Interim Report 2024

Management Report and Financial Statements for the first half of 2024

The cooperative Rabobank

Contents

Foreword

A stable factor in an unstable world

"Continuing strong performance allows the cooperative Rabobank to do more for for society."

Stefaan Decraene,
Chair of Rabobank's Managing Board

At the start of a wonderful summer of sport, Rabobank launched a special campaign for young sporters in the Netherlands aged between 10 and 20. We are offering a one-off contribution of EUR 125 (reflecting 125 years of Rabobank) to young people to help them join a registered sports club or continue their membership. At Rabobank we believe in both the binding force of clubs and associations and in the health and social gains that sport can bring. That's why any young person in this age group who has an account with us can apply for this sporting gift from Rabo.

This is one of the ways we plough back part of our profits into society and support our members and the many clubs and associations in the Netherlands. It's a seamless fit with our identity as a cooperative bank with a societal focus. The many requests from young people tell us that this campaign is a great success. It was an inspiring start of the summer and a nice conclusion of the first half of the financial year, which we report on in detail in this publication.

As a bank we can look back with satisfaction at the first six months of 2024. Our strong results are driven by a solid business performance, supported by the continuing benign interest environment. We posted a net result over the first half of the year of EUR 2,818 million compared to EUR 2,528 million in the same period in 2023. Good results allow the cooperative Rabobank to do even more for society.

I am proud of all the colleagues who have worked with us to realize these results, particularly since we achieved them during a period of restructuring in many parts of the organization. Shortly after I joined Rabobank 18 months ago, I stated the ambition to make this bank even better than before and to re-examine our structure and processes to identify where we could do things more simply and more efficiently.

Our customers are front and center of everything we do. So we've been asking ourselves: how can we make things even better than before, and make our customer service faster and easier? The answer lies mainly in listening more attentively and asking: how do customers experience the bank? What do they want from us? What problems do they encounter? Visits to clients always yield fresh insights, which is why in the past few months many colleagues have boosted their efforts to get out there, to help clients and listen to them. All of which helps us to continuously improve the customer journey and provide better services. And it ties into our ambition to make the bank even better than before.

We're pursuing that ambition against the backdrop of a world characterized by instability in many places. In the past few years, wars, geopolitical tensions and increasing polarizations in society have significantly altered the circumstances in which we do business as a bank. We have adapted to those changes where necessary. Next to that, in recent months we made a start on reorganizing our Dutch retail business under the leadership of our new Managing Board colleague Carlo van Kemenade. Carlo moved to Rabobank from our wholly owned vendor leasing subsidiary DLL, where he has worked for 30 years, most recently as CEO. His customer experience and his energy make him the perfect choice to lead the restructuring of Rabobank's activities in the Netherlands.

We further strengthened the Managing Board this spring with the appointment of Lara Yocarini, who succeeded Carlo as CEO of DLL. Up to April, Lara had been responsible for Rabobank's Rural and Food & Agri financing activities outside the Netherlands. Her appointment to the bank's Managing Board means that our three business lines – the Dutch retail activities, our international F&A activities and DLL – are now all represented by their leaders in the board. You can get to know Lara and Carlo and read about their roles in two interviews in this report.

Sustainability continues to play a leading role in everything we do. For some time we've been focusing on the Energy and Food System transitions around the world – particularly in our Wholesale & Retail segment – and we will continue to do so. Through participation in many networks, these are the topics where Rabobank is willing and able to make a difference. This is another way in which Rabobank can contribute to stability in an unstable world. In this report you can also read impactful client cases which underline the contribution we made in the first half of this year.

We remain committed to our mission of *'Growing a better world together'*. That mission is supported by four strong pillars: we are a rock-solid bank, a meaningful cooperative, focused on our customers, with empowered employees. I'm proud that we continue to achieve high scores on all four aspects despite the continuing challenges of our times. Times in which we must put 'we' before 'they', 'our' before 'their', and 'together' before 'alone'. Rabobank is a bank that holds 'togetherness' in high esteem. I look forward to the second half of this year, when we will present ourselves even more strongly to the world as 'our bank'.

I hope you enjoy reading this Interim Report.

Stefaan Decraene,
Chair of Rabobank's Managing Board

"Sustainability continues to play a leading role in everything we do. For some time we've been focusing on the Energy and Food System transitions around the world – particularly in our Wholesale & Retail segment – and we will continue to do so."

Stefaan Decraene, Chair of Rabobank's Managing Board

Management Report

Key Figures

Financial Key Figures[1]

Amounts in millions of euros	*2024 HY*	*2023 FY*	*2023 HY*	*2022 FY*	*2022 HY*	*2021 FY*
Common Equity Tier 1 Ratio	16.3%	17.1%	16.7%	16.0%	15.1%	17.4%
Total Capital Ratio	20.5%	21.7%	21.5%	21.1%	19.9%	22.6%
Leverage Ratio	7.1%	7.1%	6.8%	6.6%	6.2%	7.3%
Risk-weighted Assets	262,852	242,763	242,274	240,376	251,455	211,855
Cost/income Ratio Including Regulatory Levies	50.7%	55.9%	51.3%	65.4%	66.8%	63.8%
Underlying Cost/Income Ratio Including Regulatory Levies	50.4%	57.4%	52.1%	61.4%	62.0%	60.4%
Return on Equity	11.1%	9.1%	10.7%	5.4%	5.7%	8.8%
Income	8,138	15,405	7,682	11,800	5,659	12,169
Operating Expenses	4,074	8,057	3,615	7,049	3,344	7,044
Impairment Charges on Financial Assets	279	727	339	344	42	(474)
Net Profit	2,818	4,377	2,528	2,403	1,276	3,692
Total Assets	621,641	613,796	630,203	628,513	666,844	639,231
Private Sector Loan Portfolio	443,125	434,007	433,058	432,122	432,551	417,685
Deposits from Customers	401,627	391,380	395,368	396,472	385,111	372,381
Liquidity Coverage Ratio (12-month average)[2]	167%	161%	166%	174%	178%	188%
Loan-to-deposit Ratio (12-month average)	1.11	1.10	1.09	1.10	1.10	1.08
Non-performing Loans	9,497	8,997	9,654	8,636	8,323	9,231

1 For more details about the Alternative Performance Measures (APMs) please refer to Methodology & Definitions of Interim Figures 2024 on our website.

2 Comparative LCR figures have been adjusted to 12-month averages to align with Pillar 3 report.

Non Financial Key Figures[1]

Amounts in millions of euros	*2024 HY*	*2023 FY*	*2023 HY*	*2022 FY*	*2022 HY*	*2021 FY*
% Online Active Private Customers in the Netherlands	70.5%	69.8%	68.7%	68.1%	67.6%	67.0%
% Online Active Corporate Customers in the Netherlands	84.4%	83.8%	83.0%	82.9%	82.7%	82.4%
Availability of Internet Banking	99.7%	99.6%	99.6%	99.8%	99.8%	99.8%
Availability of Mobile Banking	99.8%	99.6%	99.6%	99.8%	99.8%	99.8%
Availability of iDEAL	99.9%	99.7%	99.9%	99.9%	99.9%	99.8%
Total Sustainable Financing	36,058	34,227	32,794	31,418	31,023	30,392
RepTrak Pulse Score	69.5	69.2	68.5	69.2	70.2	70.4
Member Engagement Score	48%	44%	42%	42%	43%	44%
Community Funds and Donations	11.9	40.1	8.7	30.4	5.7	27.6
Employee Engagement Score	87	88	87	86	85	83
Diversity: % Women Employed in the Netherlands	50%	50%	50%	50%	49%	49%
Absenteeism in the Netherlands	4.3%	4.3%	4.3%	4.4%	4.4%	3.9%
Ratings						
Standard & Poor's	A+	A+	A+	A+	A+	A+
Moody's	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
Fitch	A+	A+	A+	A+	A+	A+
DBRS	AA low	AA low	AA low	AA low	AA low	AA low
Sustainalytics ESG Risk Rating Category Diversified Banks	13.4	13.7	10.2	10.2	10.5	10.6

1 For more details about the methodology please refer to Methodology & Definitions of Interim Figures 2024 on our website.

Growing a Better World together

Our strategy is defined by being a Better Bank through excellent customer focus, being rock-solid with empowered employees and our distinctive identity as a meaningful cooperative. From this foundation, we help our customers to shape a Better World within sustainable boundaries.

Excellent Customer Focus

Cooperative Mindset

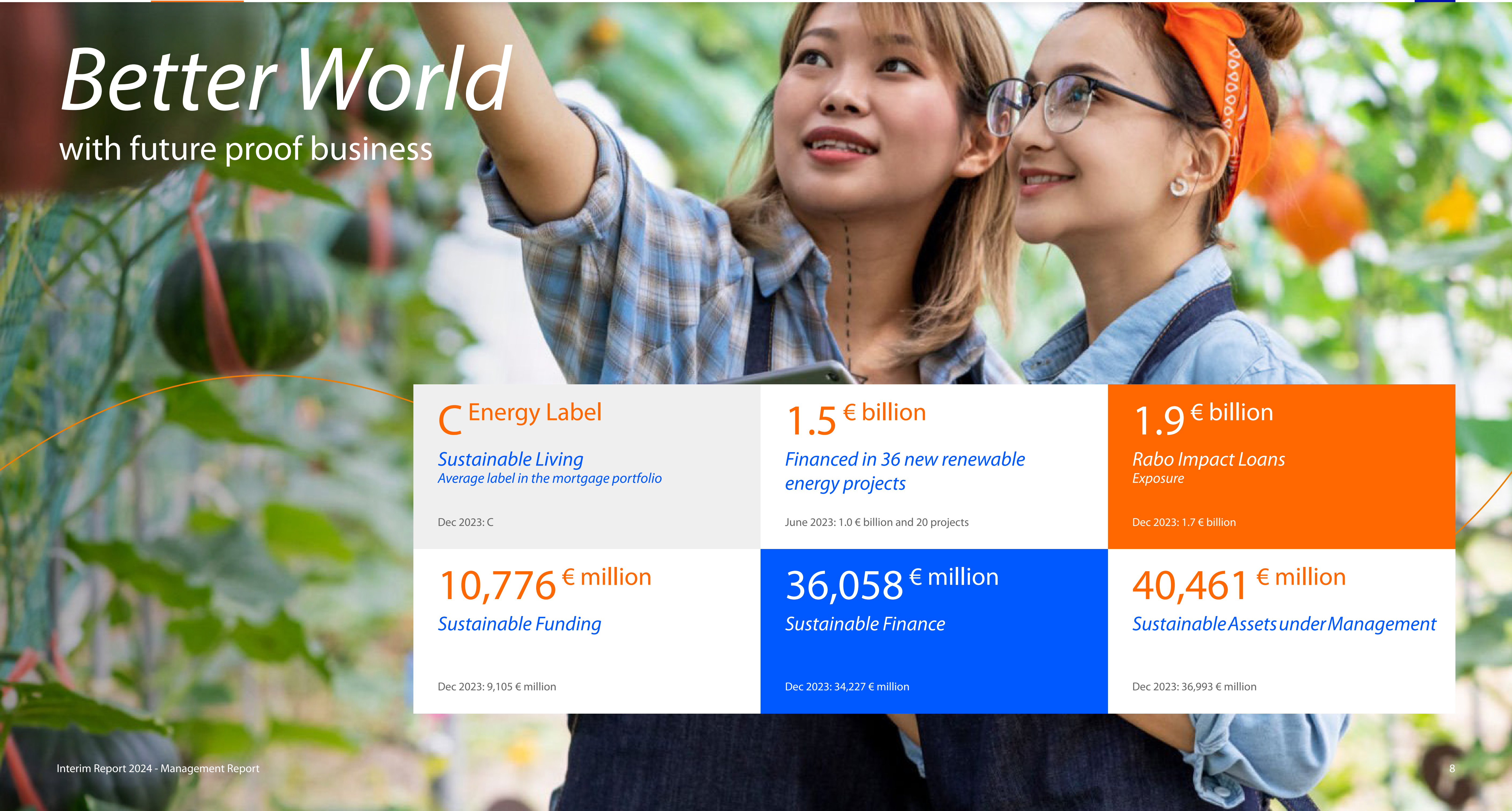
Rock-Solid Bank

Empowered Employees

Act on Climate

Value Nature

Enable People



Better World

with future proof business

C Energy Label *Sustainable Living* *Average label in the mortgage portfolio* Dec 2023: C	**1.5** € billion *Financed in 36 new renewable energy projects* June 2023: 1.0 € billion and 20 projects	**1.9** € billion *Rabo Impact Loans* *Exposure* Dec 2023: 1.7 € billion
10,776 € million *Sustainable Funding* Dec 2023: 9,105 € million	**36,058** € million *Sustainable Finance* Dec 2023: 34,227 € million	**40,461** € million *Sustainable Assets under Management* Dec 2023: 36,993 € million

Sustainability in All We Do

We want to, need to and have committed to "Grow a Better World Together." That's why we use our financial solutions, industry knowledge and networks to empower clients to future-proof their activities, homes and businesses, in a financially sound way. We also drive transitions that can contribute to make the more sustainable option affordable, available and accessible.

Embedded in Our Strategy

From a sustainability perspective, the reduction of our climate impact, bringing nature impact back to planetary boundaries and contributing to a more inclusive society, are our main priorities. In our own organization, with our customers and in our communities. We will act in line with our convictions, commitments and regulations and do so with science-based guidance. In addition to having our foundation in order, from human rights to good governance, our relentless focus from a sustainability perspective will be on the following topics.

> *As a cooperative bank, we have been dedicated to creating a future-proof society and tackling major societal challenges for over 125 years.*

Our Sustainability Aspirations

Act on Climate

On or below 1.5 degrees Celsius pathways

Climate change and nature loss undermine the resilience of our planet and its ability to recover. It affects everyone, everywhere. Rabobank clearly recognizes the gravity of the situation and we are fully committed to support the goals of the Paris Climate Agreement and signed the Net-Zero Banking Alliance and the Dutch Financial Sector Climate Commitment.

Value Nature

Back to planetary boundaries

As Rabobank, we recognize human impact and dependency on nature and the urge to act on it. We were one of the first financial institutions that co-launched and signed up to the Finance for Biodiversity Pledge and Taskforce on Nature-related Financial Disclosures.

Enable People

A more inclusive society for customers, communities and workforce

Everyone deserves a fair and equal chance to pursue their ambitions. Rabobank is committed to UNGPs on Business and Human Rights and OECD guidelines on Responsible Business Conduct.

The cases on the following pages are a number of examples that illustrate the impact we, together with our customers, have made in the first half of 2024.[1]

1 When the impact of the presented cases is financially material this is disclosed in this report

Better World

Project case

Rabo SmartBuilds: Fast, Affordable, and Sustainable

Rabo SmartBuilds finances, develops and manages high-quality, modular, and sustainable homes in the mid rental segment. The homes are built in a factory and placed at temporary locations, which makes the development process considerably faster than traditional, permanent housing projects. By constructing affordable housing, we can encourage mobility in a stagnant housing market. Additionally, this approach positively affects residents' financial well-being and overall prosperity

Texelwende Nearing Completion

Rabo SmartBuilds has the ambition of building 12,000 homes in the next 10 years to help reduce the housing shortage in the Netherlands. We are already off to a great start on the island of Texel, where 120 homes will be completed for the Texelwende project by mid-September 2024. Of these properties, 50 will be social housing that will be managed by the Woontij housing corporation.

The project enables 120 households with social and/or economic connections to the island to live and work there. The residents are people with important jobs in education, healthcare, the police, the fire department, and the hospitality industry.

The production of the wooden, energy-efficient, modular homes began in January 2024 in Barli's house factory. The first homes were moved to the island in March and were placed 10 weeks later. The project was completed within just 18 months after signing, whereas traditional development processes for housing projects can take up to 7 and 10 years.

Where Will Other Homes by Rabo SmartBuilds Be Built?

A total of more than 1,000 homes are expected in the pipeline for the next two years, including in the following locations: Zaltbommel, Veghel and Duiven.

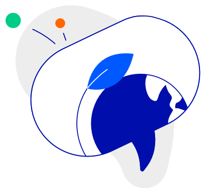
Comfortable, Nature-inclusive Living

Rabo SmartBuilds strives to create an affordable place to live while simultaneously transforming the landscape into a nature-inclusive environment. Our projects always pay attention to the public space, nature, biodiversity, and the neighborhood. Because residents' comfort comes first, the neighborhoods that Rabo SmartBuilds develops are a pleasant place to live.

1,000+
Total homes expected in the pipeline

120
Total homes delivered

Better World



Project case

ArkeaBio's: Reducing Methane Emissions from Livestock

ArkeaBio is a Boston-based start-up that is developing a vaccine to decrease methane emissions from livestock. Emissions from the sector are significant (~6% of total greenhouse gas emissions) but the current mitigants either have a long time to market, target only a small population of animals, or are costly.

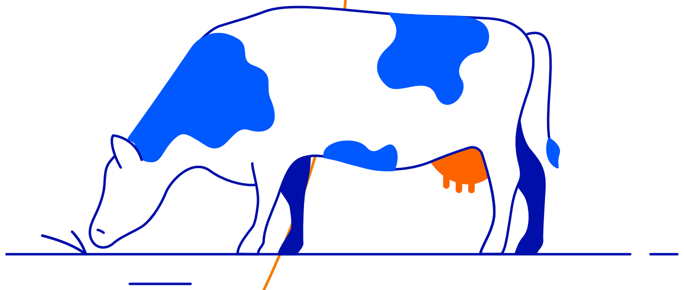
Lower the Climate Impact of Today's Food System

ArkeaBio is developing a solution that is applicable across all feeding systems and therefore has the potential to have a huge impact on lowering the climate impact of today's food system.

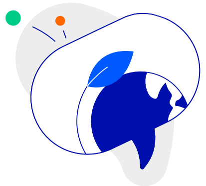
Their cost-effective, easy-to-deploy and high-quality vaccines have the potential to be a critical tool as part of the broader set of solutions that enable the Food Systems transition. It aims to make animal protein more sustainable without negatively impacting animal welfare. It is currently in the development process and has seen positive results in its most recent trials – it plans to launch by 2025-26.

ArkeaBio presents a strong fit with Rabobank as we are committed to helping our clients reduce emissions by 2030 as part of the Rabo Road to Paris Strategy. Decreasing methane emissions has disproportionately high impact for the investment – it has 84 times the heating effect of carbon-dioxide and its reduction not only limits warming but can lead to the cooling of the climate due to the gas' short lifespan.

Rabo Ventures, part of Rabo Investments invested in the USD 26.5 million Series A led by Breakthrough Energy Ventures with participation from Grantham and AgriZero



Better World



Project case

Tate & Lyle PLC: Transforming Lives through the Science of Food

Tate & Lyle PLC are a UK-headquartered global supplier of ingredient solutions for food & beverages, operating for over 160 years with a GBP 1.75billion in annual revenues in 2023. Historically a sugar refining business T&L began to diversify from the 1970s. Today the company operates through 3 core segments: Food and Beverage Solutions (providing solutions and ingredients which add enhance functionality, nutrition and health benefits), Sucralose (including operations of trademarked SPLENDA sweetener) and Primary Products Europe (commoditized part of T&L's corn wet milling capacity in Europe). The majority of Company's operations and sales take place in North America, with other activities and sales in Europe, Asia, Middle East, Africa and Latin America.

Rabobank "Client Intimacy & Sustainability"

The company has a strong commitment to sustainability, underpinned by its core purpose of 'Transforming Lives through the Science of Food'. It stands for 'supporting healthy living', building thriving communities' and 'caring for our planet'.

Rabobank's role in this transaction marks the second successful loan capital markets and sustainability-linked coordination mandate.

In May 2024, the sustainability-linked revolving credit facility of USD 800 million (GBP 633 million) was amended and re-stated. The maturity date was extended for five years, and includes two further one-year extension options, which are subject to lender credit approval. Tate & Lyle has a high sustainability standard and has set new, more ambitious climate targets aligned to 1.5 degrees Celsius trajectory; New science-based GHG emissions targets to 2028 deliver larger, faster emissions reductions.

100 USD million

Commitment provided

Better World

Project case

KB Seafood

KB Seafood (KB), established in 1926 as a family business has a long-standing history in the seafood processing and distribution market within Australia. In 2016, the company was acquired by the Joyvio Group Co. Ltd (part of Legend Holdings Corporation, a conglomerate listed in Hong Kong) where Rabobank Shanghai hold a strong relationship. KB is one of Australia's leading seafood companies with operations spanning sourcing, processing, importing, wholesale distribution and export. It accounts for approximately 30% share of the Australian Retail seafood market, with Food Service also a key part of its business. It operates 3 state-of-the-art processing facilities around Australia.

With KB continuing to grow its market presence and position, it sought a financing facility that would be more aligned with its growth ambitions, i.e. one that focuses on its key assets (valuable seafood inventory, and receivables from a combination of major players in the Australian food retailing and food service sectors, and a diverse pool of local wholesalers/retailers).

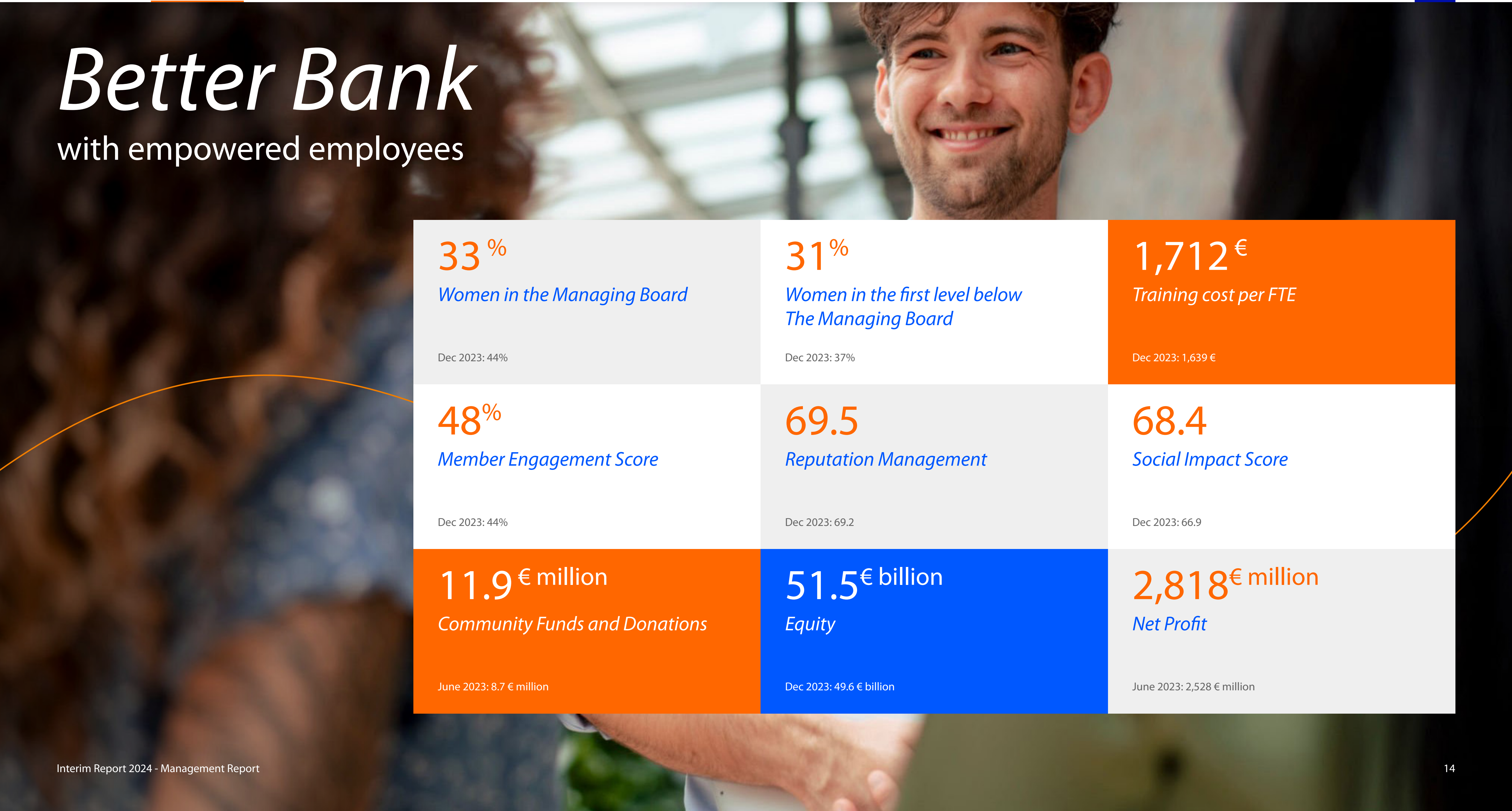
"Sustainability & Growth"

Core Lending and Value Chain Finance APAC (VCF) arranged and funded a 2-year committed Asset Based Lending (ABL) facility & immediate Markets business (FX) for KB Seafood Company Pty Ltd. The 2-year committed, AUD 80 million ABL features a revolving credit facility secured by KB's inventory of fresh, chilled and frozen seafood products, and its debtor book. At financial close, Rabobank also novated AUD 40 million in FX contracts from Westpac.

KB Seafood Co, is a good example where sustainability and growth ambition goes hand-in-hand. KB's objective is to ensure that they operate to the world's best practice in environmental protection, harm minimization and sustainable seafood sourcing; minimise the risk of on-site and off-site contamination through appropriate storage, treatment and handling of chemicals and wastes; and keep improving packaging regarding content and ability to recycle.

80 + 40 AUD million

in ABL and FX contracts



Better Bank

with empowered employees

33 %
Women in the Managing Board
Dec 2023: 44%

31 %
Women in the first level below The Managing Board
Dec 2023: 37%

1,712 €
Training cost per FTE
Dec 2023: 1,639 €

48 %
Member Engagement Score
Dec 2023: 44%

69.5
Reputation Management
Dec 2023: 69.2

68.4
Social Impact Score
Dec 2023: 66.9

11.9 € million
Community Funds and Donations
June 2023: 8.7 € million

51.5 € billion
Equity
Dec 2023: 49.6 € billion

2,818 € million
Net Profit
June 2023: 2,528 € million

Lara Yocarini, new CEO at DLL:

'We make the real economy turn'

"One of the first things that struck me was the extremely strong culture."

A lot has happened in the past few months for Lara Yocarini. In May of this year, she was appointed CEO of DLL, the global asset finance company for equipment and technology and a wholly owned subsidiary of Rabobank. One week later she joined Rabobank's Managing Board, the highest executive body of the bank. Now, scarcely two months after joining DLL, Lara Yocarini reflects on the first half-year results of the vendor finance company.

What can you say about DLL's results in the first half of 2024?

"In commercial terms DLL can look back on a good first half. Our new business volumes remain solid, particularly in retail finance. That's the part of our business where we work with manufacturers and dealers to provide their customers with financing solutions for new assets. Meanwhile, we did feel the effects of significant flooding in the south of Brazil where our regional head office for South America is located and we are seeing a rise in loss provisions."

Even though she joined DLL only very recently, Lara Yocarini explains the results with all the assurance of an experienced executive. That is remarkable as she was only nominated last April to become CEO of DLL. Up to then she'd been fully focused on her role as Rabobank's Global Head of Rural and Food & Agri. In May that focus shifted to DLL.

In the short time you've been with DLL, what do you see as the company's differentiator?

"I like to describe it in one short sentence: 'We make the real economy turn.' That really is what DLL does. We enable manufacturers of both "soft" and "hard" assets to sell these assets to their customers. How do we do that? By providing finance to those customers. Imagine you're a farmer and you go to a dealer to buy a new combine harvester, and you don't happen to have a million in the bank. We can help you finance that machine. In other words, we make it possible for people to access the tools and technology they need to operate their business. Our customers include both small entrepreneurs and large corporates. That's how we make the real economy turn."

What were your first impressions of DLL when you joined this spring?

"One of the first things that struck me was the extremely strong culture. The colleagues I've been meeting as I tour the company don't say: 'I like working here,' they say, 'I love working for DLL!' That passion for the company, and that sense of belonging to a family, is really powerful. There's a culture of working together to get things done and DLL invests significantly in that culture. That's reflected in our employee engagement scores which are super high. For me it feels fantastic to be part of that DLL culture."

When Lara was approached for her new role, she made a list of 'yesses' to this exciting challenge. "This is a growth business with several long-standing customer relationships and partnerships with vendors [manufacturers – ed.]. That really appeals to me. The fact that we are so international is also attractive. DLL employs around 5,900 people of 75 nationalities in more than 25 countries. At one time, the company was primarily focused on the F&A world and even today F&A represents almost half of the portfolio, but DLL now operates in nine sectors and has expanded through international acquisitions."

Looking ahead, what's in store for DLL in the second half of this year?

"The commercial outlook is good but in the last few months we've seen a rise in impairments, particularly in Brazil. We have been working on a small acquisition in Germany – ELF Leasing GmbH – which we're very enthusiastic about and we are looking at further acquisition opportunities. Naturally, we always keep an eye on costs. But we also want to grow, so we're looking in particular at where and how we can achieve efficiencies and steer the cost-income ratio. There are growth opportunities everywhere for us. All over the world there's an increasing shift toward the user economy. Particularly among the younger generation, there's a preference to use things rather than own them. And that's what leasing is all about."

You are the first DLL CEO to also have a seat on Rabobank's Managing Board. How do you view the collaboration with Rabobank?

"The collaboration is good and the relationship is mutually reinforcing. We are always looking for opportunities to introduce DLL solutions to Rabobank clients and vice versa. We have a lot of shared priorities and we share experiences. For instance, we've looked very closely at how our organization works and how we can continue to simplify it, just as Rabobank is now putting a lot of effort into simplifying several processes and optimizing its activities in the Netherlands and in Wholesale & Retail. We're all looking at how we can continue to improve the 'customer journey'."

"Particularly among the younger generation, there's a preference to use things rather than own them. And that's what leasing is all about."

Lara Yocarini

Delivering Value for Stakeholders

Rabobank is a unique bank, with strong cooperative roots. We activate local networks, contribute to communities, and support societal transitions. From this solid position, we have reinforced our strategy to be even better able to deal with the fast-changing world, strong competition (including new entrants), and increasing digitalization. Building on our mission of “Growing a better world together”, our ambition is to strengthen our leading position in the Netherlands, be the Food & Agri bank of choice globally, and be the market leader in vendor finance globally.

Our Corporate Strategy based on 4 Strategic Drivers

In addition to being a rock-solid bank, we want to be a meaningful cooperative. In order to achieve this, we have established four strategic pillars that form our strategy.

Excellent Customer Focus

'Our client's need comes first'

A high customer satisfaction is key to our success. We want to stay relevant by optimizing our core product offering and expanding our value-added services. We provide high-valued customer advice and seamless digital services. Without losing our local connection and our distinctive human touch. To generate additional non-interest related business, we need to deepen our client relationships, gain market share through competitive propositions, and promote our enhanced digital services.

Meaningful Cooperative

'Embed sustainability in all we do'

As a cooperative bank, we want to make a difference for society and contribute to a more sustainable world. We embed sustainability in all we do. Thanks to our local connection, at the heart of society, we are ideally placed to facilitate and bank the key transitions. And to help our customers live a more financially healthy and sustainable life. We act as a positive force for our customers, partners and their communities. We strive for sustainability in our services and are committed to help our customers reach their Road to Paris.

Rock-Solid Bank

'Balanced growth is key'

Higher fixed costs trigger the need to realize synergies and economies of scale, solid returns and grow in a profitable and sustainable way. This requires active cost control. We need to build operational excellence by being efficient, risk aware, regulatory compliant and in-control. A challenge which requires continuous improvement to stay successful and be able to invest in our customers, people and society in the future. Ultimately, we are responsible for realizing a balance between risk, return and impact. We are committed to deliver on our 'Know Your Customer (KYC)' plans. Our role as gatekeeper to safeguard the integrity of the financial system remains of the utmost importance.

Empowered Employees

'Rabobank is a great place to be'

We demonstrate what it means to work for a cooperative bank through our daily interactions and strive to have a meaningful impact for our customers, Rabobank and society. We inspire our people to continuously grow, to learn from our mistakes, and to take responsibility to help build a future ready, learning and result-driven organization. We create a culture where our people feel safe, valued and rewarded. Our people work in inclusive and diverse teams; this serves as a basis for innovation, impact and result.

> *What matters to our members, our customers and our communities, matters to us. We believe in the power of cooperation to improve communities.*

Midyear update

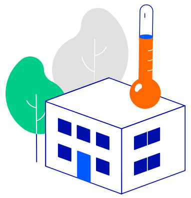
Cooperative Sustainability Initiatives

A Tangible Expression of Being a Meaningful Cooperative

In honor of Rabobank's 125th anniversary, we made EUR 400 million available for our customers, members, partners and employees to give an extra impulse to helping them become more sustainable. To achieve this, we have launched several cooperative sustainability initiatives.

Initiative 1

Cooperative Insulation Budget



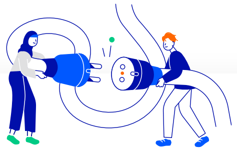
128 € million
Total budget

2 € million *2% of available budget*
Budget invested YTD 2024

Rabo mortgage clients with energy label E, F & G are eligible for an energy advice service and a EUR 1,000 contribution to insulate their homes.

Results

- Initiative launched March 12, 2024
- 13,000+ clients subscribed
- 4,300+ energy advice services delivered
- Scalable client journey in Rabo App, integration with 3 energy advise partners
- High client satisfaction



Initiative 2

Rabo Transition Fund

75 € million
Total budget

8 € million *15% of available budget*
Budget invested YTD 2024

Donation to new fund (set up with Nationaal Groenfonds) to support Rabo business clients with supplemental (junior) financing at flexible/ favorable terms to unlock sustainable energy, food transition or circular initiatives.

Results

- 3 deals closed: biobased building, hull cleaning and battery
- Healthy pipeline (13 leads; EUR 17 million) including a.o. propositions for CO_2 capture, wind/ solar energy, water technology, greenhouse innovation, sustainable food production, circular batteries

Initiative 3

Sustainability Contribution SME

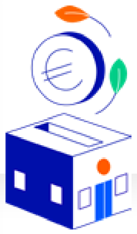
51 € million *€50 million after tax/costs*
Total budget

4 € million *8% of available budget*
Budget invested YTD 2024

Loyal SMEs are eligible for a contribution of 12.5% of their sustainable investment with a maximum of EUR 10,000.

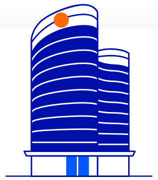
Results

- Initiative launched December 1, 2023
- Campaign launched to increase awareness
- >800 clients received a sustainability contribution



Cooperative Sustainability Initiatives

Initiative 4



Sustainability Contribution for Employees

96 € million
including W&R regions and subsidiaries
Total budget

10 € million
28% of available budget for Rabobank Netherlands
Budget invested YTD 2024

Rabobank employees (globally and incl. all subsidiaries) may spend EUR 1,250 to make their own home/living situation more sustainable.

Results

- Current CO_2 reduction of ~961,000 kg in the Netherlands, which is equivalent to ~125 trips around the globe in a gasoline car
- 2,416 employees did HomeQgo Huisscan in the Netherlands
- Solar panels, heatpumps, insulation materials, rain barrels and garden plants were reimbursed frequently
- In W&R regions the use of the contribution varies between 11% and 36%
- >40% of eligible workers in Rabo NL used the contribution

Initiative 5

Cooperative Sustainability Contribution

10 € million
Total budget

10 € million
100% of available budget
Budget invested YTD 2024

78x EUR 125,000 made available to members and customers for local projects, investments and contributions to social themes.

Results

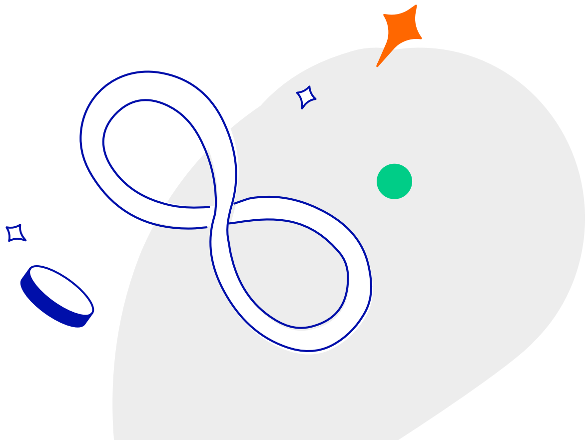
- Initiative was 5.6x oversubscribed
- Lessons learned for cooperative dividend
- EUR 8.5 million of the EUR 9.7 million has been spent, the other EUR 1.2 million is expected to be spent soon

New initiative

Rabo Sports Promotion

125 €
Contribution to support young athletes

As a cooperative bank we have been supporting sports clubs and sports associations that are affiliated with the NOC*NSF for years. And to celebrate 125 years of Rabobank, we now introduced the Rabo Sports Promotion.



Carlo van Kemenade, new MB-member responsible for Domestic Retail Banking:

'Connection, that's what it's all about'

"We want to know how our clients are doing, what's going well, and what can be improved."

In the first half of this year Rabobank started to restructure its activities in the Netherlands. The bank recognized the need to change and was actively seeking ways to adapt to fast-moving developments in the external environment. It also wanted to pursue its growth ambitions and safeguard market share, for instance in the mortgage market, which had come under pressure. The top priority on the 'to do' list was to focus even more closely on the customer, quickly followed by the question: how can we make the cooperative even more meaningful for our members and society? Since April 2024, Carlo van Kemenade has been in charge of Rabobank's activities in the Netherlands (with the exception of Wholesale customers). He made the switch to 'parent' company Rabobank after three decades at DLL.

You started in your new role at Rabobank midway through the first half year. If you had to describe your experience to date in a single word, what would it be?

"Connection. That's what it's all about. Connection with the customer of course: we want and need to see them and listen to them more often. Which we've already started doing. Every two weeks I allocate a full day in my schedule to visit customers around the country. My management team colleagues do the same. We want to know how our clients are doing, what's going well, and what can be improved. And, of course, we want to see our colleagues in the regions and meet them more regularly. We're also talking to local supervisors and member councils. Connection is also the codeword for all matters relating to the cooperative as far as I'm concerned. We are and will remain a cooperative bank, a bank that wants to add meaning for its members and society. We have 2.2 million members. If they choose to, they can contribute their ideas on how we work as a bank, and what projects we should invest in when we plough back part of our profits into Dutch society every year. We would like to give our members more tangible opportunities to get involved in what we're doing, and we see them as important sources of knowledge and advice. In other words, we highly value the connection with our members."

How did things go for Rabobank's activities in the Netherlands in the first six months of 2024?

"A lot of work has been done in the first few months since I joined. We've combined our activities for private and business clients into a single unit and looked closely at opportunities to do things better, with more efficiency and speed. We've put together a new management team and changed many parts of the organization – not just in our head office but also across the country. That's been an intensive process for all concerned. We've appointed new people, established new teams, and said some farewells. That was necessary in order to simplify our organization. We have solutions available, and most of them relate to the customer journeys, which needs to be shorter, quicker, better, and more efficient."

What's the status of the bank's reorganization at this mid-point in the year?

"We're well on the way but we're not there yet. There are still some steps to be taken after the summer, but things are going according to plan. I'm very proud that all our colleagues have managed to 'keep the shop open' and serve our customers despite all the 'building work in progress'. We've continued to help customers every single day. And all the feedback we'd already collected has helped us to start improving the customer journeys sooner than expected. Some parts of the business are doing a really fantastic job: our Private Banking department won the 'Gouden Stier' award for best private bank; Corporate clients are doing really well, while Insurance and Pensions are producing some great results. We're also seeing plenty of opportunities to increase cross-sell."

With today's changes, is Rabobank more like a bank and less like a cooperative?

"No. Definitely not. This summer I clearly stated my approach: Rabobank is becoming an even better cooperative bank. We already do so much as a cooperative. Even when I was still at DLL, I took the view that in many respects Rabobank could step forward more and dare to tell the story of all the great initiatives we take and the good things we do in society. I'd like to see us telling more of those stories and showing the results. And we will do that going forward.

We're involving our members in the future of the cooperative. People who want to contribute ideas can do that in the member councils. The people participating in those councils are really passionate and they contribute to the discussions on the bank's societal impact. They bring ideas to the table about our products and services and how we sell them. And that's very useful input. So, our members definitely have an impact. And that really sets us apart from other major banks in the Netherlands. We are the cooperative Rabobank, a cooperative and a bank."

What's in store for the bank in the second half of this year?

"As I said, the restructuring isn't finished yet, so that will still take up much of our time. The new local structure will be launched in September. The new central structure has been operating since 1 July. In addition, we will present the strategy optimization in Q4 of 2024. "

> *"Our members definitely do have an impact and that really sets us apart from other major banks in the Netherlands."*
>
> *Carlo van Kemenade*

Financial Performance

Financial Performance

In the first half year of 2024, Rabobank's financial performance remained strong, which resulted in a net profit of EUR 2,818 million compared to EUR 2,528 million in the same period last year. Loan impairment charges on financial assets were EUR 279 million, lower than in the same period last year.

16.3 %
CET1 ratio
Dec 2023: 17.1%

50.7 %
Cost/income ratio
Including regulatory levies
June 2023: 51.3%

2,818 € million
Net profit
June 2023: €2,528 million

11.1 %
RoE
June 2023: 10.7%

We ambition to remain a rock-solid bank, striking the balance between sustainable profit and value for our broad group of stakeholders.

Bas Brouwers - Chief Financial Officer

Rabobank's Financial Results

Total income increased by 6%, mainly driven by business growth and the continuing impact of the interest rate environment, which benefited our net interest income. Within our Domestic Retail Banking (DRB) activities, margins on deposits are comparable with last year. Our new lending activities continue to be influenced by the prevailing competitive environment, resulting in slightly lower average margin on our mortgage portfolio. W&R provided more loans to clients who are contributing to the energy transition and also our leasing subsidiary DLL saw an increase on their portfolio, both translating into higher net interest income. Additionally, higher interest rates are generating higher income on equity. At BPD in the Netherlands, more transactions took place at recovering margins, but housing markets in Germany are still lagging due to uncertainty and affordability, impacting the overall results at BPD.

Operating expenses were up by 13% reflecting the impact of the collective labor agreement (CLA) and a higher average headcount, which was mainly visible in our FEC and IT departments. For the remainder of the year we expect costs to remain elevated due to inflationary effects, staff costs and continued investments in digitalization and data capabilities. Regulatory levies were EUR 278 million lower as the contribution to the Single Resolution Fund (SRF) is no longer required.

Loan impairment charges on financial assets were EUR 279 (2023: EUR 339 million). This was mainly the result of releases within our DRB segment as the Dutch economy remains relatively robust. Within W&R, loan impairment charges returned to more normalized levels, while at DLL they were somewhat elevated.

While the global demand for loans has remained moderate, corrected for FX effects Rabobank’s private sector loan portfolio was up by approximately EUR 7.9 billion in the first half of 2024. Rabobank’s worldwide Food & Agri portfolio grew by 4% to EUR 119.6 billion. Rabobank retained a solid position in the Dutch mortgage market with a market share of 18.6% (2023: 19.3%). Total deposits were up by EUR 10.2 billion mainly due to a continued increase in deposits from domestic retail customers which was partly driven by unused holiday payments.

Cost/income ratio improved from 51.3% to 50.7% as income growth and lower regulatory levies more than compensated for the higher cost base. The return on equity developed positively as well, and further improved to 11.1%. Our CET1 ratio landed at 16.3%. Both the increase in risk-weighted assets, largely driven by our model strategy choices and business developments, and the ~EUR 1 billion tender offer on Rabobank Certificates had a downward effect, while the strong financial results contributed positively. We maintain a strong capital position and our conservative liquidity management ensures a sound liquidity position. As a result, Rabobank remains a rock-solid bank.

Results

Amounts in millions of euros	***06-30-2024***	***06-30-2023***	***Change***
Net interest income	6,128	5,807	6%
Net fee and commission income	1,160	1,007	15%
Other results	850	868	-2%
Total income	**8,138**	**7,682**	**6%**
Staff costs	3,004	2,742	10%
Other administrative expenses	915	704	30%
Depreciation and amortization	155	169	-8%
Total operating expenses	**4,074**	**3,615**	**13%**
Gross result	**4,064**	**4,067**	**0%**
Impairment charges on financial assets	279	339	-18%
Regulatory levies	49	327	-85%
Operating profit before tax	**3,736**	**3,401**	**10%**
Income tax	918	873	5%
Net profit	**2,818**	**2,528**	**11%**
Impairment charges on financial assets (in basis points)	13	16	
Ratios			
Cost/income ratio including regulatory levies	50.7%	51.3%	
Underlying cost/income ratio including regulatory levies	50.4%	52.1%	
RoE	11.1%	10.7%	
Balance Sheet			
Amounts in billions of euros	**06-30-2024**	**12-31-2023**	
Total assets	622.0	613.8	1%
Private sector loan portfolio	443.1	434.0	2%
Deposits from customers	401.6	391.4	3%
Number of internal employees (in FTEs)	41,376	40,467	2%
Number of external employees (in FTEs)	8,502	8,665	-2%
Total number of employees (in FTEs)	49,878	49,132	2%

Notes to Rabobank's Financial Results

Development of Underlying Operating Profit Before Tax

Amounts in millions of euros		*06-30-2024*	*06-30-2023*
Income		**8,138**	**7,682**
Adjustments to income	*Fair value items*	*(9)*	*(112)*
Underlying income		***8,129***	***7,570***
Operating expenses		*4,074*	**3,615**
Adjustments to expenses	*Restructuring expenses*	*25*	*(5)*
Underlying expenses		***4,049***	***3,620***
Underlying gross result		**4,080**	**3,950**
Impairment charges on financial assets		279	339
Regulatory levies		49	327
Operating profit before tax		**3,736**	**3,401**
Total adjustments		***16***	***(117)***
Underlying operating profit before tax		**3,752**	**3,284**

Income Increased by 6%

Significantly Higher Net Interest Income

Net interest income totaled EUR 6,128 (2023: 5,807) million, which equals an increase of 6%. The growth of the portfolios at W&R and DLL contributed to this increase. Continued high interest rates also resulted in higher capital income at all commercial entities. At DRB margins on deposits are comparable with last year, whereas margins on new mortgages were still impacted by the competitive environment. Due to a combination of higher net interest income and a lower average balance sheet, the 1-year rolling net interest margin, calculated by dividing the net interest income by the average balance sheet total, increased from 1.56% on June 30, 2023 to 1.88% on June 30, 2024.

Higher Net Fee and Commission Income

Our net fee and commission income went up by EUR 1,160 (2023: 1,007) million. At DRB, net fee and commission income improved by EUR 59 million, as all activities generating fee income - payments, insurance and investment products - showed an increase compared to the first half of 2023. At Wholesale and Rural (W&R), net fee and commission income was higher, amounting to EUR 245 (2023: 158) million, mainly due to higher fee income in Capital Markets, in loans and bonds syndication fees.

Other Results Lower

Other results slightly decreased to EUR 850 (2023: 868) million. At W&R, other results were down due to limited positive revaluations and exits within Rabo Investments. Slightly lower other results were visible at Leasing, driven by a reduced end-of-lease income. Additionally, the result on fair value items[1] was lower and the revaluation of our stake in Mechanics Bank was EUR 46 million higher compared to the first half of 2023. While BPD in the Netherlands was able to increase the number of transactions at recovering margins, the housing market in Germany is still lagging due to uncertainty and affordability, impacting the overall results at BPD.

Operating Expenses 13% Higher

Staff Costs Higher

Overall and despite continued efficiency measures, staff costs increased by 10% to EUR 3,004 (2023: 2,742) million, largely driven by salary increases as a result of the new CLA for Rabobank employees. In the first half of 2024, Rabobank's total staff numbers (including external hires) increased to 49,878 (2023: 49,132) FTEs. At DRB total FTEs increased as a result of additional staffing for FEC and IT. To support business growth and compliance-related activities, staff numbers at Leasing increased by 105 FTEs and staff levels at W&R were 78 FTEs higher compared to last year.

Other Administrative Expenses Increased

Total other administrative expenses increased to EUR 915 (2023: 704) million. For DRB, FEC and cloud costs were higher compared to last year and a lower VAT refund also contributed to this increase. Next to this, in 2023 the release of several provisions had a downward effect on other administrative expenses. For W&R, other administrative expenses increased as well due to a lower VAT refund. Other administrative expenses at our leasing subsidiary DLL were higher, due to increased IT investments.

1 The result on fair value items includes our hedge accounting results and the XVA income of our Markets division.

Depreciation and Amortization Down

Depreciation and amortization decreased to EUR 155 (2023: 169) million due to less depreciation on software but also fewer offices, which is in line with the development of the real estate portfolio at DRB.

Impairment Charges on Financial Assets

In the first six months of 2024, impairment charges on financial assets amounted to EUR 279 million, representing a decrease of EUR 60 million compared to the same period last year. Although there are concerns, particularly about the effects of inflation and high interest rates, the impact on the credit quality of our loan portfolio has been modest so far, but we remain cautious in view of all the uncertainties. The decrease in impairment charges was mainly the result of releases within our DRB segment as the Dutch economy remains relatively robust. Within W&R, loan impairment charges returned to more normalized levels, while at DLL they were somewhat elevated. On an annual basis, impairment charges on financial assets amounted to 13 (2023: 16) basis points, which is still below the long-term average (period 2014-2023) of 17 basis points. Additionally, we also monitor the through-the-cycle level of around 20 basis points, which covers a longer time horizon and reflects the general cost of risk regardless of the economic cycle. Please see the Risk Management section for more details.

Regulatory Levies Decreased

Regulatory levies were lower compared to the first half of 2023 and decreased to EUR 49 (2023: 327) million, as the contribution to the Single Resolution Fund (SRF) is no longer required. The SRF has been built up over 10 years (2015-2024). In the second half of 2024 a significantly lower contribution to the Deposit Guarantee Scheme (DGS) is also expected.

Balance Sheet Developments

Balance Sheet

Amounts in billions of euros	*06-30-2024*	*12-31-2023*
Cash and cash equivalents	80.6	90.5
Loans and advances to customers	453.6	439.3
Financial assets	24.2	20.4
Loans and advances to banks	25.9	26.5
Derivatives	21.0	22.0
Other assets	16.3	15.1
Total assets	**621.6**	**613.8**
Deposits from customers	401.6	391.4
Debt securities in issue	118.7	122.5
Deposits from banks	16.0	15.8
Derivatives	15.0	15.4
Financial liabilities	3.4	3.3
Other liabilities	15.5	15.7
Total liabilities	**570.1**	**564.2**
Equity	51.5	49.6
Total liabilities and equity	**621.6**	**613.8**

Private Sector Loan Portfolio Up

Our private sector lending was up by EUR 9.1 billion to 443.1 EUR billion on June 30, 2024. Excluding FX impacts, the portfolio increased by approximately EUR 7.9 billion. DRB's total private sector loan portfolio amounted to EUR 271.5 (2023: 270.6) billion. In the Netherlands, the housing market recovered. Our mortgage portfolio ended up EUR 0.5 billion higher at EUR 194.3 billion. Within this segment also business lending slightly increased. W&R's loan portfolio was EUR 6.2 billion higher and private sector lending at DLL increased by EUR 2.0 billion.

Loan Portfolio

Amounts in billions of euros	*06-30-2024*	*12-31-2023*
Total loans and advances to customers	**453.6**	**439.3**
Of which to government clients	1.8	1.4
Reverse repurchase transactions and securities borrowing	19.9	15.3
Interest rate hedges (hedge accounting)	(11.2)	(11.4)
Private sector loan portfolio	**443.1**	**434.0**
Domestic Retail Banking	271.5	270.6
Wholesale & Rural	127.7	121.5
Leasing	43.8	41.8
Property Development	0.1	0.1
Other	0.0	0.0

On June 30, 2024, the geographical split of the private sector loan portfolio (based on debtor's country) was as follows: 66% in the Netherlands, 12% in North America, 10% in Europe (outside the Netherlands), 7% in Australia and New Zealand, 4% in South America, and 2% in Asia.

Loan Portfolio by Sector[1]

Amounts in billions of euros	*06-30-2024*		*12-31-2023*	
Loans to private individuals	203.5	46%	203.6	47%
Loans to trade, industry and services	120.0	27%	115.5	27%
of which in the Netherlands	*77.9*		*75.3*	
of which in other countries	*42.1*		*40.2*	
Loans to Food & Agri	119.6	27%	114.8	26%
of which in the Netherlands	*44.5*		*42.2*	
of which in other countries	*75.1*		*72.6*	
Private sector loan portfolio	**443.1**	100%	**434.0**	**100%**

1 In the country where the entity is established.

Deposits from Customers Increased

Total deposits from customers went up to EUR 401.6 (2023: 391.4) billion. Deposits from DRB customers grew to EUR 331.6 (2023: 324.7) billion, partly as a result of unused holiday payments. Deposits from customers in other segments increased to EUR 70.0 (2023: 66.8) billion. Our loan-to-deposit ratio (LtD ratio, 12-month average) landed at 1.11 (2023: 1.10).

Deposits from Customers

Amounts in billions of euros	*06-30-2024*	*12-31-2023*
Private individuals	213.7	204.1
of which term deposits	*23.8*	*22.2*
of which savings accounts	*155.7*	*147.6*
of which current accounts	*34.2*	*34.3*
Business clients	125.5	127.9
of which term deposits	*13.6*	*12.1*
of which savings accounts	*56.5*	*53.7*
of which current accounts	*55.4*	*62.1*
Core deposits	**339.2**	**332.0**
Non-core deposits	62.4	59.4
Deposits from customers	**401.6**	**391.4**

Equity

Our equity increased to EUR 51.5 (2023: 49.6) billion, reflecting an increase in retained earnings and a decrease in Rabobank Certificates as result of the tender offer which was completed in May 2024. On June 30, 2024, our equity consisted of retained earnings and reserves: 76% (2023: 73%), Rabobank Certificates: 13% (2023 16%), Capital Securities: 10% (2023: 10%), and other non-controlling interests: 1% (2023: 1%).

Development of Equity

Amounts in millions of euros	
Equity at the end of December 2023	**49,641**
Net profit for the period	2,818
Other comprehensive income	298
Payments on Rabobank Certificates	(239)
Redemption of Rabobank Certificates	(1,001)
Other	(21)
Equity at the end of June 2024	**51,496**

Issued Debt

Our funding mix has become more diversified over the years, which mitigated our dependency on the capital markets and increased our flexibility for new issuances. In the first half of 2024, our outstanding issued debt (based on market value) increased to EUR 129.2 (2023: 133.4) billion. We tap into different markets, maturities, currencies, and products. Attention to funding diversification remains a priority and is subject to economic considerations.

Capital Developments

Capital Ratios

Amounts in millions of euros	*06-30-2024*	*12-31-2023*
Reserves and retained earnings	38,992	36,242
Expected distributions	(103)	(2)
Rabobank Certificates	6,909	7,825
Part of non-controlling interest treated as qualifying capital	0	0
Regulatory adjustments	(2,882)	(2,449)
Transition guidance	1	6
Common equity tier 1 capital	**42,917**	**41,622**
Capital securities	4,972	4,975
Grandfathered instruments	0	0
Non-controlling interests	0	0
Regulatory adjustments	(72)	(100)
Transition guidance	0	0
Additional tier 1 capital	4,900	*4,875*
Tier 1 capital	**47,817**	**46,497**
Part of subordinated debt treated as qualifying capital	6,058	6,309
Non-controlling interests	0	0
Regulatory adjustments	(86)	(100)
Transition guidance	0	0
Tier 2 capital	**5,972**	**6,209**
Qualifying capital	**53,789**	**52,706**
Risk-weighted assets	**262,852**	**242,763**
Common equity tier 1 ratio	16.3%	17.1%
Tier 1 ratio	18.2%	19.2%
MREL ratio	29.0%	30.1%
Total capital ratio	20.5%	21.7%
Common equity tier 1 ratio of Coöperatieve Rabobank U.A. solo (issuer level)	15.8%	16.7%

On June 30, 2024, our CET 1 ratio amounted to 16.3% (2023: 17.1%). This is well above our >14% ambition. The main driver of our CET 1 ratio development was an increase in retained earnings of EUR 2.4 billion (from EUR 36.0 billion to EUR 38.4 billion) due to the strong net profit. RWA increased by EUR 20.1 billion (from EUR 242.8 billion to EUR 262.9 billion) because of model strategy choices and business developments, which had a downward effect on the CET 1 ratio. The tender of Rabobank Certificates reduced the CET1 ratio by 0.4% point. We calculate our leverage ratio – tier 1 capital divided by balance sheet positions and off - balance - sheet liabilities – using the definitions provided in the CRR/CRD IV. Our leverage ratio on June 30, 2024, was 7.1% (2023: 7.1%), which is well above the minimum leverage ratio of 3%. In line with our capital strategy, we issued NPS instruments to meet MREL requirements. Our total capital ratio decreased to 20.5% (2023: 21.7%) as a result of increased RWA and the amortization of the eligible amount of outstanding tier 2 instruments, partly compensated by the increase in CET1 capital. Rabobank deems a 20% total capital ratio appropriate.

Risk-weighted Assets

In the first half of 2024, total RWA increased to EUR 262.9 (2023: 242.8) billion. Regular business growth increased RWA by approximately EUR 7.5 billion, while FX changes had an upward effect of around EUR 1.4 billion and operational risk RWA rose by EUR 0.5 billion. Model strategy choices caused an increase in RWA of EUR 10.7 billion. We expect a limited decrease of RWA when Basel IV is implemented in 2025.

Rabobank assesses its capital adequacy both from a normative perspective (i.e., regulatory view) as well as an economic perspective to determine the appropriate amount of capital to hold in order to cover potential negative implications of the risks that Rabobank faces. From both perspectives, Rabobank is adequately capitalized.

Regulatory Capital

The regulatory capital requirement is 8% of our risk-weighted assets. This requirement represents the minimum amount of capital which the CRR and CRD IV require us to hold. Our regulatory (required) capital amounted to EUR 21.0 (2023: 19.4) billion on June 30, 2024, of which 87% related to credit and transfer risk, 11% to operational risk, and 2% to market risk.

Regulatory Capital by Business Segment

Amounts in billions of euros	*06-30-2024*	*12-31-2023*
Domestic Retail Banking	6.8	6.1
Wholesale & Rural	8.3	7.6
Leasing	2.6	2.5
Property Development	0.4	0.4
Other	2.9	2.8
Rabobank	**21.0**	**19.4**

Our MREL Eligible Capital Buffer

We aim to protect senior creditors and depositors against the unlikely event of a bail-in. We therefore hold a large buffer of equity, subordinated debt, and non-preferred senior debt that will absorb initial losses in the event of a bail-in. On top of that, a buffer consisting of MREL eligible preferred senior debt is available.

DNB has formally notified us of the Single Resolution Board's (SRB) determination of the binding minimum requirement for own funds and eligible liabilities (MREL). The MREL requirement was established to ensure that banks in the EU have sufficient own funds and eligible liabilities to absorb losses in the event of a potential bank failure. The MREL requirement for Rabobank is set at a consolidated level for Rabobank, as determined by the SRB at this time. Our binding MREL requirement is 28.9% of RWA (including the stacked CBR) and 7.5% of Leverage Ratio Exposure.

The subordinated MREL buffer is defined as qualifying capital plus the (amortized part of) tier 2 capital instruments with a remaining maturity of at least one year and non-preferred senior bonds with a remaining maturity of at least one year. The buffer increased from EUR 73.1 billion to EUR 76.2 billion, which corresponds to 29.0% (2023: 30.1%) of risk-weighted assets. A buffer of 4.4% points of MREL eligible preferred senior bonds was available on top of that.

MREL Eligible Capital Buffer

Amounts in billions of euros	***06-30-2024***	***12-31-2023***
Qualifying capital	53.8	52.7
Amortized tier 2 >1 year remaining maturity	2.2	1.7
Non-preferred senior bonds > 1 year remaining maturity	20.2	18.7
MREL eligible capital and non-preferred senior bonds buffer	**76.2**	**73.1**
MREL eligible preferred senior bonds> 1 year remaining maturity	11.7	13.5
Overall MREL eligible buffer	**87.9**	**86.6**
Risk-weighted assets	262.9	242.8
MREL eligible capital and non-preferred senior bonds buffer / risk-weighted assets	29.0%	30.1%
Overall MREL eligible buffer / risk-weighted assets	33.4%	35.7%

Risk Management

Risk Management

Our risk strategy is an integral part of our overall strategy. In order to determine the business objectives, the risk appetite - the aggregate level of risk we are willing to accept, or want to avoid - is set. Every day, we take informed risk decisions while engaging with new and existing customers, granting credit, entering into interest rate contracts, leasing contracts, equity investments, and partnerships and providing other customer services. Sound risk management enables us to monitor key metrics to serve our customers and satisfy our stakeholders in a controlled manner that supports the continuity of the bank.

279 € million

Impairment Charges on Financial Assets

June 2023: €339 million

1.7 %

Non-Performing Loans Ratio

Dec 2023: 1.6%

69.5

Reptrak Pulse Score

Dec 2023: 69.2

133%

Net Stable Funding Ratio

Dec 2023: 132%

167 %

Liquidity Coverage Ratio
(12-months average)

Dec 2023: 161%

Despite strong results and balance sheet, we have to stay vigilant given the macroeconomic and geopolitical environment.

Vincent Maagdenberg, Chief Risk Officer

We employ risk activities and define controls to manage the material risks based on a solid risk management framework, aligned with our conscious risk taking. We continuously evaluate the effectiveness of the risk management framework and adapt to the latest developments and requirements. In the end, our risk management activities are designed to help realize the ambitions of the bank, our customers, and our stakeholders within the boundaries of our risk appetite.

Our risk strategy results in a risk appetite directly connected to the Medium-Term Planning 2024-2028 alongside our strategic pillars Excellent Customer Focus, Meaningful Cooperative, Rock-Solid Bank, and Empowered Employees. These pillars define the high-level boundaries of the risk appetite within which we must operate. Our risk appetite is specified per risk type and defines the aggregate level of risk we are willing to accept, or want to avoid. Our overall maximum level of risk exposure is used in business activities to assess the desired risk profile against the return and sustainability of a given activity. The risk appetite is categorized per main risk type and is further specified with qualitative Risk Appetite Statements and quantitative risk appetite indicators. Entity-specific Risk Appetite Statements further specify the group risk appetite.

ESG Risks

The consequences (physical risk) of climate and nature change (such as rising average temperatures, extreme weather events and biodiversity loss) and the risks related to a shift towards a climate-neutral economy (transition risk) are central in our mission and strategy. We are committed to the Paris Climate Agreement goals; we are a signatory to the Net-Zero Banking Alliance, the Dutch Financial Sector Climate Commitment, Finance for Biodiversity Pledge, Taskforce on Nature-related Financial Disclosures. Rabobank is committed to UNGPs on Business and Human Rights and OECD guidelines on Responsible Business Conduct and consider it a shared responsibility to act on climate, to value nature, and to enable people in the transition. At Rabobank we optimize our business between risk, return, and sustainability impact. We create value with our customers: each opportunity must contribute to a sustainable future and fit our strategy. Our risk management framework covers both existing and emerging risks via the main risk types. We have adopted a full end-to-end approach to ESG risks embedded across every aspect of the bank. We continued to mature our approach on integrating the risk of climate change by developing climate risk management tools, processes, and capabilities and implementing them in our policy framework, risk assessment, and business processes.

In the first half of 2024, we integrated the double materiality assessment in our strategic planning and execution. Assessing the materiality of our ESG impact, risks, and opportunities is a vital step in our strategic cycle. An environmental risk roadmap and ESG risk model vision has been developed and updated to enable an integrated approach on sustainability, business strategy, and risk management.

We optimize our business between risk, reward and sustainability impact

We focus on (1) ESG risk assessment, through environmental risk heatmaps, maturity assessment, scenario analysis, and client risk scoring; (2) sector strategy, including vulnerable sector assessment; (3) credit risk assessment, including provisioning modeling and stress testing; and (4) portfolio strategy, including pricing.

We disclose our governance, strategy, and risk management related to ESG risks in our Pillar 3 Report Q2 2024 published in August 2024. ESG risks are translated into IFRS provisions through multiple channels. The provisions are captured in the IFRS9 models through macroeconomic developments, embedded in individual client assessments, included in the sector vulnerability assessments, and management adjustments are made for sectors or regions directly affected by climate. Rabobank holds a provision for an increase in future ESG risks in relation to chronic climate events (floods, droughts, etc.) that have not yet materialized.

Credit Risk

Over all, the asset quality of Rabobank's credit portfolio is solid but vigilance is required given geopolitical and economic uncertainty. The good asset quality is a result of our prudent underwriting policies and our strategic focus on the Dutch market and the international F&A sector. This is reflected in our strong and stable collateral positions and our track record of low loan impairment charges. Our total NPL coverage ratio (a combination of NPL coverage ratio, NPL collateral ratio, and prudential backstop) remained stable at 98.0% (YE 2023: 94.4%), which is considered high.

Credit Portfolio

On June 30, 2024, the stage 2 exposure was EUR 42.8 billion which equals to 8.7% of total exposure and compares to 10% for year-end 2023. This decline was due to a reduction in the portfolios considered vulnerable and due to a structural change in the stage 2 trigger methodology for vulnerable sectors. Previously all vulnerable sector exposures were classified as stage 2 whereas now a more granular risk based approach has been applied, which is considered a better reflection of client level credit risk deterioration.

Loan impairment charges of EUR 279 million (13 basis points at an annual rate) are below the 10 year average (period 2014-2023) of 17 basis points. The low loan impairment charges are due to releases within the domestic performing portfolios. A release in the stage 2 trigger for sector vulnerability was offset by a model improvement that subsequently increases the stage 2 impairment allowances. Loan impairment charges are mostly in stage 3 and are driven by new downgrades. The NPL ratio of 1.7% is at a similar level as year-end 2023 (1.6%) with inflow at a more normalized level being offset by write-offs.

The asset quality across all Business Units remains good but specific points of attention are related to DRB Business Clients highly leveraged transactions, Rural (in particular US), DLL in Brazil and more generally the transportation sector. This is mainly driven by potential impact resulting from geopolitics, climate and inflation.

Private Sector Loan Portfolio - Credit Risk

			06-30-2024			*06-30-2023*
Amounts in millions of euros	***Stage composition***	***Impairment charges***	***Impairment allowances***	***Stage composition***	***Impairment charges***	***Impairment allowances***
Total exposure	443,125			433,100		
Stage 1	89.4%	51	472	89.9%	19	439
Stage 2	8.7%	(98)	631	8.1%	(115)	615
Stage 3	1.9%	326	1992	2.0%	435	2,055
Rabobank Group	**100%**	**279**	**3,095**	**100%**	339	**3,109**

Private Sector Loan Portfolio - Composition

Amounts in millions of euros per 06-30-2024	***DRB private individuals***	***DRB business lending***	***Wholesale & Rural***	***DLL***	***Other***	***Total***
Total exposure	195,704	75,821	127,666	43,814	119	443,125
Stage 1	92.9%	80.1%	92.3%	78.5%	99.9%	89.4%
Stage 2	6.6%	15.7%	5.4%	19.1%	0.0%	8.7%
Stage 3	0.5%	4.2%	2.4%	2.4%	0.1%	1.9%
Net additions	**(4)**	**(112)**	**288**	**159**	**0**	**331**
Recoveries						**(52)**
Impairment charges						**279**

Residential Real Estate

Risk in the Dutch mortgage portfolio remains limited, mainly due to prudent underwriting criteria, the current high housing prices, structural scarcity of houses and low unemployment rates. Average house prices increased in the first half year of 2024 and RaboResearch expects prices to increase further to 6.7% in 2024 and by 5.2% in 2025.

The Dutch mortgage portfolio, with a total exposure of EUR 194 billion, continues to perform well. The macroeconomic environment has been stable and the portfolio is continuously being monitored. During the first half year of 2024 the stage 2 and stage 3 ratio of this portfolio remained stable.

The strong asset quality of the Dutch mortgage portfolio is supported by solid collateral positions, which is reflected in the low NPL Coverage Ratio of 9.7% (2023: 9.9%), net releases of EUR 4 million to the impairment allowances of on balance result in 0 basis points (2023: 3 basis points), a low average LTV ratio of 50.7 (2023: 53%), and the share of the portfolio with National Mortgage Guarantee (NHG) of 15.9% (2023: 16%).

During Q1 2024, Rabobank changed the methodology for measuring the interest-only-mortgages (IOM) percentage from the AFM definition to the ECB definition, which results in an increase of 0.9% in the IOM%. Nevertheless, the overall share of interest-only-mortgages continued to decrease during the first half year of 2024, towards 50.1% (2023: 50.7%). The closing balance of YE'23 was 49.8% under the AFM definition. A management adjustment implemented to capture specific risks for the interest-only mortgage portfolio amounted to 61.3 million (2023: 65.6 million).

Commercial Real Estate

Rabobank's Commercial Real Estate (CRE) financing strategy focuses on the Dutch market, in particular on lower risk subsectors, addressing societal challenges (e.g., the housing shortage), and the energy transition. The share of residential property lending in CRE, which is generally low risk, is 43%, followed by offices and mixed use (20%), retail outlets (11%), and industry (8%). Rabobank's CRE portfolio increased in the first half of 2024 to approximately EUR 21.7 billion (5% of our private sector loan portfolio). This portfolio has been de-risked in recent years, which is a result of tightened underwriting criteria for Loan-to-Value (LTV) and cashflow-based criteria.

After the rapidly rising interest rates that pressured the Dutch CRE market in 2023, the CRE market bottomed out in the first half of 2024. Market conditions started to improve, resulting in an increase of take up as well as investment volume and stabilizing market prices. Approximately 77% of the Rabobank portfolio has fixed interest rates for at least another year. Most of our clients are capable of meeting higher interest rate conditions during refinancing moments. High inflation also resulted in an increase in rental income. Higher construction costs and interest charges led to increased issues for project development over the last two years, however, this market now benefits from higher prices for new-build homes.

Rabobank is comfortable with the size, composition, and asset quality of its CRE portfolio. The LTV remained stable at 52% on June 30, 2024 (52% at 31 December 2023). Less than 3% of the exposure had an LTV above 80%.

Operational Risk

Digital Operational Resilience / Information Security

Operational resilience is of crucial importance for reliable and secure banking services for our customers. The implementation of the Digital Operational Resilience Act (DORA) is one of our key priorities in that regard. Against the background of the ever-evolving cyber threat landscape, complicated as it is by Gen AI and geopolitical tension, safeguarding operational resilience at all times remains challenging. Cybercriminals keep innovating their techniques to exploit information security vulnerabilities, steal company data, and disrupt the continuity of services in the financial sector. Digitalization makes us more reliant on technology and our third-party partners within the financial ecosystem. We continuously adapt our operational resilience approach to protect customer data based on the threats we face. Business Continuity Management (BCM), as part of operational resilience, is being improved on an on-going basis.

Compliance Risk

Financial Economic Crime and Sanctions

DNB instruction and Retail NL remediation progress: Rabobank's Dutch Retail Division is on track with the program to remedy compliance deficiencies in respect of the Anti-Money Laundering and Anti-Terrorist Financing Act (in Dutch: Wet ter voorkoming van witwassen en financieren van terrorisme, Wwft). In addition to the finalization of the (majority of the) program milestones, as agreed with the Nederlandsche Bank (DNB) in December 2021, our focus is on embedding program deliverables in the 'Business as Usual' organization to ensure sustainable compliance. After the formal approval and publication of the EU AML Package, Rabobank has begun determining the impact and transposing the new requirements into internal policies and standards to allow for sufficient implementation time before the relevant AML regulation becomes effective in July 2027. Rabobank is committed to continuously adapting and amending relevant risk management strategies and investing in advanced technologies to comply with ever evolving anti-financial crime requirements.

Dutch Public Prosecutor's Office investigation: The criminal investigation in connection with the alleged violation of the Anti-Money Laundering and Anti-Terrorist Financing Act is ongoing. Rabobank continues to cooperate fully with the Dutch Public Prosecutor's Office. At present neither the timeframe nor the potential outcome of the ongoing investigation can be determined with a reasonable amount of certainty. Consequently, the nature and materiality of subsequent fines, penalties, or other related actions cannot be reliably estimated beyond stating that they have the potential to be significant.

Sanctions: Rabobank adheres to applicable sanction regimes imposed by governments and international bodies in the provision of its services and in all activities it undertakes. Rabobank has stringent monitoring, risk assessments and robust internal controls for ensuring compliance with sanction regulations and to ensure proper reporting to DNB and/or the Financial Intelligence Unit (FIU) and other local competent authorities. Rabobank monitors developments in areas of conflict and implements new, applicable sanction packages, including additions to existing restrictive measures, as and when they are released. The sanction landscape remains highly volatile and complex, which creates increasing fragmentation and divergence in sanctions issued and makes adherence to sanctions increasingly challenging. Rabobank is in close contact with DNB and the Dutch Ministry of Finance regarding sanctions developments. The revision of the Dutch Sanction Act 1977 is currently in consultation, the anticipated revisions will enhance our role as gatekeeper of the financial system.

Consumer Credit Products

Treating Clients Fairly (TCF) relates to adequate advice, responsible lending, providing adequate product information and learning from client feedback. In the first half of 2024, we further improved products & services in these areas and included ESG requirements. Rabobank is proactively compensating private clients for which it did not consistently adjust the interest rate of certain consumer credit products in accordance with the reference rate indicated by the Dutch Financial Services Complaints Tribunal (Kifid). Rabobank aims to have made a compensation offer to all relevant customers by the end of 2024. Rabobank recognized a provision of EUR 38 million per June 30, 2024 (December 31, 2023: EUR 56 million). Regarding responsible lending in mortgages, AFM decided on July 3, 2024 to partly revoke the fine decision and set the fine at EUR 11.4 million (a reduction of EUR 600,000). Rabobank has 6 weeks (until August 14, 2024) to lodge an appeal with the District Court of Rotterdam.

Data Privacy

Ongoing compliance with changing data protection laws and regulations is ensured through regulatory adherence processes and monitoring privacy risks and controls. When Rabobank has a legal obligation or legitimate interest to process personal data (e.g., Wwft), it does so in accordance with data protection laws and regulations. In the event of a data breach, Rabobank takes measures to prevent recurrence and, if necessary, notifies the Dutch Data Protection Authority. If customers, employees, or other stakeholders express their dissatisfaction through Rabobank's complaints procedure or directly to the Dutch Data Protection Authority, the root causes are investigated, and improvements are implemented where deemed necessary.

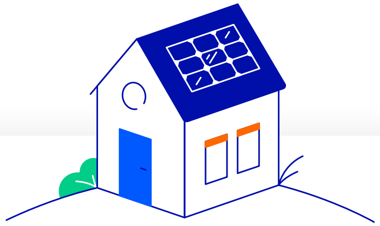
Fraud

As part of its commitment to safeguarding the bank, its clients and the financial sector, Rabobank recognizes that fraud risk, both for clients and the bank, remains a top priority. Rabobank closely monitors their credit and payment products from potential losses due to fraudulent activities and informs clients proactively about fraud risks. By addressing these issues head on, the bank strives to minimize fraud and ensures a secure banking environment for all stakeholders.

Segment Reporting

Domestic Retail Banking

In the Netherlands, Domestic Retail Banking (DRB) is a leading player in providing loans in the residential mortgage market and offering products and services in savings, payments, investment and insurance products. DRB is market leader in the SME and Food & Agri markets. Higher net fee and commission income is the driver behind DRB's higher total income in the first half of 2024. Similar to last year there was a release of impairment charges on financial assets.



€ 4,946 million

Total Income

June 2023: € 4,893 million

+1%

€ 2,304 million

Total Operating Expenses

June 2023: € 1,939 million

+19%

€ 194.3 billion

Mortage Loan Portfolio

Dec 2023: € 193.8 billion

+0,3%

Financial Results

Results

Amounts in millions of euros	*06-30-2024*	*06-30-2023*	*Change*
Net interest income	4,034	4,048	0%
Net fee and commission income	872	813	7%
Other results	40	32	25%
Total income	**4,946**	**4,893**	**1%**
Staff costs	1,731	1,515	14%
Other administrative expenses	532	380	40%
Depreciation and amortization	41	44	-7%
Total operating expenses	**2,304**	**1,939**	**19%**
Gross result	**2,642**	**2,954**	**-11%**
Impairment charges on financial assets	(137)	(41)	234%
Regulatory levies	48	195	-75%
Operating profit before tax	**2,731**	**2,800**	**-2%**
Income tax	703	722	-3%
Net profit	**2,028**	**2,078**	**-2%**
Impairment charges on financial assets (in basis points)	(10)	(3)	
Ratios			
Cost/income ratio including regulatory levies	47.6%	43.6%	
Underlying cost/income ratio including regulatory levies	47.2%	43.7%	
Balance Sheet			
Amounts in billions of euros	**06-30-2024**	**12-31-2023**	
External assets	274.6	273.2	1%
Private sector loan portfolio	271.5	270.6	0%
Deposits from customers	331.6	324.7	2%
Number of internal employees (in FTEs)	24,733	24,038	3%
Number of external employees (in FTEs)	6,823	6,960	-2%
Total number of employees (in FTEs)	31,556	30,998	2%

Notes to the Financial Results

Development of Underlying Profit Before Tax

Amounts in millions of euros		*06-30-2024*	*06-30-2023*
Income		**4,946**	**4,893**
Operating expenses		**2,304**	**1,939**
Adjustments to expenses	*Restructuring expenses*	*16*	*(2)*
Underlying expenses		***2,288***	***1,941***
Impairment charges on financial assets		(137)	(41)
Regulatory levies		48	195
Operating profit before tax		**2,731**	**2,800**
Total adjustments		*16*	***(2)***
Underlying operating profit before tax		**2,747**	**2,798**

Underlying Performance Slightly Lower

In the first half of 2024, DRB's underlying performance was slightly lower compared to the same period in 2023. The underlying operating profit before tax amounted to EUR 2,747 million, compared to EUR 2,798 million last year. Net fee and commission income increased as a result of higher fees from payments, insurance and investment products. Underlying operating expenses were higher, as continued efficiency efforts were more than offset by higher staff costs as a result from the impact of the new CLA. Additionally, the credit quality of our loan portfolio remained strong and resulted in a release of impairment charges on financial assets.

Income Slightly Higher

Total income increased slightly to EUR 4,946 (2023: 4,893) million. Total net interest income amounted to EUR 4,034 (2023: 4,048) million. Net interest income was relatively stable, overall margins on deposits are comparable with last year. Our new lending activities continue to be influenced by the prevailing competitive environment, resulting in slightly lower average margin on our mortgage portfolio. The negative impact from migration out of non-interest bearing deposits was offset by an increase in income on capital. Net fee and commission income increased to EUR 872 (2023: 813) million, due to increased fees from payments, insurance and investment products. Fees on investment products increased mainly due to growth in assets under management to EUR 63.3 billion on the back of new inflow (EUR 1.8 billion) and positive stock market developments. Higher fee income at mortgages was driven by the increase in the number of transactions. In the first half of 2024, insurance broker commissions at Rabobank grew by 6% to EUR 175 (2023: 166) million. Other results increased to EUR 40 (2023: 32) million.

Operating Expenses Up

Total operating expenses were 19% higher compared to last year and amounted to EUR 2,304 (2023: 1,939) million. Staff costs, which explain the majority of the overall increase, went up to EUR 1,731 (2023: 1,515) million, and reflect salary increases as result of the new CLA and extra staffing for FEC and IT. Other administrative expenses increased to EUR 532 (2023: 380) million. Compared to last year, FEC and cloud costs were higher and a lower VAT refund also contributed to this increase. In 2023 the release of several provisions had a downward effect on other administrative expenses. Depreciation and amortization decreased slightly to EUR 41 (2023: 44) million, caused by having fewer offices, in line with DRB's development of the real estate portfolio.

Impairment Charges Lower

In the first half of 2024, the credit quality of our loan portfolio remained strong and resulted in a release of impairment charges on financial assets. Impairments were minus EUR 137 (2023: minus 41) million, which translates to minus 10 (2023: minus 3) basis points of the average private sector loan portfolio and is well below the long-term average (period 2014-2023) of 6 basis points. This decrease was mainly the result of releases as the Dutch economy remains relatively robust.

Loan Portfolio Increased

The total DRB portfolio increased by half year to EUR 271.5 (2023: 270.6) billion. The figure includes Obvion's loan portfolio of EUR 37.6 (2023: 36.0) billion. The total volume of our residential mortgage loan portfolio was somewhat higher at EUR 194.3 (2023: 193.8) billion on June 30, 2024. In the first half of 2024, clients' extra mortgage repayments – all those on top of the mandatory repayments – at local Rabobanks totaled approximately EUR 6.6 (2023: 6.5) billion. Of this amount, EUR 1.5 (2023: 0.9) billion related to partial repayments and EUR 5.2 (2023: 5.6) billion to mortgages that were paid off in full, partly because customers were moving to new homes. Business lending increased slightly to EUR 69.6 (2023: 68.8) billion.

Loan Portfolio by Sector

Amounts in billions of euros	*06-30-2024*	*12-31-2023*
Volume of loans to private individuals	201.9	201.8
Volume of loans to Trade, Industry & Services	48.0	47.0
Volume of loans to Food & Agri	21.6	21.8
Private sector loan portfolio	271.5	**270.6**

Mortgage Loan Portfolio

Rabobank's share of the Dutch mortgage market decreased to 18.6% (2023: 19.3%) of new mortgage production in the first half of 2024.[1] The non-performing loans, which accounted for 0.52% of the mortgage loan portfolio, were somewhat lower compared to last year. Overall the risk of this portfolio remained stable during the first half of 2024, with negligible impairment charges of 0 basis points at an annual rate. Financing backed by the NHG increased to 15.9% (2023: 15.6%). The weighted-average indexed LTV of the mortgage loan portfolio was 51% (2023: 53%) on June 30, 2024.

Residential Mortgage Loans

Amounts in millions of euros	*06-30-2024*	*12-31-2023*
Mortgage portfolio	194,260	193,787
Weighted-average LTV	51%	53%
Non-performing loans (amount)	1,009	1,034
Non-performing loans (in % of total mortgage loan portfolio)	0.52%	0.53%
More-than-90-days arrears	0.13%	0.17%
Share NHG portfolio	15.9%	15.6%
Impairment allowances on financial assets	218	238
Coverage ratio non-performing loans	10%	10%
Net additions	(4)	65
Net additions (in basis points)	0	3
Write-offs	(22)	(5)

Deposits from Customers Increased

The private savings market in the Netherlands increased by 5% to EUR 480.8 (2023: 458.9) billion on June 30, 2024. Our market share was 35.1% (2023: 34.7%).[2] Deposits from customers reached EUR 331.6 (2023: 324.7) billion partly driven by unused holiday payments. Retail savings deposited at DRB increased by EUR 9.3 billion to EUR 172.4 (2023: 163.0) billion. Other deposits from customers went down by EUR 2.4 billion to EUR 159.2 billion. Many business clients still needed to repay some of their Covid-19 tax debt. Next to this, businesses used part of this money to fund their own activities.

1 Market share is calculated based on a new data source: Hypotheek Data Netwerk (HDN), comparative figures are adjusted accordingly

2 Source: Statistics Netherlands (Centraal Bureau voor de Statistiek)

Wholesale & Rural

As a leading global F&A bank, Wholesale and Rural serves clients in five regions: Europe & Africa, North America, South America, Australia & New Zealand, and Asia. Our Banking for Food and Banking for the Netherlands strategies drive the W&R portfolio, while the food system and energy transition are important focus points for our wholesale business. W&R's net profit in the first half of 2024 was 61% higher than in the same period last year. Income increased by 4% driven by higher fee income in Capital Markets and Project Finance while Rabo Investments income decreased. Expenses were higher due to additional staffing for new business initiatives and compliance-related activities combined with salary increases linked to inflationary pressure. Impairment charges on financial assets were lower due to fewer specific provisions within Wholesale Core Lending.

€ 1,993 million
Total Income
June 2023: € 1,911 million
+4%

€ 1,056 million
Total Operating Expenses
June 2023: € 986 million
+7%

€ 127.7 billion
Loan Portfolio
Dec 2023: € 121.5 billion
+5%

Financial Results

Results

Amounts in millions of euros	***06-30-2024***	***06-30-2023***	***Change***
Net interest income	1,408	1,393	1%
Net fee and commission income	245	158	55%
Other results	340	360	-6%
Total income	**1,993**	**1,911**	**4%**
Staff costs	791	765	3%
Other administrative expenses	215	161	34%
Depreciation and amortization	50	60	-17%
Total operating expenses	**1,056**	**986**	**7%**
Gross result	**937**	**925**	**1%**
Impairment charges on financial assets	274	328	-16%
Regulatory levies	-	136	-100%
Operating profit before tax	**663**	**461**	**44%**
Income tax	200	173	16%
Net profit	**463**	**288**	**61%**
Impairment charges on financial assets (in basis points)	44	54	
Ratios			
Cost/income ratio including regulatory levies	53.0%	58.7%	
Underlying cost/income ratio including regulatory levies	52.6%	59.1%	
Balance Sheet			
Amounts in billions of euros	**06-30-2024**	**12-31-2023**	
External assets	159.1	151.2	5%
Private sector loan portfolio	127.7	121.5	5%
Deposits from customers	25.3	25.5	-1%
Number of internal employees (in FTEs)	9,668	9,555	1%
Number of external employees (in FTEs)	1,204	1,239	-3%
Total number of employees (in FTEs)	10,872	10,794	1%

Notes to the Financial Results

Development of Underlying Profit Before Tax

Amounts in millions of euros		*06-30-2024*	*06-30-2023*
Income		**1,993**	**1,911**
Adjustments to income	*Fair value items*	*13*	*(13)*
Underlying income		***2,006***	***1,898***
Operating expenses		**1,056**	**986**
Impairment charges on financial assets		274	328
Regulatory levies		-	136
Operating profit before tax		**663**	**461**
Total adjustments		***13***	***(13)***
Underlying operating profit before tax		**676**	**448**

Underlying Performance Higher

Compared to 2023, W&R delivered a higher income and higher net result in the first half of 2024. The underlying operating profit before tax in the first half of 2024 amounted to EUR 676 million compared to EUR 448 million in the first half of 2023. Expenses were higher as new business initiatives and compliance-related activities elevated our staff level as well as salary increases driven by inflationary pressure. Impairment charges were lower in the first half of 2024, due to fewer specific provisions within Wholesale Core Lending.

Strong Income

W&R's total income increased to EUR 1,993 (2023: 1,911) million in the first half of 2024. Net interest income increased slightly to EUR 1,408 (2023: 1,393) million. Net interest income on capital, mainly in North America and Europe benefited from increased global interest rates. This was partially offset by lower interest income within our Sales and Trading division, which facilitates clients to have access to risk management products, such as interest-, FX-, and commodity derivatives. Here a shift from net interest income to other results was noted, as rising interest rates had a negative (higher funding costs) effect whereas positive results from offsetting positions are reflected in other results. The significant increase in net fee and commission income at EUR 245 (2023: 158) million was driven by higher income at Capital Markets (in loans and bond syndication fees) and Project Finance (mainly driven by the higher demand in sustainable projects). Other results decreased by EUR 20 million to EUR 340 (2023: 360) million, due to limited positive revaluations and exits within Rabo Investments.

Higher Operating Expenses

Operating expenses were higher in the first half of 2024, amounting to EUR 1,056 (2023: 986) million. Average staff numbers at W&R showed an increase which can be explained by new business initiatives and compliance-related activities. Combined with salary increases linked to inflationary pressure, staff costs increased to EUR 791 (2023: 765) million. Other administrative expenses increased to EUR 215 (2023: 161) million as result of a lower VAT refund. Depreciation and amortization decreased to EUR 50 (2023: 60) million, as in the first half of 2023 included a capitalization reversal on Core Banking Transformation (CBT).

Lower Impairment Charges

Impairments were lower in the first half of 2024 compared to the same period last year following lower specific provisions within Wholesale Core Lending. This was partially compensated by increased impairment levels triggered by the IFRS9 model update, which impacted Wholesale stage 1 and stage 2 impairments. Rural impairments increased because of higher specific provisions in North America. Total impairment charges on financial assets amounted to EUR 274 (2023: 328) million, which translates to 44 (2023: 54) basis points of the average private sector loan portfolio, which is above the long-term average (period 2014-2023) of 36 basis points.

Dutch and International Wholesale

The Wholesale portfolio totaled EUR 85.7 (2023: 81.3) billion. Excluding FX effects, the Wholesale portfolio increased by 3.8 billion. Lending to the largest Dutch companies increased slightly in 2024 to EUR 37.7 (2023: 35.2) billion. The size of the Wholesale loan portfolio outside the Netherlands was EUR 47.9 (2023: 46.1) billion on June 30, 2024.

International Rural Banking

Lending to Rural clients amounted to EUR 41.1 (2023: 39.0) billion. Excluding FX effects, the Rural portfolio increased by approximately EUR 2.0 billion. The main markets for Rural Banking are Australia, New Zealand, the United States and Brazil, and we are also present in Chile, Peru, and Argentina. The loan portfolio in Australia totaled EUR 14.8 (2023: 13.2) billion, in New Zealand EUR 7.9 (2023: 7.7) billion, in the United States EUR 12.3 (2023: 12.4) billion, in Brazil EUR 4.9 (2023: 4.5) billion, and EUR 1.0 (2023: 1.0) billion in Chile, Peru, and Argentina in aggregate.

Deposits from Customers Slightly Decreased

In the first half of 2024, deposits from customers decreased slightly to EUR 25.3 (2023: 25.5) billion. Deposits entrusted by clients at our online savings bank that operates in Australia and New Zealand increased to EUR 10.0 (2023: 9.8) billion. The number of online savings bank clients was stable at approximately 220,000 (2023: 220,000).

Leasing

As a global asset finance company, our leasing subsidiary DLL partners with equipment manufacturers, dealers, and distributors, as well as end-customers on a direct basis, to provide businesses with easier access to equipment, technology, and software. DLL provides financial solutions to the Agriculture, Food, Healthcare, Clean Technology, Construction, Transportation, Industrial, Office Equipment, and Technology industries in more than 25 countries. The decrease in DLL's net profit by 13% can be primarily attributed to increased impairment charges, partly offset by the growth of the portfolio generating additional income. The lease portfolio grew by 5% when compared to December 2023. On June 30, 2024, the Food & Agri share of the portfolio amounted to EUR 22.8 (2023: 21.6) billion, representing 49% (2023: 49%) of the DLL portfolio.

€ 940 million
Total Income
June 2023: € 886 million
+6%

€ 512 million
Total Operating Expenses
June 2023: € 473 million
+8%

€ 46.4 billion
Portfolio
Dec 2023: € 44.3 billion
+5%

Financial Results

Results

Amounts in millions of euros	***06-30-2024***	***06-30-2023***	***Change***
Net interest income	707	645	10%
Net fee and commission income	54	52	4%
Other results	179	189	-5%
Total income	**940**	**886**	**6%**
Staff costs	366	335	9%
Other administrative expenses	134	126	6%
Depreciation and amortization	12	12	0%
Total operating expenses	**512**	**473**	**8%**
Gross result	**428**	**413**	**4%**
Impairment charges on financial assets	142	55	158%
Regulatory levies	1	28	-96%
Operating profit before tax	**285**	**330**	-14%
Income tax	63	75	-16%
Net profit	**222**	**255**	-13%
Impairment charges on financial assets (in basis points)	63	29	
Ratios			
Cost/income ratio including regulatory levies	54.6%	56.5%	
Balance Sheet			
Amounts in billions of euros	**06-30-2024**	**12-31-2023**	
Lease portfolio	46.4	44.3	5%
Private sector loan portfolio	43.8	41.8	5%
Number of internal employees (in FTEs)	5,633	5,531	2%
Number of external employees (in FTEs)	239	236	1%
Total number of employees (in FTEs)	5,872	5,767	2%

Notes to the Financial Results

Higher Total Income

The total income of the Leasing segment increased by 6% to EUR 940 (2023: 886) million in the first half of 2024. Net interest income increased by 10% to EUR 707 (2023: 645) million mainly due to portfolio growth and to a lesser extent due to higher income on capital. Despite the sharp increases in market interest rates, DLL has been able to keep up volumes with pricing only modestly impacting margins. Net fee and commission income increased fractionally to EUR 54 (2023: 52) million. Other results, mainly consisting of income from operating leases and sales on end-of-lease assets, decreased by 5% to EUR 179 (2023: 189) million.

Operating Expenses Higher

Total operating expenses in the Leasing segment increased by 8% to EUR 512 (2023: 473) million. Staff costs increased by 9% to EUR 366 (2023: 335) million. To support business growth, IT, and compliance-related activities, staff numbers increased by 105 FTEs to 5,872 FTEs in the first half of 2024. Other administrative expenses were 6% higher at EUR 134 (2023: 126) million, driven by increased IT investments. The total amount for depreciation and amortization was stable at EUR 12 (2023: 12) million.

Higher Impairment Charges

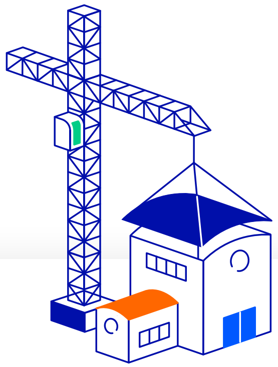
Impairment charges on financial assets were significantly higher in the first half of 2024, mainly as a result of high credit impairments in Brazil, caused by current economic downturn in the Brazilian F&A market as well as the recent flooding in the southern part of the country. Impairment charges on financial assets amounted to EUR 142 (2023: 55) million, corresponding to 63 (2023: 29) basis points of the average loan and lease portfolio, which is above DLL's long-term average (period 2014-2023) of 43 basis points.

Higher Lease Portfolio

The lease portfolio grew by 5% to EUR 46.4 (2023: 44.3) billion, or by around 4% excluding FX impacts, with all business units and regions contributing to this growth. In the first half of 2024, the Food & Agri share of the portfolio increased to EUR 22.8 (2023: 21.6) billion, representing 49% (2023: 49%) of the DLL portfolio.

Property Development

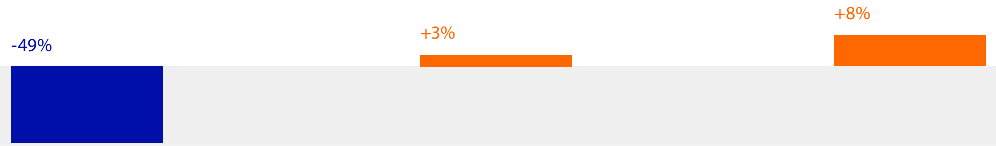
The Property Development segment is mainly composed of the activities of Bouwfonds Property Development (BPD), which operates in the Netherlands and Germany. Next to BPD, the results of the Dutch residential core fund BPD Woningfonds – including the valuation of its assets – are included in this segment. In the first half of 2024, more transactions at recovering margins took place in the Netherlands, but housing markets in Germany are still lagging due to uncertainty and affordability. Overall, this impacted the commercial results at BPD in the first half of this year.



€ 29 million
Total Income
June 2023: € 57 million

€ 79 million
Total Operating Expenses
June 2023: € 77 million

1,680
Property Transactions
June 2023: 1,551



Financial Results

Results

Amounts in millions of euros	***06-30-2024***	***06-30-2023***	***Change***
Net interest income	(25)	(11)	-127%
Net fee and commission income	-	-	
Other results	54	68	-21%
Total income	**29**	**57**	**-49%**
Staff costs	54	54	0%
Other administrative expenses	21	19	11%
Depreciation and amortization	4	4	0%
Total operating expenses	**79**	**77**	**3%**
Gross result	**(50)**	**(20)**	**150%**
Impairment charges on financial assets	-	-	
Regulatory levies	-	1	-100%
Operating profit before tax	**(50)**	**(21)**	**138%**
Income tax	(20)	(1)	1900%
Net profit	**(30)**	**(20)**	**50%**
Ratios			
Cost/income ratio incl. regulatory levies	272.4%	136.8%	99%
Balance Sheet			
Number of property transactions	1,680	1,551	8%
Amounts in billions of euros	**06-30-2024**	**12-31-2023**	
Houses in exploitation	1,433	1,370	5%
Number of internal employees (in FTEs)	648	657	-1%
Number of external employees (in FTEs)	54	38	42%
Total number of employees (in FTEs)	702	695	1%

Notes to the Financial Results

Drop in Income

The Property Development segment's total income decreased to EUR 29 (2023: 57) million as a result of higher funding costs due to increasing interest rates and, partly, lower margins in Germany. The housing market in Germany has been lagging due to uncertainty and affordability, and the German market does not show signs of improvement yet. Meanwhile, the market in the Netherlands has improved compared to last year as there are more transactions with recovering margins. In the first half of 2024, impairments of EUR 43 million were taken on German land positions and several projects on top of the EUR 204 million in impairments recognized in the second half of 2023. These impairments are almost completely visible in other results.

At BPD Woningfonds, rental income went up as result of an increase in the average number of houses in exploitation. BPD Woningfonds' total portfolio consists of 1,433 (2023: 1,370) houses in exploitation, 1,289 (2023: 1,295) units under construction and an additional 2,337 (2023: 2,194) houses in its committed pipeline, bringing the entire portfolio to more than 5,000 residential properties.

Operating Expenses Relatively Stable

Total operating expenses were relatively stable at EUR 79 (2023: 77) million. BPD adapted to the lower business activity and was able to maintain staff costs at a stable level, totaling EUR 54 (2023: 54) million due to lower staff numbers offsetting regular salary increases. Other administrative expenses landed at EUR 21 (2023: 19) million. Depreciation and amortization was flat at EUR 4 (2023: 4) million.

Number of Property Transactions Slightly Increased

The total number of residential property transactions increased to 1,680 (HY2023: 1,551) since current market conditions are slightly better than in the same period last year. The number of new projects that can be sold is still challenging, due to higher building costs and increased mortgage rates. However, the number of transactions in the Netherlands increased to 1,571 (HY2023: 1,450) while the total number of transactions in Germany slightly improved to 109 (HY2023: 101) transactions.

Interim Financial Statements 2024

Contents

Consolidated Statement of Financial Position

Consolidated Statement of Financial Position

Amounts in millions of euros	*Note*	*June 30, 2024*	*December 31, 2023*
Assets			
Cash and cash equivalents		80,580	90,539
Loans and advances to credit institutions		25,875	26,456
Financial assets held for trading		5,440	3,747
Financial assets mandatorily at fair value		2,743	2,773
Derivatives		20,977	21,992
Loans and advances to customers	6	453,632	439,262
Financial assets at fair value through other comprehensive income		16,033	13,921
Investments in associates and joint ventures		1,890	1,793
Goodwill and other intangible assets		709	737
Property and equipment		4,033	3,976
Investment properties		753	703
Current tax assets		198	114
Deferred tax assets		824	923
Other assets		7,494	6,590
Non-current assets held for sale	15	460	270
Total assets		**621,641**	**613,796**

Amounts in millions of euros	*Note*	*June 30, 2024*	*December 31, 2023*
Liabilities			
Deposits from credit institutions		15,959	15,823
Deposits from customers	8	401,627	391,380
Debt securities in issue		118,721	122,519
Financial liabilities held for trading		743	475
Financial liabilities designated at fair value		2,680	2,810
Derivatives		14,954	15,434
Other liabilities		5,792	5,525
Provisions		601	612
Current tax liabilities		215	561
Deferred tax liabilities		236	198
Subordinated liabilities		8,615	8,817
Liabilities held for sale		2	1
Total liabilities		**570,145**	**564,155**
Equity			
Reserves and retained earnings	10	38,992	36,242
Equity instruments issued by Rabobank			
- Rabobank Certificates	11	6,909	7,825
- Capital Securities		4,972	4,975
		11,881	**12,800**
Non-controlling interests		623	599
Total equity		**51,496**	**49,641**
Total equity and liabilities		**621,641**	**613,796**

Consolidated Statement of Income

Consolidated Statement of Income

Amounts in millions of euros	*Note*	*First half-year 2024*	*First half-year 2023*
Interest income from financial assets using the effective interest method	1	13,457	11,876
Other interest income	1	136	115
Interest expense	1	7,465	6,184
Net interest income	**1**	**6,128**	**5,807**
Fee and commission income		1,333	1,178
Fee and commission expense		173	171
Net fee and commission income		**1,160**	**1,007**
Income from other operating activities	2	1,012	999
Expenses from other operating activities	2	813	780
Net income from other operating activities	**2**	**199**	**219**
Income from investments in associates and joint ventures		188	95
Gains/ (losses) arising from the derecognition of financial assets measured at amortized cost		5	12
Gains/ (losses) on financial assets and liabilities at fair value through profit or loss		342	447
Gains/ (losses) on financial assets at fair value through other comprehensive income		3	3
Other income		113	92
Income		**8,138**	**7,682**
Staff costs	3	3,004	2,742
Other administrative expenses	4	915	704
Depreciation and amortization		155	169
Operating expenses		**4,074**	**3,615**
Impairment charges on financial assets	5	279	339
Regulatory levies		49	327
Operating profit before tax		**3,736**	**3,401**
Income tax		918	873
Net profit for the period		**2,818**	**2,528**

Amounts in millions of euros	*Note*	*First half-year 2024*	*First half-year 2023*
Of which attributed to Rabobank		2,443	2,126
Of which attributed to Rabobank Certificates		239	254
Of which attributed to Capital Securities issued by Rabobank		101	101
Of which attributed to Non-controlling interests		35	47
Net profit for the period		**2,818**	**2,528**

Condensed Consolidated Statement of Comprehensive Income

Condensed Consolidated Statement of Comprehensive Income

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Net profit for the period	**2,818**	**2,528**
Other comprehensive income transferred to profit or loss if specific conditions are met, net of tax:		
Exchange differences on translation of foreign operations	224	(205)
Increase/ (decrease) in the fair value of debt instruments at fair value through other comprehensive income	(11)	36
Costs of hedging	77	8
Cash flow hedges	18	(11)
Share of other comprehensive income of associates and joint ventures	12	(6)
Other comprehensive income not to be transferred to profit or loss, net of tax:		
Remeasurements of post-employee benefit obligations	(1)	2
Increase/ (decrease) in the fair value of equity instruments at fair value through other comprehensive income	(11)	12
Share of other comprehensive income of associates and joint ventures	7	(1)
Decrease/ (increase) in the fair value due to own credit risk on financial liabilities designated at fair value	(17)	9
Other comprehensive income	**298**	**(156)**
Total comprehensive income	**3,116**	**2,372**
Of which attributed to Rabobank	2,742	1,970
Of which attributed to Rabobank Certificates	239	254
Of which attributed to Capital Securities issued by Rabobank	101	101
Of which attributed to Non-controlling interests	34	47
Total comprehensive income	**3,116**	**2,372**

Consolidated Statement of Changes in Equity

Consolidated Statement of Changes in Equity

Amounts in millions of euros	*Note*	*Reserves and retained earnings*	*Equity instruments issued by Rabobank*	*Non-controlling interests*	*Total*
Balance on December 31, 2023		**36,242**	**12,800**	**599**	**49,641**
Net profit for the period		2,783	-	35	2,818
Other comprehensive income		299	-	(1)	298
Total comprehensive income		**3,082**	**-**	**34**	**3,116**
Payments on Rabobank Certificates	11	(239)	-	-	(239)
Redemption of Rabobank Certificates	11	(85)	(916)	-	(1,001)
Other		(8)	(3)	(10)	(21)
Balance on June 30, 2024		**38,992**	**11,881**	**623**	**51,496**
Balance on December 31, 2022		**33,029**	**12,796**	**533**	**46,358**
Net profit for the period		2,481	-	47	2,528
Other comprehensive income		(156)	-	-	(156)
Total comprehensive income		**2,325**	**-**	**47**	**2,372**
Payments on Rabobank Certificates		(254)	-	-	(254)
Payments on Capital Securities issued by Rabobank		(101)	-	-	(101)
Other		(3)	-	14	11
Balance on June 30, 2023		**34,996**	**12,796**	**594**	**48,386**

Condensed Consolidated Statement of Cash Flows

Condensed Consolidated Statement of Cash Flows

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Operating profit before tax	3,736	3,401
Non-cash items recognized in operating profit before tax	329	237
Net change in assets and liabilities relating to operating activities	(12,525)	(18,767)
Net cash flow from operating activities	**(8,460)**	**(15,129)**
Net cash flow from investing activities	**(116)**	**(34)**
Net cash flow from financing activities	**(2,050)**	**2,751**
Net change in cash and cash equivalents	**(10,626)**	**(12,412)**
Cash and cash equivalents on January 1	90,539	129,580
Net change in cash and cash equivalents	(10,626)	(12,412)
Exchange rate differences on cash and cash equivalents	667	(329)
Cash and cash equivalents on June 30	**80,580**	**116,839**

Notes to the Interim Financial Statements

Corporate Information

Rabobank is an international financial services provider operating on the basis of cooperative principles. Rabobank's focus is on delivering all-finance services in the Netherlands and on serving Food & Agri customers internationally. Rabobank creates value with its strategy and the products and services Rabobank offers customers in Retail Banking, Wholesale Banking, Rural Banking, Private Banking, Vendor Finance, Leasing, and Property Development. Rabobank's Interim Financial Statements include the financial information of Coöperatieve Rabobank U.A. and its consolidated subsidiaries in the Netherlands and abroad.

Basis for Preparation

Rabobank's Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

For the publication of its Interim Financial Statements, Rabobank has opted to present condensed versions of its Consolidated Statement of Comprehensive Income and Consolidated Statement of Cash Flows. These Interim Financial Statements do not include all the information and disclosures required in the Consolidated Financial Statements and should be read in conjunction with Rabobank's 2023 Consolidated Financial Statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (E.U.) and the applicable articles of Part 9 of Book 2 of the Dutch Civil Code. The accounting policies used in this report are consistent with those set out in the notes to the 2023 Consolidated Financial Statements, except for the changes in accounting policies as described in the section "New and Amended Standards Issued by the International Accounting Standards Board (IASB) and Adopted by the E.U. which Apply in the Current Financial Year".

Amended Standards Issued by the IASB and Adopted by the E.U. which Apply in the Current Financial Year

Minor amendments have been made to IAS 1 and IFRS 16 which became effective for annual periods beginning on or after January 1, 2024. The amendments relate to the classification of liabilities as current or non-current, non-current liabilities with covenants, and lease liabilities in a sale and leaseback transaction. Minor amendments have also been made to IAS 7 and IFRS 7 which became effective for annual periods beginning on or after January 1, 2024. The IAS 7 and IFRS 7 amendments relate to disclosure of information about an entity's supplier finance arrangements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The implementation of the amendments to IAS 7 and IFRS 7 will not affect profit or equity.

Amended Standards Issued by the IASB but not yet adopted by the E.U. which Do Not yet Apply in the Current Financial Year

Amendments to IFRS 7 and IFRS 9 regarding the Classification and Measurement of Financial Instruments

The IASB amended requirements related to assessing contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG)-linked features, and settling financial liabilities using an electronic payment system. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs. These amendments will be effective for annual periods beginning on or after January 1, 2026. Although these new requirements are currently being analyzed and their impact is not yet known, Rabobank does not expect that the implementation of these amendments changes the measurement category of financial assets and does not expect that these amendments affect profit or equity.

IFRS 18 Presentation and Disclosure in Financial Statements

This Standard sets out general and specific requirements for the presentation of information in the Statement(s) of Income, the Statement of Financial Position and the Statement of Changes in Equity. This Standard also sets out requirements for the disclosure of information in the notes. This Standard supersedes IAS 1 and will be effective for annual periods beginning on or after January 1, 2027. The implementation of this Standard will not affect profit or equity, but is expected to impact the structure of the income statement and is expected to lead to additional disclosure of management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

This Standard is intended for subsidiaries without public accountability and specifies the disclosure requirements that such an entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This Standard will be effective for annual periods beginning on or after January 1, 2027. This standard is not applicable for Rabobank's consolidated financial statements.

Other amendments

Minor amendments have been made to IAS 21 The Effects of Changes in Foreign Exchange Rates. They apply to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier. These amendments clarify the estimation of the spot exchange rate when a currency is not exchangeable. Although these new requirements are currently being analyzed and their impact is not yet known, Rabobank does not expect the implementation of these amendments to affect profit or equity.

Going Concern

The Managing Board considers it appropriate to adopt the going concern basis of accounting in preparing these financial statements. This is based on Rabobank's medium-term-planning (MTP) and budget process, which supports the going concern assumption.

Judgments and Estimates

In preparing these Interim Consolidated Financial Statements, management applied judgment with respect to estimates and assumptions that affect the amounts reported for assets and liabilities, the reporting of contingent assets and liabilities on the date of the Interim Consolidated Financial Statements, and the amounts reported for income and expenses during the reporting period.

The accounting principles listed below require critical estimates that are based on assessments and assumptions. Although management estimates are based on the most careful assessment of current circumstances and activities on the basis of available financial data and information, the actual results may deviate from these estimates.

Impairment Allowances on Financial Assets

Rabobank applies three-stage expected credit loss (ECL) impairment models for measuring and recognizing expected credit losses which involve management judgment. Rabobank uses estimates and management judgment to determine the expected credit losses for the model-based impairment allowances. In certain circumstances Rabobank applies Management Adjustments (MAs) in addition to the model outcomes, which are described in this section. These MAs often require a significant degree of judgment. Further information regarding the model-based impairment allowances is included in Section 7, “Impairment Allowances on Financial Assets”.

For credit-impaired financial assets that are assessed on an individual basis, a discounted cash flow calculation is performed. In many cases, judgment is required for the estimation of the expected future cash flows and the weighting of the three used scenarios.

MA Second Order Effect

A Second Order Effect MA of EUR 74 million (December 31, 2023: EUR 185 million) has been recognized for stage 1 and 2 loans to business clients. The Second Order Effect MA captures the additional credit risk that relates to increased geopolitical tensions that could impact (amongst others via high inflation) the pay back capacity of our performing business clients, which is not fully captured by the IFRS 9 models. The large decrease is mainly due to the fact that COVID support repayments and deferred tax payments by Dutch business clients are now sufficiently captured in the financial performance assessment of these clients.

MA Interest-Only Mortgages

For an interest-only mortgage (IOM) the risk of future unaffordability is higher than for amortizing mortgages. This increased risk is not fully reflected in the IFRS 9 model outcomes. The MA for IOM has been recalculated and decreased to EUR 61 million (December 31, 2023: EUR 66 million) as a result of portfolio changes and macro-economic scenario updates. Ongoing supervisory scrutiny of IOM may affect future capital requirements and impairment levels.

MA Climate Risk: Nitrogen

Nitrogen emissions are no longer allowed without a permit for projects such as housing development, construction and highway expansion since the ruling of the highest administrative court in the Netherlands in May 2019. The nitrogen reduction measures have impacted the whole of society, and the impact is particularly significant for farmers. Rabobank has acknowledged that the current agricultural system in the Netherlands has reached its limits and that change is needed. Sector visions have been updated incorporating goals in the areas of nature, water, climate, biodiversity and animal welfare during the period 2023-2040. As Rabobank finances a significant part of the agricultural sector, Rabobank is committed to support its agricultural clients through this transition towards a more sustainable sector. The Dutch government announced Nitrogen Plans for the Netherlands in June 2022, including emission reduction goals and prospects for farmers. Despite extensive negotiations involving numerous stakeholders - including an active contribution from Rabobank - an “Agricultural Agreement” has not been reached. The outcome of recent elections in Europe will result in a prolongation of uncertainties for the sector. The assessment of this uncertainty resulted in an MA. Farmers in the livestock sector are scored on the profitability and sustainability of their business model, which determines the associated additional expected credit losses. As a result of using improved insights and methodology the MA decreased to EUR 24 million (December 31, 2023:EUR 47 million).

MA Climate Risk: Forward Looking Climate end Environmenta (C&E) Risks
Risks are expected to mainly materialize in the future as regulation becomes more stringent (leading to transition risk) and the climate warms and becomes more extreme, increasing the probability and intensity of events such as droughts and floods (physical risk). The Climate Risk MA covers this chronic increase in future (forward looking) C&E risks and amounts to EUR 16 million (December 31, 2023: EUR 14 million).

The MA covers the mortgage portfolio and sectors defined as climate risk sensitive in the business clients portfolio. The scope of the climate risk sensitive sectors is based on the C&E Risks Heatmaps, where the five most relevant climate risk events (drought, wildfire, heavy precipitation, water scarcity and flooding) are used with a 5-10 year time-horizon.

MA Climate Risk: Extreme Weather
On December 2023, an MA of EUR 4 million for the effects of current extreme weather was recognized, mainly due to El Niño that affected exposures in Brazil. As the credit risk impact has now been materialized in the credit classification of the affected clients, this MA is released per June 2024.

MA IFRS 9 Model Redevelopment
Rabobank is redeveloping several IFRS 9 models. The outcomes of the redevelopment of the IFRS 9 corporate model have been included in the impairment allowances for June 30, 2024. This is done through an addition to the model outcome as the new IFRS 9 Corporate model has not yet been implemented. An MA of EUR 152 million is recognized (December 31, 2023: 21 million).

Other MAs
The total of the remainder of the MAs is EUR 78 million (December 31, 2023: -/- EUR 9 million).

Fair Value of Financial Assets and Liabilities
Information on determining the fair value of financial assets and liabilities is included in Section 12, “Fair Value of Financial Assets and Liabilities”.

Impairment of Goodwill, Other Intangible Assets, and Investments in Associates and Joint Ventures
The other intangible assets and the investments in associates and joint ventures are tested for impairment when specific triggers are identified, and goodwill is tested at least once a year. When the recoverable value is lower than the carrying amount, an impairment loss is recognized. Determining the recoverable amount in an impairment assessment of these assets requires estimates based on quoted market prices, prices of comparable businesses, present value, or other valuation techniques, or a combination thereof, which necessitate management to make subjective judgments and assumptions. Because these estimates and assumptions could result in significant differences to the amounts reported if the underlying circumstances were to change, these estimates are considered to be critical.

Taxation
Estimates are used when determining the income tax charge and the related current and deferred tax assets and liabilities. The tax treatment of transactions is not always clear or certain and, in a number of countries, prior year tax returns often remain open and subject to tax authority approval for lengthy periods. The tax assets and liabilities reported are based on the best available information, and where applicable, on external advice. Differences between the final outcome and the original estimates are accounted for in the current and deferred tax assets and liabilities in the period in which reasonable certainty is obtained. Income tax is recognized in the interim period on the basis of the best estimate of the weighted average annual rate of income tax expected for the full financial year.

In 2024 the Netherlands adopted the Pillar 2 tax legislation. Under the legislation, Rabobank is obliged to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. Rabobank has assessed that based on the interim financial statements the average effective tax rate is in none of the countries below 15% at this moment in time. Only in Ireland it is expected that Rabobank will need to pay a low amount of local top up tax.

Other Provisions
In applying IAS 37, judgment is required to determine whether a present obligation exists as well as in estimating the probability, timing, and amount of any outflows. More information on judgments regarding the provision for legal and arbitration proceedings is included in Section 9, “Legal and Arbitration Proceedings”.

Notes to the Primary Financial Statements

1. Net Interest Income

Net Interest Income

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Interest income		
Cash and cash equivalents	2,144	2,532
Loans and advances to credit institutions	607	246
Loans and advances to customers	10,653	8,938
Derivatives used for fair value hedge-accounting	(197)	(37)
Financial assets at fair value through other comprehensive income	250	197
Interest income from financial assets using the effective interest method	**13,457**	**11,876**
Financial assets held for trading	55	50
Financial assets mandatorily at fair value	10	5
Interest income on financial liabilities with a negative interest rate	1	2
Other	70	58
Other interest income	**136**	**115**
Total interest income	**13,593**	**11,991**
Interest expense		
Deposits from credit institutions	480	459
Deposits from customers	4,415	3,166
Debt securities in issue	2,511	2,087
Financial liabilities held for trading	21	31
Derivatives held as economic hedges (income)/expense	(205)	153
Financial liabilities designated at fair value	41	55
Subordinated liabilities	204	230
Lease liability	7	8
Other	(9)	(5)
Total interest expense	**7,465**	**6,184**
Net interest income	**6,128**	**5,807**

2. Net Income from Other Operating Activities

Net Income from Other Operating Activities

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Income from real estate activities	411	410
Expenses from real estate activities	379	353
Net income real estate activities	**32**	**57**
Income from operational lease activities	578	571
Expenses from operational lease activities	423	413
Net income from operational lease activities	**155**	**158**
Income from investment property	23	18
Expenses from investment property	11	14
Net income from investment property	**12**	**4**
Net income from other operating activities	**199**	**219**

3. Staff Costs

Staff Costs

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Wages and salaries	1,799	1,581
Social security contributions and insurance costs	200	181
Pension costs - defined contribution plans	252	224
Addition/ (release) of other post-employment provisions	6	10
Training and travelling expenses	79	80
Other staff costs	668	666
Staff costs	**3,004**	**2,742**

4. Other Administrative Expenses

Other Administrative Expenses

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Additions and releases of provisions	33	(81)
IT expenses and software costs	308	260
Consultants fees	240	242
Publicity expenses	51	49
Result on derecognition and impairments on (in)tangible assets	4	17
Other expenses	279	217
Other administrative expenses	**915**	**704**

5. Impairment Charges on Financial Assets

Impairment Charges on Financial Assets

Amounts in millions of euros	*First half-year 2024*	*First half-year 2023*
Loans and advances to customers and credit institutions	325	395
Financial assets at fair value through other comprehensive income	1	1
Recoveries following write-off	(52)	(61)
Loan commitments and financial guarantees	5	4
Impairment charges on financial assets	**279**	**339**

6. Loans and Advances to Customers

A breakdown of the loan portfolio is presented in the following table.

Loans and Advances to Customers

Amounts in millions of euros	*June 30, 2024*	*December 31, 2023*
Gross carrying amount loans and advances to customers	**467,704**	**453,550**
Hedge accounting adjustment	(11,175)	(11,379)
Impairment allowances on loans and advances to customers	(2,897)	(2,909)
Total loans and advances to customers	**453,632**	**439,262**

Loans and Advances to Customers per Stage

June 30, 2024	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount loans and advances to customers	415,413	42,795	9,496	467,704
Impairment allowances on loans and advances to customers	420	603	1,874	2,897
December 31, 2023	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Gross carrying amount loans and advances to customers	396,879	47,674	8,997	453,550
Impairment allowances on loans and advances to customers	393	706	1,810	2,909

7. Impairment Allowances on Financial Assets

The following tables depict the reconciliation from the opening balance to the closing balance of the impairment allowances of financial assets and credit related contingent liabilities.

Impairment Allowances on Financial Assets and Credit Related Contingent Liabilities

Amounts in millions of euros

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance on January 1, 2024	421	733	1,935	3,089
Increases due to origination and acquisition	129	9	44	182
Decreases due to derecognition	(83)	(36)	(178)	(297)
Changes due to change in credit risk	3	(68)	486	421
Write-off of defaulted loans during the year	(6)	(2)	(302)	(310)
Other changes	6	(5)	(1)	-
Balance on June 30, 2024	**470**	**631**	**1,984**	**3,085**

Amounts in millions of euros	Stage 1	Stage 2	Stage 3	Total
Balance on January 1, 2023	428	741	1,828	2,997
Increases due to origination and acquisition	142	32	135	309
Decreases due to derecognition	(91)	(54)	(367)	(512)
Changes due to change in credit risk	(44)	46	904	906
Write-off of defaulted loans during the year	(11)	(4)	(549)	(564)
Other changes	(3)	(28)	(16)	(47)
Balance on December 31, 2023	**421**	**733**	**1,935**	**3,089**

Significant Increase in Credit Risk (SICR)

Transferring assets from stage 1 to stage 2 requires judgment. The main parameter taken into account in the SICR assessment is the lifetime probability of default and its development from origination to reporting date. The assessment of changes in credit risk analysis is a multifactor and holistic analysis. Whether a specific factor is relevant (and its weight compared to other factors) depends on the type of product, characteristics of the financial instruments and the borrower as well as the geographical region. Rabobank also relies on a number of qualitative indicators to identify and assess SICR:

- Internal credit rating: Financial difficulties
- Forbearance status for non-defaulted exposures
- 30 days past due as a backstop
- Vulnerable sector

In 2024, the vulnerable sector SICR trigger has been amended to limit this collective SICR approach only to exposures with an internal credit classification of Early Warning and highly leveraged transactions. Due to this amendment the recognized expected credit loss for performing loans decreased by EUR 36 million.

To assess the sensitivity of the ECL to the probability of default (PD) thresholds, an analysis was run, which assumed all assets were below the PD thresholds and apportioned a 12 month ECL. On the same asset base, an analysis was run which assumed all assets were above the PD thresholds and apportioned a lifetime ECL. Both analyses resulted in ECLs of EUR 772 million (December 31, 2023: EUR 580 million) and EUR 1,870 million (December 31, 2023: EUR 1,670 million), respectively. The total stage 1 and stage 2 impairment allowances as at June 30, 2024 are EUR 1,101 million (December 31, 2023: EUR 1,154 million).

Forward-looking Information and Macroeconomic Scenarios

When estimating expected credit losses for each stage and assessing significant increases in credit risk, Rabobank uses information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions (forward-looking information). Rabobank uses three probability-weighted macroeconomic scenarios (a baseline scenario, a baseline minus scenario and a baseline plus scenario) in its ECL models to determine the expected credit losses. A probability weighting of 20% for the minus scenario (December 31, 2023: 20%), a probability weighting of 20% for the plus scenario (December 31, 2023: 20%) and a probability weighting of 60% for the baseline scenario (December 31, 2023: 60%) are used. Important variables are gross domestic product growth, unemployment rates, and private sector investment. These forward-looking macroeconomic forecasts require judgment and are largely based on internal Rabobank research. An analysis on the sensitivity of key forward-looking macroeconomic inputs used in the ECL modeling process for stage 1, stage 2, and the model-based stage 3 provisioning and the probability weights applied to each of the three scenarios are presented below for the region that contributes the most to the ECL, i.e. the Netherlands.

Macroeconomic Scenarios

Netherlands		*2024*	*2025*	*2026*	*ECL unweighted*	*Probability*	*Weighted ECL in millions of euro per June 30, 2024*	*Weighted ECL in millions of euro per December 31, 2023*
Plus	GDP per capita	0.33%	2.52%	0.45%				
	Unemployment	3.63%	3.24%	2.84%	1,087	20%		
	Private Sector Investment	-1.75%	3.30%	-2.22%				
Baseline	GDP per capita	0.05%	1.01%	0.88%				
	Unemployment	3.77%	4.08%	4.29%	1,192	60%	1,191	1,199
	Private Sector Investment	-2.72%	-0.98%	1.62%				
Minus	GDP per capita	-0.20%	-0.39%	1.31%				
	Unemployment	3.90%	4.87%	5.64%	1,302	20%		
	Private Sector Investment	-3.62%	-5.23%	5.54%				

A probability weighting of 15% for both the minus and plus scenarios and a probability weighting of 70% for the baseline scenario would decrease the total (for all regions) weighted ECL for stage 1, stage 2, and model-based stage 3 exposures by EUR 368 thousand (December 31, 2023: EUR 1 million). If the probability weighting was 25% for both the minus and plus scenarios and 50% for the baseline scenario, it would increase the total (for all regions) weighted ECL for stage 1, stage 2, and model-based stage 3 exposures by EUR 378 thousand (December 31, 2023: EUR 1 million).

External Developments Potentially Affecting Credit Risk

Environmental Risks

The consequences of climate and nature change (physical risks) and the risks related to a shift towards a climate-neutral economy (transition risks) are high on Rabobank's agenda.

Rabobank focuses on (1) ESG risk assessment, through environmental risk heatmaps, maturity assessment, scenario analysis, and client risk scoring; (2) sector strategy, including vulnerable sector assessment; (3) credit risk assessment, including provisioning modeling and stress testing; and (4) portfolio strategy, including pricing. Rabobank discloses its governance, strategy, and risk management related to ESG risks in its Pillar 3 Report Q2 2024 to be published in August 2024.

ESG risks are translated into IFRS provisions through multiple channels. The provisions are captured in the IFRS 9 models through macroeconomic developments, embedded in individual client assessments, included in the sector vulnerability assessments, and Management Adjustments are made for sectors or regions directly affected by climate. Rabobank recognized loan impairment allowances for increases in future ESG risks in relation to chronic climate events (floods, droughts, etc.) that have not yet materialized. With regard to the application of ECL Management Adjustments reference is made to paragraph "Judgments and estimates".

8. Deposits from Customers

Deposits from Customers

Amounts in millions of euros	*June 30, 2024*	*December 31, 2023*
Current accounts	107,041	113,696
Deposits with agreed maturity	76,445	69,536
Deposits redeemable at notice	218,026	208,049
Repurchase agreements	115	99
Total deposits from customers	**401,627**	**391,380**

Non-monetary instruments from central banks amounting to EUR 14 billion (December 31, 2023: EUR 11 billion) are included in "Deposits with agreed maturity".

9. Legal and Arbitration Proceedings

Rabobank is active in a legal and regulatory environment that exposes it to a substantial risk of litigation. Rabobank is involved in legal cases, arbitrations, and regulatory proceedings in the Netherlands and in other countries. Please refer to Section 4.9, "Legal and Arbitration Proceedings" of Rabobank's 2023 Consolidated Financial Statements for further general information in this respect. The most relevant legal and regulatory claims which could give rise to liability on the part of Rabobank are described below.

Consumer Credit Products

The Dutch Financial Services Complaints Tribunal (Kifid) ruled that lenders of certain consumer products should have followed the movement of the market rate while determining the variable interest rate of these products. Rabobank recognized that it did not consistently adjust the interest rate of certain consumer credit products in accordance with the reference rates selected by Kifid. Rabobank recognized a provision of EUR 38 million (December 31, 2023: EUR 56 million). The decrease of the provision is a result of pay outs (compensation to customers).

Apart from this matter, the AFM conducted an investigation into a number of files relating to consumer mortgage loans and decided to impose an administrative fine in December 2023. Rabobank has filed an objection against the decision with the AFM.

Anti-Money Laundering, Counter Terrorism Financing & Sanctions

At the end of 2021, De Nederlandsche Bank (DNB) ordered Rabobank to remedy deficiencies regarding its Dutch Retail division's compliance with the Anti-Money Laundering and Anti-Terrorist Financing Act (in Dutch: Wet ter voorkoming van witwassen en financieren van terrorisme), hereinafter Wwft. The deficiencies mainly concern the execution, recording, and outsourcing of client due diligence, transaction monitoring, and reporting of unusual transactions. Delivering on the remediation plan continues to be Rabobank's highest priority. Rabobank its Dutch Retail Division is on track in this respect. Next to finalization of the program milestones, as agreed with DNB in December 2021, focus is on embedding program deliverables in the 'Business as Usual' organization to ensure sustainable compliance after completion of the remediation program end of 2024.

The criminal investigation by the Dutch Public Prosecutor's Office in connection with the alleged violation of the Wwft is still ongoing. Rabobank continues to fully cooperate. Currently the potential outcome and timeframe of the investigation remain unclear. Consequently, the nature and materiality of subsequent fines, penalties, or other related actions cannot be reliably estimated beyond stating that they have the potential to be significant.

European Union Competition Law Proceedings

As announced by the European Commission by means of a press release on November 22, 2023, the Commission fined Rabobank EUR 26.6 million in connection with certain historic communications between a small number of individuals at Deutsche Bank and Rabobank, which the Commission has concluded breached EU competition law. These proceedings relate to conduct between 2006 and 2016 on the secondary market for Euro-denominated SSA (Supra-Sovereign, Foreign Sovereign, Sub-Sovereign/Agency) and Government Guaranteed bonds in the European Economic Area (EEA). Rabobank cooperated with the Commission’s investigation and is disappointed by the outcome. The Bank lodged an appeal against the EC’s decision before the EU General Court. The amount of the fine has been paid in full.

Relatedly, a putative class action suit was brought against Rabobank and the other bank by civil plaintiffs before the United States District Court for the Southern District of New York on December 9, 2022. These civil proceedings are still at an early stage and no claim for damages has been quantified as yet. Rabobank takes the stance that it has substantive and convincing legal and factual defenses against the claims made, and Rabobank intends to continue to defend itself against these claims. Rabobank has not taken a provision in respect of these civil proceedings as the bank considers the outflow of funds more than remote but less than probable. As it is currently difficult to predict an eventual outcome Rabobank is not able to quantify this contingent liability.

BBA and ICE Libor/ Euribor

Rabobank, along with a large number of other panel banks and inter-dealer brokers, has been named as a defendant in a number of putative class action suits and individual civil court cases brought before the courts in the United States. These proceedings relate to U.S. Dollar (USD) Libor, British Pound Sterling (GBP) Libor, Japanese Yen (JPY) Libor, Tibor (note: Rabobank was never a member of the Tibor panel) and Euribor. Rabobank also received complaints and writs of summons ordering Rabobank to appear before various Dutch, Argentine, United Kingdom and Israeli courts in civil proceedings (including class action suits) relating to interest rate benchmarks. Since the civil proceedings set out above are intrinsically subject to uncertainties, it is difficult to predict their outcome. Rabobank takes the stance that it has substantive and convincing legal and factual defenses against these claims. Rabobank intends to continue to defend itself against these claims. Rabobank considers the Libor/Euribor group of cases to be a contingent liability because the probability of an outflow of funds is neither probable nor remote. Rabobank cannot give a reliable estimate of the expected total outflow of this contingent liability. No provision has been made.

Other Cases

Rabobank is subject to other legal proceedings for which provisions have been recognized. These cases are individually less significant in size and are therefore not separately disclosed. The total provision for the cases of which the amount of the provision is not specified above amounts to EUR 54 million (December 31, 2023: EUR 49 million). The maximum amount of non-remote measurable contingent liabilities relating to claims not specified above is EUR 38 million (December 31, 2023: EUR 38 million).

10. Reserves and Retained Earnings

The reserves and retained earnings can be broken down as follows:

Reserves and Retained Earnings

Amounts in millions of euros	*June 30, 2024*	*December 31, 2023*	*June 30, 2023*
Foreign currency translation reserves	(700)	(938)	(834)
Revaluation reserve – Financial assets at fair value through other comprehensive income	(213)	(188)	(128)
Revaluation reserve – Cash flow hedges	(41)	(59)	(33)
Revaluation reserve – Costs of hedging	193	116	111
Remeasurement reserve – Pensions	(67)	(75)	(55)
Revaluation reserve – Fair value changes due to own credit risk on financial liabilities designated at fair value	(69)	(52)	(53)
Retained earnings	39,889	37,438	35,988
Total reserves and retained earnings	**38,992**	**36,242**	**34,996**

11. Rabobank Certificates

The total number of Rabobank Certificates including those that are owned by Rabobank on June 30, 2024 is 313,005,461 (December 31, 2023: 313,005,461) with a nominal value of EUR 25 each, in total EUR 7,825 million (December 31, 2023:7,825 million). Rabobank Certificates are listed on Euronext Amsterdam.

On 30 June 2024 Rabobank Certificates in Equity amount to EUR 6,909 million (December 31, 2023: EUR 7,825 million) and represent a total number of 276,352,572 (December 31, 2023: 313,004,668) certificates issued externally by Rabobank via the foundation Stichting Administratie Kantoor Rabobank Certificaten (AK Foundation) and belong to Rabobank's Common Equity Tier 1 capital.

During the first half of 2024, Rabobank provided an opportunity for holders of outstanding Rabobank Certificates to tender Rabobank Certificates in exchange for cash. Rabobank agreed to buy back 36,652,880 Rabobank Certificates with a total nominal value of EUR 916 million. The total purchase price including premium, expenses and potential future distributions amounted to EUR 1,001 million and was paid in May 2024. See also the Consolidated Statement of Changes in Equity.

12. Fair Value of Financial Assets and Liabilities

This section should be read in conjunction with Section 4.8, “Fair Value of Financial Assets and Liabilities” of the 2023 Consolidated Financial Statements, which provides more details about the adopted accounting policies, valuation methodologies used to calculate fair value, and the valuation control framework governing the oversight of valuations. No changes have occurred to either the adopted accounting policies or the valuation methodologies applied.

The following table shows the fair value of financial instruments, recognized at amortized cost on the basis of the valuation methods and assumptions detailed below. Fair value represents the price that would have been received for the sale of an asset or that would have been paid in order to transfer a liability in a standard transaction conducted between market participants on the valuation date. For fair value measurement, Rabobank assumes that the transaction to sell the asset or transfer the liability is conducted in the principal market for the asset or liability or in the most advantageous market if there is no principal market.

Market prices are not available for a large number of the financial assets and liabilities that Rabobank holds or issues. For these financial instruments, the fair values shown in the following table have been estimated using the present value techniques or the results of other estimation and valuation methods, based on the market conditions on the reporting date. The values produced using these methods are highly sensitive to the underlying assumptions used for the amounts as well as for the timing of future cash flows, discount rates, and possible market illiquidity.

Fair Value of Financial Instruments Measured at Amortized Cost in the Statement of Financial Position

	June 30, 2024		***December 31, 2023***	
Amounts in millions of euros	*Carrying amount*	*Fair value*	*Carrying amount*	*Fair value*
Assets				
Cash and cash equivalents	80,580	80,580	90,539	90,541
Loans and advances to credit institutions	25,875	25,862	26,456	26,378
Loans and advances to customers	453,632	449,287	439,262	434,510
Liabilities				
Deposits from credit institutions	15,959	15,875	15,823	15,723
Deposits from customers	401,627	401,457	391,380	391,447
Debt securities in issue	118,721	116,757	122,519	120,622
Subordinated liabilities	8,615	8,478	8,817	8,794

The figures stated in the table represent management’s best possible estimates on the basis of a range of methods and assumptions. If a quoted price on an active market is available, this is the best estimate of fair value.

If no quoted prices on an active market are available for fixed-term securities, equity instruments, derivatives, or commodity instruments, Rabobank bases the expected fair value on the present value of future cash flows, discounted at market rates which correspond to the credit ratings and terms to maturity of these investments. A model-based price can also be used to determine fair value. Rabobank follows a policy of having all models used for valuing financial instruments in the statement of financial position validated by expert staff who are independent of the staff who determine the fair values of the financial instruments.

In determining market values or fair values, various factors have to be considered. These factors include the time value of money, volatility, underlying options, and credit quality of the counterparty. The valuation process has been designed in such a way that periodically available market prices are systematically used. Modifications to assumptions might affect the fair value of financial assets and liabilities held for trading and non-trading purposes.

The following table illustrates the fair value hierarchy used to determine the fair value of financial assets and liabilities. The breakdown is as follows:

- Level 1: Quoted prices on active markets for identical assets or liabilities; an “active market” is one in which transactions relating to the asset or liability occur with sufficient frequency and at a sufficient volume to provide price information on a permanent basis.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability not based on observable market data.

For recurrent valuations of financial instruments at fair value, Rabobank determines when transfers between the various categories of the fair value hierarchy occurred by reassessing the level at the end of each reporting period.

Fair Value Hierarchy of Financial Assets and Liabilities Measured at Fair Value in the Statement of Financial Position

Amounts in millions of euros	***Level 1***	***Level 2***	***Level 3***	***Total***
On June 30, 2024				
Assets carried at fair value in the statement of financial position				
Financial assets held for trading	4,071	324	1,045	5,440
Financial assets mandatorily at fair value	278	386	2,079	2,743
Derivatives	44	20,868	65	20,977
Financial assets at fair value through other comprehensive income	15,715	190	128	16,033
Non-current assets held for sale	-	-	460	460
Liabilities carried at fair value in the statement of financial position				
Derivatives	66	14,801	87	14,954
Financial liabilities held for trading	743	-	-	743
Financial liabilities designated at fair value	260	2,420	-	2,680
Amounts in millions of euros				
On December 31, 2023				
Assets carried at fair value in the statement of financial position				
Financial assets held for trading	2,971	35	741	3,747
Financial assets mandatorily at fair value[1]	259	364	2,150	2,773
Derivatives	35	21,900	57	21,992
Financial assets at fair value through other comprehensive income[1]	13,602	182	137	13,921
Non-current assets held for sale	-	-	270	270
Liabilities carried at fair value in the statement of financial position				
Derivatives	32	15,323	79	15,434
Financial liabilities held for trading	475	-	-	475
Financial liabilities designated at fair value	268	2,542	-	2,810

1 In the comparable figures 2023 an amount of EUR 259 million has been transferred from “Financial assets at fair value through other comprehensive income” to “Financial assets mandatorily at fair value”.

The next table shows the movements in financial instruments which are carried at fair value in the statement of financial position, and which are classified in Level 3. The fair value adjustments in Level 3 which are included in equity are accounted for in the revaluation reserves for financial assets at fair value through other comprehensive income.

Financial Instruments at Fair Value in Level 3

Amounts in millions of euros	*Balance on January 1, 2024*	*Fair value changes incorporated in profit or loss*	*Fair value changes incorporated in OCI*	*Purchases*	*Sales*	*Settlements*	*Balance on June 30, 2024*
Assets							
Financial assets held for trading	741	-	-	1,011	(707)	-	1,045
Financial assets mandatorily at fair value	2,150	89	-	126	(86)	(200)	2,079
Derivatives	57	8	-	-	-	-	65
Financial assets at fair value through other comprehensive income	137	-	(9)	3	-	(3)	128
Liabilities							
Derivatives	79	8	-	-	-	-	87

Amounts in millions of euros	*Balance on January 1, 2023*	*Fair value changes incorporated in profit or loss*	*Fair value changes incorporated in OCI*	*Purchases*	*Sales*	*Settlements*	*Balance on December 31, 2023*
Assets							
Financial assets held for trading	328	9	-	692	(38)	(250)	741
Financial assets mandatorily at fair value	1,961	143	-	250	(161)	(43)	2,150
Derivatives	205	18	-	-	(5)	(161)	57
Financial assets at fair value through other comprehensive income	171	-	11	36	(77)	(4)	137
Liabilities							
Derivatives	235	4	-	-	-	(160)	79

The amount of total gains or losses recognized in the income statement relating to the assets and liabilities in Level 3 is given in the following table.

Amounts in millions of euros	*Instruments held at the end of the reporting period*	*Instruments no longer held at the end of the reporting period*	*Total*
First half-year 2024			
Assets			
Financial assets held for trading	-	-	-
Financial assets mandatorily at fair value	88	1	89
Derivatives	8	-	8
Financial assets at fair value through other comprehensive income	-	-	-
Liabilities			
Derivatives	8	-	8
First half-year 2023			
Assets			
Financial assets held for trading	12	-	12
Financial assets mandatorily at fair value	37	(5)	32
Derivatives	(28)	27	(1)
Financial assets at fair value through other comprehensive income	-	-	-
Liabilities			
Derivatives	(31)	36	5

The potential effect before taxation, if more favorable reasonable assumptions are used for the valuation of the financial instruments in Level 3 on the income statement, is EUR 214 million (First half-year 2023: EUR 192 million) and EUR 0 million (First half-year 2023: EUR 0 million) on other comprehensive income. The potential effect before taxation, if more unfavorable reasonable assumptions are used for the valuation of Level 3 financial instruments on the income statement, is EUR -215 million (First half-year 2023: EUR -191 million) and EUR 0 million (First half-year 2023: EUR 0 million) on other comprehensive income.

Financial assets at fair value in Level 3 mainly include private equity interests. The total amount of these Level 3 financial assets at fair value is EUR 1,916 million (December 31, 2023: EUR 1,998 million). A significant unobservable input for the valuation of the private equity interests is the multiplier which is applied to the EBITDA. The average weighted multiplier is 10.7 (December 31, 2023: 10.4), with a range of -1 (unfavorable) and +1 (favorable).

13. Related Parties

Two parties are considered related if one party exercises control or has significant influence over the other party regarding financial or operating decisions. In the normal course of business, Rabobank conducts a wide variety of transactions with related entities. These involve different types of loans, deposits, and transactions in foreign currencies. Transactions between related parties also includes transactions with associates, pension funds, joint ventures, the Managing Board, and the Supervisory Board. These transactions are conducted under commercial terms and conditions and at market prices. No related party transactions occurred in the first half of 2024 that have materially affected Rabobank's financial position or performance during this period.

14. Credit Related Contingent Liabilities

Credit related contingent liabilities represent loan commitments, financial guarantees, letters of credit, and other lending related off-balance financial instruments. The credit related contingent liabilities amount to EUR 91 billion (December 31, 2023: EUR 87 billion). The contingent liabilities related to litigation are disclosed in Section 9, "Legal and Arbitration Proceedings".

15. Non-Current Assets Held for Sale

The non-current assets held for sale amount to EUR 460 million (December 31, 2023: EUR 270 million) and include the sale of the Hungarian operations in the Leasing segment for an amount of EUR 116 million (the carrying amount) which has been closed at July 31 2024.

The non-current assets held for sale also include various types of real estate in the segments Domestic Retail Banking and Property Development for an amount of EUR 100 million, and held for sale assets in the segment Wholesale & Rural for an amount of EUR 244 million. The carrying values are expected to be realized through sale rather than through continuing use.

16. Business Segments

The business segments Rabobank uses in its reporting are defined from a management viewpoint. This means that the segments are reviewed as part of Rabobank's strategic management and are used to make business decisions with different risks and returns.

Rabobank distinguishes five major business segments: Domestic Retail Banking (DRB); Wholesale & Rural (W&R); Leasing; Property Development; and Other Segments.

- Domestic Retail Banking mainly encompasses the activities of the local Rabobanks, Obvion, Vista Hypotheken, and Freo.
- Wholesale and Rural (W&R) contains wholesale activities in the Netherlands and focuses on the Food & Agri sectors internationally. This segment develops corporate banking activities and also controls globally operating divisions such as Markets, Mergers & Acquisition, Corporate Finance Origination, Core Lending, Project Finance, Trade & Commodity Finance, Value Chain Finance, and Rabo Investments. The segment also contains International Rural operations under the Rabobank label.
- In the Leasing segment, DLL is responsible for leasing activities and offers a wide range of leasing products. DLL supports manufacturers, vendors and distributors globally in their sales with products relevant to asset financing.
- Property Development mainly encompasses the activities of BPD. The core activity is the development of residential property.
- Other Segments within Rabobank include various sub-segments of which no single segment can be listed separately. This business segment mainly comprises the financial results of investments in associates (in particular Achmea B.V.), Treasury, and the Rabobank Group Organization.

There are no customers who represent more than a 10% share in Rabobank's total revenues. Transactions between the various business segments are conducted under regular commercial terms. Other than operating activities, no other material comprehensive income exists between the business segments. The financial reporting principles used for the segments are identical to those described in the "Basis for Preparation" section. As management primarily relies on net interest income to assess the performance of the segments and to make decisions about resources to be allocated to the segment, the segment's interest income is presented net of its interest expense.

Business Segments

Amounts in millions of euros	*Domestic Retail Banking*	*W&R*	*Leasing*	*Property Development*	*Other Segments*	*Consolidation Effects*	*Total*
First half-year 2024							
Net interest income	4,034	1,408	707	(25)	3	1	6,128
Net fee and commission income	872	245	54	-	(4)	(7)	1,160
Other results	40	340	179	54	231	6	850
Income	**4,946**	**1,993**	**940**	**29**	**230**	**-**	**8,138**
Staff costs	1,731	791	366	54	58	4	3,004
Other administrative expenses	532	215	134	21	62	(49)	915
Depreciation and amortization	41	50	12	4	2	46	155
Operating expenses	**2,304**	**1,056**	**512**	**79**	**122**	**1**	**4,074**
Impairment charges on financial assets charges/(releases)	(137)	274	142	-	-	-	279
Regulatory levies	48	-	1	-	-	-	49
Operating profit before tax	**2,731**	**663**	**285**	**(50)**	**108**	**(1)**	**3,736**
Income tax	703	200	63	(20)	(28)	-	918
Net profit	**2,028**	**463**	**222**	**(30)**	**136**	**(1)**	**2,818**
Cost/income ratio including regulatory levies (in %)[1]	47.6	53.0	54.6	272.4	n/a	n/a	50.7
Impairment charges on financial assets (in basis points of average private sector loan portfolio)[2]	(10)	44	63	n/a	n/a	n/a	13
External assets	274,607	159,142	48,501	4,197	135,194	-	621,641
Goodwill	322	-	-	-	-	-	322
Private sector loan portfolio	271,526	127,666	43,814	119	-	-	443,125

1 Operating expenses plus regulatory levies divided by income.

2 Annualized impairment charges on financial assets divided by the 6-month average of the private sector loan portfolio.

Impairment Allowances on Financial Assets and Credit Related Contingent Liabilities

Amounts in millions of euros	*Domestic Retail Banking*	*W&R*	*Leasing*	*Property Development*	*Other Segments*	*Consolidation Effects*	*Total*
Balance on January 1, 2024	**1,433**	**1,218**	**438**	**-**	**-**	**-**	**3,089**
Increases due to origination and acquisition	50	83	49	-	-	-	182
Decreases due to derecognition	(168)	(123)	(6)	-	-	-	(297)
Changes due to change in credit risk	(5)	315	111	-	-	-	421
Write-off of defaulted loans during the year	(81)	(142)	(87)	-	-	-	(310)
Other adjustments	(3)	4	(2)	1	-	-	-
Balance on June 30, 2024	**1,226**	**1,355**	**503**	**1**	**-**	**-**	**3,085**
Impairment allowance 12-month ECL	129	257	84	-	-	-	470
Impairment allowance lifetime ECL non-credit impaired	340	144	147	-	-	-	631
Impairment allowance lifetime ECL credit-impaired	757	954	272	1	-	-	1,984
Balance on June 30, 2024	**1,226**	**1,355**	**503**	**1**	**-**	**-**	**3,085**

Business Segments

Amounts in millions of euros	*Domestic Retail Banking*	*W&R*	*Leasing*	*Property Development*	*Other Segments*	*Consolidation Effects*	*Total*
First half-year 2023							
Net interest income	4,048	1,393	645	(11)	(267)	(1)	5,807
Net fee and commission income	813	158	52	-	(11)	(5)	1,007
Other results	32	360	189	68	215	4	868
Income	**4,893**	**1,911**	**886**	**57**	**(63)**	**(2)**	**7,682**
Staff costs	1,515	765	335	54	76	(3)	2,742
Other administrative expenses	380	161	126	19	67	(49)	704
Depreciation and amortization	44	60	12	4	(2)	51	169
Operating expenses	**1,939**	**986**	**473**	**77**	**141**	**(1)**	**3,615**
Impairment charges on financial assets charges/(releases)	(41)	328	55	-	(3)	-	339
Regulatory levies	195	136	28	1	(33)	-	327
Operating profit before tax	**2,800**	**461**	**330**	**(21)**	**(168)**	**(1)**	**3,401**
Income tax	722	173	75	(1)	(97)	1	873
Net profit	**2,078**	**288**	**255**	**(20)**	**(71)**	**(2)**	**2,528**
Cost/income ratio including regulatory levies (in %)[1]	43.6	58.7	56.5	136.8	n/a	n/a	51.3
Impairment charges on financial assets (in basis points of average private sector loan portfolio)[2]	(3)	54	29	n/a	n/a	n/a	16
As per December 31, 2023							
External assets	273,198	151,208	46,109	3,986	139,295	-	613,796
Goodwill	322	-	-	-	-	-	322
Private sector loan portfolio	270,572	121,524	41,765	146	-	-	434,007

1 Operating expenses plus regulatory levies divided by income.

2 Annualized impairment charges on financial assets divided by the 6-month average of the private sector loan portfolio.

Impairment Allowances on Financial Assets and Credit Related Contingent Liabilities

Amounts in millions of euros	*Domestic Retail Banking*	*W&R*	*Leasing*	*Property Development*	*Other Segments*	*Consolidation Effects*	*Total*
Balance on January 1, 2023	**1,439**	**1,162**	**395**	**1**	**-**	**-**	**2,997**
Increases due to origination and acquisition	85	144	80	-	-	-	309
Decreases due to derecognition	(216)	(295)	(1)	-	-	-	(512)
Changes due to change in credit risk	244	528	134	-	-	-	906
Write-off of defaulted loans during the year	(122)	(293)	(149)	-	-	-	(564)
Other adjustments	3	(28)	(21)	(1)	-	-	(47)
Balance on December 31, 2023	**1,433**	**1,218**	**438**	**-**	**-**	**-**	**3,089**
Impairment allowance 12-month ECL	125	200	96	-	-	-	421
Impairment allowance lifetime ECL non-credit impaired	507	107	119	-	-	-	733
Impairment allowance lifetime ECL credit-impaired	801	911	223	-	-	-	1,935
Balance on December 31, 2023	**1,433**	**1,218**	**438**	**-**	**-**	**-**	**3,089**

17. Events After Reporting Date

There were no subsequent events to be disclosed.

Managing Board Responsibility Statement

The Managing Board of Coöperatieve Rabobank U.A. (Rabobank) hereby declares that, to the best of its knowledge:

These Interim Financial Statements give a true and fair view of Rabobank's (and the companies included in the consolidation) assets, liabilities, financial position, and profit or loss. This Interim Report gives a true and fair view of the information required of Rabobank and the companies included in the consolidation pursuant to Section 5:25d, paragraphs 8 and 9 of the Dutch Financial Supervision Act.

Utrecht, August 5, 2024

Stefaan Decraene, *Chair*
Bas Brouwers, *CFO*
Vincent Maagdenberg, *CRO*
Els Kamphof, *Member*
Carlo van Kemenade, *Member*
Janine Vos, *Member*
Philippe Vollot, *Member*
Lara Yocarini, *Member*
Alexander Zwart, *Member*

Review Report

To: the general members' council and the supervisory board of Coöperatieve Rabobank U.A.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2024 of Coöperatieve Rabobank U.A., Amsterdam, which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of income, the condensed consolidated statement of comprehensive income, the consolidated statement of changes in equity, the condensed consolidated statement of cash flows for the period then ended and the selected explanatory notes. The managing board is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2024 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 5 August, 2024

PricewaterhouseCoopers Accountants N.V.

Original has been signed by R.E.H.M. van Adrichem RA

Colophon

Published by
Rabobank Communications & Corporate Affairs

Reporting
As part of its reporting Rabobank published the following documents in 2024:

- Management Report and Corporate Governance Report 2023
- Consolidated Financial Statements 2023 Rabobank
- Company Financial Statements 2023 Rabobank
- Capital Adequacy and Risk Management Report 2023 (Pillar 3)
- Capital Adequacy and Risk Management Report Q1 2024 (Pillar 3)
- Capital Adequacy and Risk Management Report Q2 2024 (Pillar 3)

These reports are available online at www.rabobank.com/annualreports and www.rabobank.com/jaarverslagen.

Contact
Rabobank has exercised the utmost care in the preparation of this Interim Report. If you have questions or suggestions on how we can improve our reporting, please send them by email to jaarverslagen@rabobank.nl.

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