

Methodology & Definitions of Interim Figures 2024

Alternative Performance Measures (APMs)

In this Interim Report, Rabobank uses financial measures in the analysis of its business and financial position, which Rabobank considers to constitute Alternative Performance Measures for the purposes of the ESMA Guidelines on Alternative Performance Measures. Such financial measures are not calculated in accordance with IFRS and are unaudited. Accordingly, they should not be considered as alternatives to "results from operating activities" or "profits" as indicators of Rabobank's performance. However, Rabobank believes that such financial measures are commonly used by investors and as such useful for disclosure. The presentation of these financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

Set out below are further clarifications as to the meaning of such measures and their use, as well as the table which reconcile the APMs to the most directly comparable IFRS measures and provide comparative data for such measures for H1 2024.

Alternative Performance Measures (APM)	Definition ¹	Reason for use
Return on Equity	Is calculated by dividing (annualized) net profit by average total equity.	This ratio measures the return that Rabobank makes on its equity and is a common measure of profitability in the banking sector.
1-year rolling net interest margin	Is calculated by dividing the net interest income by average total assets.	Common measure of profitability in the banking sector. This ratio shows how much interest income Rabobank earns on its assets.
Cost income ratio	Is calculated by dividing operating expenses plus regulatory levies by income.	Common measure of operational efficiency in the banking sector. Its measures the costs of Rabobank in relation to its income.
Underlying income	Specific income items outside the ordinary course of business are excluded.	To make a better comparison with previous periods.
Underlying expenses	Specific expense items outside the ordinary course of business are excluded.	To make a better comparison with previous periods.
Underlying gross result	Specific gross result items outside the ordinary course of business are excluded.	To make a better comparison with previous periods.
Underlying impairment losses on GW&A	Specific impairment losses on goodwill and associates outside the ordinary course of business are excluded.	To make a better comparison with previous periods.
Underlying operation profit before tax	Specific operating profit before tax items outside the ordinary course of business are excluded.	To make a better comparison with previous periods.
Underlying cost/income ratio	Is calculated by dividing underlying expenses plus regulatory levies by underlying income.	Common measure of operational efficiency in the banking sector. Its measures the underlying costs of Rabobank in relation to its underlying income.
Impairment charges on financial assets (in bps of average private sector loan portfolio)	Is calculated by dividing (annualized) impairment charges on financial assets by average private sector loan portfolio.	Common measure of credit quality in the banking sector. This ratio quantifies Rabobank's impairments arising from credit risk.
Non-performing loans ratio	Is calculated by dividing on-balance non-performing exposure by total on-balance exposure.	Common measure of credit quality in the banking sector. This ratio quantifies Rabobank's non-performance loans arising from credit risk.
Loan-to-deposit ratio (12-month average)	Is calculated by dividing average loans by average deposits, based on a specific definition of loans and deposits.	Common indicator for reliance on wholesale funding in the banking sector. This ratio shows how much loans Rabobank grants in relation to its deposit base.

¹ The definitions of the APMs are coincided with the basis of calculations adopted.

Reconciliation overview APM's

Amounts in millions of euros	2024 HY	2023 FY	2023 HY
Return on Equity	11.1%		10.7%
Net profit	2,818		2,528
Average total equity	50,568		47,372
Annualization factor	2		2
1-year rolling net interest margin	1.88%		1.56%
Net interest income	12,033		10,576
Average balance sheet total	639,884		676,440
Cost income ratio	50.7%		51.3%
Income	8,138		7,682
Operating expenses	4,074		3,615
Regulatory levies	49		327
Underlying income	8,129		7,570
Income	8,138		7,682
Adjustments to income	-9		-112
Underlying expenses	4,049		3,620
Operating expenses	4,074		3,615
Adjustments to expenses	25		-5
Underlying gross result	4,080		3,950
Underlying income	8,129		7,570
Underlying expenses	4,049		3,620
Underlying operating profit before tax	3,752		3,284
Operating profit before tax	3,736		3,401
Total adjustments	16		-117
Underlying cost income ratio	50.4%		52.1%
Underlying income	8,129		7,570
Underlying expenses	4,049		3,620
Regulatory levies	49		327

Impairment charges on financial assets (in bps of average private sector loan portfolio)

	13	16
Impairment charges on financial assets	279	339
Average private sector loan portfolio	437,633	431,449
Annualization factor	2	2

Non-performing loans ratio

	1.7%	1.6%
On-balance non-performing exposure	9,497	8,997
Total on-balance exposure	573,956	570,544

Loan-to-deposit ratio (12-month average)

	1.11	1.10
Average loans	440,894	436,675
Average deposits	396,265	397,902

Non-Financial Figures

The table below shows a number of Non-Financial Figures. Progress on these figures is measured with information obtained from both inside and outside the organization. A number of figures have an absolute target. Others, especially the outcomes of client and employee surveys, are relative targets. The figures include Rabobank data excluding DLL, BPD and Obvion unless mentioned otherwise.

RepTrak

RepTrak measures several scores including:

- The overall reputation across seven key dimensions, based on customers' perception of esteem, admiration, trust, and overall feeling.
- The Positive Influence on Society Score
- The Recommendation Score

Methodology/ Terminology

We measure and report reputation by using the RepTrak monitor, which is a tool from the Reputation Institute. In the reporting period Rabobank participated in the RepTrak Reputation study. This study tracked 23 reputation attributes assigned to seven reputation dimensions that the Reputation Institute has found to be the most effective in getting stakeholders to support a company. Our reputation is measured quarterly through an online survey taken among a representative sample of the general public in the Netherlands. The reported score entails the 12 month rolling average as of the reporting date. RepTrak is the gold standard for reputation measurement. RepTrak's rankings are based on each company's Pulse i.e., the emotional connection consumers have to a brand.

Additionally, in Appendix 1 are the RepTrak Positive Influence on Society Score and the RepTrak Recommendation Score included. The Positive Influence on Society is determined in the same way as the RepTrak Pulse Score. The RepTrak Recommendation Score is measured for General Public. The score is based on the statement: I would recommend the products/services of Rabobank. The results are based on a Likert scale from 1 to 7 with a "Not Sure" option and the results are based on the % of people that scored the statement with a 6 of 7 in the Likert scale.

% Online Active	<i>Percentage of customers that logged into the Rabobank Banking App or online banking at least once in the last three months</i>
Methodology/ Terminology	The unit of measurement comprises all individual customers and for Commercial banking all commercial groups that have logged into the Rabobank Banking App or online banking at least once in the last three months. Customers logging into the Rabobank Banking App using TIN code, Touch ID and Face ID are included.
Member Engagement Score	<i>The percentage of members classified as proactive, active and informed in relation to the total number of members surveyed</i>
Methodology/ Terminology	Members answer an online survey and are allocated to five categories according to their answers: <ol style="list-style-type: none"> 1. Proactive members: Members who take part in (or have taken part in) a member council or market team. 2. Active members: Members who occasionally attend a substantive member event or have at some time alerted us to a problem relating to livability in the community 3. Informed members: Members who have a good/reasonable idea of our mission and are aware of the opportunities to undertake activities with our support on social themes in their community. 4. Aware members: Members who are aware of their membership 5. Non-aware members: Members who are not aware of their membership. <p>A specialized external data survey agency has been commissioned to work together in developing the score. The outcome of the survey is weighted in such way that every local Rabobank contributes to the total in a representative way, based on the number of members of the local Rabobank in relation to the total number of members.</p>
Employee Engagement Score	<i>Our Managing Board requires management information on how the organization is developing and how employees are feeling and realizing their goals. Monitoring work perception on a regular basis allows us to effectively manage and make adjustments in a timely manner. We have developed the Engagement Score for this purpose en can be used for external benchmarking</i>
Methodology/ Terminology	We measure and report employee engagement through the Engagement Score. HR has commissioned a specialized external data survey agency to collaborate on developing the scan. The survey consists of 23 questions/statements, supplemented by three optional closed-ended questions provided by employees themselves. The way in which employees respond to these questions describes the extent to which they feel engaged in their work at that particular point in time. <p>We based the score given in this report on a few questions of the 23 questions to make it possible to benchmark results.</p>
Gender Diversity	<i>Diversity is a vital and integral part of our strategic objectives. To enhance career opportunities for women, we offer several internal and external activities. These include sponsorship of talented women by senior executives, cross-mentoring and coaching programs. Our Diversity Board meets each quarter to monitor policy compliance and progress on our targets.</i>
Methodology/ Terminology	We report and measure the number of males and females based upon the headcount as reported from our human resource information management system at the reporting date. With "Gender diversity" we refer to the percentage of women that is present in the Managing Board, in the first level below the Managing Board, that has a Managing Board Member as a manager and have a compensation grade of EK1 or higher, or who report to one of the MB members and have a compensation grade of SK A or higher and have more than 20 direct plus indirect reports. And the percentage of women employed across the organization in the Netherlands (including Obvion) for internal employees only.

Sustainable Financing	<i>Sustainable Financing as determined by Rabobank includes Mortgages, Green Loans and Project Finance. The categories and the impact of the changes by the changed scope in 2022 are defined further below.</i>
Methodology/ Terminology	We consider our financial products and services to be the tools with which we can help our clients shift to more sustainable practices and business models. As such, we annually report on products we consider as sustainable finance and our definition of their sustainable nature. In recent times, the concept of sustainable finance has evolved rapidly, for instance due to the EU taxonomy regulation. Rabobank wants to follow these developments and hold itself to a high standard when it comes to labelling products as sustainable finance. <p>This is why we have developed a new framework for sustainable finance in 2022. This exercise has resulted in a stricter definition for our key figure 'sustainable finance', where we have made steps to bring our sustainable finance closer to the EU Taxonomy. This resulted in excluding several components as: mortgages with preliminary energy labels and our financing to sustainable frontrunners in the Netherlands. While these positions can still be considered as contributing to the transition to a sustainable economy, we no longer report them as sustainable finance within the Key Figures and the Infographics as of year end 2022. We also adapted our previous year figures (2021 and 2020), and in the interim report 2023 the half year figures, to be transparent on the movement during the last years regarding to the new definition.</p> <p>This means that the sustainable finance figures for 2022(HY) / 2021(HY) and 2020 are built up by the following categories:</p> <ul style="list-style-type: none"> • <i>Mortgages:</i> As of 2022 only the final energy label A, based on the definition of Calcasa, are included. In this figure are also the label A mortgages included which are sold to investores, this because Rabobank is still responsible for stimulating the clients to improve their properties (YE 2023: EUR 482million). Changes relevant to Mortgages: - Including the Obvion Mortgages as of 2021. - Excluding the preliminary Label A figures as of 2022. - Only including A++++ labels for buildings built after 2020 instead of all A labels. • <i>Green loans:</i> Green loans are loans that meet the "green" criteria of the RVO (Netherlands Enterprise Agency). On a project basis (loan basis) Rabo Groenbank submits the project documentation and the RVO subsequently determines whether a project meets the criteria. If this is the case, the RVO issues a green certificate (with a duration of usually 10 years) and the loan qualifies as a "green" loan for the duration of the certificate. As of June 2021: Green Mortgages are mortgages for new built homes that meet the "green" criteria of the RVO. On a project basis RGB submits the project documentation and the RVO subsequently determines whether a project meets the criteria. If this is the case, the RVO issues a green certificate (with a duration of 10 years) and the mortgage qualifies as a "green" mortgage for this period. • <i>Project finance:</i> Sustainable project finance relates to all renewable energy projects financed in the domain of wind, solar, hydropower and geothermal energy. Projects related to energy transmission and battery storage are included as of 2023. <p>Not included in the 2022 (and further) figures are:</p> <ul style="list-style-type: none"> • <i>Corporate Loans NL:</i> Financing for companies that have a sustainable client photo label A. • <i>DLL Clean Tech</i> • <i>Corporate Loans Wholesale</i>

Sustainable Finance*	HY2024	YE2023	HY2023	YE2022
Project Finance	5,393	4,559	4,263	3,921
Green Loans	2,800	2,766	2,785	2,656
Sustainable Morgages Rabobank / Obvion	27,865	26,902	25,746	24,841
Total	36,058	34,227	32,794	31,418

* The individual categories of Sustainable Finance are related to the following financial statement categories in 2024

<i>Categorie</i>	<i>Top level</i>	<i>Detailed level</i>
Project Finance	Loans and advances to customers	Corporate Loans
Green Loans	Loans and advances to customers	Corporate Loans / Mortgages
Sustainable Mortgages Rabobank	Loans and advances to customers	Mortgages
Sustainable Mortgages Obvion	Loans and advances to customers	Mortgages

Sustainable Funding	Sustainable Funding includes Rabobank Green, Social and Sustainability Bonds and Deposits, Obvion Green, Social and Sustainability Bonds, Rabo Green Savings (Rabo Groen Bank B.V.), Rabo Green Deposits (Rabo Groen Bank B.V.).
Methodology/ Terminology	<p>Sustainable funding includes funding products with a sustainability earmark and consists of :</p> <ul style="list-style-type: none"> <i>Rabobank Green, Social and Sustainability Bonds and Deposits:</i> Green, Social or Sustainability bonds that are issued, ringfenced and of which the framework is issued under the Green Bond Principles and associated guiding principles and Deposits that are solely allocated to sustainable financing <i>Obvion Green, Social and Sustainability Bonds:</i> Obvion Green, Social or Sustainability bonds that are issued, ringfenced and of which the framework is issued under the GBP and associated guiding principles. <i>Rabo Green Savings (Rabo Groen Bank B.V.):</i> Savings that are used to finance (in the form of loans) projects that have a "sustainability label" issued by the RVO. <i>Rabo Green Deposits (Rabo Groen Bank B.V.):</i> Deposits that are used to finance (in the form of loans) projects that have a "sustainability label" issued by the RVO.

Sustainable Funding	HY2024	YE2023	HY2023
Rabobank Green, Social and Sustainability Bonds and Deposits	5,536	3,806	2,580
Obvion Green, Social and Sustainability Bonds	2,000	2,100	2,100
Rabo Green Savings	3,240	3,199	2,659
Rabo Green Deposits	0	0	0
Total	10,776	9,105	7,339

* The individual categories of Sustainable Funding are related to the following financial statement categories in 2023

<i>Categorie</i>	<i>Top level</i>	<i>Detailed level</i>
Rabobank Green, Social and Sustainability Bonds and Deposits	Debt securities in issue	Issued bonds
Obvion Green, Social and Sustainability Bonds	Debt securities in issue	Issed bonds
Rabo Green Savings	Deposits from customers	Deposits redeemable at notice

Sustainable Assets under Management and assets held in custody	Relates to assets that meet our sustainability investment criteria and are classified by Morningstar as article 8 or article 9 SFDR products.
Methodology/ Terminology	<p>Due to the implementation of the SFDR definitions for sustainable investments, Rabobank has made the transition to relate the definition of sustainable assets to this regulation.</p> <p>As such, sustainable Assets under management now consist of holdings in funds that are article 8 ('environmental and socially promoting') or article 9 (products targeting sustainable investments) SFDR products. This information is based on SFDR information asset managers have shared with Morningstar. As products are still shifting between the classes of the SFDR, this may cause volatility in the reported sustainable AuM figure.</p>

Availability of Mobile / Internet Banking	We measure the availability of the Internet and Mobile banking services by dividing the net availability during prime-time by the total minutes in prime-time for the reporting period.
Methodology/ Terminology	<p>By availability we mean that users are able to log on during primetime (daily between 06.30h and 01.00h), they can access information on their balance and on their payment transactions, and that they are able to make payments. We used IT incident reports to measure the system availability of the internet and mobile banking services. We measure availability on all relevant incidents based on the actual number of minutes registered in the monitoring systems. The system availability statistics include all incidents involving a downtime of >3 minutes during prime-time. We determine if the service was fully (100%) or partially (50%) unavailable. This results in the net-unavailability of an incident expressed in minutes. The availability is reported as an average percentage for the whole year.</p>

<i>Availability of iDEAL</i>	<i>We measure the availability of the IDEAL services by dividing the net availability during prime-time by the total minutes in prime-time for the reporting period.</i>
<i>Methodology/ Terminology</i>	Brand owner Currence has set specific availability standards for iDEAL. DNB has included these standards in the agreements it makes with banks on the availability of iDEAL. These agreements distinguish between primetime availability (06:30h-01:00h) and non-primetime availability (01:00h - 06:30h). The primetime availability standard is 99.88%, the non-primetime availability standard is 98.50%. The latter standard is lower since this period is regarded as a maintenance window. Banks are allowed to conduct necessary maintenance during non-primetime in order to safeguard service to customers and in order to comply with changing regulations. We used IT incident reports to measure system availability of the iDEAL services. We have included all availability incidents where Rabobank is the issuing bank lasting >1 minutes in the availability statistics. In measuring the unavailability we used the standard formulas set by the DNB, the availability is reported as an average percentage for the whole year.
<i>Absenteeism</i>	<i>Absenteeism is measured in a 12-month rolling period.</i>
<i>Methodology/ Terminology</i>	Absenteeism is measured based on the number of calendar days employees called in sick during a 12-month rolling period, divided by the total number of calendar days employees are employed during that same period taking into account a part-time or full-time employment contract and partial sickness. This concerns all persons who are actively employed in the Netherlands.
<i>Community funds and donations</i>	<i>We invest part of our annual profit in social initiatives on a not-for-profit basis throughout the Rabobank Group.</i>
<i>Methodology/ Terminology</i>	We measure and report this key figure by calculating the financial donations made by Rabobank Group during the reporting period. The main component of the total amount is the amount of donations made by our local Rabobanks to local initiatives. We measure and monitor manpower and knowledge invested in local communities as well, but these are not included in the KPI report. Terminology: Cooperative dividend - based on Rabobank's cooperative identity, investments are made in local community initiatives in the Netherlands.
<i>Training expenses</i>	<i>The training expenses per FTE</i>
<i>Methodology/ Terminology</i>	The training expenses are based on the financial figures in the trial balance divided by the average FTE for the reporting year.
<i>Number of countries</i>	<i>The number of countries in which we are located</i>
<i>Methodology/ Terminology</i>	We define the number of countries as all the countries in which a subsidiary or branch office is established.

<i>Number of local banks</i>	<i>The number of local banks in the Netherlands</i>
<i>Methodology/ Terminology</i>	We define the total of local banks as all the local banks in the Netherlands.
<i>Number of regions</i>	<i>The number of regions in the Netherlands</i>
<i>Methodology/ Terminology</i>	The local banks in specific regions of the Netherlands are combined for working together on, for instance cooperative initiatives. The regions are measured as the number of regions that the local banks are divided in.
<i>Number of clients</i>	<i>The number of clients in the Netherlands (Local Banks and Obvion)</i>
<i>Methodology/ Terminology</i>	We define the total of clients as all the clients of the local banks and Obvion. The clients of the local banks are identified by all the natural persons for particular clients and all the commercial groups for business clients. The total of Obvion is based on the total loans of Obvion and pension fund ABP. Therefore it is possible that there are clients recorded twice in the population. That is the case if a person is registered with Rabobank and also has a loan with Obvion.
<i>Number of employees</i>	<i>The number of employees of Rabobank Group</i>
<i>Methodology/ Terminology</i>	The number of employees of Rabobank Group is based on the scheduled weekly hours / default weekly hours. The baseline is the last day of the month situation and the following variables are taken into consideration: <ul style="list-style-type: none"> Workers with contracts that ended during the month are excluded. Workers with contract end-date on the last day of the month are included. The workers on leave and interns/apprentices are included.
<i>Number of members</i>	<i>The number of members in the Netherlands</i>
<i>Methodology/ Terminology</i>	We define the total number of members as all the members of the local banks.