board

's-Hertogenbosch, the Netherlands, 20 February 2025

Stichting preferente aandelen C Van Lanschot Kempen

Board report

The board (the "Board") of Stichting Preferente aandelen C Van Lanschot Kempen (the "Stichting") reports on its activities in 2024.

Purpose, policies and activities

The Stichting was set up on 28 December 1999 and has its seat in 's-Hertogenbosch, the Netherlands.

The purpose of the Stichting is to safeguard the interests of Van Lanschot Kempen NV ("Van Lanschot Kempen") and its stakeholders, and to avert outside influences that could threaten its continuity, autonomy or identity to the detriment of such interests. The Stichting pursues its purpose by acquiring Class C preference shares in the capital of Van Lanschot Kempen and by exercising the rights attached to these shares.

The Stichting and Van Lanschot Kempen have entered into a call option agreement granting the Stichting the right to acquire Class C preference shares up to 100% of the value of Van Lanschot Kempen's share capital in issue before the exercise of the call option, less one share. When acquiring Class C preference shares, the Stichting is required to pay a minimum of 25% of the nominal amount. To ensure it will be able to pay when the time comes, the Stichting has a funding agreement with ING in place. Van Lanschot Kempen aims to keep any period with outstanding Class C preference shares as brief as possible, and has committed itself to a maximum of one year as the term within which Van Lanschot Kempen will propose to the general meeting to redeem any Class C preference shares.

The Stichting's policy is exclusively aimed at pursuing the purpose as described above. The Stichting does not in any way engage in commercial activities or any other type of activities as long as there are no circumstances that, pursuant to its objects clause, would give the Stichting cause to act and exercise its powers.

In 2024, the Stichting's activities consisted of convening a Board meeting as well as holding ad hoc consultations as and when required.

The Stichting's income consists of an "independence donation" paid by Van Lanschot Kempen (in 2024 this amounted to €194,795). The costs incurred by the Stichting typically only consist of a commitment fee due to ING in relation to the funding agreement, the remuneration due to its Board members and administrative charges (such as audit fees). As the Stichting does not have any discretionary funds, it has no policies in place related to such spending. The Board expects the Stichting's budget for 2025 to be similar to the budget (as well as the profit and loss account) for 2024.

Board meetings

In 2024, the Board convened for one meeting. Topics discussed at that meeting included:

- The state of affairs within Van Lanschot Kempen;
- Van Lanschot Kempen's annual accounts for 2023;
- The Stichting's annual accounts for 2023;
- The minutes of the Board meeting held in June 2023;
- An amendment of the Articles of Association of the Stichting;
- The composition of the Board.

In 2024, a vacancy arose due to the expiry of the current term of Mr Deterink in accordance with the appointment schedule. Mr Deterink was not available for reappointment. The Board considered various candidates and selected Mr Heller as the preferred candidate. Mr Heller was appointed as member of the Board in June 2024. The Board is very grateful to Mr Deterink for his measured judgement in our discussions over the past 25 years and his important contributions to the Stichting as a member of the Board. Ms Van der Pauw succeeded Mr Deterink as Chair of the Board.

Composition of the Board

The Board appoints its own members. The current members of the Board are:

- Ms A.E. van der Pauw, Chair
- Mr H.P.M. Kivits, Secretary
- Mr J.H.H. Heller

Ms Van der Pauw is a former partner of Allen & Overy.

Mr Kivits is a former Chair of Stage Entertainment.

Mr Heller is a former CEO of Louwman Group and Argenta Bank & Verzekeringen.

The annual remuneration of the Chair of the Board amounts to €12,500, and that of each other Board member to €10,000.

Expenses

Other expenses incurred by the Stichting amounted to €163,756 in 2024.

Other

The Stichting is a legal entity independent of Van Lanschot Kempen, as referred to in Section 5:71 (1) sub-paragraph (c) of the Financial Supervision Act (Wft).

The Board

's-Hertogenbosch, the Netherlands, 20 February 2025

Glossary

Advanced internal ratings-based approach (A-IRB)

The most sophisticated credit risk measurement technique. Under A-IRB, a bank is allowed to develop its own models, based on direct or indirect observations, to estimate parameters for calculating risk-weighted assets. Credit risk under A-IRB is determined by using internal input for probability of default (PD), loss given default (LGD), exposure at default (EAD) and maturity (M).

Annual general meeting (AGM)

The annual general meeting of shareholders and other persons entitled to attend the meeting.

Assets under administration (AuA)

Assets which are entrusted by clients to Van Lanschot Kempen purely for custody or for which solely administrative services are performed. Clients make their own investment decisions and Van Lanschot Kempen has no influence on the management of these assets.

Assets under discretionary management

Client assets entrusted to Van Lanschot Kempen under a discretionary management agreement, irrespective of whether these assets are held in investment funds, deposits, structured products or cash.

Assets under management (AuM)

Assets deposited with Van Lanschot Kempen by clients, breaking down into assets under discretionary management and assets under non-discretionary management.

Assets under non-discretionary management

Assets held for clients by Van Lanschot Kempen, irrespective of whether these assets are held in investment funds, deposits, structured products or cash, with either a Van Lanschot Kempen investment adviser advising the client on investment policy or clients making their own investment decisions without Van Lanschot Kempen's input.

Association of Securities-Issuing Companies

Represents the interests of companies that issue securities in the Netherlands, focusing on promoting best practices, transparency, and regulatory compliance in the securities market.

Basel III

The framework drawn up by the Basel Committee on Banking Supervision, which introduced a stricter definition of capital and several new ratios and buffers with which banks must comply.

Basel IV

The reform of Basel III, commonly referred to as "Basel IV", involves the final calibration and design of capital output floors, based on revised standardised approaches. It also includes reforms of the IRB approach and the standardised approach for credit and operational risk.

Business continuity management (BCM)

A framework for identifying potential threats to Van Lanschot Kempen and ensuring that we can continue to operate during and after a disruption.

Capital conservation buffer

Capital Requirements Directive IV (CRD IV) requires Van Lanschot Kempen to maintain Common Equity Tier 1 capital equivalent to 2.5% of total risk-weighted assets as a capital conservation buffer. If an institution fails to maintain this capital conservation buffer, it will be restricted in making discretionary distributions.

Capital deployment

The allocation of financial resources by a company to various investments, projects, or business activities to generate returns.

Capital expenditure (capex)

Funds used by a company to acquire, upgrade, or maintain physical assets such as property, buildings, or equipment.

Capital Requirements Regulation (CRR)

Set of rules and regulations established by the EU to regulate the capital requirements for banks. It determines the amount of capital that banks must hold to ensure their financial stability and resilience. The CRR framework includes elements such as minimum capital requirements, risk-weighted assets, and liquidity requirements that banks must comply with to meet the regulations.

Carbon risk real estate monitor (CRREM)

An EU-funded project to help investors assess and manage risk in the real estate sector related to climate change.

Cash flow hedges (hedge accounting)

Instruments to hedge the exposure to fluctuations in cash flows of assets, liabilities or future transactions, arising as a result of interest rate changes and/or inflation.

Client option positions

Clients are unable to buy or sell share options directly on the stock exchange. Van Lanschot Kempen purchases or sells on behalf of these clients and covers this with offsetting transactions on the stock exchange. Such receivables and payables are recognised under Derivatives.

Common Equity Tier 1 (CET 1) capital

Also referred to as core capital, CET 1 capital encompasses a bank's share capital, share premium and other reserves, adjusted for deductions as specified by regulators, such as goodwill, deferred tax assets and IRB shortfall.

Common Equity Tier 1 (CET 1) ratio

CET 1 capital as a percentage of total risk-weighted assets.

Compliance and Operational Risk Committee

A governance body responsible for overseeing and managing compliance and operational risks within Van Lanschot Kempen.

Contingent liabilities

All commitments arising from transactions for which Van Lanschot Kempen has given a guarantee to third parties.

Cost/income ratio

Ratio of operating expenses (excluding costs incurred for special items) to income from operating activities.

Cost/income ratio (IFRS Accounting Standards)

Operating expenses excluding impairments and results from the sale of public and private sector loans and advances, as a percentage of income from operating activities.

Countercyclical capital buffer

Common Equity Tier 1 capital equivalent to the total risk exposure amount (calculated in accordance with the CRR) multiplied by the weighted average of the countercyclical buffer rates. The countercyclical buffer rates are set by the designated authority in each EU member state on a quarterly basis. The buffer is determined by calculating the weighted average of the countercyclical buffer rates that apply in the jurisdictions of the relevant credit exposures.

CPB Netherlands Bureau for Economic Policy Analysis

Generally known by its Dutch acronym, CPB Netherlands Bureau for Economic Policy Analysis is an independent research institute that provides policy-relevant economic analyses and projections, conducting research on the Dutch economy and on general socio-economic policy.

Credit risk

The risk that loans are not repaid, not fully repaid or not repaid on time.

Credit support annex (CSA)

Forming part of an international swaps and derivatives agreement (ISDA), a CSA regulates credit support (collateral) for obligations resulting from derivatives.

Credit valuation adjustment (CVA)

An adjustment made on the valuation of derivatives transactions with a counterparty, reflecting the current market value of counterparty credit risk.

CRD/CRR

Capital Requirements Regulation and Directive: Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (CRR) and Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV). The CRR/CRD IV package transposes the global standards on bank capital (the Basel III agreement) into EU law.

CSRD

On 5 January 2023, the Corporate Sustainability Reporting Directive (CSRD) entered into force. The new rules will ensure that investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment and for investors to assess financial risks and opportunities arising from climate change and other sustainability issues. Companies subject to the CSRD will have to report according to European Sustainability Reporting Standards (ESRS).

Currency options

Currency options grant their buyer the right, but not the obligation, to buy or sell a quantity of a certain currency at a pre-determined exchange rate during or at the end of a pre-determined period. The currency option constitutes an obligation for the seller. Van Lanschot Kempen's currency

options mainly relate to client transactions covered by offsetting transactions in the markets.

Data breach

An incident in which sensitive, confidential or protected information is accessed, disclosed or stolen by unauthorised individuals.

Data protection impact assessment (DPIA)

A process used to identify and mitigate risks to data privacy and protection when implementing new projects or systems involving personal data.

Data Protection Officer (DPO)

An independent internal supervisor responsible for ensuring that Van Lanschot Kempen complies with data protection laws and regulations.

De Nederlandsche Bank (DNB)

The Dutch central bank.

Defined benefit scheme

A pension scheme other than a defined contribution scheme (see below). In a defined benefit scheme, the company has the constructive obligation to make up any deficit in the scheme. This does not have to be based on any legal requirements, but may be simply on the basis of an historical intention on the part of the company to make up any deficits.

Defined contribution scheme

A scheme in which the company makes agreed contributions to a separate entity (a pension fund) to secure pension rights. The company is not obliged, either legally or effectively, to pay additional contributions if the pension fund does not have enough assets to cover all of its current and future obligations.

Delta economic value of equity (Δ EVE)

A long-term economic measure used to assess the degree of interest rate risk exposure. The measure reflects how changes in interest rates impact the value of Van Lanschot Kempen's assets and liabilities.

Delta net interest income (Δ NI)

A short-term analysis of the interest income under a number of market interest rate scenarios, relative to the baseline scenario in which interest rates are expected to develop based on forward rates.

Derivatives

Financial assets whose value derives from the value of other financial assets, indices or other variables. Van Lanschot Kempen holds both derivatives whose size (face value), conditions and prices are determined between Van Lanschot Kempen and its counterparties (OTC derivatives), and standardised derivatives traded on established markets.

Digital Operational Resilience Act (DORA)

A piece of EU regulation aimed at ensuring that financial institutions can withstand, respond to and recover from all types of ICT disruptions and threats. It sets out requirements for risk management, incident reporting, testing and third-party risk management to enhance the digital resilience of the financial sector.

Directive 2013/34/EU

An EU law that sets requirements for the financial statements and reports of certain companies, aiming to ensure transparency and comparability of financial information across the EU.

Discounted cash flow (DCF)

A method to value an investment by estimating future cash flows, taking account of the time value of money.

Do no significant harm criteria (DNSH)

Part of the EU Taxonomy Regulation, these criteria ensure that economic activities do not cause significant harm to environmental or social objectives while pursuing sustainability goals.

Double materiality assessment (DMA)

A process that evaluates both the financial impact of ESG issues on Van Lanschot Kempen and the company's impact on these issues, ensuring that both perspectives are considered in sustainability reporting.

Due diligence

A detailed review process that a company undertakes to assess potential risks and opportunities before a business transaction, which involves an examination of financial, legal and operational aspects to make informed decisions.

Duration of equity

A measure of the interest rate sensitivity of equity that reflects the impact on equity of a 1% parallel shift in the interest curve.

Dutch Authority for the Financial Markets (AFM)

The Dutch regulator for financial institutions in the Netherlands.

Dutch Data Protection Authority

The regulatory body responsible for overseeing and enforcing data protection laws in the Netherlands.

Dutch Fund and Asset Management Association (DUFAS)

An industry organisation representing the interests of asset managers and investment funds in the Netherlands, promoting a transparent, fair and efficient investment environment.

Dutch Securities Institute (DSI)

Certifies and registers financial professionals in the Netherlands, ensuring they meet industry standards and ethical guidelines.

Economic hedges

Derivatives used to manage risks without applying hedge accounting, carried at fair value. At Van Lanschot Kempen, these primarily take the shape of interest rate derivatives.

Effective interest rate

The rate that discounts estimated cash flows to the net carrying amount of the financial asset over the life of an instrument, or, where appropriate, over a shorter period.

Employee engagement survey (EES)

A tool used to measure the level of employee engagement, satisfaction and commitment to the company.

Employee resource groups (ERGs)

Voluntary, employee-led groups that foster a diverse, inclusive workplace aligned with the organisation's values, objectives, and goals. These groups provide support to their members and contribute to both personal and career development in the work environment. ERGs often focus on shared characteristics or life experiences, such as gender, age, sexual orientation or international background. Examples include groups for women, young professionals, LGBTQ+ employees, and international employees.

Environmental, social and governance (ESG)

Environmental, social and governance factors are used to evaluate companies and countries on their progress in terms of sustainability and ethical behaviour.

EU Shareholder Rights Directive (SRD II)

SRD II is a regulation that aims to strengthen the rights of shareholders in EU-listed companies. It enhances transparency and encourages long-term shareholder engagement by setting rules for executive remuneration, related party transactions and the identification and involvement of shareholders in corporate governance.

EU taxonomy

A piece of EU regulation that supplies a classification system defining which economic activities are environmentally sustainable. It guides investors, companies and policymakers in making informed decisions that support the EU's climate and environmental goals.

European Banking Authority (EBA)

An EU regulatory agency that works to ensure effective and consistent regulation and supervision of the banking sector across all EU member states.

European Central Bank (ECB)

The central bank for the eurozone, responsible for managing the euro and implementing monetary policy to maintain price stability.

European Financial Reporting Advisory Group (EFRAG)

EFRAG is a private association established with the support of the European Commission that serves the public interest by providing, among other things, technical advice on sustainability reporting. EFRAG provides technical advice to the European Commission in the form of draft European Sustainability Reporting Standards and/or draft amendments to these standards.

European Securities and Markets Authority (ESMA)

An EU regulatory authority that enhances investor protection and promotes stable and orderly European financial markets.

European Sustainability Reporting Standards (ESRS)

The ESRS provides detailed guidelines for companies to report on their ESG performance, enhancing transparency and comparability of sustainability information across the EU.

Expected credit losses (ECL) IFRS 9

The probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of a financial instrument.

Expected loss (EL)

Expected loss on loans, expressed in the formula $EL = PD * EAD * LGD$.

Exposure at default (EAD) Basel

Exposure at the time of a client's default,

Exposure at default (EAD) IFRS 9

The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Fair value hedges (hedge accounting)

A fair value hedge comprises one or more swaps concluded to cover the changes in fair value resulting from changes in interest rates, of debt securities, for example. Hedge relations are typically exact hedges, involving debt securities with fixed rates and terms being offset by swaps with exactly the same terms and fixed interest rates.

Fiduciary management

Holding assets as a trustee or in another fiduciary role for individuals, trusts, pension providers and other institutions. These assets are not included in the consolidated financial statements because they are not Van Lanschot Kempen's assets.

Financial materiality

The significance of financial information or events that could influence the economic decisions of users, such as investors or stakeholders.

Fitch Ratings (Fitch)

Credit rating agency.

Forbearance

Making a concession regarding the terms and conditions of a loan agreement due to actual or anticipated financial difficulties which prevent a client from meeting their obligations vis-à-vis Van Lanschot Kempen. The concession enables the client to meet the revised obligations. This may also include the whole or partial refinancing of the existing loan.

Forwards

Contractual obligations to purchase or sell goods or financial assets at a future date at a pre-determined price. Forward contracts are customised contracts traded on the OTC markets.

Foundation internal ratings-based approach (F-IRB)

An advanced credit risk measurement technique. Under F-IRB, a bank is allowed to develop its own models, based on direct or indirect observations, to estimate parameters for calculating risk-weighted assets. Credit risk under F-IRB is determined by using internal input for probability of default (PD). In contrast to A-IRB, the loss given default (LGD) is included, based on prescribed values.

Fund for joint account (FGR)

As part of the partnership plan, partners' individual contributions are collected in a *fonds voor gemene rekening* (FGR). These contributions remain in the fund during their full tenure as a partner.

Funding ratio

The ratio between public and private sector liabilities and total loans and advances (excluding bank borrowing and lending).

Futures

Contractual obligations to purchase or sell goods or financial assets at a future date at a pre-agreed price. Futures are standardised contracts traded on organised markets, with stock exchanges acting as intermediaries and requiring daily settlement in cash and/or deposits of collateral. Van Lanschot Kempen has a number of futures on share indices on its books, partly for its own use and partly for clients, for offsetting transactions in the markets.

General Data Protection Regulation (GDPR)

The General Data Protection Regulation (GDPR) is an EU law that protects the personal data and privacy of individuals within the EU and EEA. It sets strict rules for data collection, processing, and storage, emphasising principles such as lawfulness, transparency, data minimisation, and security. The GDPR also provides individuals with rights over their data, such as access, correction and erasure.

General meeting

The body formed by voting shareholders and others with voting rights.

Global Reporting Initiative (GRI)

An independent organisation which develops guidelines for sustainability reports. Van Lanschot Kempen's integrated annual report is based on GRI.

Green asset ratio (GAR)

Measures the proportion of a financial institution's assets that are environmentally sustainable according to the EU taxonomy.

Greenhouse gases (GHGs)

Greenhouse gases, including carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), trap heat in the atmosphere and contribute to global warming and climate change.

Gross exposure

The value at which receivables are recognised in the consolidated statement of financial position, with the exception of derivatives. Gross exposure is calculated on the basis of an add-on percentage of the nominal value (fixed percentages in accordance with the Financial Supervision Act) and the positive replacement value.

Hedge

Protection of a financial position – against interest rate risks in particular – by means of a financial instrument (typically a derivative).

Higher energy performance certificate (EPC)

Indicates that a building has superior energy efficiency, resulting in lower energy consumption and reduced environmental impact.

Impacts, risks, and opportunities (IROs)

Assessment of how a company's activities affect the environment and society (impact), the potential adverse effects that ESG issues may have on the company (risks), and the potential benefits or positive outcomes that can arise from addressing these issues (opportunities).

Impairment

Amount charged to the result for possible losses on non-performing or irrecoverable loans and advances. Alternatively, an impairment test may suggest lower asset values, if fair values have dipped below carrying amounts and/or the fair value of investments and associates have moved below cost.

Interest rate option

An agreement between a buyer and a seller, under which the seller guarantees the buyer a maximum interest rate (cap) or minimum interest rate (floor) for a fixed term.

Interest rate risk

The risk that profit and equity are impacted by changes in interest rates, in particular in the event of an intentional or unintentional mismatch in the terms of funds lent and borrowed.

Interest rate swaps

A contract in which two parties exchange interest payments for a pre-agreed period and a notional principal amount, while not swapping the face value. An interest rate swap typically involves exchanging fixed-rate cash flows for floating-rate cash flows in the same currency, with the floating rate based on a benchmark interest rate (usually Euribor).

Internal capital adequacy assessment process (ICAAP)

Strategies and procedures designed for Van Lanschot Kempen's continuous assessment as to whether the amount, composition and distribution of its equity still reconcile with the size and nature of its current and potential future risks.

Internal liquidity adequacy assessment process (ILAAP)

A key purpose of the ILAAP is to document and demonstrate overall liquidity adequacy. This documentation informs a bank's board and regulators of the ongoing assessment and quantification of its liquidity and funding risks, how it intends to mitigate those risks and how much current and future liquidity is required. In addition to the analysis of liquidity risk, ILAAP should also include a detailed analysis of its funding profile and evaluation of risks to the stability of the funding profile.

Internal ratings-based approach (IRB)

An advanced approach used to calculate credit risk. Van Lanschot Kempen applies only the advanced internal ratings-based (A-IRB) approach.

IFRS Accounting Standards

Accounting and reporting standards drawn up by the International Accounting Standards Board. These standards have been adopted by the EU and have been applied by us from the 2005 financial year.

Irrevocable commitments

All obligations resulting from irrevocable commitments that could result in loans or mortgages being granted.

Learning and development (L&D)

Activities and programmes implemented by organisations to enhance the skills, knowledge and competencies of their employees.

Level 1: Quoted prices in active markets

The fair value of financial instruments traded in an active market is based on the price at the reporting date (market price). The bid price is applied for financial assets and the offer price for financial liabilities. Since these instruments are traded in an active market, their prices adequately reflect current and frequent market transactions between unrelated parties.

Level 2: Inputs observable in the markets

The fair value of financial instruments not traded in active markets, e.g. over-the-counter (OTC) financial derivatives is established using cash flow and option valuation models. On the basis of its estimates, Van Lanschot Kempen selects a number of methods and makes assumptions based on the market conditions (observable data) at the reporting date.

Level 3: Significance of unobservable market data

The financial assets in this category have been assessed on an individual basis. Their valuation is based on management's best estimate by reference to the most recent prices, prices of similar instruments and, to a not insignificant extent, information not observable in the market.

Leverage ratio (LR)

The leverage ratio represents the relationship between total assets plus contingent items and Basel III Tier 1 capital. It is calculated in accordance with the CRR.

LGBTQ+

LGBTQ+ stands for lesbian, gay, bisexual, transgender and queer/questioning, with the "+" representing other sexual and gender identities. It is an inclusive term used to describe a diverse range of sexual orientations and gender identities.

Lifetime probability of default (LPD)

See "Probability of default".

Liquidity coverage ratio (LCR)

The LCR represents the ratio between high-quality liquid assets and the balance of cash outflows and cash inflows in the next 30 days.

Liquidity risk

The risk that Van Lanschot Kempen has insufficient liquid assets available to meet current liabilities in the short term.

Litigation costs

Expenses incurred by Van Lanschot Kempen in the process of legal proceedings, including attorney fees, court fees, and settlement costs.

Loss given default (LGD)

The loss given default is an estimate of the loss arising in the event of a default occurring at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is typically expressed as a percentage of EAD.

Loss given loss (LGL) model

A product-level model evaluating the part of exposure at default (EAD) that may be lost.

Market risk

The risk that the value of a financial position changes due to movements in stock exchange prices, foreign exchange and/or interest rates.

Markets in Financial Instruments Directive (MiFID)

The Markets in Financial Instruments Directive (MiFID) is a regulatory framework established by the EU to standardise investment services across member states and enhance investor protection. It aims to increase transparency in financial markets, improve the functioning of those markets, and ensure a consistent level of protection for investors.

Morgan Stanley Capital International (MSCI)

MSCI is a global provider of equity, fixed income and real estate indices, multi-asset portfolio analysis tools, and tools to evaluate ESG and climate products.

Morningstar

Morningstar rates mutual funds and ETFs from 1 to 5 stars based on how well they have performed in comparison to similar funds and ETFs.

MSCI orange flags

Indicators used by MSCI to highlight potential governance, environmental, or social risks associated with a company.

Net Promoter Score (NPS)

The NPS provides information on client loyalty and the number of promoters of the organisation. The score lies within a range of -100 to 100 points. The formula is as follows: $NPS = \% \text{ promoters} - \% \text{ detractors}$. Promoters give the organisation a score of 9 or 10, whereas detractors award a score of between 0 and 6.

Net stable funding ratio (NSFR)

The relationship between available stable funding and the required amount of stable funding.

Non-controlling interests

Non-controlling interests in entities that are fully consolidated by Van Lanschot Kempen.

OECD Guidelines

The guidelines of the Organisation for Economic Co-operation and Development (OECD) describe what the Dutch government expects from multinational enterprises when it comes to corporate social responsibility. The Guidelines provide companies with guidance in the field of e.g. supply chain management, human rights, child labour, environment and corruption.

Operating expenses (opex)

Ongoing costs for running Van Lanschot Kempen's business, such as salaries, rent, utilities, and maintenance.

Operational risk

The risk of direct or indirect losses as a result of inadequate or defective internal processes and systems, inadequate or defective human acts, or external events.

Partnership for Biodiversity Accounting Financials (PBAF)

A non-profit organisation that develops methods for financial institutions to measure and report on the biodiversity impact of their investments.

Partnership for Carbon Accounting Financials (PCAF)

A global initiative that provides a standardised framework for financial institutions to measure and disclose the greenhouse gas emissions associated with their loans and investments.

Principles for Responsible Investment (PRI)

The Principles for Responsible Investment (PRI) provide a framework for incorporating environmental, social and governance criteria in investment policies.

Probability of default (PD)

The probability of default is an estimate of the likelihood of default over a given time horizon. In our IRB models (Basel), this time horizon is one year. For IFRS 9 purposes, we use the one-year PD as well as the lifetime PD. A default may only happen at a certain time during the assessed period if the facility has not already been derecognised and is still in the portfolio.

Product backlog item (PBI)

A single unit of work or requirement that is listed in the product backlog and prioritised for development in agile project management.

Residential mortgage-backed securities (RMBS)

Securities backed by residential mortgages. A provider of residential mortgages (typically a bank) will sell these on to a separate entity, a special purpose vehicle (SPV). To finance the mortgages, the SPV will then issue securities called RMBS, which are secured by the mortgages.

Risk-weighted assets (RWA)

The assets of a financial institution after being adjusted by a weighting factor, set by its regulators, that reflects the relative risk attached to the relevant assets. Risk-weighted assets, also referred to as "total risk exposure amount," are used to calculate the minimum amount of capital the institution needs to hold.

Science Based Targets initiative (SBTi)

A collaboration between Carbon Disclosure Project, the United Nations Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF) that helps companies set greenhouse gas emission reduction targets in line with climate science.

Settlement risk

The risk for financial transactions that are not settled within five days of the agreed deadline if the difference between the agreed settlement price and the price at the reporting date could lead to a loss.

Shortfall

The difference between the calculated expected loss (EL) and the provision made for a loan for which the capital adequacy requirement is calculated using the IRB method. If the calculated EL exceeds the provision made, the difference must be deducted from Common Equity Tier 1 capital.

Single Resolution Fund (SRF)

The Single Resolution Fund is an emergency fund that can be called upon in times of crisis. It can be used to ensure the efficient application of resolution tools for resolving failing banks, after other options, such as the bail-in tool, have been exhausted. The SRF enables the financial industry as a whole to ensure the stabilisation of the financial system.

Software-as-a-service (SaaS) solutions

Software-as-a-service (SaaS) solutions are cloud-based applications delivered via the internet, allowing users to access software without installing it on local devices.

Solvency

Van Lanschot Kempen's buffer capital expressed as a percentage of risk-weighted assets.

Standard & Poor's (S&P)

Credit rating agency.

Standardised approach (SA)

A method used under Basel to measure operational, market and credit risks, based on a standardised approach, in which risk weightings are prescribed by the regulators.

Strategic risk

Current or future threats to Van Lanschot Kempen's results or equity resulting from not or inadequately responding to changes in external factors and/or from taking incorrect strategic decisions. This is a part of the business risk.

Structured products

Synthetic investment instruments specially created to meet specific needs that cannot be met by the standardised financial assets available in the markets.

Supervisory review and evaluation process (SREP)

SREP is a set of procedures carried out on an annual basis by the supervisory authorities to ensure that each credit institution has in place the strategies, processes, capital and liquidity appropriate to the risks to which it is or might be exposed.

Sustainable Development Goals (SDGs)

In 2015, the United Nations set out the SDGs for 2030: a set of 17 highly ambitious goals relating to climate, poverty, healthcare, education and other challenges.

Systematic integrity risk analysis (SIRA)

A methodology used to identify, assess, and manage integrity risks within an organisation.

Technical screening criteria (TSC)

Specific requirements that economic activities must meet to be considered environmentally sustainable under the EU taxonomy.

Tier 1 capital ratio

The ratio between total Tier 1 capital and risk-weighted assets.

Total capital ratio

The percentage of a bank's capital adequacy, calculated by dividing qualifying capital by the risk-weighted assets as defined by the Bank for International Settlements (BIS).

Total risk exposure amount (TREA)

The sum of risk-weighted exposure amounts for credit risk, foreign exchange risk, settlement risk, counterparty risk, operational risk, market risk and for credit valuation adjustment (CVA) risk.

Total Tier 1 capital

Van Lanschot Kempen's total Tier 1 capital includes share capital, share premium and other reserves, adjusted for certain deductions set by the regulator, such as goodwill and shortfall.

Value at risk (VaR)

Statistical analysis of historical market trends and volatilities, used to estimate the likelihood that a portfolio's losses will exceed a certain amount.

Van Lanschot Kempen

Van Lanschot Kempen NV

Verified carbon standard (VCS)

A certification programme that ensures the credibility and quality of carbon offset projects, verifying that they meet specific criteria for reducing greenhouse gas emissions.

Weighted average carbon intensity (WACI)

Measures the carbon emissions per unit of revenue, weighted by the size of each investment in a portfolio.

Wft (Financial Supervision Act)

The Wft governs the supervision of the financial sector in the Netherlands.

Ten-year figures

Results (€1,000)	2024	2023	2022	2021	2020
Total income from operating activities	724,606	669,372	578,078	598,405	442,740
Operating expenses	532,533	503,172	465,634	437,791	386,655
Impairments	-1,439	2,027	-6,534	-17,837	1,871
Operating profit before tax	193,512	164,173	118,979	178,450	54,214
Net result (group profit)	141,940	125,156	84,301	143,807	49,844
Statement of financial position (€1,000)					
Equity attributable to shareholders	1,275,008	1,246,996	1,280,539	1,307,544	1,254,481
Public and private sector liabilities	12,766,921	12,573,814	12,726,194	11,729,556	10,141,109
Loans and advances to the public and private sectors	9,331,093	9,161,433	9,363,958	8,875,601	8,448,326
Total assets	16,983,332	16,835,885	17,018,965	16,306,596	15,149,026
Key data					
Number of ordinary shares at year-end (excluding treasury shares)	42,377,190	42,477,086	40,717,318	40,847,117	41,071,819 ¹
Average number of ordinary shares	42,385,602	41,969,250	40,706,137	40,910,434	40,989,428 ¹
Earnings per ordinary share based on average number of ordinary shares (€)	3.11	2.82	1.90	3.35	1.05
Dividend per ordinary share (€)	2.75	2.00	1.75	2.00	0.70
IFRS Accounting Standards cost/income ratio (%)	73.5	75.2	80.5	73.2	87.3

Results (€1,000)	2019	2018 ²	2017	2016	2015
Total income from operating activities	553,222	506,282	522,539	524,400	561,140
Operating expenses	410,840	440,193	428,990	440,729	422,516
Impairments	22,854	-13,416	-11,461	-2,115	61,937
Operating profit before tax	119,529	79,504	105,010	85,785	54,284 ⁴
Net result (group profit)	98,414	80,315	94,945	69,800	42,754
Statement of financial position (€1,000)					
Equity attributable to shareholders	1,210,853	1,243,663 ³	1,332,860	1,340,470	1,299,358
Public and private sector liabilities	9,545,095	9,090,939	9,145,119	9,679,764	9,908,391 ⁵
Loans and advances to the public and private sectors	8,597,894	8,561,497	9,103,327	9,624,048	10,504,423 ⁵
Total assets	14,318,853	13,983,184 ³	14,658,875	14,877,411	15,831,775
Key data					
Number of ordinary shares at year-end (excluding treasury shares)	40,920,773	41,017,021	40,846,973	40,873,462	40,961,353
Average number of ordinary shares	40,974,330	41,004,769	40,959,989	40,908,194	40,919,503
Earnings per ordinary share based on average number of ordinary shares (€)	2.27	1.82	2.19	1.61	0.83
Dividend per ordinary share (€)	1.45	1.45	1.45	1.20	0.45
IFRS Accounting Standards cost/income ratio (%)	74.3	86.9	82.1	84.0	75.3

¹ The number of shares for Van Lanschot Kempen NV, for the years 2020 and before, are prior to the legal merger of Van Lanschot Kempen and Van Lanschot Kempen Wealth Management.

² As of 2018, the figures have been prepared in accordance with IFRS 9; those for the years prior to 2018 in accordance with IAS 39.

³ Some amounts differ from previously published reports, reflecting changes that result from the accounting changes related to the provision for pensions.

⁴ Includes the result from sale of loans and advances to the public and private sectors, amounting to €22.4 million.

⁵ The 2015 figures have been adjusted to reflect the discontinuation of offsetting current account balances.

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We welcome your views and opinions – please see our contact details above.

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