

De Volksbank presents framework for transformation

- Rationalisation of brand portfolio: movement towards one strong retail brand
- Optimisation of distribution model: reduction in number of branches, while maintaining nationwide coverage
- Simpler organisational structure in this phase of the transformation leads to an expected reduction in the number of jobs by 700 - 750 FTEs by 1 July 2025
- This is expected to lead to an annual structural cost saving of approximately € 70 million
- Intention to make a reorganisation provision for 2024
- To comply with increasing laws and regulations, additional running costs are incurred to combat financial crime and in the area of risk management. This also includes temporary hiring of external staff. These temporary costs partially offset the above-mentioned structural FTE cost saving

Today de Volksbank presents the framework within which the transformation will take place in the coming period. The transformation focuses on the rationalisation of the brand portfolio, the optimisation of the distribution model and the simplification of the organisational structure. For this purpose, de Volksbank first of all submitted a framework request for advice to the Works Council. A detailed follow-up request for advice will follow in the first quarter of 2025. In the period ahead, we will conduct further consultations with relevant stakeholders. Decision-making will take place after the Works Council has rendered its advice.

On 4 October 2024, de Volksbank announced that it would simplify and improve its business model and processes to operate more effectively and to strengthen the bank commercially and operationally. The uncertain macroeconomic conditions are putting pressure on the bank's revenues. At the same time, costs are increasing and large investments are needed to comply with laws and regulations. Significant investments are also needed to improve the data quality and IT systems. The transformation sets in motion fundamental changes that should lead to an effective, cost-efficient bank that is committed to people and society and where customer relations come first.

Roland Boekhout, CEO of de Volksbank: "We deliberately choose to share our plans now, even though not all details have been worked out yet. Instead of waiting, we are already setting the course and taking action where possible. Our employees, customers and partners deserve clarity about the steps we are going to take to become a stronger, future-proof bank that builds on a broad social foundation."

Rationalisation of the brand portfolio

The bank is moving towards one strong retail brand in stages. As part of de Volksbank, bank brands SNS, ASN Bank, RegioBank and BLG Wonen have in common that they differentiate themselves in the Dutch banking landscape through strong customer relations and by making social impact. By combining these forces, we are creating one recognisable, strong bank brand with a distinctive social profile that makes banking easy and accessible for its 3 million customers. A bank that contributes to solutions for challenges in Dutch society, such as sustainability,

financial health and affordable housing. The convergence of SNS, ASN Bank, RegioBank and BLG Wonen will be implemented with due care and in stages. Implementation will start in 2025 and is expected to be completed within 3 years. We will announce the brand name later this year.

Optimisation of the distribution model

The combination of mobile banking and a nationwide network of local branches remains distinctive in the customer proposition. It allows us to offer daily digital convenience and a branch nearby for moments that matter to customers. In addition to our franchise formulas, the intermediary channel remains crucial for the distribution of mortgages.

We will also optimise the existing network of SNS Shops and RegioBank branches, leading to a reduction in the number of branches. At this stage, it is too early to give an indication of how many branches will be affected. We will work out the reorganisation in consultation with our franchise contract partners and the Works Council. The guiding principle is that we maintain our nationwide coverage with a healthy, sustainable return for both the franchiser and franchisee.

Simpler organisation structure

The movement to one brand, the optimisation of the distribution model and associated simpler organisation structure leads to a reduction in the number of jobs. In this phase of the transformation it is expected that between 700 - 750 full-time jobs disappear by 1 July 2025, of the total of approximately 4,500 jobs at the end of June 2024. We cannot rule out compulsory redundancies. A Social Plan is available for employees in question. A related reorganisation provision is expected to be taken for the financial year 2024.

De Volksbank expects to achieve a structural cost saving of approximately € 70 million on an annual basis through this staff reduction. To comply with increasing laws and regulations, additional running costs are incurred to combat financial crime and in the area of risk management. This also includes temporary hiring of external staff. These temporary costs partially offset the above-mentioned structural FTE cost savings.

Roland Boekhout: "Increasing pressure on revenues and persistently high costs require an proactive and fundamental approach. We have to work simpler and faster. A simpler organisational structure, with short lines, clear mandates and responsibilities, will make us more effective. This suits a retail bank with a clear range of banking services such as savings, payments and mortgages.

The movement from our four brands towards one strong bank brand is an essential step in this transformation. One brand that stands out as a sympathetic challenger in the Dutch market, a bank that is committed to people and society and that is close to its customers. Thus, we combine our strengths to serve customers even better. I am very much aware of the fact that this process has a big impact on our colleagues, who demonstrate commitment to and passion for their work every day. Colleagues who will lose their job as a result of the transformation will be guided from work to work as much as possible. With this simplification, we are taking important steps to becoming an attractive bank for retail and SME customers."

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ABOUT DE VOLKSBANK N.V.

De Volksbank is the organisation behind SNS, ASN Bank, RegioBank and BLG Wonen and the driving force in the background that develops banking products, processes and systems based on human needs. By banking with a human touch, together we contribute to a financially healthy life for everyone in the Netherlands. ASN Bank encourages sustainable progress, BLG Wonen makes good housing accessible to everyone, RegioBank is committed to quality of life in communities, and SNS has a focus on people. De Volksbank is located in Utrecht, the Netherlands. More information: www.devolksbank.nl.

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