



## **Van Lanschot Kempen N.V.**

*(incorporated in the Netherlands with its statutory seat in 's-Hertogenbosch)*

### **REGISTRATION DOCUMENT**

constituting part of any base prospectus of Van Lanschot Kempen N.V. (the “**Issuer**”) consisting of separate documents within the meaning of Article 8(6) of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”)

**This Registration Document is dated 23 May 2022.**

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## 1. RISK FACTORS

*The Issuer believes that the following risk factors may affect its ability to fulfil its obligations under securities issued by it. All of these risk factors are contingencies which may or may not occur.*

*Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's business, financial condition, results of operations and prospects. The Issuer may face a number of these risks described below simultaneously. While the risk factors below have been divided into categories and each risk factor has been placed in the category deemed most appropriate by the Issuer, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.*

*The Issuer believes that all the factors described below represent the material risks inherent in investing in securities of the Issuer, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with securities may occur for other reasons not known to the Issuer or not deemed to be material enough. The Issuer represents that the statements below regarding the risks of investing in any securities are not exhaustive. Other risks, events, facts or circumstances not included in this Registration Document, not presently known to the Issuer, or that the Issuer currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Issuer's group business, financial condition, results of operations and prospects. Prospective investors should carefully read and review the entire Registration Document, relevant securities note and relevant final terms (including the attached summary, if any) and should form their own views before making an investment decision with respect to securities issued by the Issuer. Prospective investors should also read the detailed information set out elsewhere in this Registration Document and reach their own views prior to making any investment decision.*

*Before making an investment decision with respect to any securities, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the securities and consider such an investment decision in the light of the prospective investor's personal circumstances.*

*Any reference to the "Issuer" below should, where the context so requires, be read as a reference to the group that the Issuer forms part of, unless the context requires otherwise.*

### **A. Risks related to the Issuer's financial situation**

#### **1. *Adverse capital and credit market conditions may impact the Issuer's ability to access liquidity and capital, as well as the cost of credit and capital***

Adverse capital market conditions may affect the availability and cost of borrowed funds, thereby impacting the Issuer's ability to support or grow its businesses.

The Issuer needs liquidity in its day-to-day business activities to pay its operating expenses, interest on its debt and dividends on its capital stock and to maintain its repo activities and replace certain maturing liabilities. Without sufficient liquidity, the Issuer may be forced to curtail its operations and its business may suffer. The principal sources of its funding are client deposits, including from retail clients, and medium- and long-term debt securities, in a secured (i.e. covered bonds) and unsecured format. This includes a variety of short- and long-term instruments, including repurchase agreements, medium- and long-term debt, senior preferred, senior non-preferred and subordinated debt securities, securitised debt, capital securities and shareholders' equity.

In the event that current resources do not satisfy its needs or need to be refinanced, the Issuer may need to seek additional and/or other financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the volume of maturing debt that needs to be refinanced, the overall availability of credit to the financial services industry, the Issuer's credit ratings and credit capacity, as well as the possibility that clients or lenders could develop a negative perception of its long- or short-term financial prospects. Similarly, the Issuer's access to funds may be limited if regulatory authorities take negative actions against it. If the Issuer's internal sources of liquidity prove to be insufficient, there is a risk that external funding sources might not be available or available at unfavourable terms only.

Disruptions, uncertainty or volatility in the capital and credit markets, such as the Issuer experienced in the recent past may also limit the Issuer's access to capital required to operate its business. Such market conditions may in the future limit the Issuer's ability to raise additional capital to support business growth, or to counter-balance the consequences of losses or increased regulatory capital requirements. This could force the Issuer to (1) delay or limit raising capital, (2) reduce, cancel or postpone interest payments on its capital securities (if outstanding at such time), (3) issue capital of different types or under different terms than the Issuer would otherwise offer, or (4) incur a higher cost of capital than in a more stable market environment. This would have the potential to decrease both the Issuer's profitability and its financial flexibility. The Issuer's results of operations, financial condition, cash flows and regulatory capital position could be materially adversely affected by disruptions in the financial markets.

**2. *The low interest rate environment has affected and may continue to materially and adversely affect the Issuer's business, financial condition, results of operations and cash flows***

The level of interest rates, which are dependent to a large extent on general economic conditions, affects the Issuer's results, particularly in its Private Banking activities, the remainder of its corporate banking activities and its investment and trading portfolio. In particular, fluctuations in interest rates have a direct effect on net interest income, which constitutes a significant element of the Issuer's revenue.

Due to the prevailing low interest rate environment in the Netherlands, in Europe and globally, the European Central Bank (the "ECB") and certain other monetary authorities have instituted negative interest rates on reserves maintained by commercial banks with central banks. As a result, the Issuer and other financial institutions are subject to liquidity costs for these reserves, which are not likely to be fully passed on to customers in the form of negative interest rates on customer savings and deposits. This holds especially for savings and deposit volumes under the Dutch Deposit Guarantee Scheme (*Depositogarantiestelsel*) (the "**Deposit Guarantee Scheme**"). Passing-through (part of) the liquidity costs to clients with holdings that exceed the Deposit Guarantee Scheme's limit, currently an amount of EUR 100,000 per person per bank (regardless of the number of accounts held), seems more likely in the near future. In recent years, the Dutch Minister of Finance shared his view that charging negative interest rates below the Deposit Guarantee Scheme's limit is undesirable but a legislative ban on negative interest rates for such savings and deposits was determined not to be necessary. This combined with pressure from society, makes it unlikely that financial institutions can pass-through liquidity costs below the Deposit Guarantee Scheme's limit to the same extent. The Issuer has already implemented a policy to pass through such costs for client deposits above a certain limit. However, a substantial deviation in pricing policy from other Dutch banks, could result in outflows of client deposits. Although the Issuer is able to withstand substantial deposit outflows, these outflows could be accompanied by outflows of entrusted assets under management, which could negatively affect the Issuer's commission income.

At the same time, the relatively flat yield curve and the excess liquidity available in the market to lenders has generated an interest rate environment characterised by low investment yields on fixed-income securities, and low levels of yields on duration risk taken on by lenders, for example on long-term fixed rate mortgage products which are in significant demand from borrowers in the Netherlands and currently constitute a substantial part of the Issuer's balance sheet.

The current environment of particularly low interest rates has resulted in interest-earning assets (in particular residential mortgage loans) generating lower yields upon origination or refinancing, and other loans and securities held in the investment portfolio of the Issuer also generating lower levels of interest income when compared to historical levels. In a period of changing interest rates, the Issuer's level of interest expense may increase more rapidly than the interest it earns on its mortgage loans and other assets. Unfavourable market movements in interest rates (for example a prolonged period of low rates or a stronger than expected rise in interest rates) could materially and adversely affect the Issuer's earnings and current and future cash flows. Changes in interest rates may also negatively affect the value of the Issuer's assets and its ability to realise gains or avoid losses from the sale of those assets, all of which also ultimately affect net results of the Issuer.

**3. *Ratings are important to the Issuer's business for a number of reasons. Downgrades could have an adverse impact on its operations and net results***

The Issuer's credit ratings are important to its ability to raise capital through the issuance of debt instruments and to the cost of such financing. In the event of a downgrade the cost of issuing debt will increase, having an adverse effect on net results. Certain institutional investors may also be obliged to withdraw their deposits or investments in such debt instruments from the Issuer following a downgrade, which could have an adverse effect on liquidity. As at the date of this Registration Document, the Issuer has credit ratings from Fitch Ratings Ireland Limited ("**Fitch**") and S&P Global Ratings Europe Limited ("**S&P**"). Each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and may decide on a downgrade at any time. A rating downgrade of the Issuer could result in a rating downgrade of the Notes and/or Covered Bonds, if such Notes and/or Covered Bonds are rated. This may negatively impact net earnings as the cost of issuing debt would increase.

Furthermore, the Issuer also holds rated assets, which are risk weighted under the CRD IV Regulation (as defined below). This means that assets are grouped into defined categories based on the risk associated with that specific asset class. Depending on the riskiness of that asset class, risk weights are allocated to these categories, which are used to determine the minimum required amount of regulatory capital to be held by the Issuer. Downgrades of the credit ratings of these assets could therefore result in a higher risk-weighting which may result in higher capital requirements and lower capital ratios. This may negatively impact the return on capital.

**4. *Risk associated with Compensation Schemes***

In the Netherlands and other jurisdictions deposit guarantee schemes and similar funds ("**Compensation Schemes**") have been implemented and a euro-area wide deposit insurance scheme for bank deposits was proposed by the European Commission on 24 November 2015, which will come into effect in 2024.

Pursuant to such schemes from which compensation may become payable to customers of financial services firms in the event the financial services firm is unable to pay, or unlikely to pay, claims against it. In many jurisdictions these Compensation Schemes are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. In particular, the Issuer is a participant in the Deposit Guarantee Scheme. The costs involved with making compensation payments under the Deposit Guarantee Scheme are allocated among the participating banks by the Dutch Central Bank ("**DNB**"), based on an allocation key related to their market shares with respect to the deposits protected by the Deposit Guarantee Scheme. The ultimate costs to the industry of payments which may become due under the Compensation Schemes remain uncertain although they may be significant and the associated costs to the Issuer may have a material adverse effect on its business, results of operations, financial condition and prospects. The costs associated with the euro area wide-deposit insurance scheme are currently unknown and may be significant. The Deposit Guarantee Scheme comprises an ex-ante scheme where the Issuer and other financial institutions pay risk-weighted contributions into a fund to cover future drawings under the Deposit Guarantee Scheme. The fund is expected to grow to a target size of 0.8 per cent. of all deposits guaranteed under the Deposit Guarantee Scheme, approximately EUR 3 billion at present. The target size should be

reached by 3 July 2024. The costs associated with potential future ex-ante contributions may vary from time to time, and will depend on the methodology used to calculate risk-weighting, but may be significant.

**5. *The Issuer's business may be negatively affected by a sustained increase in inflation***

A sustained increase in the inflation rate in the Issuer's principal markets would have multiple impacts on the Issuer and may negatively affect its business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may:

1. decrease the estimated fair value of certain fixed income securities the Issuer holds in its investment portfolios resulting in:
  - reduced levels of unrealised capital gains available to it which could negatively impact its solvency position and net income; and/or
  - a decrease of collateral values, requiring the Issuer to post additional collateral to be able to meet existing collateral requirements, which as a result could negatively impact the Issuer's liquidity ratios; and/or
2. require the Issuer, as an issuer of securities, to pay higher interest rates on debt securities it issues in the financial markets from time to time to finance its operations which would increase its interest expenses and reduce its results of operations.

A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may:

1. negatively impact the ability of the Issuer's investment management activities to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations; and/or
2. result in impairment charges to equity securities that the Issuer holds in its investment portfolios and reduced levels of unrealised capital gains available to it which would reduce its net income and negatively impact its solvency position.

**B. Risks related to the Issuer's business activities and industry**

**1. *The Issuer's results can be adversely affected by economic conditions and other business conditions in certain markets and the Eurozone in general***

The Issuer operates almost entirely in Europe, particularly in the Netherlands and, to a lesser extent, in Belgium and, in connection with its fiduciary management operations, increasingly in the United Kingdom (“UK”) and for the remainder in Switzerland, the United States of America and France, and its success is therefore closely tied to general economic conditions in these markets, which, in turn, are predominantly part of the European economy and, except for the UK, the Eurozone. The Issuer's results can be adversely affected by the uncertain future of the interdependency of the European market, the European Union (“EU”) and the Eurozone.

There remains concern regarding the debt burden of certain Eurozone countries and their ability to meet future financial obligations and the suitability of the Euro as a single currency given the diverse economic and political circumstances in individual Eurozone countries. In addition, the actions required to be taken by those countries as a condition to rescue packages have resulted in increased political discord within and among Eurozone countries. The interdependencies among European economies and financial institutions have also intensified concern regarding the stability of European financial markets generally. These concerns could lead to the re-introduction of individual currencies in one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the Euro currency entirely. The legal and contractual consequences for holders of Euro denominated obligations would be determined by laws in effect at such time. This could create significant uncertainties regarding the enforceability and valuation of Euro denominated contracts to

which the Issuer (or its counterparties) is a party. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Issuer's Euro denominated assets and obligations and may even have an adverse effect on the Issuer's financial condition and/or results of operations.

The peripheral European financial system continues to be weak and could deteriorate further and there remains a risk that financial difficulties may result in certain European countries exiting the Eurozone. Similarly, the UK left the EU on 31 January 2020 ("**Brexit**"). On 24 December 2020, an agreement in principle was reached in relation to the EU-UK Trade and Cooperation Agreement to govern the future relations between the EU and the UK following the end of the transition period. On 1 January 2021, the transitional phase in which the rules and regulations of the EU remained applicable for the UK ceased to apply. As at the date of this Registration Document, the implications of Brexit remain uncertain and could have an adverse impact with respect to the European integration process, the relationship between the UK and the EU, and economies and businesses in the EU and the UK. The Issuer could be adversely impacted by related market developments such as increased exchange rate movements of the British pound sterling versus the euro and higher financial market volatility in general due to increased uncertainty, any of which could affect the results of the Issuer's operations in the EU or the UK. The Issuer could also be adversely impacted should a Brexit result in the UK moving away from agreed and implemented EU legislation.

Home mortgage loans and to a lesser extent loans to small and medium-sized entities and commercial real estate loans constitute a significant portion (77% as of 31 December 2021) of the Issuer's total loan portfolio. A significant downturn in the economy, especially if combined with a drop in property values and increased interest rates, could lead to increased default rates on mortgage loans, loans to small and medium-sized entities and commercial real estate loans and may have an adverse effect on the Issuer's financial condition and/or results of operations.

To the extent economic conditions worsen or other factors cause one or more of the Issuer's historic acquisitions for which goodwill was recorded to show increasing signs of impairment, the Issuer may need to record impairment charges relating thereto, and such charges could have a material adverse effect on its results of operations. The recorded amount of goodwill was €176.8 million as at 31 December 2021.

Furthermore, the potential weakness in the European economies, in particular the Dutch and/or Belgian economies, could have a direct negative impact on the demand for products and services of the Issuer. The weakness of these economies could materially adversely affect the investment behaviour of the Issuer's core client group, i.e. high net-worth individuals.

Decreasing commissions following from negative market performance could specifically affect the Issuer, since commissions constitute a significant part of the Issuer's income, resulting in an adverse impact on the results of operations. In addition, negative market performance could also negatively affect securities markets, including corporate finance and equity capital markets activities, resulting in an adverse impact on the results of operations of the investment banking segment of the Issuer.

In addition, any natural disasters or widespread health crises or the fear of such crises (such as Covid-19, measles, SARS, Ebola, H1N1, Zika, avian influenza, swine flu, or other epidemic or pandemic diseases) in a particular region or even globally may weaken economic conditions. The outbreak of Covid-19 (Coronavirus) and its global spread since February 2020 has created significant immediate challenges to society and risks for economic outlooks.

Also, the Issuer is exposed to risks arising out of geopolitical events or political developments, such as trade barriers, exchange controls, sanctions and other measures taken by sovereign governments that may hinder economic or financial activity levels. Furthermore, unfavourable political, military or diplomatic events, pandemics and widespread public health crises, state and privately sponsored cyber and terrorist acts or

threats, and the responses to them by governments and markets, could negatively affect the business and performance of the Issuer including as a result of the indirect effect on regional or global securities markets on which the Issuer and/or its clients are active. Should any such event occur, it could have a material adverse effect on the Issuer's business, revenues, results of operations, financial condition and prospects.

Likewise, the Issuer is exposed to risks arising out of armed conflict, such as the Russia/Ukraine conflict that started to escalate in February 2022 and related consequences for geopolitical stability, commodity and energy supply and prices, and cross-border financial transactions, including as a result of economic sanctions. The Russia/Ukraine conflict currently does not directly impact the Issuer, but given the uncertainties and ongoing developments regarding the invasion of Ukraine and related international response measures, including sanctions, capital controls, restrictions on SWIFT access and restrictions on central bank activity, the potential regional and global economic impact and potential impact on the Issuer's products and services and subsequently its business, revenues, results of operations, financial condition and prospects remains uncertain.

***2. The Issuer may generate, lower income from commissions and fees due to fluctuations in the financial markets, clients experiencing weaker than expected returns on their investment, changes in the Dutch tax regime and margin pressure as a result of substantial competition***

The Issuer's results of operations depend, to a significant extent, on factors such as the returns enjoyed by its clients on their investments as well as its ability to attract net new money inflows. Weak investment performance in the financial markets, in general, will adversely impact the value of the assets the Issuer manages for its clients as well as their appetite to invest and, therefore, could also have a material adverse effect on the Issuer's results of operations and financial condition. As at 31 December 2021, the Issuer's income from commission accounted for 65% of the total operating income. The Issuer operates in a competitive and rapidly changing investment market, which includes stringent transparency requirements being imposed, a consolidating pensions market together with consolidation of asset managers and pressure on Assets under Management ("AuM") margins. In 2021, Private Clients' margin on AuM settled at 62 basis points and for Wholesale & Institutional Clients segment at 12 basis points.

Amendments in the Dutch personal income tax treatment can have an impact on the fee income of the Issuer. The Dutch personal income tax treatment of savings and investments is currently under review by the Dutch Ministry of Finance. In case the Dutch legislator would amend the personal income tax treatment of savings and investments in such a way that income derived from savings would be subject to a lower effective tax rate than income derived from investments (such as portfolio investments, government bonds and real estate), this could result in Private Banking clients shifting their investments from asset management products to savings products, which would lead to a lower AuM base and, subsequently, a decrease in fee income to the Issuer.

For the types of wealth management and other products and services that the Issuer provides in the Netherlands and the other regions in which the Issuer conducts large portions of its business there is substantial competition from private banking units of universal banks, pure play wealth managers, smaller independent players and family offices. Such competition is affected by consumer demand in response to capital market developments, technological changes, the impact of consolidation, regulatory actions and other factors. If the Issuer is unable to provide attractive product and service offerings that are profitable, it may lose market share or incur losses on some or all activities. In addition, clients in general have become more cost-conscious and active asset management products have to compete with index-trackers and other forms of passive investment. Notwithstanding that, due to the low yield environment clients are searching for more illiquid asset classes and could choose to invest directly in these asset classes instead of through an investment fund. Clients experiencing weaker than expected returns on investments the Issuer offers or recommends relative to investment solutions of or recommended by its competitors could trigger substantial redemptions and outflows from the Issuer's clients' accounts and hence also have a material adverse effect on the Issuer's results of operations and financial condition.

**3. *The Issuer is exposed to risks of damage to its reputation which may cause loss of business and deposit outflows***

The Issuer is exposed to the risk that, among other circumstances, litigation, employee misconduct, operational failures, outcome of current and future investigations by regulatory authorities and press speculation and the possible negative publicity resulting therefrom, whether or not founded, may harm its reputation. The reputation of the Issuer could also be harmed if products or services recommended by it do not perform as expected.

Adverse publicity and damage to the Issuer's reputation arising from its failure or perceived failure to comply with legal and regulatory requirements, increasing regulatory and law enforcement scrutiny of "know your customer", anti-money laundering, prohibited transactions with countries, persons or entities subject to sanctions, and anti-bribery or other anti-corruption measures and anti-terrorist-financing procedures and their effectiveness, regulatory investigations of the financial services industry, and litigation that may arise from the failure or perceived failure by the Issuer to comply with legal, regulatory and compliance requirements could result in adverse publicity and reputation harm, lead to regulatory intervention, increased regulatory supervision, affect the Issuer's ability to attract and retain clients, reduced access to the capital markets, result in cease and desist orders, suits, enforcement actions, significant fines and civil and criminal penalties, other disciplinary action or have other material adverse effects on the Issuer in ways that are not predictable.

Furthermore, adverse publicity could, for example, result from negative publicity about a third party linked to the Issuer (such as an affiliate, an intermediary or a partner), about politically exposed persons in the customer base of the Issuer, from failures in the information technology systems of the Issuer, loss of customer data or confidential information, or failure in risk management procedures, or from any misconduct or malpractice relating to affiliates, intermediaries, business promoters or third party managers linked to the Issuer.

Moreover, by nature of their banking activities, private banks such as the Issuer service a higher percentage of clients with savings and deposits in excess of the Deposit Guarantee Scheme's current reimbursement (regardless of the number of accounts held). Deposits above such reimbursement limit are especially sensitive to a shift in confidence in the Issuer. Such clients may be more likely to be affected and/or influenced by any circumstances described above which may have a negative impact on the reputation of the Issuer. These clients may decide to diversify, decrease or cancel their savings and deposits with the Issuer, which depends on such deposits for a significant proportion of its funding. Any such decisions could have a material adverse effect on the ability of the Issuer to maintain or increase its current and future liquidity ratios and on its financial condition.

Any resulting damage to the reputation of the Issuer could cause disproportionate damage to its business, regardless whether the negative publicity is factually accurate. Negative publicity could also be repeated or amplified by third parties, which could damage the reputation of the Issuer further. Additionally, any damage to the reputation of the Issuer could cause existing customers to withdraw their business or deposits from the Issuer and potential customers to be reluctant or elect not to do business or place deposits with the Issuer. Withdrawal of deposits and reluctance to place new deposits may cause illiquidity and/or insolvency which may result in emergency, resolution and/or recovery measures, and/or bankruptcy of the Issuer. Since private banks' customer deposits have proved more confidence-sensitive than retail banks' in the past, the Issuer is particularly vulnerable to this risk in this respect. Furthermore, negative publicity could result in greater regulatory scrutiny and influence market or rating agency perception of the Issuer, which, amongst other factors, may make it more difficult for it to maintain its respective credit rating.

**4. *The Issuer's activities are less diversified than some other Dutch banks and have a certain degree of client concentration, and to the extent the Issuer is unable to retain these clients or sufficiently diversify its activities and client base, its results of operations may suffer***

The majority (65% as at 31 December 2021) of the Issuer's income is generated by its Private Clients segment and the remainder from its Wholesale & Institutional Clients, Investment Banking Clients, and Other segments. In line with the Issuer's strategy, the majority (93% as at 31 December 2021) of lending takes place in the Netherlands. The geographical breakdown is based on client locations. As a result, the Issuer is less diversified in terms of activities, client segmentation and geographically than some other Dutch banks, and is particularly exposed to the development of its Private Banking activities and the Dutch economy, and any material adverse effects thereto may adversely affect the Issuer's results of operations and financial condition.

Being primarily a wealth manager, the Issuer is exposed to a certain degree of client concentration risk given that its (targeted) clients are high net-worth individuals. Those individuals and their households have, to a certain degree, similar socio-economic characteristics and they are likewise exposed to comparable macroeconomic and regulatory risks. The Issuer specifically aims to offer wealth management solutions for and wealth management services to, among others, high net-worth individuals, family businesses and their directors/majority shareholders, business professionals, business executives, healthcare entrepreneurs, and foundations and associations in the Netherlands and Belgium, and, to a certain extent, the mass affluent segment. In the institutional market, the Issuer mainly focuses on comprehensive fiduciary investment solutions and investment strategies and offering of investment banking products and services. In addition, a limited number of clients will continue to be significant to the Issuer in terms of assets under management. If the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations and financial condition may be adversely affected.

**5. *Because the Issuer does business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on its results of operations***

Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties include the issuers and guarantors (including sovereigns) of securities the Issuer holds, borrowers under loans originated, clients, trading counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing houses, securities depositaries and other financial intermediaries. Severe distress or defaults by one or more of these parties on their obligations to the Issuer due to fraud, bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure, etc., or even rumours about potential severe distress or defaults by one or more of these parties or regarding the financial services industry generally, could lead to losses for the Issuer, and defaults by other institutions. In light of experiences with significant constraints on liquidity and high cost of funds in the interbank lending market, and given the high level of interdependence between financial institutions, the Issuer is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of sovereigns and other financial services institutions.

The Issuer routinely executes a high volume of transactions with counterparties in the financial services industry, resulting in large daily settlement amounts and significant credit and counterparty exposure. As a result, the Issuer faces concentration risk with respect to specific counterparties and clients. The Issuer is exposed to increased counterparty risk as a result of recent financial institution failures and weakness and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations. A default by, or even concerns about the creditworthiness of, one or more financial institutions could therefore lead to further significant systemic liquidity problems, or losses, and defaults by other financial institutions.

While in many cases the Issuer is permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral it is entitled to receive and the value of pledged or transferred assets. With respect to secured transactions, the Issuer's credit risk may

be exacerbated when the collateral held by the Issuer cannot be realised, or is liquidated at prices not sufficient to recover the full amount of the relevant secured loan or secured derivative that is due to the Issuer, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those experienced during the recent financial crisis. The termination of contracts and the foreclosure on collateral may subject the Issuer to claims for the improper exercise of its rights under such contracts. Bankruptcies, downgrades and disputes with counterparties as to the valuation of collateral tend to increase in times of market stress and illiquidity. The Issuer has credit and counterparty exposure to a number of financial institutions.

In addition, the Issuer is subject to the risk that its rights against third parties may not be enforceable in all circumstances. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations the Issuer holds could result in losses and/or adversely affect its ability to re-hypothecate or otherwise use those securities or obligations for liquidity purposes. A significant downgrade in the credit ratings of the Issuer's counterparties could also have a negative impact on its income and risk weighting, leading to increased capital requirements.

Any of these developments or losses could materially and adversely affect the Issuer's business, financial condition, results of operations, liquidity and/or prospects.

**6. *The Issuer may be unable to manage its risks successfully through derivatives***

The Issuer employs various economic hedging strategies with the objective of mitigating the market risks that are inherent in its business and operations. These risks may include currency fluctuations, changes in the fair value of its investments, the impact of interest rates, equity markets, credit spread changes and the occurrence of credit defaults. The Issuer seeks to control these risks by, among other things, entering into a number of derivative instruments, such as swaps, options, futures and forward contracts including from time to time macro hedges for parts of its business.

Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate the Issuer from risks associated with those fluctuations. The Issuer's hedging strategies also rely on assumptions and projections regarding its assets, liabilities, general market factors and the creditworthiness of its counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, the Issuer's hedging activities may not have the desired beneficial impact on its results of operations or financial condition. Adverse or volatile market conditions can limit the availability and increase the costs of hedging instruments, and such costs may not be recovered in the pricing of the underlying products being hedged. In addition, hedging counterparties may fail to perform their obligations resulting in unhedged exposures and losses on positions that are not collateralised. As such, the Issuer's hedging strategies involve transaction costs and other costs, and if the Issuer terminates a hedging arrangement, it may also be required to pay additional costs, such as transaction fees or breakage costs. It is possible that there will be periods in the future, during which the Issuer has incurred or may incur losses on transactions, perhaps significant, after taking into account the Issuer's hedging strategies.

The Issuer's hedging strategy additionally relies on the assumption that hedging counterparties remain able and willing to provide the hedges required by its strategy. Increased regulation, market shocks, worsening market conditions, and/or other factors that affect or are perceived to affect the financial condition, liquidity and creditworthiness of the Issuer may reduce the ability and/or willingness of such counterparties to engage in hedging contracts with it and/or other parties, affecting the Issuer's overall ability to hedge its risks and adversely affecting its business, financial condition, results of operations, liquidity and/or prospects.

## C. Legal and regulatory risk

### 1. *The Issuer operates in industries that are highly regulated*

The Issuer conducts its businesses subject to ongoing regulatory and associated risks, including the effects of changes in law, regulations, interpretations, and policies in the Netherlands and any other jurisdiction it conducts its businesses in. Besides that, there are frequent investigations by supervisory authorities, both into the financial services industry and into the Issuer, which could result in governmental enforcement actions, fines, penalties, negative publicity or reputational damage. Financial services and banking laws, regulations and policies currently governing or applied in relation to the Issuer may also change, or their interpretation may change, at any time in ways which have an adverse effect on the Issuer's business, and it is difficult to predict the timing or form of any future regulatory or enforcement initiatives in respect thereof. In recent years, the cost of supervision of financial institutions in general has increased significantly and is expected to increase further. As an organisation with relatively limited scale, the Issuer is burdened financially and operationally by the pressure of increasing and/or changing regulations and the heightened duty to provide reports to regulators.

Laws and regulations applied at national level generally grant supervisory authorities broad administrative discretion over the activities of the Issuer, including the power to limit or restrict business activities. It is possible that laws and regulations governing the business of the Issuer or particular products and services could be amended or interpreted in a manner that is adverse to the Issuer, for example, to the extent that existing laws and regulations are amended or future laws and regulations are adopted that (i) reduce or restrict the sale of the products and services the Issuer offers, whether existing or new, or (ii) negatively affect the performance of the products and services the Issuer offers, whether existing or new. The revenues and costs of the Issuer, profitability and available or required regulatory capital could also be affected by an increase or change in the degree of regulation in any of the markets in which the Issuer operates, whether existing or new. Due to the highly complex nature of the regulatory environment in which the Issuer operates, it will entail more costs to ensure that the Issuer is, and will continue to be, in compliance with all applicable laws and regulations at all times, since the volume of regulation is increasing and the scope of the activities may change. Increasing sanctions set by the international community against Russia and various Russia-related parties could affect the Issuer, due to new compliance obligations being imposed on the Issuer.

Despite the Issuer's efforts to maintain effective compliance procedures and to comply with applicable laws and regulations, these compliance procedures may be inadequate or otherwise ineffective, including as a result of human or other operational errors in their implementation, and the Issuer might fail to meet applicable standards. The Issuer may also fail to comply with applicable laws and regulations as a result of unclear regulations, regulations being subject to multiple interpretations or being under development, or as a result of a shift in the interpretation or application of laws and regulations by supervisory authorities.

If the Issuer or any of its affiliates is in breach of any existing or new laws or regulations now or in the future, the Issuer will be exposed to the risk of intervention by regulatory authorities, including investigation and surveillance, and judicial or administrative proceedings. In addition, the reputation of the Issuer could suffer and the Issuer could be fined or prohibited from engaging in some of its business activities or be sued by clients if it does not comply with applicable laws or regulations.

### 2. *Litigation or other proceedings or actions may adversely affect the business, financial condition and results of operations of the Issuer*

The Issuer faces significant legal risks in the conduct of its business. In the Netherlands, the number and size of claims that are the subject of litigation, regulatory proceedings and other adversarial proceedings (including, without limitation, class actions) against financial institutions are increasing, and could further increase following the Mass Damage Settlement Act in Collective Action (*Wet afwikkeling massaschade in collectieve actie*), introducing a collective damages action on an opt-out basis for persons domiciled in the Netherlands, which came into force and effect on 1 January 2020. These legal risks could potentially involve,

but are not limited to, disputes concerning the products and services in which the Issuer acts as principal, intermediary or otherwise.

In 2015, the Issuer sold a portfolio of non-performing commercial real estate loans to a company affiliated to Cerberus Capital Management, L.P. The sale concerned loans with a total nominal amount of €400 million and about 120 client relationships. In relation to this sale, various debtors have filed complaints with the Issuer. A number of individual debtors have initiated legal proceedings against the Issuer, stating that the transfer of the debtor's loan and the rights related thereto was invalid. See also "*Sale of commercial real estate loans*" under the heading "*Legal and Arbitration Proceedings*" in the section "*Van Lanschot Kempen N.V.*".

Increasingly financial institutions are also held liable by customers for actions of intermediaries even if there has been little to no control over the actions of such intermediaries. Also, companies in the Issuer's industry are increasingly exposed to collective claims (with or without merit) from groups of customers or consumer organisations seeking damages for an unspecified or indeterminate amount or involving unprecedented legal claims. These risks are often difficult to assess or to quantify and their existence and magnitude often remain unknown for substantial periods of time. It is inherently difficult to predict the outcome of many of the pending or future claims, regulatory proceedings and other adversarial proceedings involving the Issuer. The costs to defend future actions may be significant. There may also be adverse publicity associated with litigation that could decrease customer acceptance of the Issuer's services, regardless of whether the allegations are valid or whether the Issuer is ultimately found liable. As a result, litigation may adversely affect the Issuer's business, financial condition and results of operations. See also the risk factor "*The Issuer is exposed to risks of damage to its reputation which may cause loss of business and deposit outflows*" and the paragraph "*Legal and Arbitration Proceedings*" in the section "*Van Lanschot Kempen N.V.*".

### **3. Minimum regulatory capital and liquidity requirements**

The Issuer is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements. The laws and regulations described below and other future regulatory reform proposals could result in the imposition of additional restrictions on the Issuer's activities if it were to no longer meet certain capital requirements at the level of the Issuer, or at the level of certain subsidiaries or the Issuer's parent. The Issuer believes that it will become subject to stricter capital and liquidity requirements which may also affect the scope, coverage or calculation of capital, liquidity and risk weighted assets, all of which could significantly reduce the Issuer's income and require the Issuer to reduce business levels, to reduce or cease dividend payments, or to raise additional share capital. Further, stricter liquidity requirements could hinder the Issuer's ability to manage its liquidity in a centralised manner and may cause trapped pools of liquidity, resulting in inefficiencies in the management of the Issuer's liquidity. The quantitative impact of additional regulatory capital requirements is currently uncertain and will depend also on the future development of the Issuer's balance sheet and whether multiple or even all of the changes have negative consequences for the Issuer, or only a few.

The Issuer notes that the following changes in laws and regulations form a material risk for its capital and liquidity financial position and results of operations and prospects:

- In order to facilitate the implementation of the Basel III capital and liquidity standards for banks and investment firms, the CRD IV-package (known as "**CRD IV**") was adopted. CRD IV consists of a directive (the "**CRD IV Directive**") and a regulation (the "**CRD IV Regulation**") and aims to create a sounder and safer financial system. The CRD IV Directive governs amongst other things the permissibility of deposit-taking activities while the CRD IV Regulation establishes the majority of prudential requirements institutions need to respect. On 27 October 2021, the European Commission published a proposal on the revised CRD ("**CRD VI**") and the CRR ("**CRR3**"). This proposal

aims to finalize the EU's implementation of the Basel III framework through CRD VI and CRR3. The CRR3 and CRD VI provisions are scheduled to apply as from 1 January 2025.

- On 7 December 2017, the Basel Committee published the finalised Basel III reforms as improvements to the global regulatory framework ("**Basel III Reforms**") (informally referred to as Basel IV). Basel III Reforms seeks to restore credibility in the calculation of risk-weighted assets ("**RWA**") and improve the comparability of banks' capital ratio. The most important changes involve stricter rules for internal models. Internal models for operational risk will no longer be permitted; a standardised approach must be applied instead. The rules for calculating RWAs for credit risk will be tightened, under the standardised approach as well as under the internal ratings-based (IRB) approach. Furthermore, the requirements for the risk-weighting of mortgages will change. In the revised standardised approach, mortgage risk weights depend on the loan-to-value (LTV) ratio of the relevant mortgage (instead of the existing single risk weight to residential mortgages). In accordance with the Basel III Reforms, banks' calculations of RWAs generated by internal models cannot, in aggregate, fall below 72.5 per cent. of the RWA computed by the standardised approaches. This limits the benefit the Issuer can gain from using internal models to 27.5 per cent. The implementation will be gradual, over a nine-year period. A 50 per cent. floor comes into effect at the start of 2022, followed by 5 per cent. increases every year until 2026, when 70 per cent. will be the floor. The final 72.5 per cent. floor will be in effect in 2027. Although the impact of Basel III Reforms and the intended introduction of a floor for mortgage portfolio risk weights from DNB (which was initially scheduled to be implemented in fall 2020) remains subject to considerable uncertainty, the impact on the RWA of the Issuer is estimated to be an increase of around 15 per cent of the Issuer's RWA. Per 31 December 2020, a 15 per cent. increase of the Issuer's RWA would result in a decrease of around 3 percentage points of the CET1 ratio. This decrease means the CET1 ratio decreases from 24.3 per cent. to around 21.3 per cent., which is still well above the Issuer's target of 15-17 per cent. However, these are preliminary calculations and the ultimate impact may be more significant as there are still uncertainties in this respect. On 17 March 2020, DNB announced that it had decided to defer the intended introduction of the floor for mortgage portfolio risk weights until further notice in order to support lending. This was followed by a statement of DNB in the Autumn 2020 Financial Stability Report in which DNB stated that in view of the current uncertainty around the impact of Covid-19, they see no grounds at this stage to introduce the floor for mortgage loan risk weighting and will not take a decision on the floor for mortgage loan risk weighting until mid-2021 at the earliest. Nevertheless, on 26 May 2021, DNB announced that it had decided to no longer delay the introduction of a floor for the risk weighting of mortgage loans and the measure entered into effect on 1 January 2022. As of that date, the Issuer's CET1 ratio has decreased with 3.2 percentage points.
- On 23 November 2016, the European Commission announced a further package of reforms to CRD IV, the BRRD and the SRM Regulation (each of the BRRD and SRM Regulation as defined below) (the "**EU Banking Reforms**"), including measures to increase the resilience of EU institutions and enhance financial stability, resulting in changes to pillar 2 regulatory capital framework, a binding leverage ratio of 3 per cent, the introduction of a binding minimum net stable funding ratio of 100 per cent., the Minimum Amount of Own Funds and Eligible Liabilities ("**MREL**") requirement and calibration and the implementation of the Basel's committee fundamental review of the trading book into law. The final text relating to the EU Banking Reforms was published in the Official Journal of the EU on 7 June 2019 and entered into force on 27 June 2019. Various Level 2 delegated and implemented acts will be made supplementing the EU Banking Reforms. The amendments to the CRD IV Regulation have become directly applicable to the Issuer and amendments to the CRD IV Directive and the BRRD have been implemented in the Netherlands. Until the legislative process relating to the complete EU Banking Reforms has been finalised and, to the extent necessary, has been implemented under Dutch law, it is uncertain how the EU Banking Reforms will affect the Issuer or holders of Notes and/or Covered Bonds, including the ability of the Issuer to make payments under the Notes and/or Covered

Bonds. The EU Banking Reforms may have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects, including that the Issuer may be required to obtain additional capital and eligible liabilities.

- Banks are required to meet at all times an MREL expressed as a percentage of the total liabilities and own funds to ensure the effective application of the Bail-In Tool (as defined below). The level of own funds and eligible liabilities required under MREL will be set by the resolution authority for each bank (and/or group) based on, among other things, the criteria set forth in Article 45.6 of the BRRD, including the systemic importance of the institution. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining maturity of at least one year and, if governed by a non-EU law, they must be able to be written down or converted under that law (including through contractual provisions). The MREL framework will be subject to substantial change over the coming years, amongst others, as a result of changes pursuant to the EU Banking Reforms. As a result, it is not possible to give any assurances as to the ultimate scope, nature, timing, disclosure and consequences of breach of any resulting obligations, or the impact that they will have on the Issuer once implemented. If the Issuer were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on the Issuer's business, financial position and results of operations. As set out in the bullet point above, the final impact of these EU Banking Reforms as at the date of this Registration Document is unclear. Therefore, at this point in time, it is not possible for the Issuer to assess the impact which these changes will have on it once implemented. Furthermore, at the date of this Registration Document, DNB in its capacity as Dutch National Resolution Authority has not determined the MREL of the Issuer.
- Additionally, the revised accounting standard IAS 19R may lead to higher volatility in the Issuer's Common Equity Tier I ("CET1") ratio in the future. The Issuer uses internal models to assess the risks of its loan portfolio. These models are subject to regulatory approval, which can be withdrawn at the discretion of the DNB for instance, based on regulatory developments or the development of the Issuer's loan portfolio. A withdrawal of regulatory approval could have a significant impact on the risk weighted assets of the Issuer due to the substantial difference in risk weighted assets calculated on the basis of the internal models when compared to the outcome if such models are not available. If the regulatory capital requirements, liquidity restrictions or ratios applied to the Issuer are increased in the future, it will have an impact on the financial position of the Issuer and any failure of the Issuer to maintain such increased capital and liquidity ratios could result in administrative actions or sanctions, which may have an adverse effect on the Issuer's business, results of operations or financial condition.
- In addition, as part of the EU Supervisory Review and Evaluation Process, supervisory authorities may perform an analysis of the Issuer's business model, arrangements, strategies, processes and mechanisms to form a view on its viability and sustainability. If necessary, they may take measures to address any problems and concerns including, among other things, requiring additional capital and/or liquidity buffers. Such measures may result in changes to the business plan and strategy, or require the Issuer to reduce risks that are inherent in certain products by requiring changes to the offering of these products or improvements of the governance and control arrangements around product development and maintenance. They may also include measures to reduce risks inherent to the Issuer's systems by requiring improvements of its systems. Any such measures may materially and adversely affect the Issuer's business and may force the Issuer to make substantial investments to meet the requirements.

**4. *Because the Issuer is continuously developing new financial products and entering into financial transactions, it might be faced with claims that could have an adverse effect on its operations and net result if clients' expectations are not met***

If new financial products are brought to the market, communication and marketing aims to present a balanced view of the product (however there is a natural tendency to focus on potential advantages for the clients). Whilst the Issuer engages in a due diligence process when it develops financial products and enters into financial transactions, if such products or transactions do not generate the expected profit for the Issuer's clients, or result in a loss, or otherwise do not meet expectations, clients may file mis-selling claims against the Issuer. Mis-selling claims are claims from clients who allege that they have received misleading advice or other information from either the Issuer's internal, affiliated or external advisors (even though the Issuer does not always have full control over the affiliated or external advisors). Complaints may also arise if clients feel that they have not been treated reasonably or fairly, or that the duty of care has not been complied with. While a considerable amount of time and money has been invested in reviewing and assessing historic sales and "know your customer" practices, and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historic sales practices have been or will be identified, nor that any issues already identified will not be more widespread than presently estimated. The negative publicity associated with any sales practices, any compensation payable in respect of any such issues and/or regulatory changes resulting from such issues could have a material adverse effect on the Issuer's reputation, operations and net result. See also risk factor "*Litigation or other proceedings or actions may adversely affect the business, financial condition and results of operations of the Issuer*".

Customer protection regulations as well as changes in interpretation and perception by both the public at large and governmental authorities of acceptable market practices might influence client expectations.

**5. *The Issuer is subject to changes in financial reporting standards or policies which could materially adversely affect the Issuer's reported results of operations and financial condition***

The Issuer's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards, as adopted by the EU ("**IFRS**"), which is periodically revised or expanded. Accordingly, from time to time the Issuer is required to adopt new or revised accounting standards issued by recognised bodies, including the International Accounting Standards Board ("**IASB**"). It is possible that future accounting standards which the Issuer is required to adopt, or as a result of choices made by the Issuer, could change the current accounting treatment that applies to its consolidated financial statements and that such changes could have a material adverse effect on the Issuer's reported results of operations and financial condition and may have a corresponding impact on capital ratios. As a result, the Issuer's credit ratings and perceived financial condition might be negatively affected, which as a result could negatively impact the ability to access the capital markets for funding purposes. See also the risk factor "*Ratings are important to the Issuer's business for a number of reasons. Downgrades could have an adverse impact on its operations and net results*".

**6. *Intervention and resolution powers under the Wft, the BRRD and the SRM Regulation***

Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (as amended, the "**Bank Recovery and Resolution Directive**" or "**BRRD**") is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing relevant entity. The BRRD substantially replaces the previous provisions of the Dutch Financial Supervision Act (*Wet op het financieel toezicht* or "**Wft**") in relation to bank resolution. However, the powers of the Dutch Minister of Finance under the Wft when the Dutch Minister of Finance is of the opinion that the stability of the financial system is in serious and immediate danger due to the situation of the relevant financial institution and with a view to the stability of such system have remained in place. These powers include the power to (i) commence proceedings leading to ownership by the Dutch State (*nationalisation*) of the relevant financial institution, or also of its parent company, and expropriation of their respective assets, liabilities and/or securities (including debt securities such as the Notes and/or

Covered Bonds) as well as any claims against the institution or parent company, and (ii) take immediate measures which may deviate from statutory provisions or from the articles of association of the relevant financial institution (*financiële onderneming*) or its parent company (the “**Dutch Law Intervention Powers**”).

Furthermore, Regulation (EU) 804/2014 (as amended, the “**SRM Regulation**”) established uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in a framework of a single resolution mechanism and a single bank resolution fund (such mechanism, the “**SRM**”).

The SRM Regulation and the BRRD apply not only to banks, but may also apply to certain investment firms, group entities and (to a limited extent) branches of equivalent non-EEA banks and investment firms. In connection therewith, the SRM Regulation and the BRRD recognise and enable the application of the recovery and resolution framework both on the level of an individual entity as well as on a group level. The below should be read in the understanding that the Issuer may become subject to requirements and measures under the SRM Regulation and the BRRD not only with a view to or as a result of its individual financial situation, but also, in certain circumstances, with a view to or as a result of the financial situation of the group that it forms part of.

Under the SRM Regulation and the BRRD, DNB and/or any other resolution authority such as the SRB (each, a “**Resolution Authority**”) has four resolution tools and powers which may be used alone or in combination: (i) sale of business; (ii) bridge institution; (iii) asset separation; and (iv) a bail-in tool (the “**Bail-In Tool**”) (such resolution tools and powers together, the “**Resolution Powers**”).

The Resolution Powers may be utilised by the Resolution Authority if the Resolution Authority determines that an institution meets the conditions for resolution, defined as:

- a) the institution is failing or likely to fail;
- b) there is no reasonable prospect that a private action or supervisory action would prevent the failure within a reasonable timeframe; and
- c) a resolution action is necessary in the public interest.

In addition to the Resolution Powers, resolution authorities have the power to permanently write-down or convert into equity capital instruments (such as Subordinated Notes qualifying as Tier 2) at the point of non-viability and before any other resolution action is taken (“**Non-viability Loss Absorption Measures**”). Any shares or other instruments of ownership issued to holders of such capital instruments upon any such conversion into equity may also be subject to any application of the Resolution Powers.

It is possible that the Resolution Authority may use its powers under the BRRD or SRM Regulation or the Wft in a way that could result in debt instruments of the Issuer absorbing losses. The use of these could negatively affect the position of the holders of such debt instruments and the credit rating attached to debt instruments then outstanding and could result in losses to the holders of such debt instruments, in particular if and when any of the above proceedings would be commenced against the Issuer since the application of any such legislation may affect the rights and effective remedies of the holder of such debt instruments as well as the market value of such debt instruments. These measures and consequences could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position and results of operation.

Furthermore, any perceived or actual indication that the Issuer is no longer viable, may become subject to recovery or resolution and/or does not meet its other recovery or resolution requirements (such as MREL) may have a material adverse impact on the Issuer's financial position, (regulatory) capital position and liquidity position, including increased costs of funding for regulatory purposes.

In summary, the Issuer is unable to predict what effects, if any, the Dutch Law Intervention Powers, the BRRD and the SRM Regulation may have on the financial system generally, the Issuer's counterparties, or on the Issuer, its operations and/or its financial condition or the Notes and/or Covered Bonds. The Dutch Law Intervention Powers, the BRRD and the SRM Regulation could negatively affect the position of holders of Notes and/or Covered Bonds and the credit rating attached to the Notes and/or Covered Bonds, in particular if and when any of the above proceedings would be commenced or would be perceived to commence against the Issuer, since the application of any such legislation may affect the rights and effective remedies of the holders of Notes and/or Covered Bonds as well as the market value of the Notes and/or Covered Bonds.

#### **D. Internal control risk**

##### **1. *The Issuer's risk management policies and guidelines may prove inadequate for the risks it faces***

The Issuer has developed risk management policies and procedures and the Issuer expects to continue to do so in the future. Nonetheless, the Issuer's policies and procedures to identify, monitor and manage risks may not be fully effective, particularly during extremely turbulent times, which may result from natural disasters, war or acts of terrorism or widespread health crises, such as the outbreak of Covid-19 (Coronavirus). Although the Issuer has implemented measures to ensure business continuity and adequate service to its clients, enactment of such policies and procedures, especially during enlengthened periods of time, may prove insufficient or burdensome to the Issuer's operation and may lead to discontinuation, inefficiencies in or slowdown of its operational business processes. The methods the Issuer uses to manage, estimate and measure risk are partly based on historic market behaviour. The methods may, therefore, prove to be inadequate for predicting future risk exposure, which may be significantly greater than what is suggested by historic experience. For instance, these methods may not predict the losses seen in the stressed conditions in recent periods, and may also not adequately allow prediction of circumstances arising due to the government interventions, stimulus and/or austerity packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, clients or other information that is publicly known or otherwise available to the Issuer. Such information may not always be correct, complete, updated or correctly evaluated. If these methods or policies prove to be inadequate, foreseen and unforeseen risks may materialise and/or may not be mitigated and result in operational losses and adversely impacting the Issuer's financial condition, liquidity position and results of operations.

##### **2. *Operational risks are inherent in the Issuer's business***

*The Issuer's business is subject to risks related to human behaviour and actions*

Operational risk can derive from inadequately trained or skilled personnel, human errors, and employee misconduct including fraud. These circumstances can potentially result in financial loss, harm to the Issuer's reputation, hinder its operational effectiveness and adversely affect its financial condition.

*The Issuer's business is subject to risks related to cyber threats*

Despite preventative measures, the Issuer's computer systems, software, networks and mobile devices, and those of third parties on whom the Issuer relies, may be vulnerable to cyber-attacks, sabotage, unauthorised access, computer viruses, worms or other malicious code, and other events that have a security impact. Such an event may impact the confidentiality of the Issuer's or its clients', employees' or counterparties' information or the availability of services to customers. As a result, the Issuer could experience material financial loss, loss of competitive position, regulatory actions, breach of client contracts, reputational harm or legal liability, which, in turn, could cause a decline in the Issuer's earnings. The Issuer may be required to spend additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures, and it may be subject to litigation and financial losses that are either not insured against fully or not fully covered through any insurance that it maintains. Any failure in the Issuer's cyber security policies, procedures or capabilities, or cyber-related crime, could lead to the Issuer suffering reputational damage and a loss of clients and could have a material adverse effect on the Issuer's results of operations, financial condition or prospects.

*IT and other systems on which the Issuer depends for its day-to-day operations may fail for a variety of reasons that may be outside its control*

The Issuer's operations are highly dependent on IT systems and its ability to process and monitor, on a daily basis, a large number of transactions, some of which are complex. The Issuer's financial, accounting, data processing or other operating systems and facilities may fail to operate properly or may become disabled, which may have an adverse effect on the Issuer's ability to process transactions, provide services or conduct other operations. The Issuer also depends on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The equipment and software used in the Issuer's computer systems and networks may be at or near the end of their useful lives or may not be capable of processing, storing or transmitting information as expected. Certain of the Issuer's computer systems and networks may also have insufficient recovery capabilities in the event of a malfunction or loss of data. In addition, other factors which could cause the Issuer's operating systems to fail or not operate properly include a deterioration in the quality of IT development, support and operations processes and, in particular, high turnover of employees, resulting in an inadequate number of personnel to handle the growth and increasing complexity of operations. Any disruption in the Issuer's IT or other systems may have a material adverse effect on its business, financial condition or results of operations.

## 2. IMPORTANT INFORMATION

This document constitutes a registration document (as supplemented from time to time, “**Registration Document**”) for the purposes of the Prospectus Regulation and has been prepared for the purpose of giving information with respect to Issuer which, according to the particular nature of the Issuer and the securities which it may offer to the public within a member state (“**Member State**”) of the European Economic Area or apply to have admitted to trading on a regulated market situated or operating within such Member State, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. This Registration Document has been drawn up in accordance with Annex 6 of the Commission Delegated Regulation (EU) 2019/980, as amended.

The Issuer accepts responsibility for the information contained in this Registration Document and declares that, to the best of its knowledge, the information contained in this Registration Document is in accordance with the facts and the Registration Document makes no omission likely to affect its import.

This Registration Document has been approved by The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, “**AFM**”) as the competent authority in the Issuer's home Member State pursuant to the Prospectus Regulation.

The AFM has only approved this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document.

In this Registration Document and any document incorporated herein by reference, references to websites or uniform resource locators (“**URLs**”) are deemed inactive textual references and are included for information purposes only. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Registration Document.

Any website referred to in this document does not form part of this Registration Document and has not been scrutinised or approved by the AFM.

This Registration Document (save as described below) is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”). No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Registration Document, and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

This Registration Document should not be considered as a recommendation by the Issuer that any recipient of this Registration Document should purchase securities of the Issuer. Each investor contemplating purchasing any securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. This Registration Document does not constitute an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any securities.

The delivery of this Registration Document will not in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Registration Document has been most recently amended or supplemented. Investors will need to make their own investigations and financial calculations on the basis of the financial information incorporated by reference herein in order to make an informed assessment of the future assets and liabilities, financial position, profit and losses and prospects of the Issuer and when deciding whether or not to purchase any financial

instruments issued by the Issuer. The Issuer has no obligation to update this Registration Document, except when required by and in accordance with the Prospectus Regulation.

This Registration Document does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Registration Document and the offer or sale of securities may be restricted by law in certain jurisdictions. The Issuer does not represent that this Registration Document may be lawfully distributed, or that any securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any securities or distribution of this Registration Document in any jurisdiction where action for that purpose is required. Accordingly, no securities may be offered or sold, directly or indirectly, and neither this Registration Document nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Registration Document or any securities of the Issuer may come must inform themselves about, and observe, any such restrictions on the distribution of this Registration Document and the offering and sale of such securities.

All references in this document to “Euro”, “euro”, “EUR” and “€” refer to the lawful currency of the Member States that have adopted the single currency pursuant to the Treaty on the Functioning of the European Union.

#### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Some statements in this Registration Document may be deemed to be “forward-looking statements”. Forward-looking statements include all statements other than historical statements of fact included in this Registration Document, including, without limitation, those concerning the Issuer's financial position, business strategy, plans, goals and objectives of management for future operations (including development plans and objectives relating to the Issuer's products) and the assumptions underlying these forward-looking statements. When used in this Registration Document (or any supplement hereto), the words 'anticipates', 'estimates', 'expects', 'believes', 'intends', 'plans', 'aims', 'seeks', 'may', 'will', 'should' and any similar expressions generally identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. The Issuer's risks are more specifically described in the section “*Risk Factors*”.

Important factors that could cause the Issuer's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, changes or downturns in the Dutch economy or the economies in other countries in which the Issuer conducts business, the impact of fluctuations in foreign exchange rates and interest rates and the impact of future regulatory requirements.

These forward-looking statements speak only as of the date of this Registration Document. Other than as required by applicable laws and regulations, the rules and regulations of the relevant stock exchange, the Issuer expressly disclaim any obligation or undertaking to disseminate after the date of this Registration Document any updates or revisions to any forward-looking statement contained herein to reflect any change

in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

### 3. DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Registration Document:

- (a) an English translation of the Articles of Association (*statuten*) of the Issuer:  
<https://www.vanlanschotkempen.com/media/4656/deed-of-amendment-articles-of-association-vlkwm-06-2021.pdf>;
- (b) the Issuer's (at the time named Van Lanschot Kempen Wealth Management N.V.) publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2020 (including the independent auditor's report hereon) as included in the Issuer's annual report 2020 ("**Annual Report 2020**") on page 81 to 179 and 202 to 211:  
<https://media.vanlanschot.nl/media/pdfs/annual-report-2020-van-lanschot-kempen-wealth-management-nv.pdf>; and
- (c) the Issuer's publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2021 (including the independent auditor's report hereon) as included in the Issuer's annual report 2021 ("**Annual Report 2021**") on page 108 to 205 and 228 to 251:  
<https://media.vanlanschot.nl/media/pdfs/2021-financial-statements-audited-van-lanschot-kempen-nv.pdf>.

Where only certain sections of a document referred to above are incorporated by reference in this Registration Document, the parts of such document which are not incorporated by reference are either not relevant to prospective investors in the Notes and/or Covered Bonds or covered elsewhere in this Registration Document. Any documents themselves incorporated by reference into the documents incorporated by reference into this Registration Document shall not form part of this Registration Document. This Registration Document and the documents incorporated by reference herein may contain active hyperlinks or inactive textual addresses to Internet websites. Reference to such websites is made for information purposes only, and information found at such websites is not incorporated by reference into this Registration Document or the documents incorporated by reference herein and shall not form a part of this Registration Document.

Any statement contained in a document which is deemed to be incorporated by reference into this Registration Document shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a later statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

All figures in the documents incorporated by reference herein have not been audited, unless stated otherwise. These figures are internal figures of the Issuer. Any statements on the Issuer's competitive position included in this Registration Document (including in a document which is incorporated by reference herein) and where no external source is identified are based on the Issuer's internal assessment of generally available information.

The Issuer will provide, without charge, to each person to whom a copy of this Registration Document has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are deemed to be incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its registered office set out at the end of this Registration Document. In addition, such documents will be available free of charge from the Amsterdam office of the Issuer located at Beethovenstraat 300, 1077 WZ Amsterdam and from the website of the Issuer (<https://www.vanlanschotkempen.com/en/financial/debt-investors>).

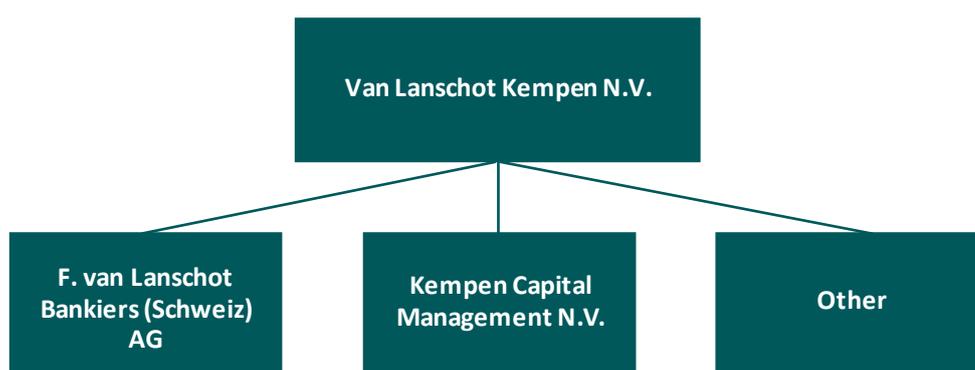
#### 4. VAN LANSCHOT KEMPEN N.V.

##### General information and corporate history

The Issuer was incorporated on 9 March 1970, but can be considered to be the oldest independent Dutch financial institution with a history dating back to 1737. The subsidiaries Kempen Capital Management N.V. (“KCM”) and F. van Lanschot Bankiers (Schweiz) AG (“Van Lanschot Switzerland”) contribute to the income of the Issuer.

From 1991 onward, the Issuer followed a strategy of strong expansion. In addition, offices were opened in Belgium in 1991 and in Switzerland in 1995.

The simplified group structure in which the Issuer, KCM and Van Lanschot Switzerland reside is as follows:



In 2013, the Issuer performed a strategic review. The Issuer decided to move away from a universal banking model and to instead become a specialist, independent wealth manager. The Issuer decided to simplify the organisation, focus the product offering in selected niches and to wind down the corporate banking loan book. Implementation of these strategic choices allowed the Issuer to begin the change to focusing on helping private and institutional clients to preserve and create wealth.

In 2015, the Issuer’s subsidiary KCM acquired the UK fiduciary management activities of Dutch pensions and investments manager MN. This acquisition is in line with KCM’s strategy of expanding its international activities and activities in the area of fiduciary management.

In December 2016, the Issuer acquired the private banking activities of Staalbankiers. The Issuer has taken over private banking clients of Staalbankiers accounting for, at the time, (i) around €1.7 billion in assets under management (“AuM”), (ii) around €300 million in savings and (iii) a small number of securities-backed loans. The Issuer also employed the private bankers and investment experts from Staalbankiers.

In August 2017, the Issuer acquired UBS’s domestic wealth management activities in the Netherlands. The transaction comprised the client relationships and employees of the wealth management activities of UBS Netherlands, having AuM of around €2.5 billion at the time. The transaction further comprised the products and services of the Netherlands branch of UBS.

On 15 January 2020, the Issuer and a.s.r bank announced a partnership agreement between them, which allowed clients with an investment account with a.s.r bank the opportunity to switch to Evi van Lanschot at no cost. The Issuer and a.s.r. bank realised the partnership in the first half of 2020. Around 7,000 clients, €157 million in assets under management and €57 million in savings were transferred to Evi van Lanschot.

On 15 January 2021, the Issuer announced that it has successfully completed the acquisition of Hof Hoorneman Bankiers N.V. (“Hof Hoorneman Bankiers”), a Dutch wealth manager with €2.0 billion in client

assets. Hof Hoorneman Bankiers provides private banking, online wealth management and settlement only services. Migration of clients, employees and client assets to the Issuer was completed in the same year.

On 26 July 2021, the Issuer announced that it has successfully completed a transaction pursuant to which the Issuer acquired a 70% stake in Mercier Vanderlinden. Mercier Vanderlinden and the Issuer in Belgium will continue to operate independently and collaborate in a number of areas. The Issuer will increase its 70% stake in Mercier Vanderlinden step-by-step to 100% by the end of 2025.

### **Incorporation and business objects**

The Issuer is incorporated as a public limited liability company (*naamloze vennootschap*) under Dutch law and has its statutory seat in 's-Hertogenbosch, the Netherlands and its main offices are located in 's-Hertogenbosch and Amsterdam. The Issuer is registered in the trade register of the Chamber of Commerce (*Kamer van Koophandel*) under No. 16038212. The Issuer's registered office is at Hooge Steenweg 29, 5211 JN 's-Hertogenbosch, the Netherlands. Its telephone number is +31 (0)20 354 45 90 (investor relations). The website of the Issuer is <https://www.vanlanschotkempen.com>. Any information contained in or accessible through any website, including <https://www.vanlanschotkempen.com> and the websites of the Private Banking activities (<https://www.vanlanschot.nl>) and the Investment Management and Investment Banking activities (<https://www.kempen.com>) does not form a part of the Registration Document and has not been scrutinised or approved by the AFM, unless specifically stated in the Registration Document, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Registration Document that all or any portion of such information is incorporated by reference in the Registration Document.

The objects and purposes of the Issuer are described in Article 3 of its Articles of Association. The objects of the Issuer are to carry on the business of banking and of dealings in stock exchange securities, to administer the property of others, to act as insurance agents, to participate in, to manage, to administer and to finance other companies and/or enterprises, and to perform all kinds of other activities and to render all kinds of other services which are connected therewith or may be conducive hereto, all this to be interpreted in the widest sense, including the provision of security for debts of group companies.

In pursuing the above objects, Issuer shall, within the scope of a proper banking management, direct itself to the lasting interest of all those who are associated with the Issuer and the business connected with it. In particular, the Issuer shall pursue the continuation of the business of the partnership of F. van Lanschot which has been carried on since 1737.

### **Regulatory status**

The Issuer qualifies as a credit institution within the meaning of the CRD IV Regulation. The Issuer is authorised by DNB (*De Nederlandsche Bank N.V.*) to pursue the business of a bank (*bank*) in the Netherlands and certain other jurisdictions of the EU, in accordance with the Wft and is consequently under direct supervision by DNB. As of 4 November 2014, the Issuer is subject to indirect supervision by the ECB under the new system of supervision, which comprises the ECB and the national competent authorities of participating EU Member States, the SSM. In addition, the Issuer is supervised by the AFM for the purpose of market conduct supervision.

### **Legal merger between the Issuer and its former holding company**

In order to optimise the capital position of the group and to further simplify the group structure, the Issuer (at the time named Van Lanschot Kempen Wealth Management N.V.) and its former holding company, Van Lanschot Kempen N.V. (the "**Holding Company**"), effectuated a legal merger (*juridische fusie*) per 1 July 2021

whereby the Holding Company merged into the Issuer and the latter was subsequently renamed Van Lanschot Kempen N.V.

### **Business segmentation & strategy**

The Issuer is an independent, specialist wealth manager dedicated to the preservation and creation of wealth, in a sustainable way, for its clients and the society it serves. The Issuer is active in private banking, investment management and investment banking. The Issuer's wealth management strategy is strongly focused on its core activities, forming its integrated wealth management proposition for private, wholesale and institutional and investment banking clients.

As an integrated wealth manager the Issuer serves the entire spectrum of client groups, ranging from private clients to institutional investors and corporates. Key to its strategy is the ability to adapt quickly to changing client needs and market circumstances. At the beginning of 2021, the Issuer therefore fundamentally changed its organisational structure by moving from a business line-driven organisation towards a function-based model. This new organisational structure means that the Issuer's reporting is also by client group from 2021, these being Private Clients (this includes Evi), Wholesale & Institutional Clients, Investment Banking Clients, and Other.

#### Private Clients

Within Private Clients, the Issuer focuses on entrepreneurs, family businesses (ultra) high net-worth individuals and mass-affluent clients, while also offering specialised services for business professionals and executives, healthcare professionals, and foundations and associations. With a network of 41 offices and client reception venues in the Netherlands, Belgium and Switzerland, the Issuer differentiates itself, either direct or through its subsidiaries, by building a clearly defined local presence. The Issuer's foreign and international private banking activities are performed through its Belgian branch and its Swiss bank subsidiary, Van Lanschot Switzerland.

#### Wholesale & Institutional Clients

Within the Wholesale & Institutional Clients segment, the Issuer offers comprehensive fiduciary wealth management services for pension funds. Within this segment, also niche investment strategies – high dividend equities, small-caps, real estate, infrastructure, credits, sustainable equity and private markets – are offered to wholesale & institutional clients.

#### Investment Banking Clients

The Issuer's Investment Banking segment (combining Corporate Finance and Equity Capital Markets with a Securities franchise) offers specialist services including equities research and trading, capital market transactions, corporate finance and debt advisory services for corporate and institutional clients. The Investment Banking segment has adopted a niche strategy, focusing on real estate, life sciences and healthcare, tech & fintech, renewables and infrastructure. Investment Banking has offices in the Netherlands, Belgium, the UK and the US.

#### Other

This segment comprises the activities in the field of interest rate, market and liquidity risk management, structured products, the equity investments of Van Lanschot Participaties (which was partly divested in December 2017) and the Issuer's non-strategic investments.

## Strategy

### Enhancing financial targets

On 11 May 2022, the Issuer presented its enhanced medium-term financial targets:

- A CET1 ratio of 15% plus an M&A add-on of 2.5% for acquisitions, the latter offering enough scope for bolt-on acquisitions appropriate to the Issuer's wealth management strategy. The Issuer plans to return additional capital in excess of a 17.5% CET 1 ratio to its shareholders in both 2022 and 2023, subject to regulatory approval.
- An efficiency ratio of 70%, reflecting the Issuer's ambition to grow its revenues coupled with controlled cost growth.
- A 12% CET1 return through the cycle.
- A dividend policy of 50–70% of underlying net profit attributable to shareholders. This target is unchanged.

### Focus on growth

- Private Clients in the Netherlands has full momentum, as shown by high net AuM inflows in the past few years. The Issuer boasts a strong position and a distinctive, personal client experience and it aims to build further on this.
- In Belgium, too, the Private Clients segment offers plenty of scope for further growth. 2021 saw the Issuer take a major step in acquiring 70% in Mercier Vanderlinden, a key springboard for continuing synergies and growth. The Issuer's ambition is to achieve a Top 3 position among independent private banks in Belgium.
- New client business among semi-institutional clients continues, as high-wealth families, associations and foundations continue to professionalise.
- The Issuer aims to grow further in the mass-affluent market and its Evi proposition has now reached critical scale and is running at a profit. The move towards more individualised pensions in the Dutch pensions market holds out more opportunities for Evi's growth.
- Wholesale & Institutional Clients has been growing apace in the past few years. That said, its profitability deserves the Issuer's attention and, going forward, the focus will be on profitable growth in the Netherlands and the United Kingdom.
- Since 2022, the Issuer has started its independent wealth management service (IWMS) for independent investment companies. The first such independent investment company – and its first clients – now feature on the Issuer's platform.
- The Issuer's investment strategies serve both private clients and wholesale and institutional clients. The Issuer is responding to its clients' wish to invest in alternatives – e.g. real assets and private markets – and have expert teams to further expand these areas of expertise.
- The Issuer's licence to operate at Investment Banking Clients is its strong focus on selected sectors: real estate, life sciences & healthcare, tech & fintech, renewables and infrastructure. The segment will see a continuation of our growth strategy, coupled with a capital-light balance sheet.

In addition to organic growth, the Issuer has also been growing by acquisition since 2015, and has a solid track record on bolt-on acquisitions and their integration. Inorganic growth is very much part of the Issuer's strategy and it keeps a keen eye on potential bolt-on acquisitions in the Dutch and Belgian private banking space, and in investment management in the United Kingdom and the Netherlands.

To support its growth strategy, the Issuer continues to invest in digitalisation, data analytics and technology, having built a strong team of talented, capable and result-oriented IT professionals in the past few years. Going forward, this team will further enhance the Issuer's digital client experience, embed data analytics in client and investment processes, and further optimise and automate investment and other processes.

### Growth ambition

Over the past few years, the Issuer's AuM have added around 10% a year on average, reflecting organic growth, growth by acquisition and market performance. On the above growth plans and under normal market conditions, the Issuer will be looking for comparable growth going forward.

### Sustainability

The Issuer is a sustainable wealth manager with a long-term focus, which essentially means that it proactively prevents negative impacts for all stakeholders while creating positive long-term financial and non-financial value. The Issuer continues to improve its offering of sustainable products and services. Committed to becoming a net zero asset manager by 2050, the Issuer has agreed challenging short-term targets, including an annual carbon footprint reduction by 7% for discretionary AuM compared with 2019 and by 7% per FTE for its own organisation, also compared with 2019.

## **Recent Developments**

### *Annual results 2021*

On 24 February 2022, the Issuer published its financial statements for the year ended 31 December 2021. In 2021, net results increased to €143.8 million (2020: €49.8 million). Commission income, the core of the Issuer's income flows, added 30% to €385.5 million, predominantly because of higher recurring commissions. Interest income was stable at €153.6 million (2020: 152.1 million), underpinned by growth in the loan portfolio and negative interest charged on savings.

The underlying net result rose to €159.9 million (2020: €51.0 million). This figure reflects the net result adjusted for the accounting treatment of the Mercier Vanderlinden acquisition, the provision for revolving consumer credit, restructuring charges related to the Hof Hoorneman Bankiers acquisition, and other one-off charges.

Steeply higher income underpinned an efficiency ratio at 68.9% for the year, putting it well within the Issuer's target of a maximum 70-72% by 2025.

In 2021, a total release from loan loss provisions of €11.7 million on the back of a high-quality loan portfolio mainly comprising residential mortgages in the Netherlands was seen.

Operating expenses were well ahead of those in 2020, coming in at €409.9 million (2020: €371.8 million). In 2020, costs were low because of cost-saving measures related to Covid-19. The figures for 2021, by contrast, include Mercier Vanderlinden's and Hof Hoorneman Bankiers' regular expenses (around €16 million). Meanwhile, the Issuer is facing higher – to some extent variable – staff costs, partly as a result of the continuing growth of its IT and Compliance departments. Going forward, the Issuer will continue to invest, not least to lock in future growth.

In 2021, client assets grew to €131.1 billion (2020: €115.0 billion). Assets under management (AuM) climbed to €112.1 billion (2020: €99.0 billion) on the back of a market performance of €9.5 billion and Mercier Vanderlinden's AuM of €3.8 billion. Net inflows at Private Clients were very high at €3.8 billion, whereas Wholesale & Institutional Clients saw net outflows of €4.0 billion. With margins on Private Clients inflows higher than those on outflows at Wholesale & Institutional Clients, the combination made for a significant improvement in management fees, further aided by the positive market performance. Savings and deposits rose to €11.7 billion (2020: €10.1 billion).

## First quarter 2022 trading update

### *Client assets*

The quarter saw total client assets come down in the wake of a negative market performance, caused by a downturn in global securities markets, to €125.5 billion (2021: €131.1 billion). As a result, AuM decreased to €106.3 billion (2021: €112.1 billion). Solid net inflows of €0.7 billion failed to stem the negative market performance of €6.5 billion. Net AuM inflows worked out at €0.6 billion for Private Clients and Wholesale & Institutional Clients recorded €0.1 billion in net inflows. Client savings remained stable at €11.8 billion (2021: €11.7 billion).

### *Result*

The Issuer's first-quarter 2022 net result fell to €25.1 million (Q1 2021: €33.1 million), caused by an incidental exceptional charge. In April 2022, the 's-Hertogenbosch court issued a ruling on an interest-rate derivatives case that – quite unexpectedly – did not go in the Issuer's favour and the Issuer had to make provisions in the amount of €9.9 million, charged to its Q1 results.

The underlying net result, by contrast, rose to €35.7 million (Q1 2021: €33.7 million).

Commission income advanced by 18% to €106.1 million (Q1 2021: €89.8 million) on the back of higher AuM levels relative to the first quarter of 2021. Interest income stood at €35.6 million (Q1 2021: €36.9 million) and remained relatively stable thanks to low interest rates coupled with negative interest charged on savings. As expected, operating expenses were up, at €108.6 million in the quarter (Q1 2021: €97.8 million), due to the Mercier Vanderlinden acquisition as well as higher staff costs. €7.3 million was released from loan loss provisions (Q1 2021: €2.8 million) on the back of a high-quality loan portfolio mainly comprising residential mortgages in the Netherlands.

The Issuer's CET1 ratio remains robust, despite its decline to 20.8% (2021: 23.7%) due to the introduction by De Nederlandsche Bank of higher capital requirements for residential mortgages with effect from 1 January 2022.

### **Key figures**

| <i>(€ million)</i>                 | <b>Q1-2022</b> | <b>Q1-2021</b> |      |
|------------------------------------|----------------|----------------|------|
| <b>Statement of income</b>         |                |                |      |
| Net result                         | 25.1           | 33.1           | -24% |
| Underlying net result <sup>i</sup> | 35.7           | 33.7           | 6%   |
| Efficiency ratio (%)               | 72.0           | 71.6           |      |

| <i>(€ billion)</i>                   | <b>31/03/2022</b> | <b>31/12/2021</b> |     |
|--------------------------------------|-------------------|-------------------|-----|
| <b>Client assets</b>                 | 125.5             | 131.1             | -4% |
| - Assets under management            | 106.3             | 112.1             | -5% |
| - Assets under monitoring & guidance | 3.4               | 3.5               | -2% |
| - Assets under administration        | 4.0               | 3.8               | 6%  |
| - Savings and deposits               | 11.8              | 11.7              | 0%  |

| (€ million)  | 31/03/2022 | 31/12/2021 |     |
|--|------------|------------|-----|
| <b>Statement of financial position and capital management</b>    |            |            |     |
| Equity attributable to shareholders                              | 1,313      | 1,308      | 0%  |
| Equity attributable to AT 1 capital securities                   | 103        | 102        | 2%  |
| Equity attributable to non-controlling interests                 | 0          | 0          | 0%  |
| Savings and deposits   | 11,755     | 11,730     | 0%  |
| Loans and advances to clients                                    | 8,965      | 8,876      | 1%  |
| Total assets   | 16,414     | 16,307     | 1%  |
| Loan-to-deposit ratio (%)  | 76.3       | 75.7       |     |
| Risk-weighted assets   | 4,395      | 3,927      | 12% |
| Common Equity Tier 1 ratio (%)                                   | 20.8       | 23.7       |     |
| Tier 1 ratio (%)   | 23.1       | 26.3       |     |
| Total capital ratio (%)  | 26.5       | 30.1       |     |
|  | Q1-2022    | Q1-2021    |     |
| <b>Key figures</b>   |            |            |     |
| Weighted average of outstanding ordinary shares (x 1,000)        | 40,878     | 41,113     | -1% |
| Underlying earnings per share (€)                                | 0.83       | 0.78       | 6%  |
| Return on average Common Equity Tier 1 capital (%) <sup>ii</sup> | 14.7       | 12.5       |     |
|  | 31/03/2022 | 31/12/2021 |     |
| Number of staff (FTEs)   | 1,694      | 1,654      | 2%  |

*i The underlying net result is the net result adjusted for the costs of expenses related to accounting treatment Mercier Vanderlinden, restructuring charges related to the acquisition of Hof Hoorneman Bankiers and other incidental items.*

*ii Based on annualised underlying net result attributable to shareholders.*

## Result

| (€ million)  | Q1-2022      | Q1-2021      |            |
|--|--------------|--------------|------------|
| Commission   | 106.1        | 89.8         | 18%        |
| - Of which securities commissions                        | 90.5         | 70.6         | 28%        |
| - Of which other commissions                             | 15.6         | 19.1         | -19%       |
| Interest   | 35.6         | 36.9         | -3%        |
| Income from securities and associates                    | 1.4          | 11.4         | -88%       |
| Result on financial transactions                         | 7.9          | -1.4         |            |
| <b>Income from operating activities</b>                  | <b>151.0</b> | <b>136.6</b> | <b>11%</b> |
| Staff costs  | 71.5         | 62.5         | 14%        |
| Other administrative expenses                            | 33.3         | 31.3         | 7%         |
| - Of which regulatory levies and charges                 | 7.7          | 7.2          | 6%         |
| Depreciation and amortisation                            | 3.8          | 4.0          | -5%        |
| <b>Operating expenses</b>                                | <b>108.6</b> | <b>97.8</b>  | <b>11%</b> |
| <b>Gross result</b>                                      | <b>42.3</b>  | <b>38.8</b>  | <b>9%</b>  |
| Addition to loan loss provision                          | -7.3         | -2.8         |            |
| Other impairments  | -            | -2.2         | 100%       |
| <b>Impairments</b>                                       | <b>-7.3</b>  | <b>-5.0</b>  | <b>45%</b> |
| Operating profit before tax of non-strategic investments | 0.1          | 0.5          | -88%       |

|  |             |             |             |
|--|-------------|-------------|-------------|
| <b>Operating profit before special items and tax</b>                       | <b>49.7</b> | <b>44.3</b> | <b>12%</b>  |
| Amortisation of intangible assets arising from acquisitions                | 3.8         | 1.9         |             |
| Expenses related to accounting treatment Mercier Vanderlinden              | 3.0         | -           |             |
| Restructuring charges related to the acquisition of Hof Hoorneman Bankiers | 0.4         | 0.7         | -49%        |
| Other incidental items   | 9.9         | -           |             |
| <b>Operating profit before tax</b>   | <b>32.6</b> | <b>41.7</b> | <b>-22%</b> |
| Income tax   | 7.5         | 8.6         | -13%        |
| <b>Net result</b>  | <b>25.1</b> | <b>33.1</b> | <b>-24%</b> |
| <b>Underlying net result</b>   | <b>35.7</b> | <b>33.7</b> | <b>6%</b>   |

### Result per segment

| <i>Q1 2022 (€ million)</i>   | Private Clients | Wholesale & Institutional Clients | Investment Banking Clients | Other       | Total        |
|--|-----------------|-----------------------------------|----------------------------|-------------|--------------|
| Commission   | 70.2            | 19.9                              | 15.4                       | 0.6         | 106.1        |
| Interest   | 33.3            | 0.0                               | 0.0                        | 2.3         | 35.6         |
| Other income   | 1.3             | 0.0                               | -0.1                       | 8.1         | 9.3          |
| <b>Income from operating activities</b>                                    | <b>104.8</b>    | <b>19.9</b>                       | <b>15.3</b>                | <b>11.1</b> | <b>151.0</b> |
| Staff costs  | 21.6            | 2.5                               | 5.8                        | 41.6        | 71.5         |
| Other administrative expenses  | 16.5            | 2.3                               | 2.1                        | 12.4        | 33.3         |
| Allocated expenses   | 29.9            | 13.7                              | 2.5                        | -46.2       | -            |
| Depreciation and amortisation  | 0.4             | 0.0                               | 0.1                        | 3.4         | 3.8          |
| <b>Operating expenses</b>  | <b>68.4</b>     | <b>18.5</b>                       | <b>10.5</b>                | <b>11.2</b> | <b>108.6</b> |
| <b>Gross result</b>  | <b>36.3</b>     | <b>1.4</b>                        | <b>4.8</b>                 | <b>-0.1</b> | <b>42.3</b>  |
| Impairments  | -6.7            | -                                 | -                          | -0.6        | -7.3         |
| Operating profit before tax of non-strategic investments                   | -               | -                                 | -                          | 0.1         | 0.1          |
| <b>Operating profit before one-off charges and tax</b>                     | <b>43.0</b>     | <b>1.4</b>                        | <b>4.8</b>                 | <b>0.5</b>  | <b>49.7</b>  |
| Amortisation of intangible assets arising from acquisitions                | 3.4             | 0.2                               | -                          | 0.2         | 3.8          |
| Expenses related to accounting treatment Mercier Vanderlinden              | 3.0             | -                                 | -                          | -           | 3.0          |
| Restructuring charges related to the acquisition of Hof Hoorneman Bankiers | 0.4             | -                                 | -                          | -           | 0.4          |
| Other incidental charges   | 9.9             | -                                 | -                          | -           | 9.9          |
| <b>Operating profit before tax</b>   | <b>26.4</b>     | <b>1.2</b>                        | <b>4.8</b>                 | <b>0.3</b>  | <b>32.6</b>  |
| <b>Underlying profit before tax</b>  | <b>39.6</b>     | <b>1.2</b>                        | <b>4.8</b>                 | <b>0.3</b>  | <b>45.8</b>  |

## Result per segment

| Q1 2021 (€ million)  | Private Clients | Wholesale & Institutional Clients | Investment Banking Clients | Other       | Total        |
|--|-----------------|-----------------------------------|----------------------------|-------------|--------------|
| Commission   | 51.4            | 18.8                              | 19.2                       | 0.4         | 89.8         |
| Interest   | 33.7            | 0.0                               | 0.0                        | 3.2         | 36.9         |
| Other income   | 0.8             | -0.1                              | 0.4                        | 8.8         | 10.0         |
| <b>Income from operating activities</b>                                    | <b>85.8</b>     | <b>18.7</b>                       | <b>19.6</b>                | <b>12.5</b> | <b>136.6</b> |
| Staff costs  | 20.7            | 2.5                               | 5.5                        | 33.8        | 62.5         |
| Other administrative expenses  | 15.0            | 1.9                               | 1.8                        | 12.5        | 31.3         |
| Allocated expenses   | 26.4            | 12.4                              | 2.5                        | -41.3       | -            |
| Depreciation and amortisation  | 0.4             | 0.0                               | 0.1                        | 3.5         | 4.0          |
| <b>Operating expenses</b>  | <b>62.6</b>     | <b>16.8</b>                       | <b>9.9</b>                 | <b>8.5</b>  | <b>97.8</b>  |
| <b>Gross result</b>  | <b>23.2</b>     | <b>1.9</b>                        | <b>9.7</b>                 | <b>4.0</b>  | <b>38.8</b>  |
| Impairments  | -2.8            | -                                 | -                          | -2.3        | -5.0         |
| Operating profit before tax of non-strategic investments                   | -               | -                                 | -                          | 0.5         | 0.5          |
| <b>Operating profit before one-off charges and tax</b>                     | <b>26.0</b>     | <b>1.9</b>                        | <b>9.7</b>                 | <b>6.7</b>  | <b>44.3</b>  |
| Amortisation of intangible assets arising from acquisitions                | 1.5             | 0.2                               | -                          | 0.2         | 1.9          |
| Restructuring charges related to the acquisition of Hof Hoorneman Bankiers | 0.7             | -                                 | -                          | -           | 0.7          |
| <b>Operating profit before tax</b>   | <b>23.8</b>     | <b>1.7</b>                        | <b>9.7</b>                 | <b>6.5</b>  | <b>41.7</b>  |
| <b>Underlying profit before tax</b>  | <b>24.5</b>     | <b>1.7</b>                        | <b>9.7</b>                 | <b>6.5</b>  | <b>42.5</b>  |

The Issuer's quarterly accounts are prepared in accordance with the relevant IFRS guidelines, as adopted by the European Union. In preparing the quarterly figures, except as described otherwise, the same accounting principles are applied as in the Issuer's publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2021. The financial data in these tables have not been audited. Small differences in tables may be the result of rounding. Percentages are calculated based on unrounded figures.

## Legal and Arbitration Proceedings

Save as disclosed in this section, during the 12 months preceding the date of this Registration Document there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer and its consolidated subsidiaries.

The Issuer is involved in a number of proceedings and settlement negotiations, all of which are in the ordinary course of business and which may individually not have a significant effect, but may be relevant for a large number of similar cases or potential future cases. Proceedings generally relate to alleged violations of the Issuer's duty of care *vis-a-vis* its (former) customers and as such concern, among others, alleged violations of the obligation to provide adequate information on products and services, the provision of allegedly inadequate investment advice or the provision of excessive loan amounts based on customer profiles. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened legal and regulatory proceedings, the Issuer believes that the proceedings disclosed in this chapter, may have a significant effect on the financial position or profitability of the Issuer and its consolidated subsidiaries.

See "Risk Factors – Litigation or other proceedings or actions may adversely affect the business, financial condition and results of operations of the Issuer".

### Sale of commercial real estate loans

In 2015, the Issuer sold a portfolio of non-performing commercial real estate loans to a company affiliated to Cerberus Capital Management, L.P. The sale concerned loans with a total nominal amount of €400 million and about 120 client relationships. In relation to this sale, a number of (former) debtors filed complaints with the Issuer and a few of such (former) debtors initiated legal proceedings against the Issuer. The proceedings are aimed at invalidating the transfer of the loans (as far as relating to the relevant objecting debtor) and obtaining compensation for damages from the Issuer. In relation to one individual debtor, the court of Oost-Brabant ruled on 20 September 2017 that the transfer of the contractual relationship with the debtor to the buyer of the loan was invalid. However, the court held that the assignment of the Issuer's claims (including all rights associated to such claims, such as security rights) against the debtor under the loan to the buyer of the loan was valid. Based on its finding that the assignment of claims was valid, the court rejected the debtors claim for financial compensation. Both the Issuer and the relevant debtor have filed appeals against this judgment. In December 2021, the court of 's-Hertogenbosch confirmed the ruling of the court of Oost-Brabant and rejected the debtors claim. This judgment was in line with the guidance on certain legal matters given by the Dutch Supreme Court (*de Hoge Raad der Nederlanden*), as discussed in the next paragraph.

In 2019, the district court of Amsterdam requested guidance on certain matters of law from the Dutch Supreme Court in relation to pending legal proceedings between certain debtors and the buyer of the loans. On 10 July 2020, the Dutch Supreme Court rendered judgment in relation to the requested guidance. The most important aspect of the Dutch Supreme Court's judgment was that it confirmed that a bank's claims under its loan agreements with its clients are not by their nature unassignable, regardless of whether the client is a consumer or not and regardless of whether the client is in default or not. The Dutch Supreme Court also answered certain questions regarding the duties of an assignee of such claims. The Issuer believes this outcome in general, and in particular the confirmation by the Dutch Supreme Court in respect of the assignability of claims, to be favourable to its position in the broader dispute with the (former) debtors.

While the guidance provided by the Dutch Supreme Court is favourable, it does not exclude the possibility of litigation and disputes in relation to this matter. Furthermore, the outcome of legal proceedings is, by their nature, not certain. However, based on past decisions rendered by the courts in relation to cases regarding this transaction (between the debtors and the buyer of the loans and/or the Issuer itself) it is expected that the potential financial impact of possible future negative decisions for the Issuer are likely to remain limited. Even though the transaction occurred in 2015, additional claimants may still come forward which may result in additional proceedings against the Issuer. For example, a former client recently initiated Dutch discovery proceedings against the Issuer (which may be a prelude to further litigation).

### **Funding and financing of the Issuer's activities**

Each year, the Issuer prepares a capital and funding plan for capital management purposes. This plan is discussed and approved by the Management Board and Supervisory Board of the Issuer. The Issuer aims to retain access to both retail and wholesale markets through diversified funding instruments. As at the end of 31 December 2021, client savings and deposits comprised 72% of the funding mix of the Issuer. As per the same date, 13% of the funding of the Issuer consisted of issued debt securities, amongst which Notes and/or Covered Bonds. A further 9% of the Issuer's funding contained shareholders' equity. The remaining part are other sources of funding 3%, consisting of the subcategories derivatives, financial liabilities from trading activities, provisions, tax liabilities and liabilities classified as held for sale. Interbankfunding amounts to 3% of the funding mix.

### **Shares and shareholders**

The issued share capital of the Issuer consists of 41,361,668 shares of €1 each. All shares are nominative shares. Share certificates have not been issued. The authorised share capital of the Issuer consists of

150,000,000 shares of €1 nominal value each, and is divided equally into ordinary shares A (“**Class A Shares**”) and preference shares C (“**Class C Shares**”). Class C Shares have not been issued. The outstanding ordinary share capital amounts to EUR 41,361,668. Almost all of the Class A Shares are held by Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen (the “**STAK**”), which has issued depositary receipts for these shares. These depositary receipts for the Issuer’s shares, are listed and traded on Euronext in Amsterdam. The STAK fully complies with Principle 4.4 of the Dutch Corporate Governance Code 2016 (the “**Corporate Governance Code**”), which specifies that “*depositary receipts for shares can be a means of preventing the majority (including a chance majority) of shareholders from controlling the decision-making process as a result of absenteeism at a General Meeting. Depositary receipts for shares should not be issued as an anti-takeover protective measure*”.

The STAK grants proxies so that holders of depositary receipts can always exercise their voting rights. In the case of shares for which the STAK has not granted proxies to the holders of depositary receipts and for which no voting instructions have been received, the board of the STAK decides how the votes are to be cast. The STAK exercises the voting right in the interest of the holders of depositary receipts for shares, taking into account the interest of the Issuer, the enterprise associated therewith and all parties concerned. A depositary receipt can be converted into the underlying Class A Share without any restrictions, although administrative costs may be charged. The board of the STAK consists of three members and is independent from the Issuer. The STAK collects the dividends for the account of the holders of the depositary receipts and distributes the dividends directly to such holders.

In compliance with chapter 5.3 of the Wft the following holdings have been included in the Substantial Holdings register of the AFM. The percentages shown are calculated on the basis of the holdings reported by the respective shareholder or holder of depositary receipts with the AFM at the date of notification and the current number of outstanding shares. Actual holdings may differ on the date hereof. The STAK currently holds more than 99.99% of the Class A Shares.

| Shareholder  | Date of notification | Holding |
|--|----------------------|---------|
| Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen | 24 May 2013          | 97.30%  |

| Holder of depositary receipts | Date of notification | Holding |
|-------------------------------|----------------------|---------|
| Romij B.V.                    | 31 March 2022        | 10.05%  |
| LDDM Holding B.V.             | 3 June 2014          | 9.76%   |
| Janus Henderson Group Plc     | 17 October 2016      | 5.60%   |
| FMR LLC                       | 7 July 2016          | 4.99%   |
| The Goldman Sachs Group Inc.  | 11 April 2022        | 3.18%   |
| J.B. Meulman                  | 15 September 2021    | 3.02%   |

*Disclosure is required once a holder’s interest reaches, exceeds or falls below a threshold value. The current interest of a shareholder or a holder of depositary receipts may consequently differ from the interest reported on the disclosure date. Potential holdings of 3% or more are excluded from this overview. Stichting preferente aandelen C Van Lanschot Kempen has reported a potential interest of 100% in Van Lanschot Kempen N.V. related to a call option agreement between Van Lanschot Kempen N.V. and Stichting preferente aandelen C van Lanschot Kempen.*

## Risk profile

### Risk profile and risk appetite

The Issuer's primary risk management objective is to maintain a low risk profile featuring robust liquidity and strong capital positions. Every year, the Issuer evaluates its risk appetite, which is then formalised in a revised risk appetite statement. This statement, which contains both qualitative and quantitative elements, is determined by the management board of the Issuer (the "**Management Board**") and subject to the Supervisory Board's approval.

The risk appetite of the Issuer is based on the following key principles, which creates the framework within which the Issuer operates:

- The Issuer only takes risks that it understands and it can explain;
- The Issuer only takes risks that – directly or indirectly – serve its strategic objectives;
- The sum of all risks must not exceed the Issuer's risk-bearing capacity;
- When taking risks, the Issuer takes the requirements and expectations of all its stakeholders into account;
- The Issuer does not take any risks that could materially harm its reputation;
- The Issuer's risk appetite should be considered in all business decisions at every level of the organisation; and
- The Issuer avoids risks that could lead to legal and regulatory breaches.

The Issuer pursues a prudent risk policy, and risk management and control are important elements of its business operations. The Issuer's risk management system principally, but not exclusively covers the following risks:

- Financial risks
  - Credit risk
  - Market risk
  - Liquidity and funding risk
  - Interest rate risk
- Non-financial risks
  - Strategic risk
  - Operational risk
  - Information risk
  - Compliance risk
  - Sustainability risk

### Framework

The organisation of the risk framework is based on the three lines of defence principle. The management teams at individual departments and units (the first line) are responsible for managing their specific risks. The Risk Management department and the Compliance department (the second line) support management by facilitating risk assessments, writing policies, providing relevant advice and assistance on applicable regulatory requirements and the design of controls and mitigating actions, providing reports, and challenging the first line on the management of their risks. The Internal Audit department (the third line) monitors whether the activities of the first and second line are effectively mitigating the risks identified. This creates a clear, balanced and adequate division of tasks, powers and responsibilities, ensuring independent and effective fulfilment of the risk management function.

The Supervisory Board supervises the risks and capital adequacy requirements in relation to the Issuer's operations and portfolio. It has set up two committees for this purpose. The Risk Committee of the Supervisory Board prepares the groundwork for the monitoring and supervision of the risk profile and risk

management by the Supervisory Board on all risks identified in the Issuer's business activities and its risk framework. The Audit and Compliance Committee was created to advise the Supervisory Board on financial reporting, internal and external audits, as well as on compliance matters and duty of care.

The Management Board has ultimate responsibility for the existence and effective functioning of the processes that enable the Issuer to hold sufficient capital in the light of its objectives (combined with its risk appetite) and the statutory capital adequacy requirements. Within this scope, the Management Board has delegated specific tasks to various divisions or committees. Each committee has both policy and steering/implementation authority. At least one member of the Management Board has a seat on each committee.

## **Management Board and Supervisory Board**

### **Corporate governance structure**

The Issuer is a two-tier board company. 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. The Issuer is a company subject to the Dutch structural regime (*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 the Issuer's General Meeting.

### **Management Board**

The Management Board of the Issuer is responsible for the continuity of the company. It focuses on long-term value creation for the company and takes into account stakeholders' interests that are relevant in this context. The Management Board is responsible for the management of the company, and its duties include drawing up and achieving the Issuer'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.

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 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.

In strategic decisions, the Management Board takes all material environmental and social factors into account. Periodically, it determines the financial and non-financial key performance indicators (KPIs) for the Issuer.

### **Supervisory Board**

In performing its duties, the Supervisory Board focuses on the interests of the company and its associated business. The members of the Issuer's Supervisory Board are appointed by the General Meeting, in accordance with the provisions set out in Article 23 of the Issuer'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 again for a period of 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.

### Personal details of the members of the Management Board

| Maarten Edixhoven   | Constant Korthout   |
|---|---|
| Chair of the Management Board   | Member of the Management Board, Chief Financial Officer/Chief Risk Officer  |
| <b>Born</b><br>1971, male   | <b>Born</b><br>1962, male   |
| <b>Nationality</b><br>Dutch   | <b>Nationality</b><br>Dutch   |
| <b>Appointed</b><br>1 October 2021  | <b>Appointed</b><br>27 October 2010; term of office expires on 25 May 2022, the day of the Annual General Meeting in 2022. Intended to be re-appointed by the Supervisory Board until 1 September 2022  |
| <b>Areas of responsibility</b><br>Business Innovation & Development, Communication, Company Secretariat/Legal, Compliance, Internal Audit, Human Resource Management, Strategy & Corporate Development, Sustainability Centre | <b>Areas of responsibility</b><br>Credit Risk, Restructuring & Recovery, Finance, Reporting & Control, Risk Management, Treasury  |
| <b>Total number of board and/or supervisory positions</b><br>One  | <b>Total number of board and/or supervisory positions</b><br>Four   |
| <b>Background</b><br>2017–21: Aegon: CEO of Aegon Netherlands and member of management board of Aegon NV<br>2014–16: Aegon: Director Pension and member of management board of Aegon Netherlands                              | <b>Significant supervisory board memberships and/or (board) positions</b><br>Dijklander Hospital: Member of supervisory board<br>ANWB: Member of supervisory board  |
|   | <b>Background</b><br>2002–10: Robeco: CFO, including Risk Management, Treasury and Corporate Development<br>1992–2002: Robeco: Group Controller, CFO and member of executive board of Weiss, Peck & Greer in New York, and Corporate Development Director<br>1990–92: KPMG Management Consultants: Financial Management Consultant<br>1985–90: ABN AMRO: Management Trainee, Senior Account Manager Corporate Clients |

| Arjan Huisman  |
|--|
| Member of the Management Board,<br>Chief Operating Officer   |
| <b>Born</b><br>1971, male  |
| <b>Nationality</b><br>Dutch  |
| <b>Appointed</b><br>6 May 2010; term of office expires on 25 May 2022, the day of the Annual General Meeting in 2022. Intended to be re-appointed by the Supervisory Board until the day of the Annual General Meeting to be held in 2026                              |
| <b>Areas of responsibility</b><br>Digital, Advanced Analytics & Technology: Advanced Analytics, Data Management, Digital & Innovation, IT Platforms & Security Operations: Client Administration & Monitoring, Operational Services, Procurement & Facilities          |
| <b>Total number of board and/or supervisory positions</b><br>Two   |
| <b>Background</b><br>2008–10: BCG Amsterdam office: Partner and Managing Director<br>2004–08: BCG Prague office: Partner and Managing Director<br>1995–2004: BCG Amsterdam and Boston offices: Various consulting positions, with a strong focus on financial services |

| Richard Bruens  |
|---|
| Member of the Management Board  |
| <b>Born</b><br>1967, male   |
| <b>Nationality</b><br>Dutch   |
| <b>Appointed</b><br>15 May 2014; term of office expires on 25 May 2022, the day of the Annual General Meeting in 2022. Intended to be re-appointed by the Supervisory Board until the day of the Annual General Meeting to be held in 2026  |
| <b>Areas of responsibility</b><br>Client Management & Origination: Competence Centre, Investment Banking Clients, Private Clients Regions, Private Clients Specialties, Semi-Institutional Clients, Wholesale & Institutional Clients, Van Lanschot Belgium, Van Lanschot Switzerland                           |
| <b>Total number of board and/or supervisory positions</b><br>Five   |
| <b>Significant supervisory board memberships and/or (board) positions</b><br>Mercier Vanderlinden Asset Management: Non-executive director  |
| <b>Background</b><br>2010–13: ABN AMRO: Global Head Products & Solutions and Global Head Private Wealth Management<br>2007–08: Renaissance Capital: Member of group managing board<br>1991–2007: ABN AMRO: Various managerial positions in the Global Markets division, Managing Director of Investor Relations |

## Erik van Houweligen

Member of the Management Board

### **Born**

1965, male

### **Nationality**

Dutch

### **Appointed**

27 May 2021

### **Areas of responsibility**

Investments Strategies & Solutions: Asset Allocation & Research, Core Strategies, Fiduciary Management & Institutional Solutions, Manager Research & Multi-management Solutions, Portfolio Implementation, Private Client Solutions, Product & Solutions Development

### **Total number of board and/or supervisory positions**

Three

### **Significant supervisory board memberships and/or (board) positions**

Kempen Capital Management: Chair of management board  
DUFAS: Board member

### **Background**

2018-20: Dimensional Fund Advisor: Head of Client Group Europe  
2012-18: ABP: Member of the board of trustees, Chairman of the investment committee and member of the risk & balance sheet committee  
2015-18: Achmea Investment Management: Chairman of supervisory board  
2008-10: AEGON Asset Management: CEO  
1993-2010: AEGON: Various positions

### *Announcement of changes to the Management Board*

On 29 March 2022, the Issuer announced the departure of Constant Korthout as CFRO and the intended appointment of Wendy Winkelhuijzen as Chief Risk Officer and Jeroen Kroes as Chief Financial Officer as per 1 September 2022.

Constant Korthout's third term as a member of the Management Board and CFRO will end at the close of the Annual General Meeting to be held on 25 May 2022. To facilitate a smooth transfer of his duties to his successors, the Supervisory Board intends to reappoint Constant Korthout until 1 September 2022.

In a parallel track, the Supervisory Board has decided to split the position of CFRO into two separate positions as of 1 September 2022: Chief Risk Officer (CRO) and Chief Financial Officer (CFO).

| <b>Jeroen Kroes</b>  |
|--|
| Intended to be appointed as member of the Management Board and Chief Financial Officer per 1 September 2022  |
| <b>Born</b><br>1973, male  |
| <b>Nationality</b><br>Dutch  |
| <b>Areas of responsibility</b><br>Finance, Reporting & Control, Asset & Liability Management, Treasury (including Structured Products), Investor Relations and participating interests   |
| <b>Background</b><br>2013: Van Lanschot Kempen NV: Managing Director of Finance, Reporting & Control<br>2013: Van Lanschot NV: Project leader strategic review project<br>1996: Kempen & Co NV: Managing Director / Director / Analyst / Associate / Senior Manager at Corporate Finance |

| <b>Wendy Winkelhuijzen</b>  |
|---|
| Intended to be appointed as member of the Management Board and Chief Risk Officer per 1 September 2022  |
| <b>Born</b><br>1978, female   |
| <b>Nationality</b><br>Dutch   |
| <b>Areas of responsibility</b><br>Risk Management, Compliance, Credit Risk, Restructuring & Recovery  |
| <b>Background</b><br>2013: Van Lanschot Kempen NV: Managing Director of Strategy & Corporate Development, Investor Relations Manager<br>2010: Van Lanschot NV: Project manager at Treasury / Financial Control / Financial Risk Management, Senior member strategic review project, Member of Private & Business Banking management team<br>2001: Kempen & Co NV: Analyst / Associate / Senior Manager at Corporate Finance |

*Supervisory Board*

**Personal details of the members of the Supervisory Board**

| <b>Frans Blom</b>   |
|---|
| Chair of the Supervisory Board<br>Supervisory Board committees: Audit and Compliance, Remuneration, Selection and Appointment (Chair) |
| <b>Born</b><br>1962, male   |
| <b>Nationality</b><br>Dutch   |
| <b>Appointed</b><br>5 October 2018; first term of office expires in 2023  |
| <b>Total number of supervisory board memberships and/or board positions</b><br>Two  |

| <b>Manfred Schepers</b>   |
|---|
| Vice-Chair of the Supervisory Board<br>Supervisory Board committees: Audit and Compliance, Risk (Chair) |
| <b>Born</b><br>1960, male   |
| <b>Nationality</b><br>Dutch   |
| <b>Appointed</b><br>18 May 2017; second term of office expires in 2025                                  |
| <b>Total number of supervisory board memberships and/or board positions</b><br>Two                      |

**Principal other positions held**

Boston Consulting Group: Senior Adviser  
 American European Community Association (AECA-NL): Chairman  
 INSEAD: Member of board of directors  
 INSEAD Global Alumni Association: President

**Previous positions held**

Boston Consulting Group: Member of global executive committee

**Significant other supervisory board memberships and/or (board) positions**

NWB Bank: Member of supervisory board

**Principal other positions held**

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 and Compliance, Remuneration

**Born**

1967, female

**Nationality**

Dutch

**Appointed**

28 May 2020; first term of office expires in 2024

**Total number of supervisory board memberships and/or board positions**

Six

**Significant other supervisory board memberships and/or (board) positions**

BNG Bank N.V.: Member of supervisory board  
 UMC Groningen: Member of supervisory board  
 Chesnara: Non-executive director

**Previous positions held**

a.s.r.: Member of board of directors/COO  
 ING Bank Nederland: Member of managing board

**Bernadette Langius**

Member of the Supervisory Board  
 Supervisory Board committees: Remuneration (Chair), Risk

**Born**

1960, female

**Nationality**

Dutch

**Appointed**

13 May 2015; second term of office expires in 2023

**Total number of supervisory board memberships and/or board positions**

Four

**Significant other supervisory board memberships and/or (board) positions**

IBM Nederland: Member of supervisory board  
 BDO Nederland: Member of supervisory board

**Previous positions held**

VU Amsterdam: Member of executive board  
 ABN AMRO: CEO Commercial Banking NL, CEO Private Banking NL

**Brigitte Boone**

Member of the Supervisory Board  
 Supervisory Board committees: Risk, Selection and Appointment

**Born**

1960, female

**Nationality****Maarten Muller**

Member of the Supervisory Board  
 Supervisory Board committees: Risk, Selection and Appointment

**Born**

1954, male

**Nationality**

Belgian

**Appointed**

22 September 2021; first term of office expires in 2026

**Total number of supervisory board memberships and/or board positions**

Eight

**Significant other supervisory board memberships and/or (board) positions**

NN Group Belgium: Non-executive director  
Wereldhave Belgium: Non-executive director  
SD Worx: Non-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

Dutch

**Appointed**

31 May 2018; first term of office expires in 2022. Available for reappointment for a second term of office, which term is to expire on the day on which the annual general meeting will be held in 2026

**Total number of supervisory board memberships and/or board positions**

One

**Significant other supervisory board memberships and/or (board) positions**

Stichting continuïteit TomTom: Chair of board  
Stichting Vopak: Chair of board

**Previous positions held**

Allen & Overy LLP: Partner

**Lex van Overmeire**

Member of the Supervisory Board  
Supervisory Board committees: Audit and Compliance (Chair), Risk

**Born**

1956, male

**Nationality**

Dutch

**Appointed**

30 January 2017; second term of office expires in 2025

**Total number of supervisory board memberships and/or board positions**

Three

**Significant other supervisory board memberships and/or (board) positions**

NWB Bank: Member of supervisory board  
Centrum indicatiestelling zorg (CIZ): Chair of audit advisory committee  
Stichting ARQ: Member of supervisory board

**Previous positions held**

EY Accountants LLP: Audit Partner

There are no potential or actual conflicts of interest between any duties owed to the Issuer by the members of the Supervisory Board or the Management Board, and their private interests and/or other duties.

The business addresses of the persons mentioned in this section are at the address of the Issuer.

#### Audit and Compliance Committee

The Audit and Compliance Committee of the Issuer is a permanent committee, consisting of members of the Supervisory Board. It has the duty to advise the Supervisory Board on financial reports, internal and external audit reports and compliance matters of the Issuer. In principle, the Audit and Compliance Committee consists of a minimum of three members.

The current members of the Audit and Compliance Committee are Mr Lex van Overmeire (chair), Mr Frans Blom, Mr Manfred Schepers and Ms Karin Bergstein.

The Audit and Compliance Committee can only exercise the powers it is explicitly provided with or the powers delegated to it by the Supervisory Board. The Audit and Compliance Committee can never exercise more powers than those of the entire Supervisory Board, or than those the Supervisory Board has provided to or delegated to the Audit and Compliance Committee. Accordingly, the Audit and Compliance Committee advises and supports the Supervisory Board.

#### The Issuer subscribes to the principles of the Corporate Governance Code

The Issuer is in compliance with the Corporate Governance Code. The Corporate Governance Code contains principles and best practice provisions that regulate relations between the management board, the supervisory board and the shareholders (including the general meeting). The Corporate Governance Code aims to define responsibilities for long-term value creation, risk control, effective management and supervision, remuneration, and relationships with shareholders and other stakeholders. The Issuer fully complied with the Corporate Governance Code in 2021.

#### The Issuer subscribes to the principles of the Dutch Banking Code

The updated Dutch banking code (*Code Banken*) ("**Banking Code**") came into effect on 1 January 2015, superseding the original Banking Code which had been in force since 1 January 2010. The Banking Code contains principles on sound and ethical business operations, governance, risk policy, audit and remuneration policy. In 2021, the Issuer fully complied with the Banking Code.

### Key financial information of the Issuer

| (€ million)   | 31-12-2021 | 31-12-2020 |
|---|------------|------------|
| <b>Statement of income</b>                              |            |            |
| Total income from operating activities                  | 598.4      | 442.7      |
| Operating expenses                                      | 437.8      | 386.7      |
| Impairments   | -17.8      | 1.9        |
| Operating profit before tax                             | 178.5      | 54.2       |
| Net profit from continuing operations                   | 143.8      | 49.8       |
| Efficiency ratio (%) <sup>1</sup>                       | 68.9       | 85.7       |
| Weighted average number of shares in issue <sup>2</sup> | 40,910,434 | 40,989,428 |
| Earnings per share (€) <sup>2</sup>                     | 3.35       | 1.05       |
| Number of staff (FTEs) <sup>2, 3</sup>                  | 1,654      | 1,564      |

| <b>(€ million)</b>  |            |            |
|---|------------|------------|
|   | 31-12-2021 | 31-12-2020 |
| <b>Balance sheet</b>  |            |            |
| Equity attributable to shareholder                              | 1,308      | 1,254      |
| Equity attributable to AT1 capital securities                   | 102        | 102        |
| Equity attributable to non-controlling interests                | 0          | 0          |
| Public and private sector liabilities                           | 11,730     | 10,141     |
| Loans and advances to the public and private sectors            | 8,876      | 8,448      |
| Total assets  | 16,307     | 15,149     |
| Funding ratio (%) <sup>4</sup>                                  | 132.2      | 120.0      |
| <b>(€ billion)</b>  |            |            |
|   | 31-12-2021 | 31-12-2020 |
| <b>Client assets</b>  |            |            |
| Client assets   | 131.1      | 115.0      |
| - Assets under management                                       | 112.1      | 99.0       |
| - Assets under monitoring and guidance                          | 3.5        | 3.2        |
| - Assets under administration                                   | 3.8        | 2.7        |
| - Savings & deposits  | 11.7       | 10.1       |
| <b>(€ million)</b>  |            |            |
|   | 31-12-2021 | 31-12-2020 |
| <b>Key figures of Van Lanschot Kempen N.V.</b>                  |            |            |
| Risk-weighted assets <sup>5</sup>                               | 3,927      | 4,195      |
| Common Equity Tier I-ratio (%) <sup>5</sup>                     | 23.7       | 24.3       |
| Tier I ratio (%) <sup>2, 5</sup>                                | 26.3       | 25.4       |
| Total capital ratio (%) <sup>2, 5</sup>                         | 30.1       | 27.4       |
| Return on average Common Equity Tier I capital (%) <sup>6</sup> | 15.7       | 4.4        |

- 1) Efficiency ratio is defined as operating expenses as a percentage of income from operating activities, excluding one-off gains and losses.
- 2) The comparative figures show the figures for Van Lanschot Kempen NV, the former holding company of the Issuer, prior to the legal merger with the Issuer.
- 3) Excluding non-strategic investments.
- 4) Funding ratio is defined as the Issuer's public and private sector liabilities as a percentage of its loans and advances to the public and private sectors (i.e. excluding the Issuer's liabilities due to banks and its assets to banks).
- 5) Full-year 2020 and full-year 2021 based on phase-in and including retained earnings.
- 6) Based on underlying net result (annualised).

*The 2020 figures and the 2021 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial years ended 31 December 2020 and 31 December 2021, respectively. As per 1 July 2021 a legal merger took place between Van Lanschot Kempen NV, the former holding company of the Issuer, and the Issuer. As a result of this merger, Van Lanschot Kempen NV, the former holding company of the Issuer, ceased to exist as a legal entity and the Issuer acquired the assets and liabilities of Van Lanschot Kempen NV, the former holding company of the Issuer, under universal title of succession. In addition, the statutory name of the Issuer changed from Van Lanschot Kempen Wealth Management NV to Van Lanschot Kempen NV as of 1 July 2021. By way of comparison, some figures have been adjusted (indicated with a footnote in the table) and show the figures for Van Lanschot Kempen NV, the former holding company of the Issuer, prior to the legal merger with the Issuer. These 2020 figures have been derived from the audited consolidated financial statements of Van Lanschot Kempen NV, the former holding company of the Issuer, as of 31 December 2020. The financial statements have been prepared under the International Financial Reporting Standard, as adopted by the European Union ("IFRS").*

## 5. SELECTED FINANCIAL INFORMATION OF VAN LANSCHOT KEMPEN N.V.

The financial information set out below is extracted from the Issuer's audited consolidated financial statements as of and for the financial years ended 31 December 2020 and 31 December 2021 respectively (see items (b) and (c) of the section "Documents Incorporated by Reference").

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| <i>(€ thousand)</i>   |                   |                   |
|---|-------------------|-------------------|
|   | 31-12-2021        | 31-12-2020        |
| <b>Assets</b>   |                   |                   |
| Cash and cash equivalents and balances at central banks           | 3,714,194         | 2,227,803         |
| Financial assets held for trading                                 | 30,876            | 61,678            |
| Due from banks  | 71,275            | 210,584           |
| Derivatives   | 252,872           | 376,702           |
| Financial assets at fair value through profit or loss             | 299,126           | 290,987           |
| Financial assets at fair value through other comprehensive income | 2,130,327         | 2,576,063         |
| Loans and advances to the public and private sectors              | 8,875,601         | 8,448,326         |
| Other financial assets at amortised cost                          | 257,399           | 448,518           |
| Investments in associates using the equity method                 | 82,441            | 72,202            |
| Property and equipment  | 77,463            | 90,317            |
| Goodwill and other intangible assets                              | 321,861           | 155,007           |
| Current tax assets  | 5,474             | 6,842             |
| Deferred tax assets   | 7,758             | 16,313            |
| Other assets  | 179,929           | 167,684           |
| <b>Total assets</b>   | <b>16,306,596</b> | <b>15,149,026</b> |
| <i>(€ thousand)</i>   |                   |                   |
|   | 31-12-2021        | 31-12-2020        |
| <b>Equity and liabilities</b>                                     |                   |                   |
| Financial liabilities from trading activities                     | 53                | 26                |
| Due to banks  | 501,411           | 501,129           |
| Public and private sectors liabilities                            | 11,729,556        | 10,141,109        |
| Derivatives   | 180,117           | 488,802           |
| Financial liabilities at fair value through profit or loss        | 560,421           | 740,869           |
| Issued debt securities  | 1,418,865         | 1,469,897         |
| Provisions  | 52,569            | 64,586            |
| Current tax liabilities   | 18,295            | 955               |
| Deferred tax liabilities  | 19,045            | 105               |

|  |                   |                   |
|--|-------------------|-------------------|
| Other liabilities  | 245,412           | 212,973           |
| Subordinated loans   | 171,527           | 172,479           |
| <b>Total liabilities</b>   | <b>14,897,271</b> | <b>13,792,930</b> |
| Issued share capital   | 41,362            | 40,000            |
| Treasury shares  | -11,853           | -                 |
| Share premium reserve  | 323,719           | 154,753           |
| Other reserves   | 817,333           | 1,016,720         |
| Undistributed profit attributable to shareholder                       | 136,983           | 43,009            |
| <b>Equity attributable to shareholder</b>                              | <b>1,307,544</b>  | <b>1,254,481</b>  |
| AT1 capital securities   | 100,000           | 100,000           |
| Undistributed profit attributable to holders of AT1 capital securities | 1,688             | 1,688             |
| <b>Equity attributable to AT1 capital securities</b>                   | <b>101,688</b>    | <b>101,688</b>    |
| Other non-controlling interests  | 21                | -158              |
| Undistributed profit attributable to non-controlling interests         | 74                | 85                |
| <b>Equity attributable to non-controlling interests</b>                | <b>95</b>         | <b>-73</b>        |
| <b>Total equity</b>  | <b>1,409,327</b>  | <b>1,356,096</b>  |
| <b>Total equity and liabilities</b>                                    | <b>16,306,596</b> | <b>15,149,026</b> |
| Contingent liabilities   | 107,314           | 106,570           |
| Irrevocable commitments  | 1,159,058         | 1,055,366         |
|  | <b>1,266,372</b>  | <b>1,161,936</b>  |

The 2020 figures and the 2021 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial years ended 31 December 2020 and 31 December 2021, respectively. As per 1 July 2021 a legal merger took place between Van Lanschot Kempen NV, the former holding company of the Issuer, and the Issuer. As a result of this merger, Van Lanschot Kempen NV, the former holding company of the Issuer, ceased to exist as a legal entity and the Issuer acquired the assets and liabilities of Van Lanschot Kempen NV, the former holding company of the Issuer, under universal title of succession. In addition, the statutory name of the Issuer changed from Van Lanschot Kempen Wealth Management NV to Van Lanschot Kempen NV as of 1 July 2021. The financial statements have been prepared under IFRS.

**SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

| <i>(€ thousand)</i>                  |                   |                   |
|--------------------------------------|-------------------|-------------------|
|                                      | <b>31-12-2021</b> | <b>31-12-2020</b> |
| <b>Opening balance at 1 January</b>  | <b>1,356,096</b>  | <b>1,316,570</b>  |
| Net result (as per income statement) | 143,807           | 49,844            |
| Total other comprehensive income     | 7,941             | 13                |
| Dividends / Capital return           | -94,558           | -6,439            |
| Increase/(decrease) of capital       | -                 | -                 |
| To other reserves                    | -                 | -                 |
| Change in non-controlling interests  | 94                | -3,862            |
| Share plans                          | -5,037            | -889              |
| Other changes                        | 983               | 858               |
| <b>Closing balance</b>               | <b>1,409,327</b>  | <b>1,356,096</b>  |

**SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOW**

| <i>(€ thousand)</i>  |                   |                   |
|--|-------------------|-------------------|
|  | <b>31-12-2021</b> | <b>31-12-2020</b> |
| <b>Cash and cash equivalents and balances at 1 January</b>         | <b>2,224,030</b>  | <b>1,436,381</b>  |
| Net cash flow from operating activities                            | 1,359,124         | 1,175,838         |
| Net cash flow from discontinued operations                         | -                 | -                 |
| Net cash flow from investing activities of continuing operations   | 474,213           | -217,427          |
| Net cash flow from investing activities of discontinued operations | -                 | -                 |
| Net cash flow from financing activities                            | -335,535          | -170,762          |
| <b>Cash and cash equivalents at the end of period</b>              | <b>3,721,831</b>  | <b>2,224,030</b>  |

*The 2020 figures and the 2021 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial years ended 31 December 2020 and 31 December 2021, respectively. As per 1 July 2021 a legal merger took place between Van Lanschot Kempen NV, the former holding company of the Issuer, and the Issuer. As a result of this merger, Van Lanschot Kempen NV, the former holding company of the Issuer, ceased to exist as a legal entity and the Issuer acquired the assets and liabilities of Van Lanschot Kempen NV, the former holding company of the Issuer, under universal title of succession. In addition, the statutory name of the Issuer changed from Van Lanschot Kempen Wealth Management NV to Van Lanschot Kempen NV as of 1 July 2021. The financial statements have been prepared under IFRS.*

## CONSOLIDATED STATEMENT OF INCOME

(€ thousand)

|  | 31-12-2021     | 31-12-2020     |
|--|----------------|----------------|
| <b>Income from operating activities</b>              |                |                |
| Interest income                                      | 233,908        | 240,592        |
| Interest expense                                     | 85,460         | 88,800         |
| <b>Net interest income</b>                           | <b>148,448</b> | <b>151,792</b> |
| Income from associates using the equity method       | 28,744         | 12,779         |
| Other income from securities and associates          | 40,306         | 4,962          |
| <b>Income from securities and associates</b>         | <b>69,050</b>  | <b>17,741</b>  |
| Commission income                                    | 395,871        | 303,338        |
| Commission expense                                   | 9,911          | 7,003          |
| <b>Net commission income</b>                         | <b>385,960</b> | <b>296,335</b> |
| <b>Result on financial transactions</b>              | <b>-15,634</b> | <b>-32,289</b> |
| <b>Other income</b>                                  | <b>10,580</b>  | <b>9,161</b>   |
| <b>Total income from operating activities</b>        | <b>598,405</b> | <b>442,740</b> |
| <b>Expenses</b>                                      |                |                |
| Staff costs  | 284,506        | 249,335        |
| Other administrative expenses                        | 123,884        | 112,608        |
| <b>Staff costs and other administrative expenses</b> | <b>408,390</b> | <b>361,943</b> |
| <b>Depreciation and amortisation</b>                 | <b>29,401</b>  | <b>24,712</b>  |
| <b>Operating expenses</b>                            | <b>437,791</b> | <b>386,655</b> |
| Impairments of financial instruments                 | -11,681        | 1,871          |
| Other impairments                                    | -6,156         | -              |
| <b>Impairments</b>                                   | <b>-17,837</b> | <b>1,871</b>   |

|   |                |                |
|---|----------------|----------------|
| <b>Total expenses</b>                                     | <b>419,954</b> | <b>388,526</b> |
| <b>Operating profit before tax</b>                        | <b>178,450</b> | <b>54,214</b>  |
| <b>Income tax</b>   | <b>34,643</b>  | <b>4,370</b>   |
| <b>Net profit from continuing operations</b>              | <b>143,807</b> | <b>49,844</b>  |
| <b>Net result</b>   | <b>143,807</b> | <b>49,844</b>  |
| Of which attributable to shareholder                      | 136,983        | 43,009         |
| Of which attributable to holder of AT1 capital securities | 6,750          | 6,750          |
| Of which attributable to non-controlling interests        | 74             | 85             |
| Average amount of shares <sup>1</sup>                     | 40,910,434     | 40,989,428     |
| Earnings per share (€) <sup>1</sup>                       | 3.35           | 1.05           |

1) The comparative figures show the figures for Van Lanschot Kempen NV, the former holding company of the Issuer prior to the legal merger with the Issuer.

*The 2020 figures and the 2021 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial years ended 31 December 2020 and 31 December 2021, respectively. As per 1 July 2021 a legal merger took place between Van Lanschot Kempen NV, the former holding company of the Issuer, and the Issuer. As a result of this merger, Van Lanschot Kempen NV, the former holding company of the Issuer, ceased to exist as a legal entity and the Issuer acquired the assets and liabilities of Van Lanschot Kempen NV, the former holding company of the Issuer, under universal title of succession. In addition, the statutory name of the Issuer changed from Van Lanschot Kempen Wealth Management NV to Van Lanschot Kempen NV as of 1 July 2021. By way of comparison, some figures have been adjusted (indicated with a footnote in the table) and show the figures for Van Lanschot Kempen NV, the former holding company of the Issuer, prior to the legal merger with the Issuer. These 2020 figures have been derived from the audited consolidated financial statements of Van Lanschot Kempen NV, the former holding company of the Issuer, as of 31 December 2020. The financial statements have been prepared under IFRS.*

**CASH FLOW STATEMENT***(€ thousand)*

|  | <b>31-12-2021</b> | <b>31-12-2020</b> |
|--|-------------------|-------------------|
| <b>Operating profit before tax</b>   | <b>178,450</b>    | <b>54,214</b>     |
| <b>Cash flow from operating activities</b>   |                   |                   |
| Adjustments for  |                   |                   |
| - Depreciation and amortisation  | 29,515            | 27,376            |
| - Costs of share plans   | 2,949             | 2,401             |
| - Results on associates using the equity method  | -28,374           | -12,398           |
| - Valuation results on financial assets at fair value through profit or loss             | -29,223           | -2,059            |
| - Valuation results on financial liabilities at fair value through profit or loss        | 18,546            | -16,660           |
| - Valuation results on derivatives   | -77,604           | -11,918           |
| - Impairments  | -17,837           | 1,871             |
| - Changes in provisions  | 23,770            | 11,261            |
| <b><u>Cash flows from operating activities</u></b>                                       | <b>100,192</b>    | <b>54,088</b>     |
| Net increase/(decrease) in operating assets and liabilities                              |                   |                   |
| - Financial assets/liabilities held for trading  | 30,829            | -14,540           |
| - Due from/ to banks   | 151,000           | 423,399           |
| - Loans and advances to public and private sectors/public and private sector liabilities | 1,098,287         | 773,510           |
| - Derivatives  | -48,086           | -69,586           |
| - Withdrawals from restructuring provision and other provisions                          | -27,286           | -7,264            |
| - Other assets and liabilities   | 33,939            | 15,561            |
| - Deferred tax assets and liabilities  | -                 | 113               |
| - Tax assets and liabilities   | 26,163            | -5,875            |
| - Income taxes paid  | -16,768           | -1,885            |
| - Dividends received   | 10,854            | 8,317             |
| <b>Total net movement in operating assets and liabilities</b>                            | <b>1,258,932</b>  | <b>1,121,750</b>  |
| <b>Net cash flow from operating activities</b>   | <b>1,359,124</b>  | <b>1,175,838</b>  |
| <b>Net cash flow from discontinued operations</b>  | <b>-</b>          | <b>-</b>          |

|  |                  |                 |
|--|------------------|-----------------|
| <b>Cash flow from investing activities</b>                                   |                  |                 |
| Investments and acquisitions   |                  |                 |
| - Investments in debt instruments  | -823,833         | -641,640        |
| - Investments in equity instruments  | -85,352          | -52,122         |
| - Investments in associates using the equity method                          | -13,510          | -15,057         |
| - Property and equipment   | -10,371          | -12,045         |
| - Goodwill and other intangible assets                                       | -181,775         | -20,386         |
| Divestments, redemptions and sales   |                  |                 |
| - Investments in debt instruments  | 1,501,826        | 498,792         |
| - Investments in equity investments  | 40,973           | 13,678          |
| - Investments in associates using the equity method                          | 31,085           | 2,217           |
| - Property and equipment   | 5,056            | 3,563           |
| - Goodwill and other intangible assets                                       | 3,276            | -               |
| Dividends received   | 6,838            | 5,572           |
| <b>Net cash flow from investing activities of continuing operations</b>      | <b>474,213</b>   | <b>-217,427</b> |
| <b>Net cash flow from investing activities of discontinued operations</b>    | <b>-</b>         | <b>-</b>        |
| <b>Cash flow from financing activities</b>                                   |                  |                 |
| Share plans  | -7,985           | -3,290          |
| AT1 capital securities   | -                | -               |
| Change in non-controlling interests  | 94               | -3,862          |
| Redemption of subordinated loans   | -113             | -113            |
| Redemption of debt securities  | -16,242          | -1,281          |
| Receipts on financial liabilities at fair value through profit or loss       | 28,414           | 116,571         |
| Redemption of financial liabilities at fair value through profit or loss     | -232,871         | -259,044        |
| Payment of lease liabilities   | -12,274          | -13,304         |
| Dividends paid   | -94,558          | -6,439          |
| <b>Net cash flow from financing activities of continuing operations</b>      | <b>-335,535</b>  | <b>-170,762</b> |
| <b>Net change in cash and cash equivalents and balances at central banks</b> | <b>1,497,801</b> | <b>787,649</b>  |

|  |           |           |
|--|-----------|-----------|
| Cash and cash equivalents and balances at central banks at 1 January     | 2,224,030 | 1,436,381 |
| Cash and cash equivalents and balances at central banks at end of period | 3,721,831 | 2,224,030 |
| <b>Additional disclosure</b>   |           |           |
| Cash flows from interest received  | 237,811   | 241,606   |
| Cash flows from interest paid  | 94,122    | 93,860    |

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## 6. GENERAL INFORMATION

### Documents Available

For at least 10 years after the publication of this Registration Document on the Issuer's website, copies of the following documents will, when published, be available, free of charge, (i) from the Amsterdam office of the Issuer located at Beethovenstraat 300, 1077 WZ Amsterdam, the Netherlands and (ii) on the website of the Issuer at <https://www.vanlanschotkempen.com/nl/financieel/debt-investors>:

- (a) a copy of the then current articles of association of the Issuer;
- (b) a copy of this Registration Document and any documents incorporated herein by reference;
- (c) any future supplements to this Registration Document and any documents incorporated therein by reference; and
- (d) any securities note relating to securities to be issued by the Issuer under a Registration Document (being a prospectus consisting of separate documents within the meaning of Article 10 of the Prospectus Regulation) that includes this Registration Document and any supplement thereto.

### Legal Entity Identifier

The Issuer's Legal Entity Identifier (LEI) is 724500D8WOYCL1BUCB80.

### Significant Change & Material Adverse Change

As at the date of this Registration Document, there has been no significant change in the financial position or performance of the Issuer and its consolidated subsidiaries (taken as a whole) since 31 December 2021.

As at the date of this Registration Document, there has been no material adverse change in the prospects of the Issuer since 31 December 2021.

### Ratings

Credit rating agencies S&P and Fitch periodically review the Issuer's creditworthiness. The Issuer continuously aims for a high creditworthiness by using the balance sheet only for client related activities and by only taking risks it can manage and understand.

|                                 | S&P           | Fitch        |
|---------------------------------|---------------|--------------|
| Long-term credit rating         | BBB+          | BBB+         |
| Outlook long-term credit rating | Stable        | Stable       |
| Short-term credit rating        | A-2           | F2           |
| Latest rating report            | 25 March 2021 | 12 July 2021 |
| Latest press release            | 24 June 2021  | 7 July 2021  |

"BBB" ratings by Fitch indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

An issuer rated "BBB" by S&P exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the issuer to meet its financial commitments.

The long term ratings by Fitch and S&P may be modified by the addition of a plus ("+") or minus ("-") sign to show relative standing within the major rating categories.

A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. The Issuer has from time to time been subject to its ratings being lowered.

### **Auditors**

PricewaterhouseCoopers Accountants N.V. has audited, and rendered unqualified independent auditor's reports on, the consolidated financial statements of the Issuer for the years ended 31 December 2020 and 31 December 2021. PricewaterhouseCoopers Accountants N.V. has given and has not withdrawn its written consent to incorporate by reference the aforementioned reports in this Registration Document. PricewaterhouseCoopers Accountants N.V. is located in Amsterdam at Thomas R. Malthusstraat 5 (1066 JR), the Netherlands. The auditor having signed the aforementioned auditor's reports on behalf of PricewaterhouseCoopers Accountants N.V. is a member of the Royal NBA (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*), The Netherlands Institute of Chartered Accountants.

**ISSUER**

**Van Lanschot Kempen N.V.**

Hooge Steenweg 29  
5211 JN 's-Hertogenbosch  
The Netherlands

**AUDITORS**

**PricewaterhouseCoopers Accountants N.V.**

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The Netherlands

**LEGAL ADVISERS**

**Allen & Overy LLP**

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