

1737

VAN LANSCHOT
KEMPEN

11 May 2022

Capital Markets Day

Welcome



Capital Markets Day

Strategy and sustainability

Maarten Edixhoven
Chair of the Management Board



Van Lanschot Kempen: Resilient – Sustainable – Growth

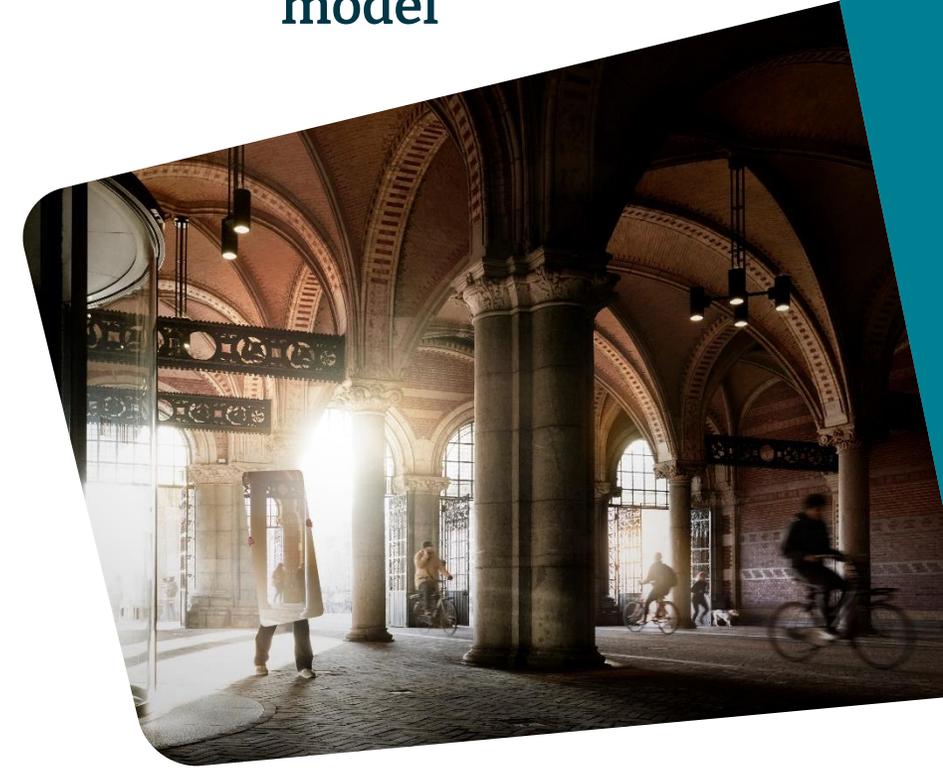
Entrepreneurial
heritage



Our people



Integrated
model



Continuous capital-light growth



Organic growth



Bolt-on acquisitions



Market performance





Our people: focused on client intimacy

NPS Private Clients:
41

Employee engagement
score: 88%

70% of our employees
is shareholder



To create and preserve wealth for our clients and society in a sustainable way

Our integrated model continues under one brand

Private Clients

Wholesale & Institutional Clients

Investment Banking Clients



Our mid-term financial targets - A solid business model

CET1 ratio

15%

Plus M&A add-on 2.5%

Efficiency ratio

70%

Return on CET1

12%

Through the cycle



Sustainability: net-zero wealth manager by 2050



AuM

€112.1bn
~ 99%
of impact

Balance sheet

€16.3bn
~ 1%
of impact

Own organisation

1,654 FTE
~ 0.1%
of impact





Our team:
an experienced
leadership team

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Continued focus on growth

Richard Bruens

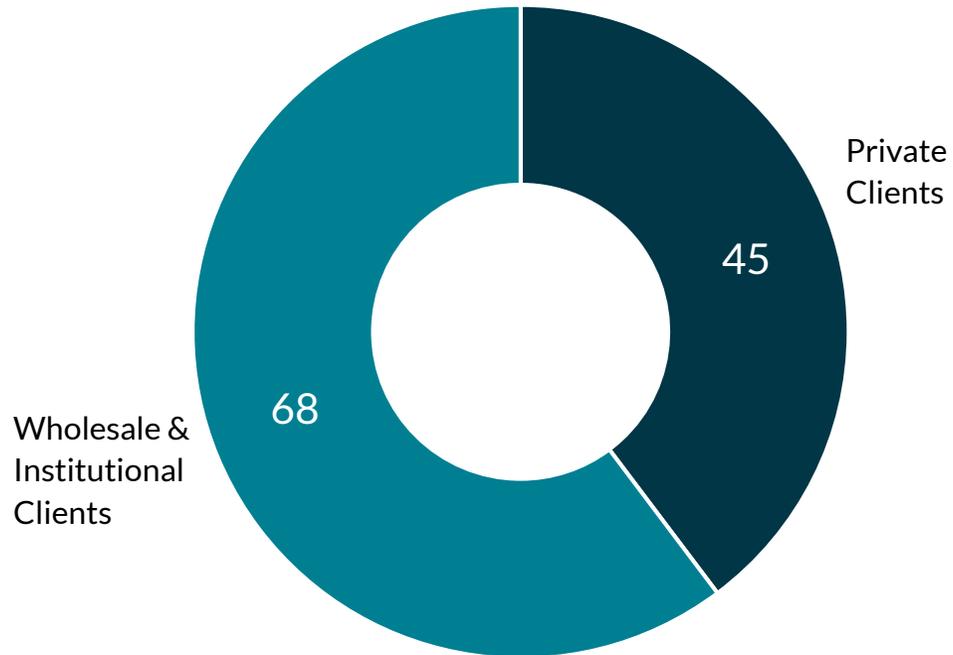
Member of the Management Board

Client Management & Origination

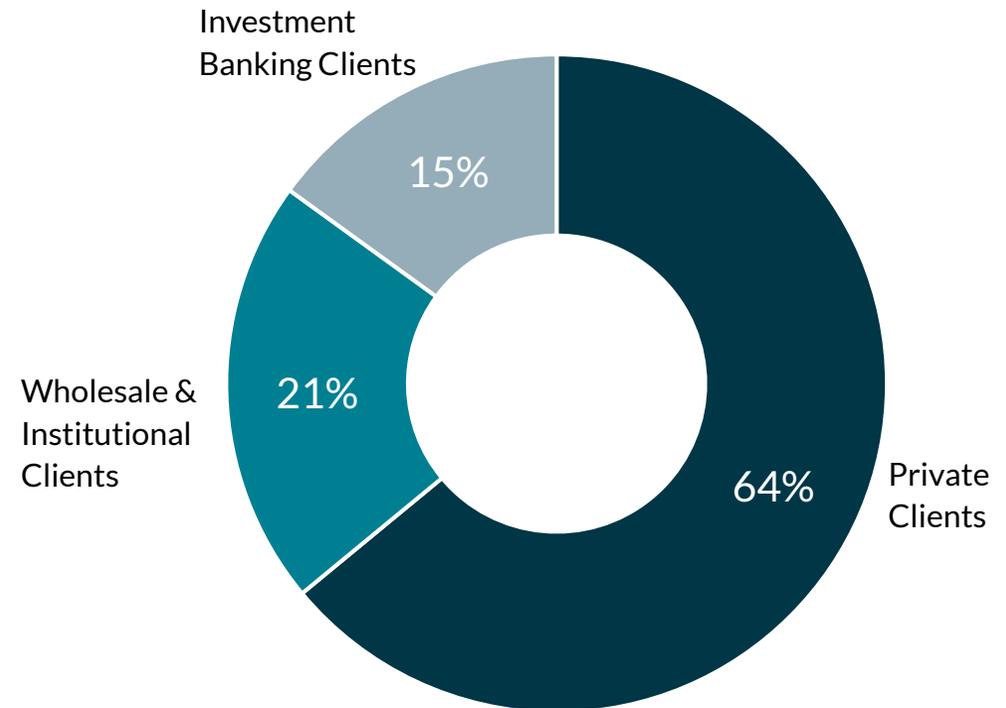


Our three client segments

AuM per client segment (€ bn per 31/12/2021)

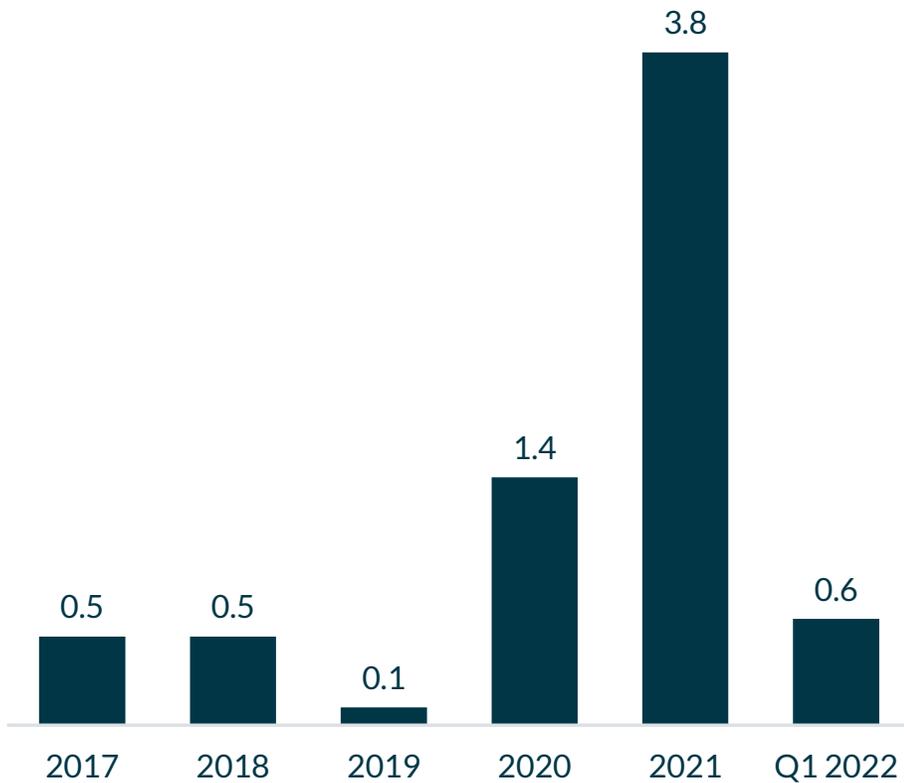


Commission income per client segment (2021)

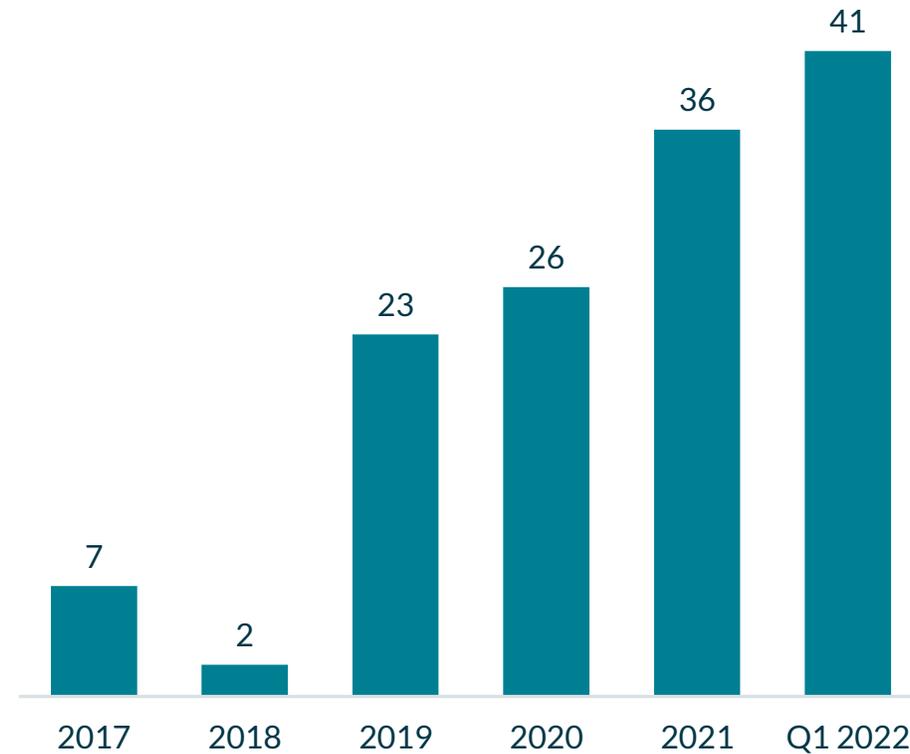


Strong growth over the past years

Private Clients*: net inflow in AuM (€ bn)



Private Clients: Relationship Net Promoter Score



*2017 - 2020 Private Banking segment, as of 2021 Private Clients segment





Multiple levers for continued growth

Further growth in the
Netherlands

Accelerated
growth in Belgium

Making our expertise
available to all our client
segments



Further growth in the Netherlands



Dedicated focus on
wealth management



The right people

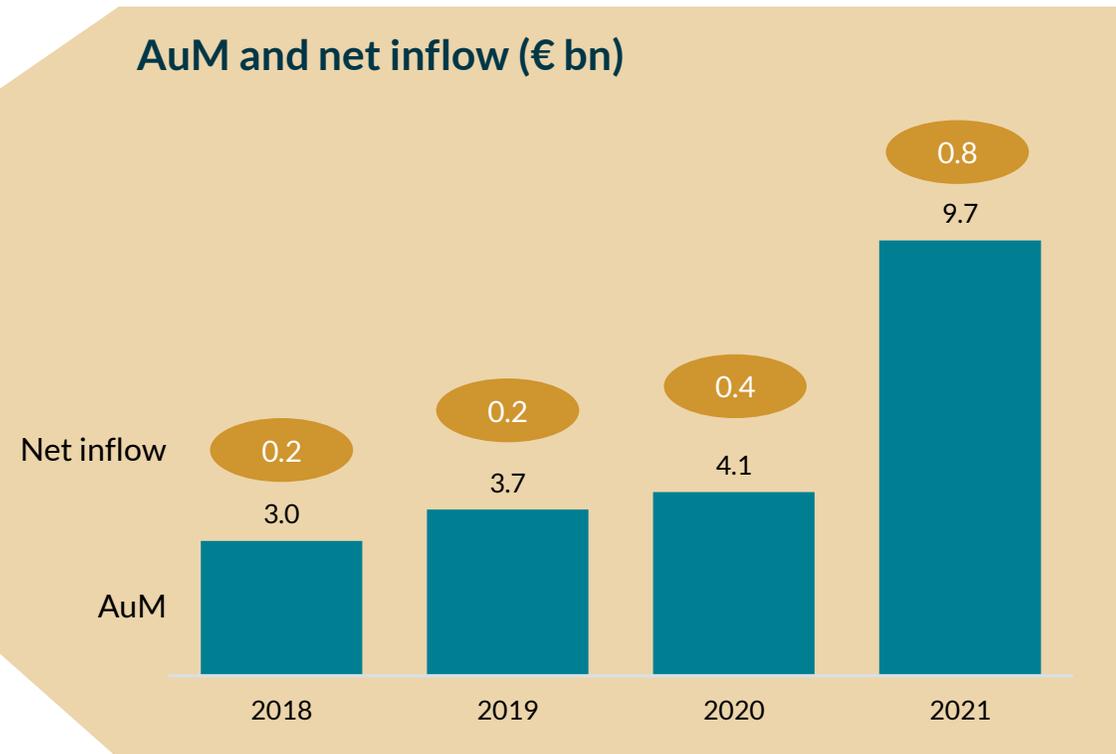
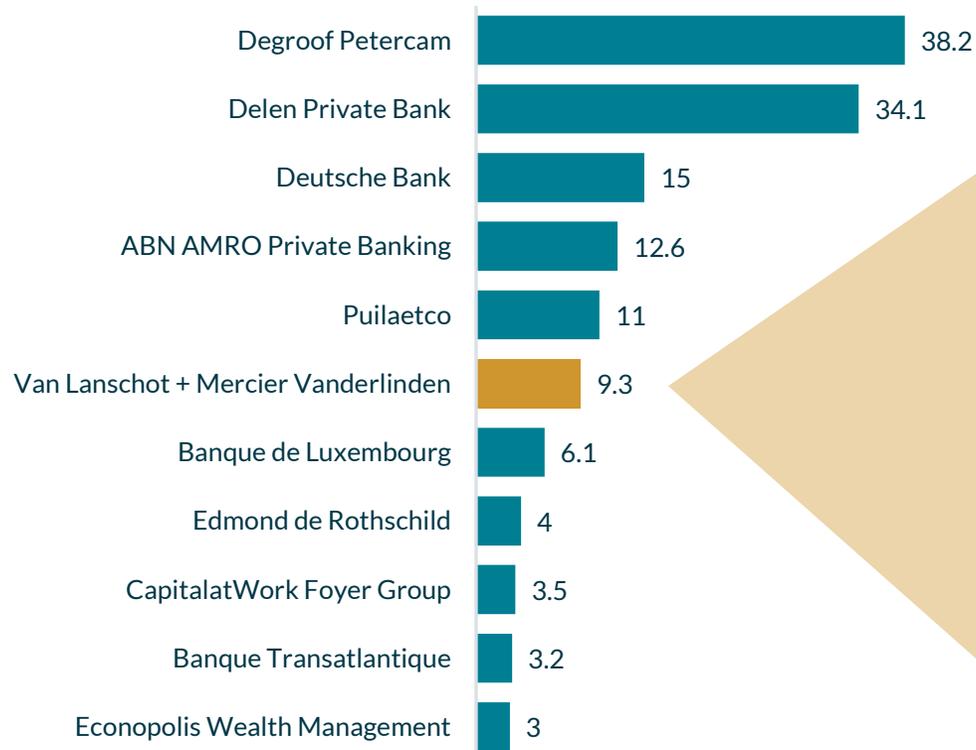


Strong and disciplined focus on
client experience and sales management



Accelerated growth in Belgium: becoming the market challenger

Private Banking Market Belgium (€ bn per 30/6/2021)



Making our expertise available to all client segments

Examples

Corporate Finance deals
for Private Clients



Sales management and client experience
for Wholesale & Institutional Clients



Outsourced CIO concept
for professionals



Video on Real Assets: “Bringing transparency to an opaque asset class” – also for private clients

By Anneka Treon – Managing director Competence Centre



Q & A



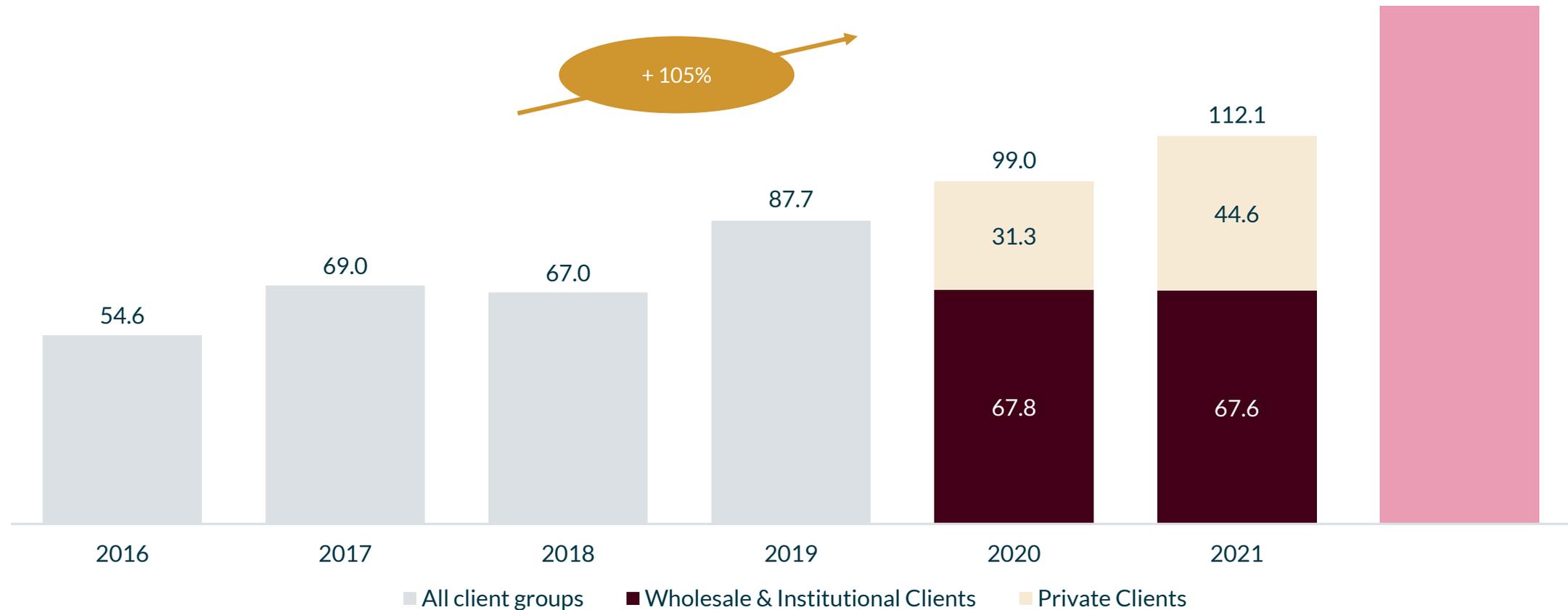
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Perspective on our investment engine

Erik van Houwelingen
Member of the Management Board
Investment Strategies & Solutions

Strong AuM growth over the past years

AuM (€ bn)



Our offering for Wholesale & Institutional Clients



Client expectations

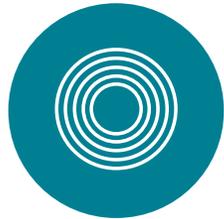
External developments



Our added value



A journey to profitable growth



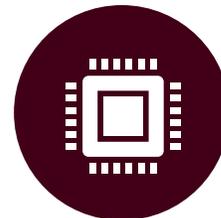
Targeted growth in selected markets and solutions



Additional focus on alternative asset classes



Impact through sustainable entrepreneurship



Further investments in digitisation to support future growth



Q & A

Break

The background image shows a large industrial building under construction, with a complex network of steel beams and pipes. A prominent red, semi-transparent overlay covers the left side of the image. In the foreground, a person is walking, and another person is carrying a large white sheet. The scene is brightly lit, suggesting a sunny day.

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Digitisation and technology

Arjan Huisman

COO and member of the Management Board



Our aim:

**Continuously improve
our client journeys
and internal processes**

Strong progress on digital agenda

Modern digital omnichannel private banking client experience and tooling

Swift integration of acquisitions and Belgium franchise on group platform

Moved to Azure cloud for significant part of infrastructure

Successfully outsourced various activities to SaaS/ASP/BPO solutions

Phase-out of (legacy) platforms

Shift towards data-centric IT architecture using modern cloud-based API tooling

Full-blown Azure-based data analytics suite and capabilities

Continuous digitisation of processes (freeing up capacity for growth)

Remote working for all staff (realised before Covid)

Built fast-paced agile organisation and culture

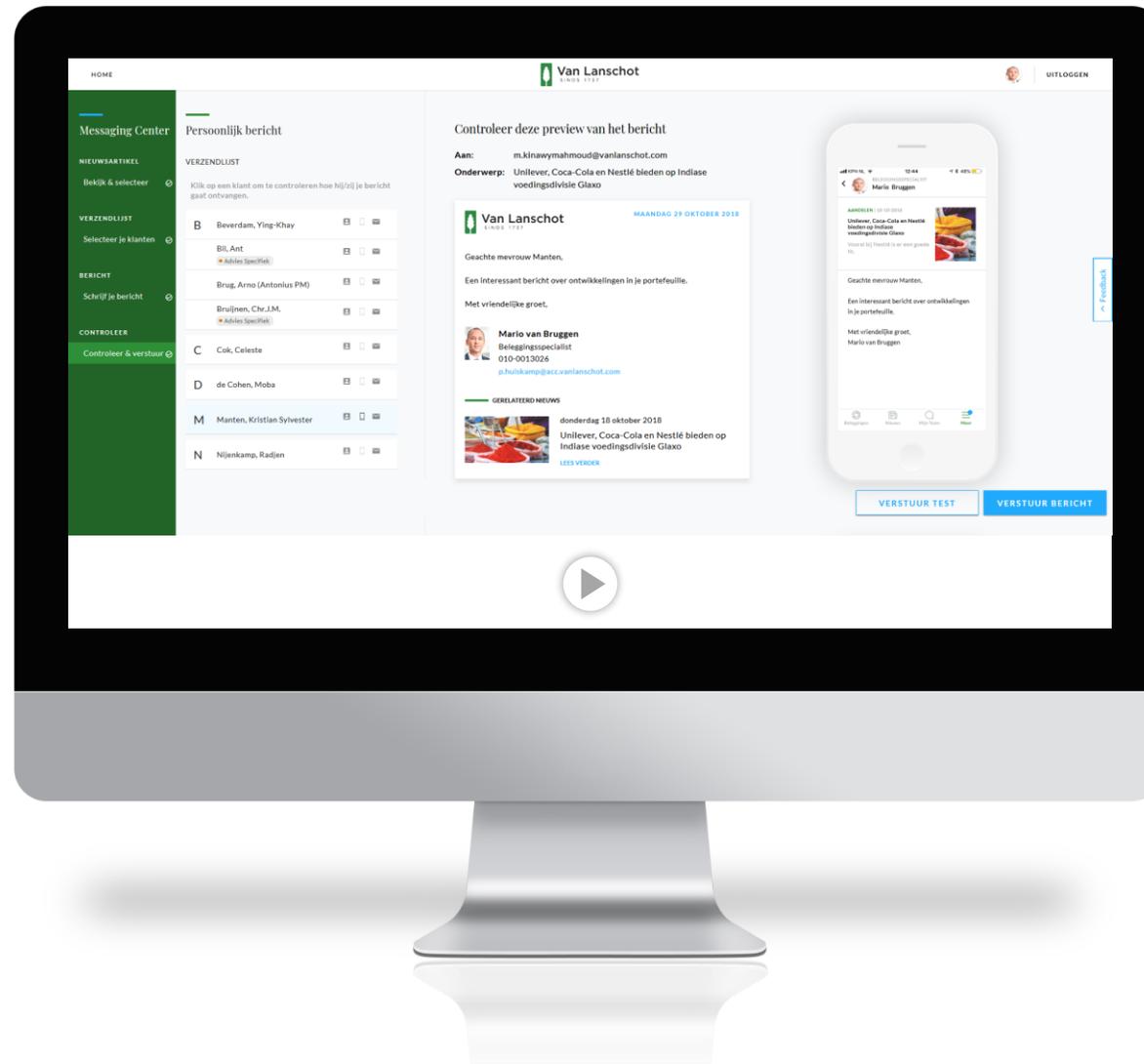


40 out of 53 teams
in Digital,
Analytics and
Technology
working agile,
with 2 to 4 week
delivery cycles



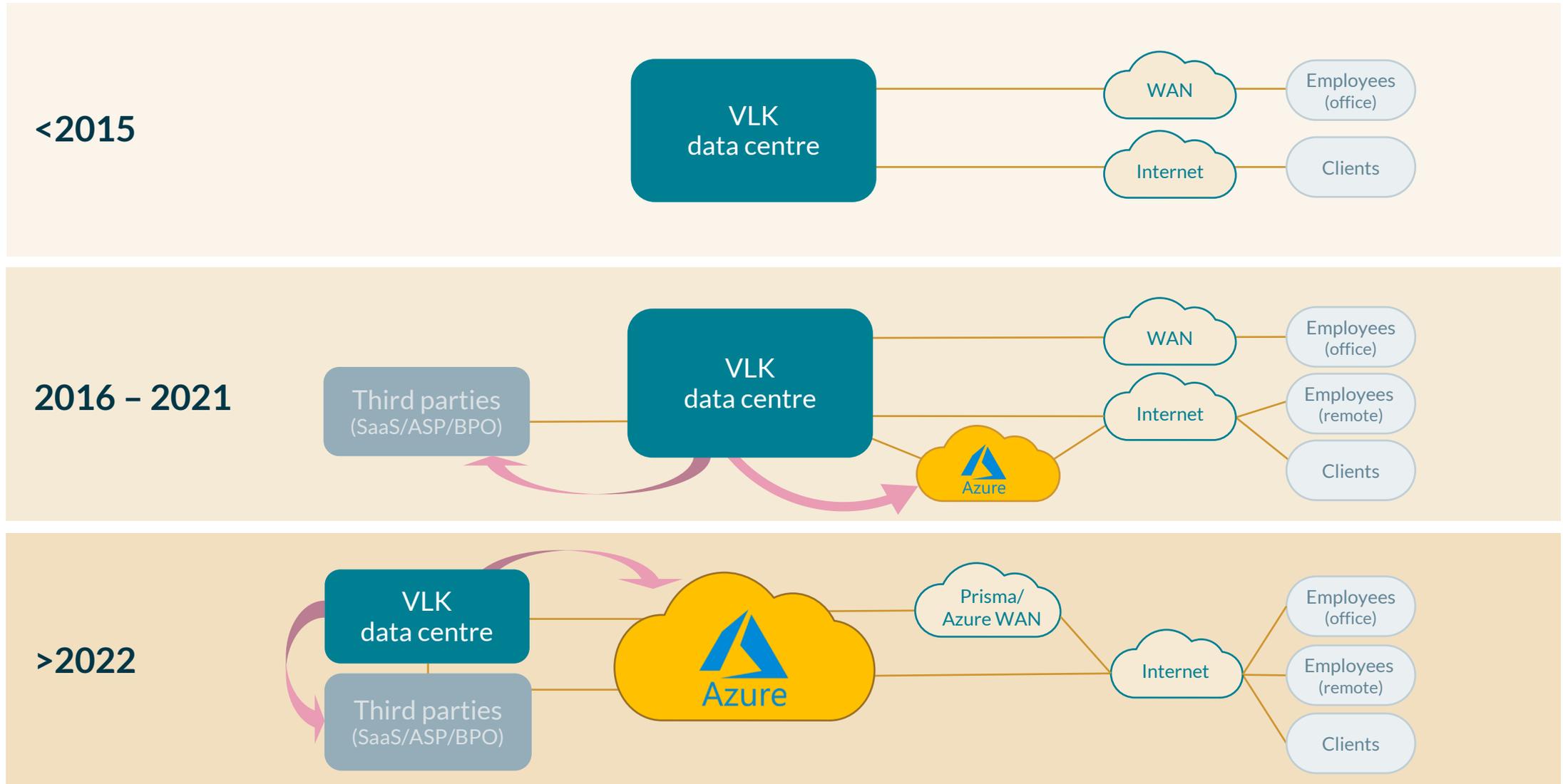
Video on Client Center

By Peter Huiskamp – Product Owner



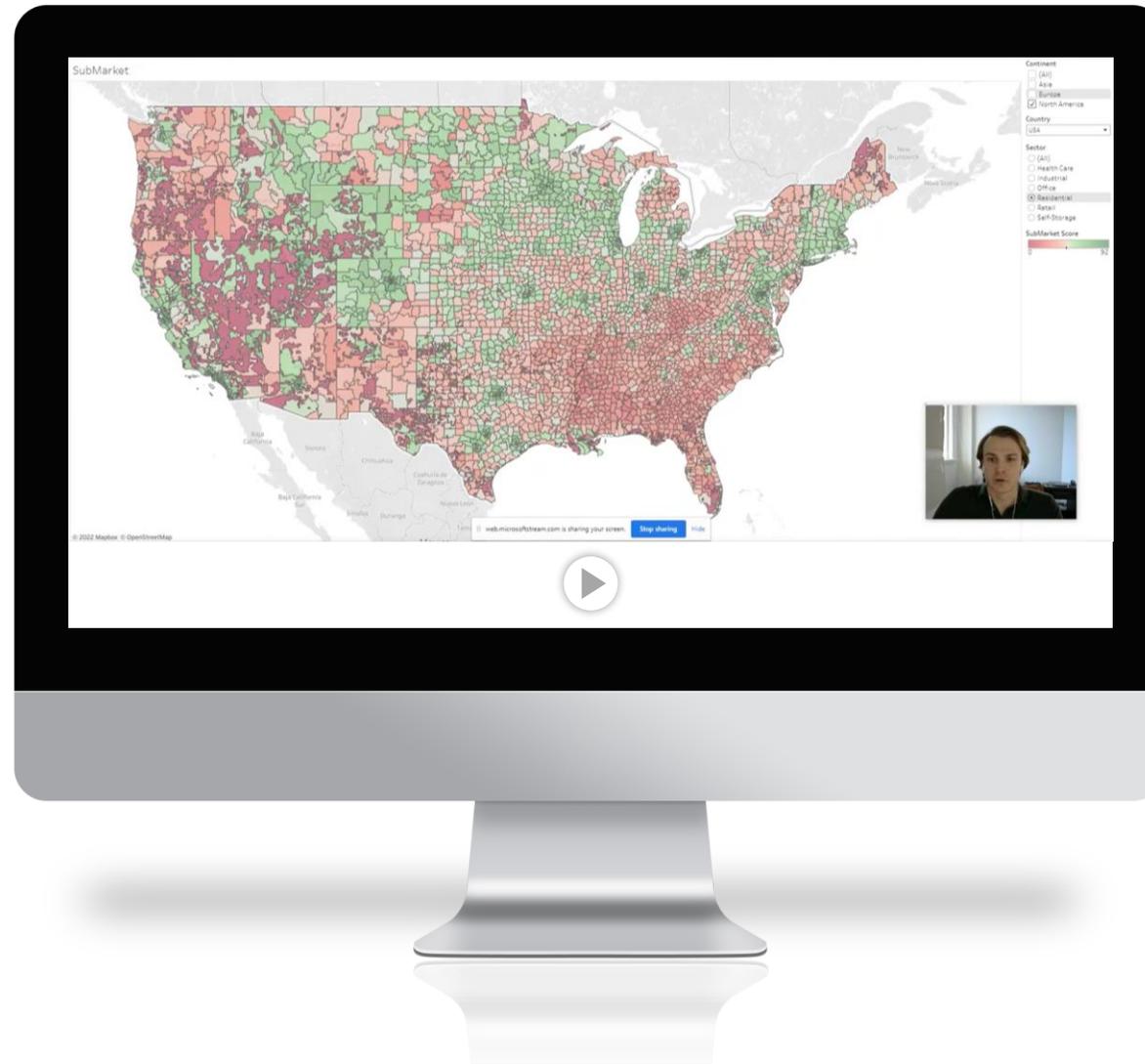
Move towards Azure cloud

Simplified



Video on investment management data analytics

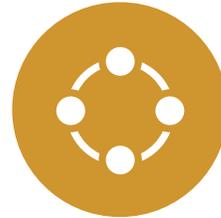
By Edouard Minoux – Product Owner/Data Scientist



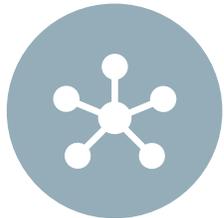
Digital agenda remains key part of our strategy



Client expectations
keep rising



Need for continuous process
automation to control cost



Data availability creates
increasing opportunities



Cyber crime is a persistently
growing threat to the industry



Cloud-based infrastructure
has become the benchmark



Hiring top talent requires
an ambitious digital agenda



Digital priorities going forward



Client experience

- Expand digital client offering
- Upgrade investment management application landscape
- Embed data analytics in client service and investment management



Process optimisation

- Expand banker and investment advisor tooling to free up capacity for growth
- Optimise processes through data analytics, especially for KYC and AFC processes
- Further leverage workflow and API tooling to optimise operational processes



Housekeeping fundamentals

- Regular life cycle management
- Further consolidate (application) landscape
- Continue the move to Azure
- Stay ahead on cyber security challenges



People agenda

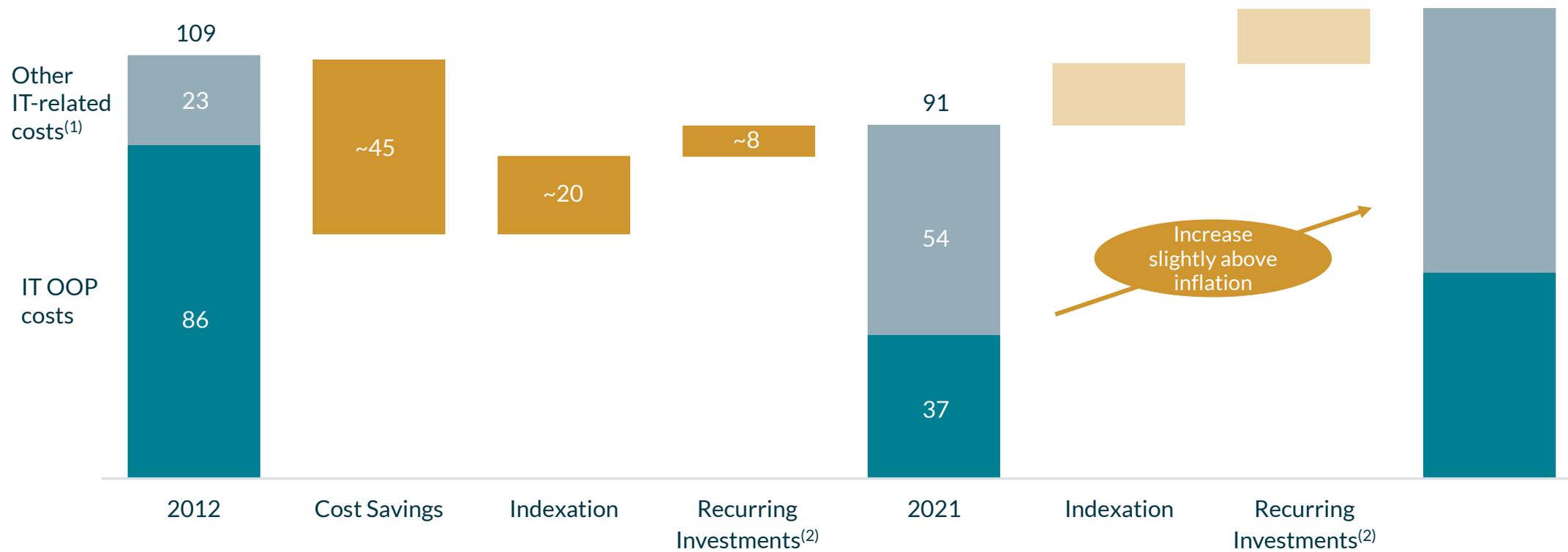
- Finetune agile way of working
- Continuously update training and development curriculum
- Deepening talent pipelines for future vacancies



Continued investments in digitisation

Indicative

Recurring integral IT Costs (€ m)



(1) Includes personnel costs, depreciation and IT-related OOP costs that are not considered IT OOP costs according to IFRS

(2) Includes investments in personnel, functionality and cloud and SaaS services, but excludes the transfer of external to internal staff



Q & A

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Financial impact and outlook

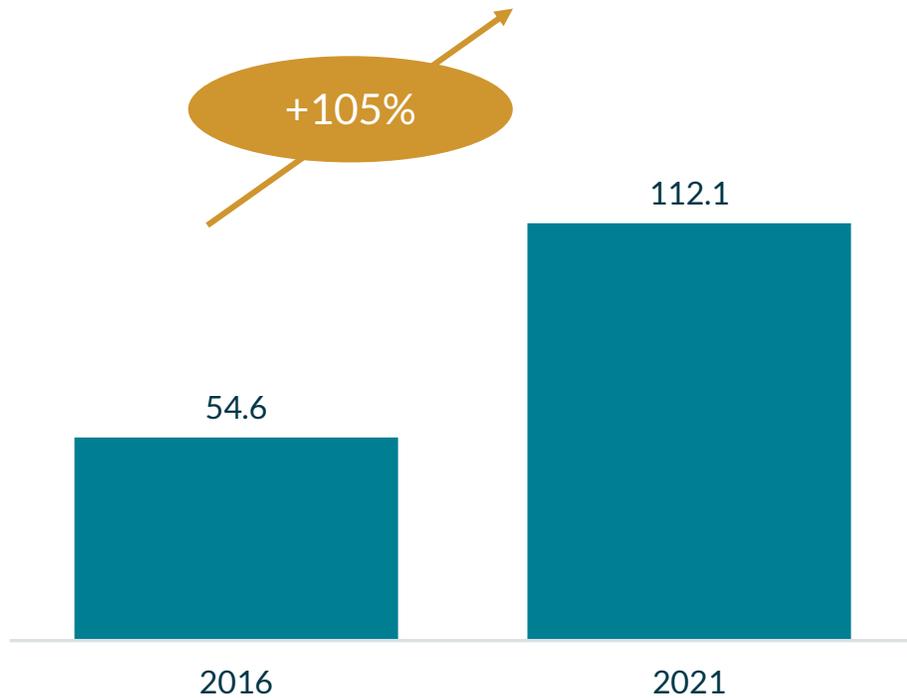
Constant Korthout

CFO/CRO and member of the Management Board

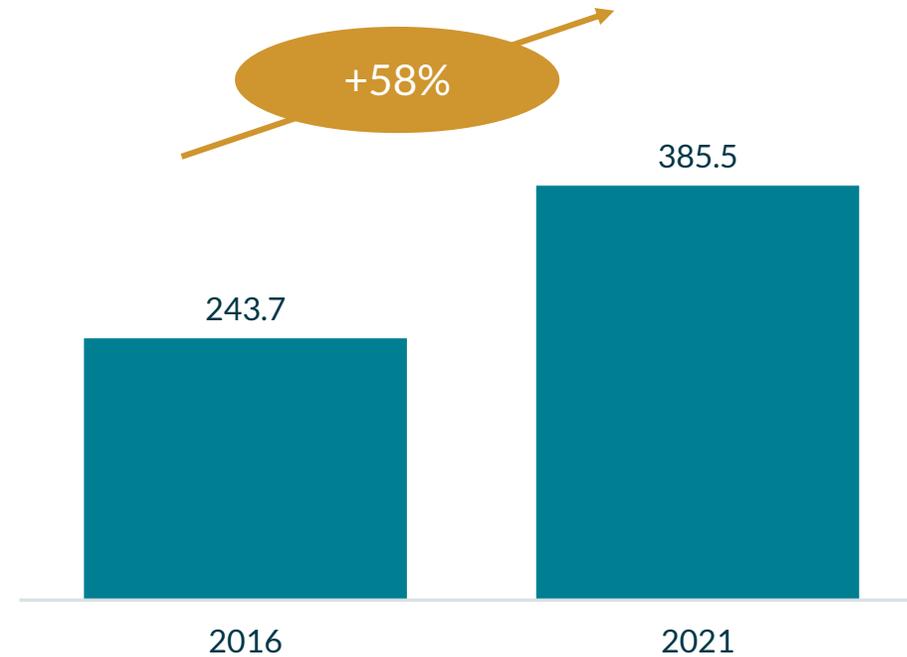


Successful growth over past years

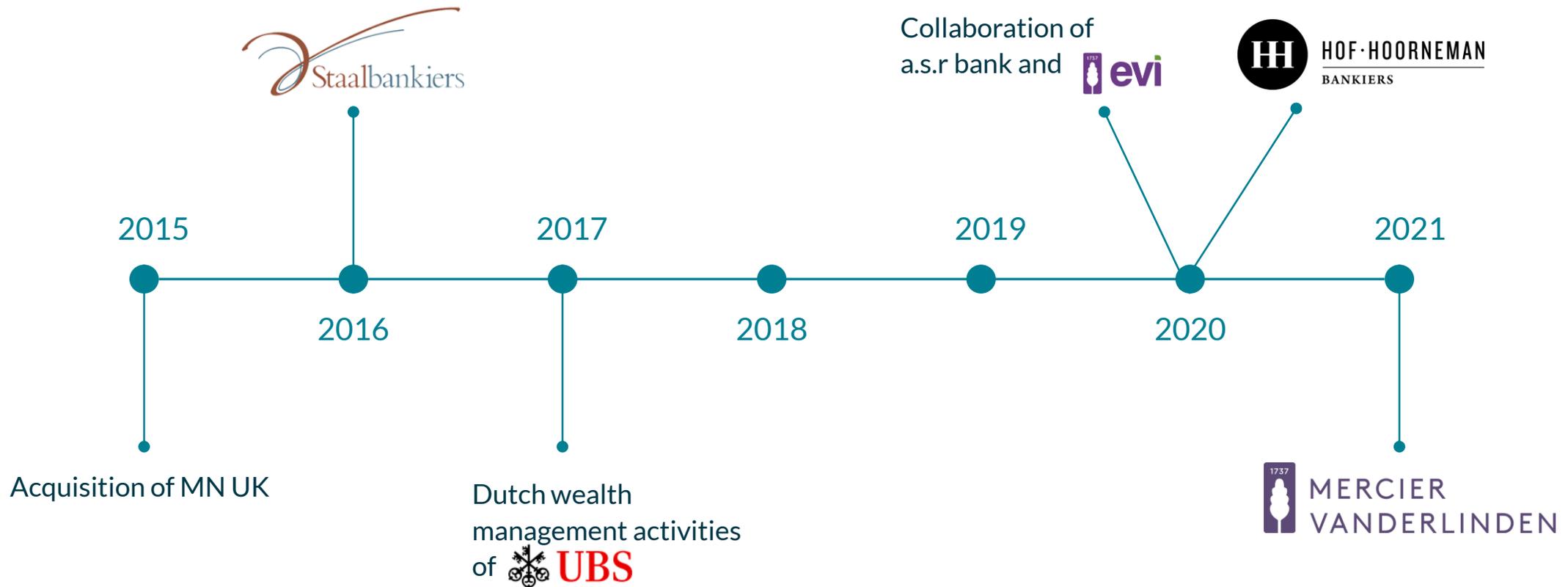
AuM (€ bn)



Commission income (€ m)



A number of successful acquisitions



Q1 2022: strong overall performance



Results & income

Net result €25.1m
(2021 Q1: €33.1m)

Underlying net result:
€35.7m
(2021 Q1: €33.7m)

Commission
Income €106.1m
(+18% vs Q1 '21)

Interest income €35.6m
(-3% vs Q1 '21)



Assets under management

AuM €106.3bn
(-5% since 2021)

Client assets €125.5bn
(-4% since 2021)



Capital & loan losses

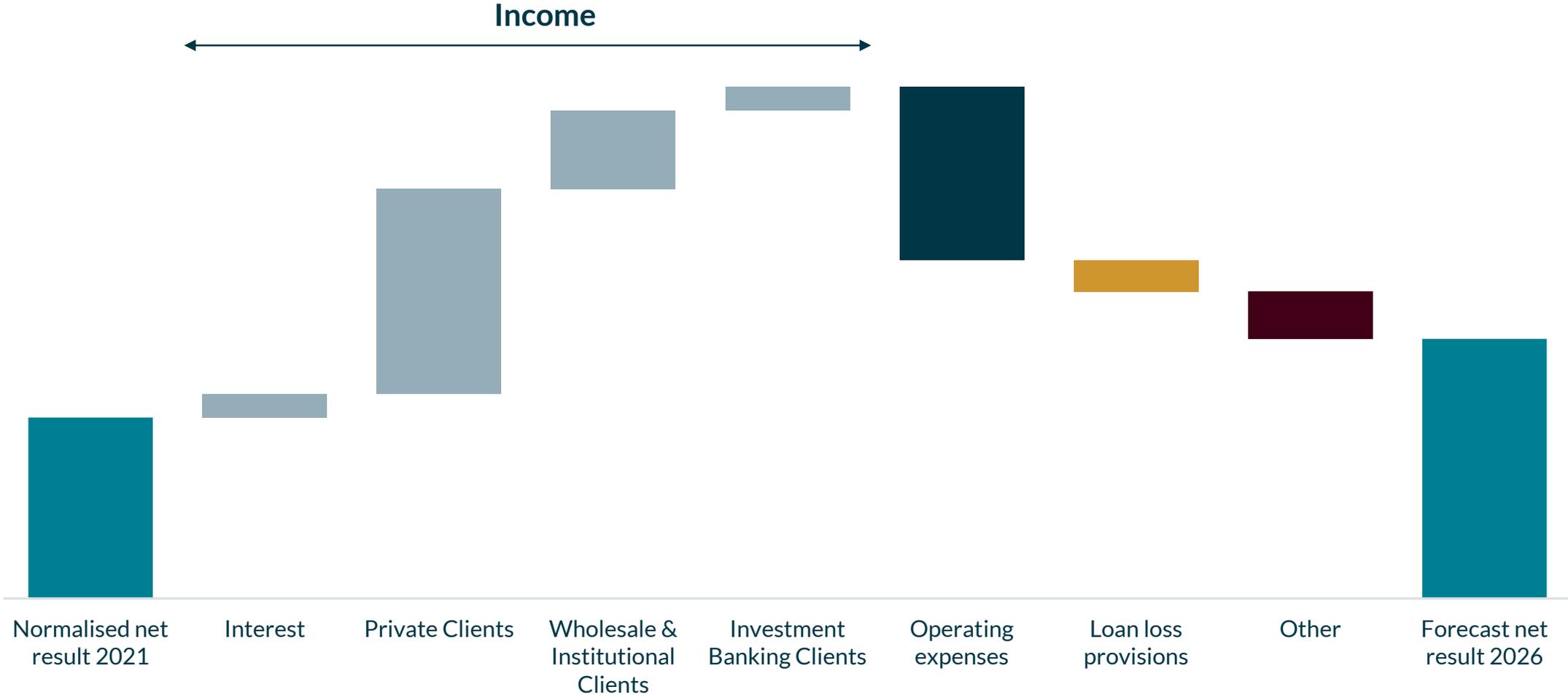
Strong capital position
CET 1 ratio 20.8%
(2021: 23.7%)

Release from loan loss
provisions €7.3m
(2021 Q1: €2.8m)



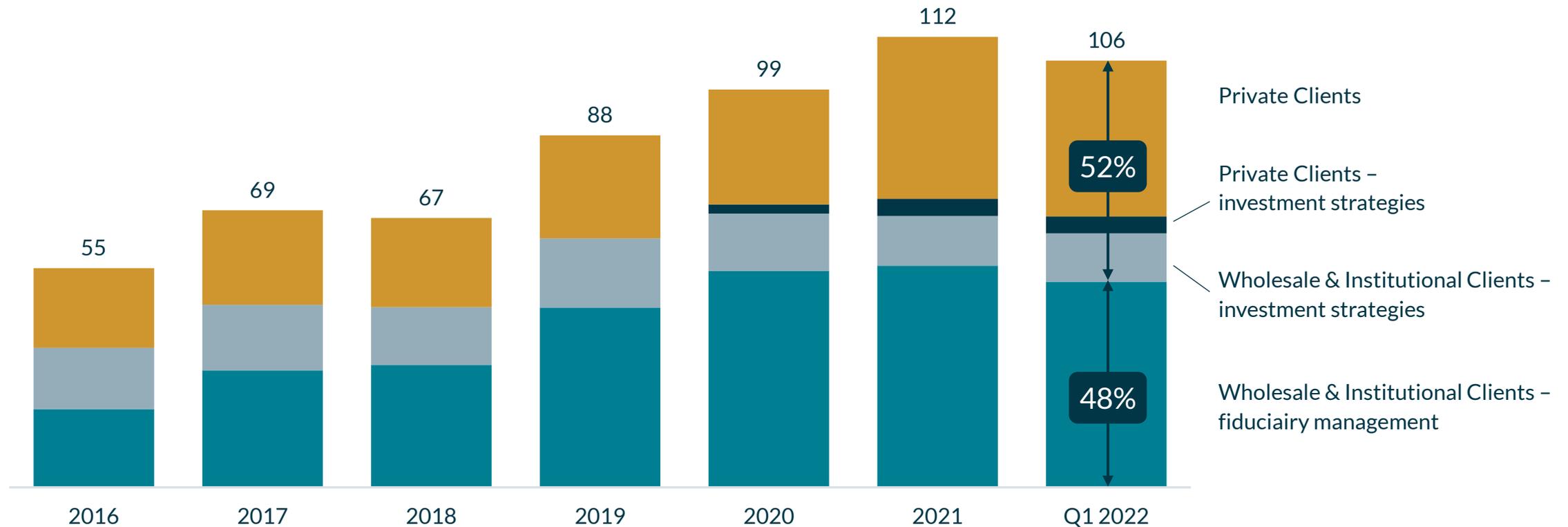
Ambitious growth in commission income

Not to scale - for illustrative purposes only



Growth within all parts of the AuM mix

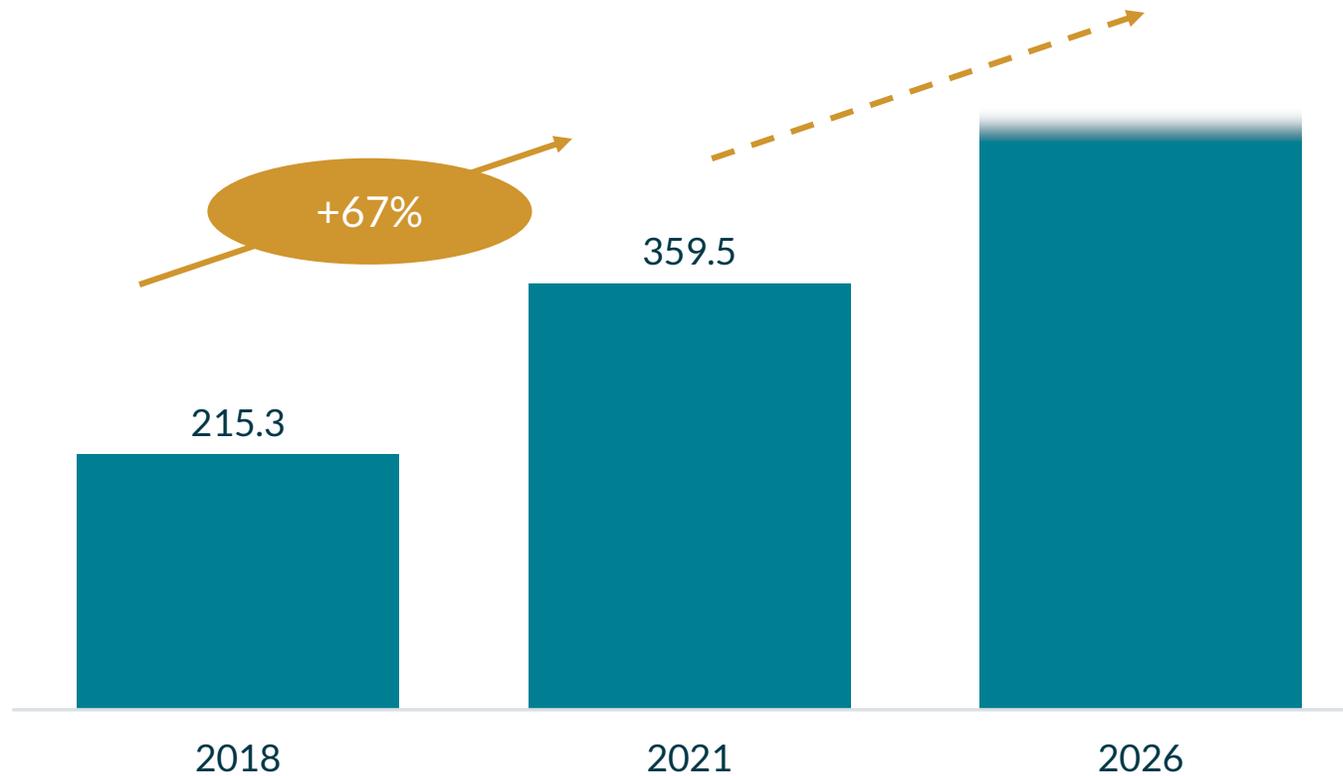
Assets under management in 2016 – 2021 (€ bn)



Sharp increase in management fees

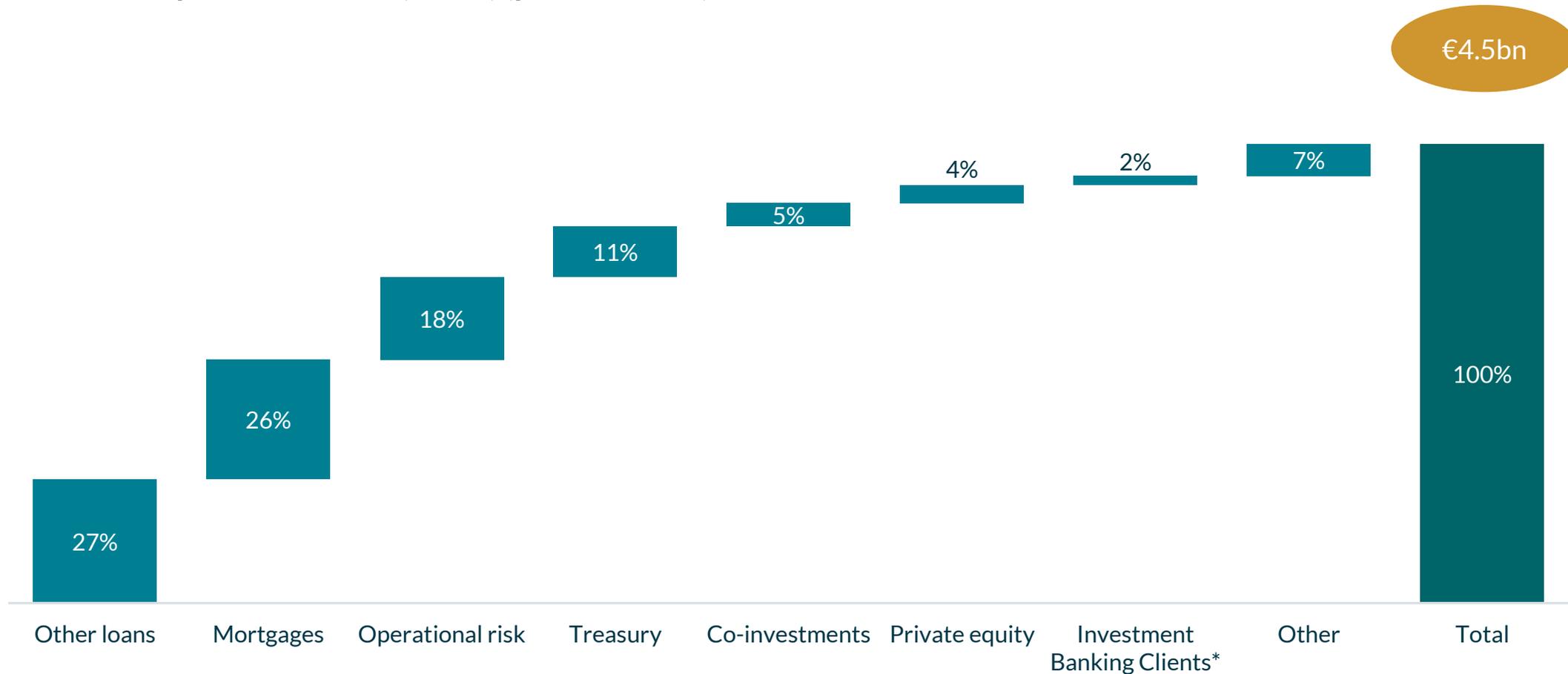
Not to scale - for illustrative purposes only

Annualised recurring fees (€ m)



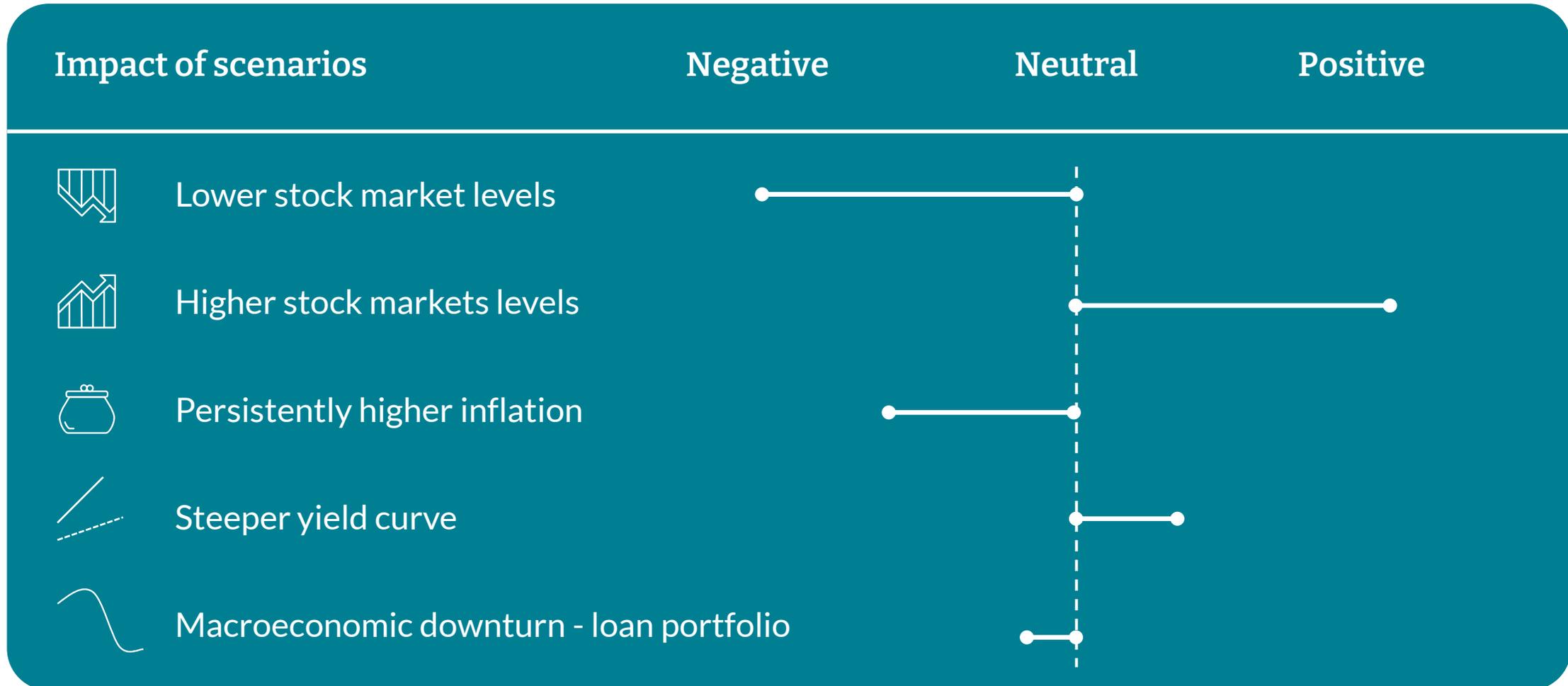
Growth with a capital-light balance sheet

Total Risk Exposure Amount (TREA) (per 1/1/2022)



*TREA Investment Banking Clients including operational risk is 4%

External developments may impact our results



Our M&A strategy: a disciplined approach

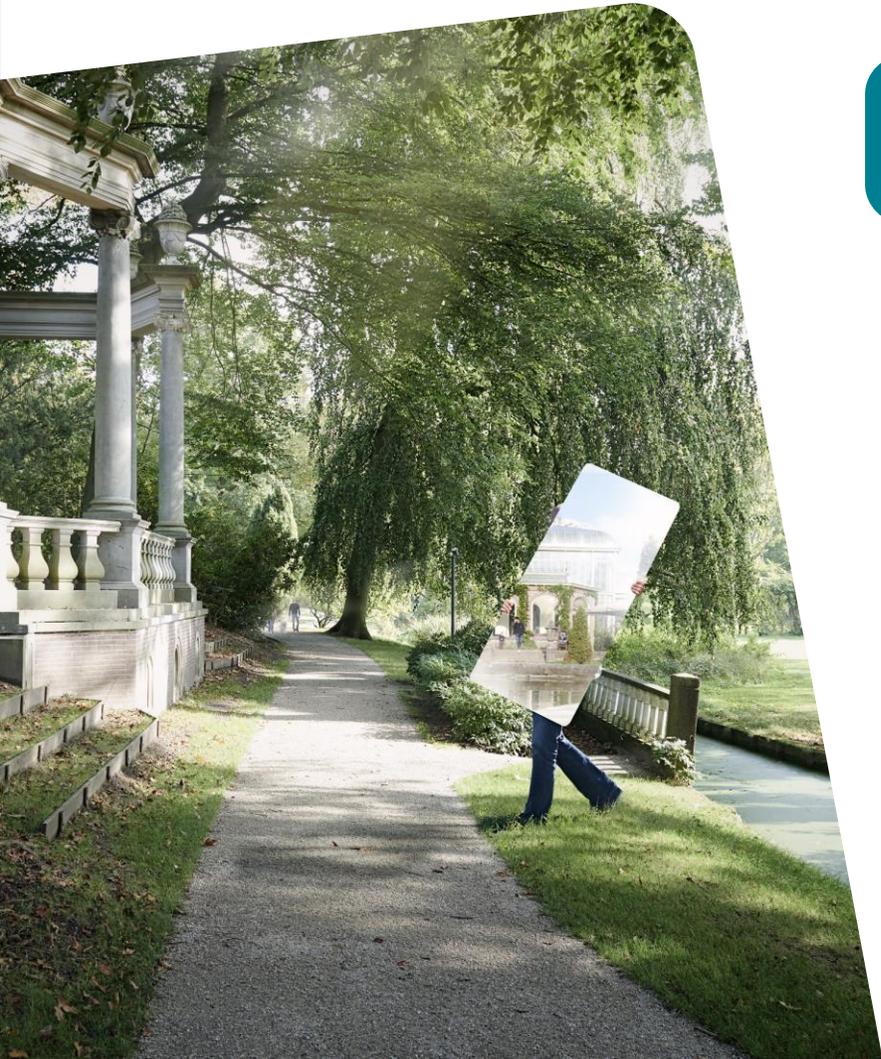
Focus on Private Banking



Focus on Institutional Clients



Strong capital position



High CET 1 ratio

20.8%

Facilitates further growth

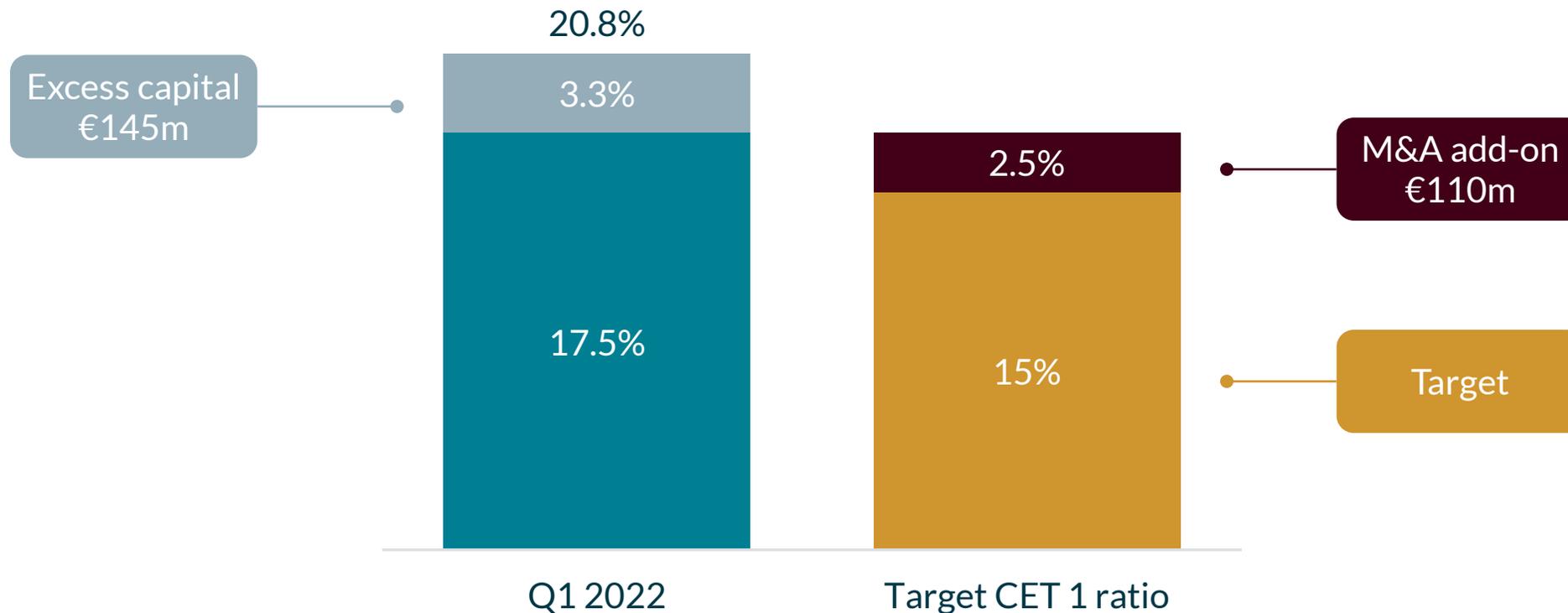


Allows for capital returns



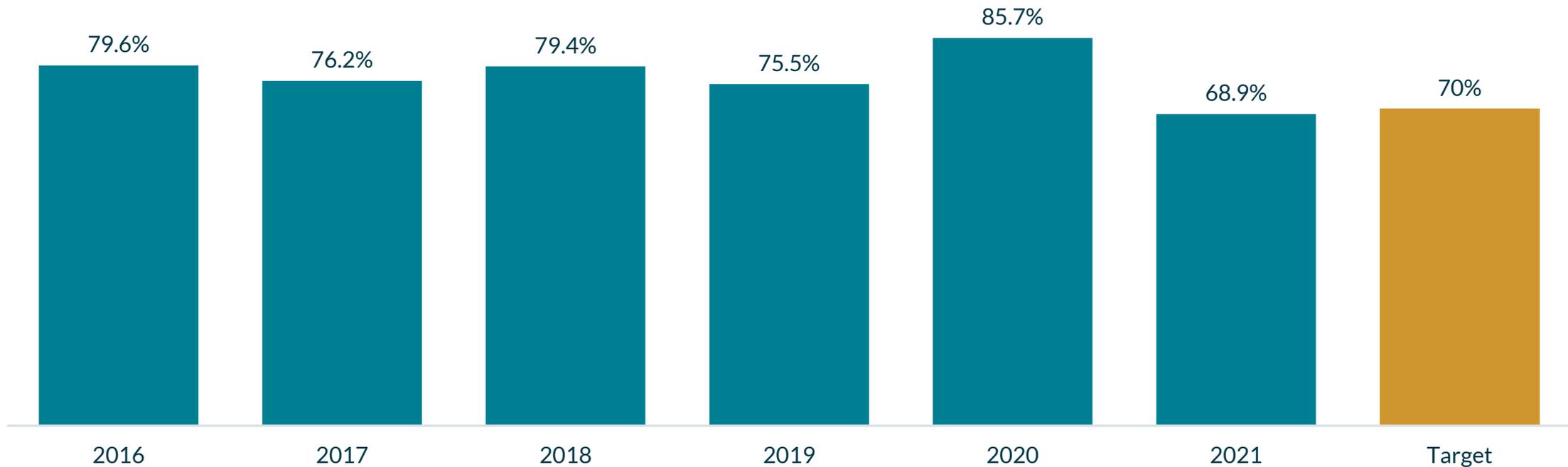
CET 1 ratio target: 15% plus a 2.5% M&A add-on for bolt-on acquisitions

We intend to pay out excess capital to shareholders in 2022 and 2023, subject to regulatory approval



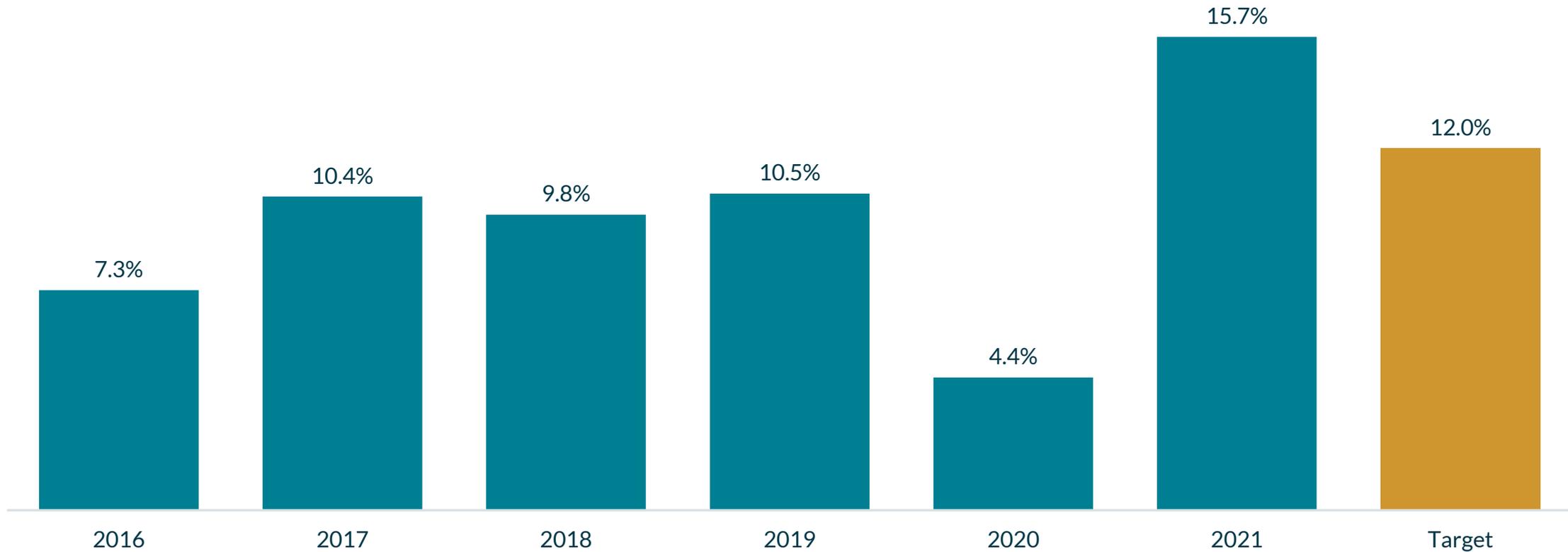
Efficiency ratio target: 70%

Income growth combined with continued disciplined cost management to boost efficiency



Return on CET 1 target: 12%

Through-the-cycle



Our mid-term financial targets – A solid business model

CET1 ratio

15%

Plus M&A add-on 2.5%

Efficiency ratio

70%

Return on CET1

12%

Through the cycle

Dividend pay-out of 50–70%



Q & A



VAN LANSCHOT
KEMPEN

Thank you