

Rating Object	Rating Information
<p><b>Norddeutsche Landesbank AöR</b></p> <p>Creditreform ID: 2190020765</p>	<p>Long Term Issuer Rating / Outlook: <b>A+ / stable</b></p> <p>Short Term: <b>L2</b></p> <p>Type: Update / Unsolicited</p>
<p>Rating Date: <b>31 October 2024</b></p> <p>Monitoring until: withdrawal of the rating</p> <p>Rating Methodology: CRA "Bank Ratings v.3.3"</p> <p>CRA "Rating of Bank Capital and Unsecured Debt Instruments v.2.2"</p> <p>CRA "Government-Related Banks v.2.1"</p> <p>CRA "Environmental, Social and Governance Score for Banks v.1.1"</p> <p>CRA "Rating Criteria and Definitions v.1.3"</p> <p>CRA "Institutional Protection Scheme Banks v1.0"</p> <p>Rating History: <a href="http://www.creditreform-rating.de">www.creditreform-rating.de</a></p>	<p>Rating of Bank Capital and Unsecured Debt Instruments:</p> <p>Preferred Senior Unsecured (PSU): <b>A+</b></p> <p>Non-Preferred Senior Unsecured (NPS): <b>A</b></p> <p>Tier 2 (T2): <b>BBB</b></p> <p>Additional Tier 1 (AT1): <b>BBB-</b></p>

## Rating Action

### Creditreform Rating upgrades Norddeutsche Landesbank AöR's (Group) Long-Term Issuer Rating to A+ (Outlook: stable)

Creditreform Rating (CRA) upgrades Norddeutsche Landesbank AöR's (Group) Long-Term Issuer Rating to A+. The rating outlook is stable.

CRA upgrades BANK's Preferred Senior Unsecured Debt to A+, Non-Preferred Senior Unsecured Debt to A, Tier 2 Capital to BBB and AT1 Capital to BBB-.

Please find a complete list of rating actions regarding the bank at the end of this rating update.

## Key Rating Drivers

- Stability due to institution protection system (IPS) of SFG
- Establishment of an additional fund for the savings banks and Landesbanken beginning in 2025
- Continuous improvement in operating profitability
- Good asset quality, despite a sharp increase in the NPL ratio
- Further increase in capitalization

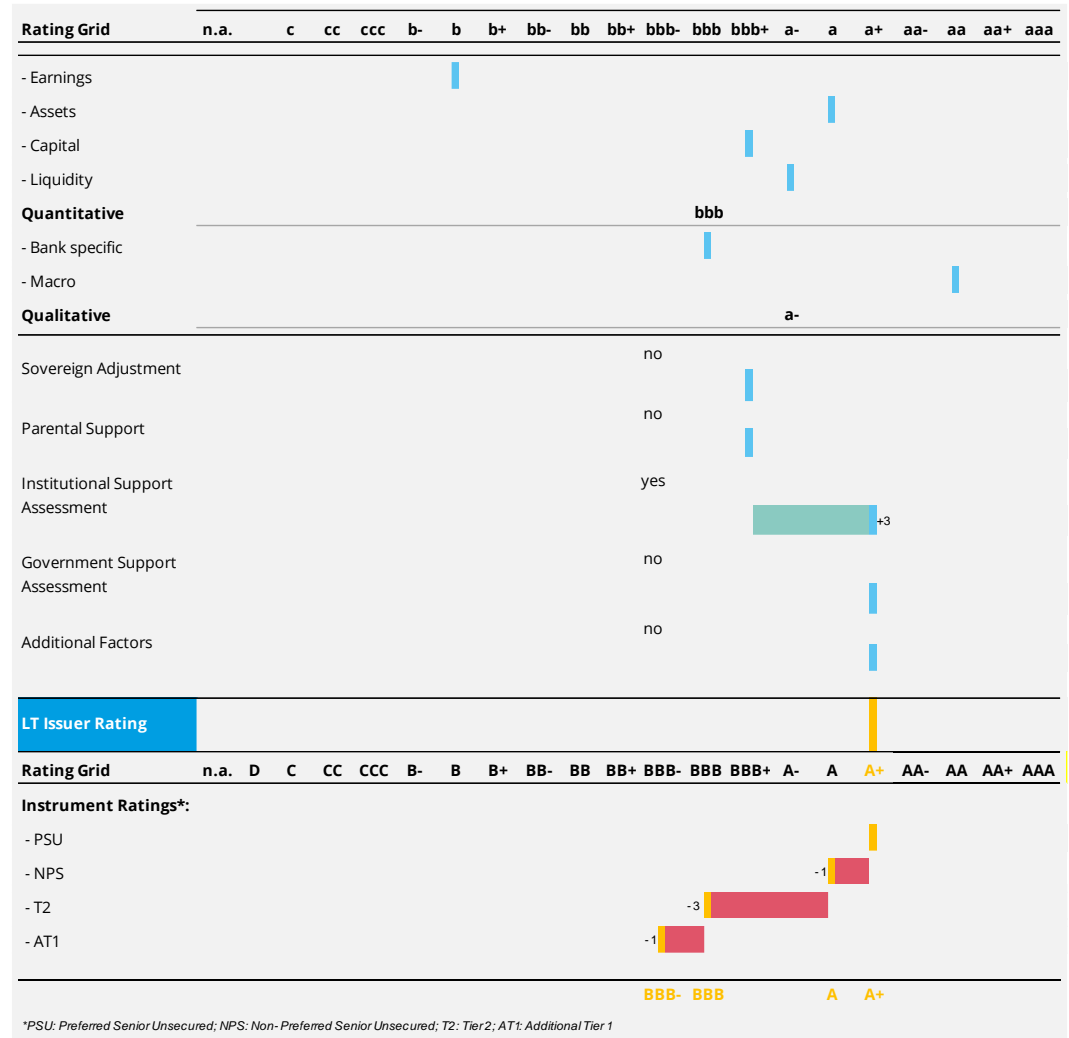
### Analysts

Tobias Stroetges  
 t.stroetges@creditreform-rating.de  
 Lead-Analyst

Johannes Kühner  
 j.kuehner@creditreform-rating.de  
 Senior Analyst

Artur Kapica  
 a.kapica@creditreform-rating.de  
 Person Approving Credit Ratings  
 Neuss, Germany

Executive Summary



The rating of Norddeutsche Landesbank AöR (hereinafter Nord/LB) is prepared on the basis of group consolidated accounts, supplemented by information on the institutional protection scheme the bank is affiliated with.

Creditreform Rating (CRA) upgrades Nord/LB's Long-Term Issuer Rating to A+. The rating outlook is stable. As with the other Landesbanks, Nord/LB also benefits from the institutional protection system of the Sparkassen Finanzgruppe.

In the Institutional Support Assessment, Creditreform Rating examines the extent to which an existing cross-guarantee system or IPS can have an influence on Nord/LB's rating. As a result, Creditreform Rating comes to the conclusion that in the case of Nord/LB's Long-Term Issuer Rating, there is a strong connection between Sparkassen Finanzgruppe (SFG) and Nord/LB due to Sparkassenunterstützungsfonds of the regional Sparkassen and Giroverbände, the Guarantee Fund of the Landesbausparkassen and the Guarantee Reserve of the Landesbanks and Girozentralen. This enables additional notching. In the opinion of Creditreform Rating, a stand-alone rating of Nord/LB is thus not appropriate due to its affiliation with SFG. Nord/LB does receive additional notching as a result of its membership in SFG/IPS.

The rating upgrade of two notches is mainly due to the newly established supplementary fund, which leads to a strengthening of the IPS.

## Company Overview

Norddeutsche Landesbank Girozentrale (hereinafter referred to as NORD/LB) was established in 1970 through the merger of the four previously independent predecessor institutions: Braunschweigische Staatsbank (founded in 1765), Hannoversche Landeskreditanstalt (founded in 1840), Niedersächsische Landesbank Girozentrale (founded in 1917) and Niedersächsische Wohnungskreditanstalt Stadtschaft (founded in 1918).

Today, NORD/LB functions as a Landesbank (of Lower Saxony and Saxony-Anhalt) and acts as a Girozentrale for the savings banks in Lower Saxony, Saxony-Anhalt and Mecklenburg-Western Pomerania. The universal bank focuses on the northern German region and, in addition to the full range of financial services, offers structured finance in particular. Following the ongoing reduction of the shipping portfolio, the bank's business model focuses on German SMEs and on financing international special and project finance in the fields of renewable energies, infrastructure, commercial real estate and aircraft.

NORD/LB's main brands are the core bank NORD/LB with the business segments *Private and Commercial Customers, Corporate Customers, Markets, Special Finance* (including aircraft), *Real Estate* and *Special Credit and Portfolio Optimization* (hereinafter: SCPO; wind-down unit, including ships). Other core brands are Braunschweigische Landessparkasse, which serves private and business customers, and NORD/LB Covered Bond Bank Luxembourg, which finances municipal companies and public projects. As part of the NORD/LB 2024 project, it was decided to discontinue the covered bond business actively conducted from the Covered Bond Bank from 2022. But the bank will remain an integral part of NORD/LB. Deutsche Hypothekbank AG was already integrated into the core bank as of July 1, 2021, and the commercial real estate business will continue to be conducted in the core bank.

Nord/LB is a member of the Sparkassen-Finanzgruppe. The Sparkassen-Finanzgruppe (hereinafter: SFG) has an institution-specific protection system (IPS). This has been recognized as a deposit guarantee system under the German Deposit Guarantee Act (Einlagensicherungsgesetz - EinSiG) since July 3, 2015. Under the statutory deposit protection scheme, customers are entitled to have their deposits of up to EUR 100,000 reimbursed by the protection scheme.

Prior to a reorganization starting in 2025, the Joint Liability Scheme of the SFG comprises three elements: The Sparkassen Guarantee Fund of the regional Sparkassen and Giro associations, the Guarantee Fund of the Landesbausparkassen and the Guarantee Reserve of the Landesbanken and Girozentralen. Together, these three guarantee funds ensure the continued existence of each individual Sparkasse and Landesbanks.

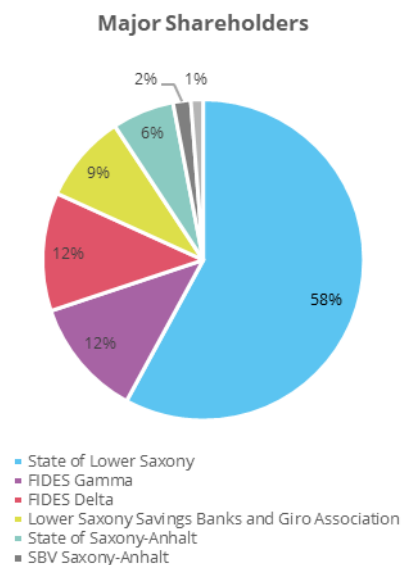
The primary objective of the IPS is to avoid a support case and to protect the institutions themselves, i.e. to ensure liquidity and solvency. The protection of the institutions can be ensured, for example, by the following measures: Injection of equity capital, assumption of guarantees and sureties, and compliance with third-party claims. Mergers with other institutions may also occur. The regional Sparkassen associations have a total of 11 Sparkassen guarantee funds. The individual guarantee funds are interlinked. There is a supra-regional equalization between them, which takes place if the funds available in a region are not sufficient for a so-called support case of an institution. In this case, the resources of all funds are available if required. If

necessary, all the guarantee funds will stand together as part of the system-wide equalization process: all the Sparkassen guarantee funds, the guarantee reserve of the Landesbanks and the guarantee fund of the Landesbausparkassen. This applies in the event that the resources of one of the three protection schemes concerned are insufficient. This equalization means that all the funds of all the protection schemes are available for action in the event of a crisis.

The members of the protection scheme pay annual contributions to the Sparkassen deposit guarantee scheme. These are pooled in a special fund that is used to rescue the affected member institution in the event of a crisis.

As part of the restructuring of the protection scheme originally agreed in 2021, a supplementary fund will be established for the savings banks and Landesbanken, alongside the existing sub-funds, which will be funded from 2025 onwards. A key improvement to the system is a more rules-based approach to decision-making, including tight deadlines. This should significantly increase the efficiency of the IPS. The additional fund is set to have a volume of 5.2bn EUR, which will be filled starting in 2025 until 2032. Landesbanks will cover EUR 2.6bn of said fund.

Chart 1: Major Shareholders of Nord/LB | Source: Website of Nord/LB



With the transformation program "NORD/LB 2024", which was launched in 2019 in parallel with the recapitalization, the bank aims to achieve a value contribution of up to EUR 600mn by 2024, consisting of earnings growth of EUR 200mn and cost savings of EUR 400mn. In concrete terms, a package of measures worth almost EUR 500mn has already been decided, meaning that a large part of the planned value contributions is already being implemented. The transformation encompasses the entire bank; specifically, the subsidiary Deutsche Hypothekenbank AG has already been merged with NORD/LB as of July 1, 2021. The bank expects to save around EUR 41mn per year as a result of the merger. In addition, it has been decided to reduce the workforce, as a result of which around one third of Group-wide jobs will be cut by 2024. Almost a quarter of employee capacity has already been cut as part of the "One Bank" program. A further 1,650-1,850 jobs are to be cut across the Group. In the core bank, the reduction of 1,100 jobs has already been contractually agreed.

In the Institutional Support Assessment, Creditreform Rating examines the extent to which an existing cross-guarantee system or IPS can have an influence on Nord/LB's rating. As a result, Creditreform Rating comes to the conclusion that in the case of Nord/LB's Long-Term Issuer rating, there is a strong linkage due to its membership in SFG's cross-guarantee system/IPS, which in turn allows for additional notching. SFG's IPS has far-reaching competencies in monitoring and crisis situations and has an extensive catalog of measures at its disposal. Support cases are linked to restructuring agreements and conditions. In the opinion of Creditreform Rating, a stand-alone rating of Nord/LB is not appropriate due to its membership in SFG and its IPS. Nord/LB does receive additional notching as a result of its membership in SFG/IPS.

## Business Development

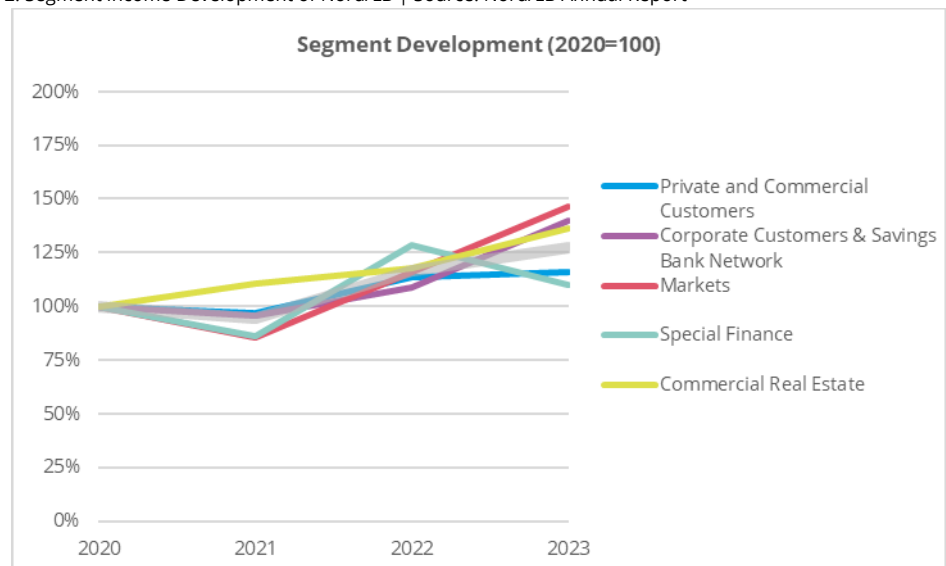
### Profitability

Creditreform Rating AG follows a structural approach in the presentation of the income statement and balance sheet as well as in the calculation of key ratios. The presentation may therefore differ from that of the bank. Creditreform Rating pursues the goal of making financial statements of different banks as well as within the scope of consolidation as comparable as possible. Certain key ratios are also taken or calculated from the Bank's Pillar III Report for reasons of comparability. Balance sheet and income statement figures are taken from the consolidated financial statements of the respective years. One-off or exceptional items are, where possible, relegated to the line items non-recurring revenue and expense.

The operating earnings position of NORD/LB changed significantly in the 2023 financial year. Operating income rose by almost 40% compared to the previous year, while operating expenses increased by 1%. As a result, operating profit was at EUR 370mn, compared with EUR -38mn in the previous year. Risk costs amounting to EUR 99mn led to a Net Profit of EUR 224mn which equals an increase of more than 150%.

In detail, the increase in operating earnings is mainly due to the rise of the net interest income which is still the main item on the income side. The increase in net interest income is mainly due to the higher interest environment. The increase in net fee and commission income is mainly attributable to lower fee and commission expenses for the guarantee provided by the State of Lower Saxony. It amounted to EUR 23mn.

Chart 2: Segment Income Development of Nord/LB | Source: Nord/LB Annual Report

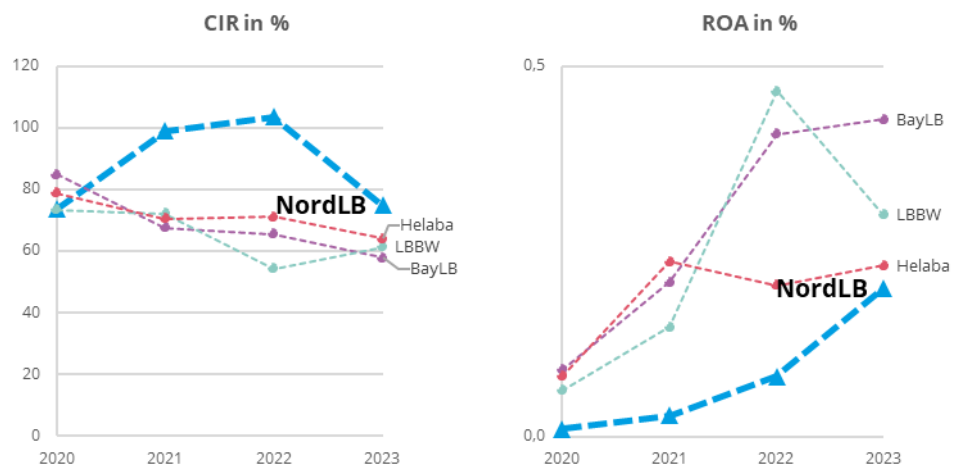


On the operating expenses side, a slight increase of approximately 2% was achieved compared to the previous year, which is attributable to slightly higher other administrative expenses. Although the number of employees was reduced from 4,228 to 3,981, and NORD/LB continues to strive for further staff reductions, personell costs slightly rose by under 1%. However, a comparison with the previous years shows that NORD/LB is only making slow progress in its transformation process (see in particular CIR).

The risk result normalized and amounted to EUR 99mn after EUR 124mn in the previous year. The tax burden was also rose to EUR 47mn especially due to the higher result overall.

In a peer group comparison, Nord/LB still has the highest CIR compared to the other Landesbanken. Regarding its RoA Nord/LB still trails behind the other Landesbanken. It is to be mentioned, that both of these ratios are moving in the right direction.

Chart 2: CIR and ROA of Nord/LB in comparison to the peer group | Source: eValueRate / CRA



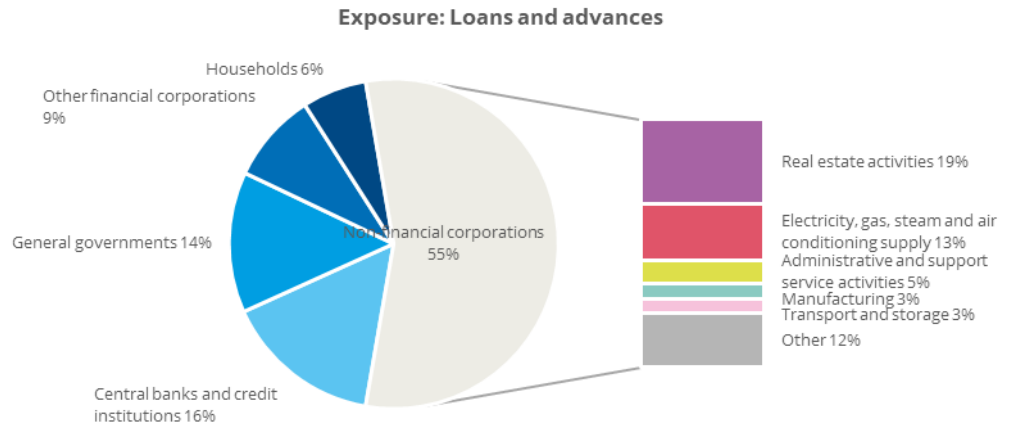
In the first half of 2024, the bank achieved an expected consolidated profit of EUR 390mn mainly due to strong net interest income and net commission income as well as a decrease in operating expense. At 57.4%, the CIR is significantly improved compared with the previous year. All other key earnings indicators were also better than in the previous year.

### Asset Situation and Asset Quality

After the balance sheet contraction of recent years systematically continued in the years up to 2022, total assets grew by 2.4% to almost EUR 112bn in 2023. The increase is largely the result of an increase in net loans to customer. Net loans to banks also increased. Moreover, equity accounted investments and other investments increased too.



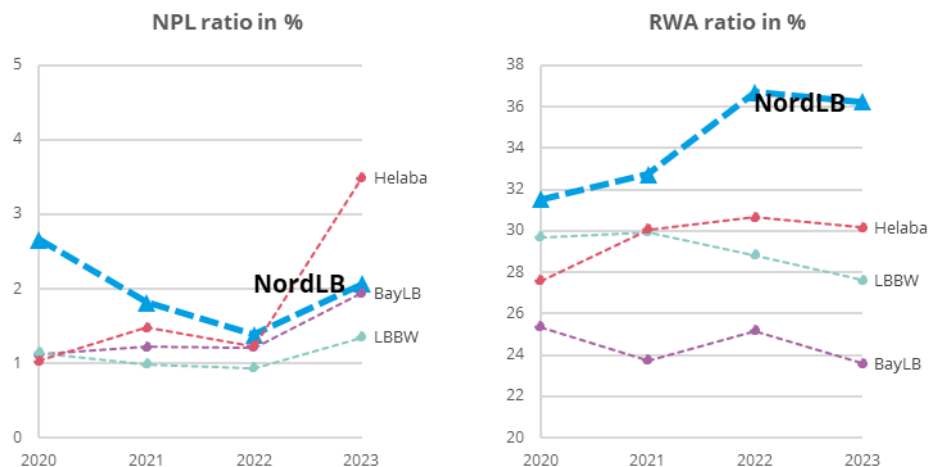
Chart 3: Exposure Loans and Advances | Source: Pillar III/other



NORD/LB was able to maintain the high quality of the asset side in many aspects in 2023, although both non-performing loans and potential problem loans increased in relation to loans to customers. This was mainly attributable to the weakening of the commercial real estate sector in 2023. Despite this and the increase in total assets, risk-weighted assets remained almost stable and increased just slightly. This led to an improved RWA ratio amounting 36.2%.

In a peer group comparison it becomes clear, that regarding its NPL ratio, Nord/LB is average among its peers. Regarding the RWA ratio, Nord/LB still has the highest among the Landesbanken.

Chart 5: NPL and RWA ratios of Nord/LB in comparison to the peer group | Source: eValueRate / CRA



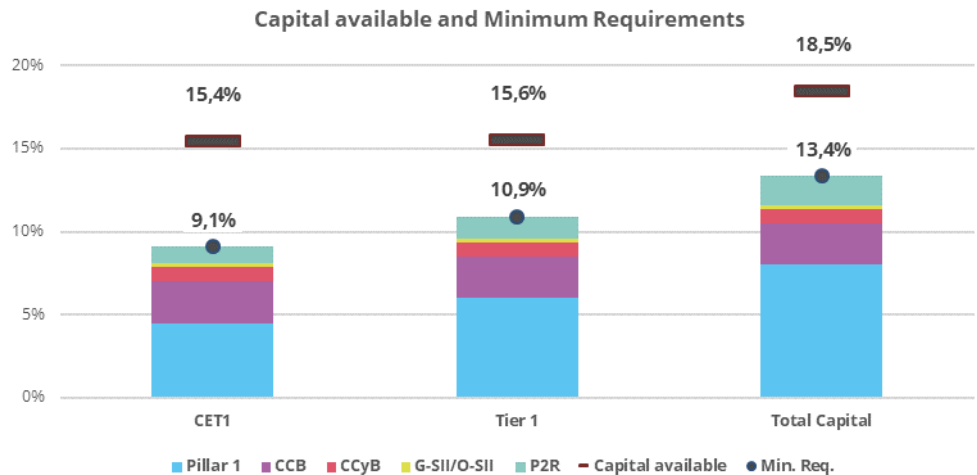
Asset quality has declined further as of the first half of 2024. The NPL ratio and the Stage 2 ratio went further up. As there was no significant change on the asset side of the balance sheet and total assets remained almost constant. Risk-weighted assets increased by 2.7%.

### Refinancing, Capital Quality and Liquidity

The increase in total assets was naturally accompanied by a rise in various items on the liabilities side. The rise was mainly attributable to an increase in total deposits from customers as well as

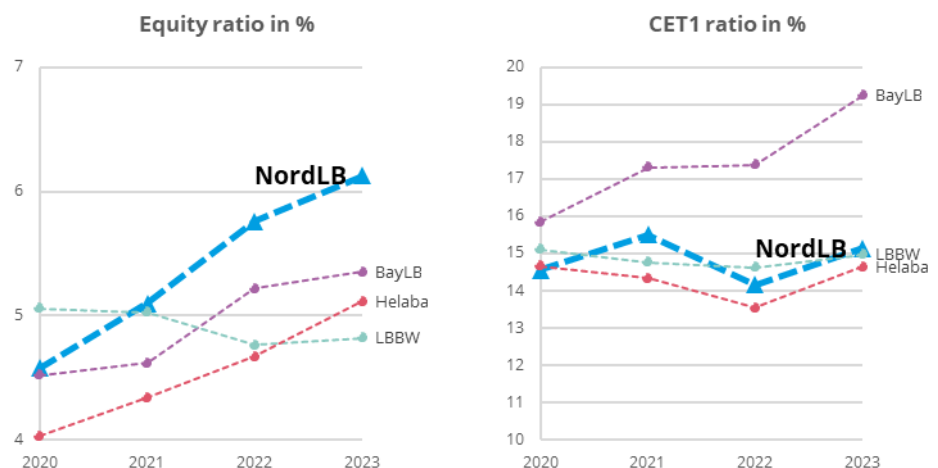
total debt. On-balance sheet equity increased in 2023 due to the positive result from net comprehensive income. Added to this is a capital increase of EUR 31 mn, with the result that equity as shown in the balance sheet increased by EUR 565mn year-on-year to EUR 6.865mn.

Chart 6: Regulatory Capital Ratios and Minimum Requirements as per H1-24 | Source: P3 (EU KM1)



This significant improvement in balance sheet equity also had a positive impact on the balance sheet ratios. As risk-weighted assets remained largely stable, but equity increased, most regulatory capital ratios improved. NORD/LB's balance sheet capital ratios are approaching an average valuation, especially if the debt capital positions continue to be reduced. A comparison with the other Landesbanks shows that the regulatory capital ratios, with the exception of BayernLB, are at a similar level. Regarding the equity ratio, Nord/LB was able to widen the gap with peers further.

Chart 7: Equity and CET1 ratios of Nord/LB in comparison to the peer group | Source: eValueRate / CRA / Pillar III



At the end of the first half of 2024, further equity was built up on the balance sheet due to the positive result. We see an improvement in both the balance sheet and regulatory capital ratios. Due to Nord/LB's bank capital and debt structure, the Group's Preferred Senior Unsecured Debt instruments are not notched down in comparison to the Long-Term Issuer Rating. Due to the

seniority structure, Nord/LB's Non-Preferred Senior Unsecured debt is rated A. Nord/LB's Tier 2 Capital is rated BBB based on the Nord/LB's capital structure and seniority in accordance with our rating methodology. Additional Tier 1 Capital is rated BBB-, reflecting the capital structure, seniority and a high bail-in risk in the event of resolution.

## Environmental, Social and Governance (ESG) Score Card

NordLB has one significant and two moderate ESG rating drivers

- Corporate Governance is identified as a highly significant rating driver. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated negative.
- Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated neutral, Coporate Behaviour is rated positive

**ESG  
 Bank Grade**

2,9 / 5

Grade Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
<= 1,75	Poor

	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
<b>Environmental</b>	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	3	( )
	1.2 Exposure to Environmental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	2	( )
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating.	1	(+)

<b>Social</b>	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated negative in terms of the CRA ESG criteria.	2	( - )
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating.	1	( )

<b>Governance</b>	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated negative in terms of the CRA ESG criteria.	4	( - )
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating.	1	(+)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
( )	Neutral
( - )	Negative
( - - )	Strong negativ

The ESG Grade is based on the Methodology "Environmental, Social and Governance Grade of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage <https://creditreform-rating.de/en/about-us/regulatory-requirements.html>. In addition, we refer to CRA's position paper "Consodering the Impact of ESG Factors".

## Outlook

The outlook of the Long-Term Issuer Rating of Nord/LB is stable. In the medium term, CRA expects further growth for NORD/LB in the core segments, such as *Private and Business Customers* and *Corporate Customers & Verbundgeschäft*. As a result, we expect a profitable business model, even with lower interest margin. Furthermore, we expect a further consolidation of Nord/LB's Asset quality.

## Scenario Analysis

In a scenario analysis, the bank is able to reach a Long-Term Issuer Rating of AA- in the "Best-Case-Scenario" and a Long-Term Issuer Rating of A in the "Worst-Case-Scenario". The ratings of Bank Capital and Senior Unsecured Debt would respond similarly based on our rating methodology. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade Nord/LB's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt due to an upgrade of the SFG.

By contrast, a downgrade of Nord/LB's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt due to a downgrade of the SFG as well as a further rise in terms of the NPL ratio.

Best-case scenario: AA-

Worst-case scenario: A

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

## Appendix

### Bank ratings Norddeutsche Landesbank AöR

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

Long-Term Issuer / Outlook / Short-Term **A+ / stable / L2**

### Bank Capital and Debt Instruments Ratings Norddeutsche Landesbank AöR

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred Senior Unsecured (PSU): **A+**  
 Non-Preferred Senior Unsecured (NPS): **A**  
 Tier 2 (T2): **BBB**  
 Additional Tier 1 (AT1): **BBB-**

### Rating History

Please consult our website [www.creditreform-rating.de](http://www.creditreform-rating.de) for additional information regarding the dates of publication.

Figure 1: Rating History

Long-Term Issuer Rating	Rating Date	Result
Initialrating	25.09.2017	BBB- / stable / L3
Rating Update	13.07.2018	BBB- / stable / L3
Rating Update	12.12.2019	BBB- / watch / L3
Rating Update	24.03.2020	BBB- / NEW / L3
Rating Update	15.09.2020	BBB- / stable / L3
Rating Update	07.10.2021	BBB+ / stable / L3
Rating Update	10.10.2022	BBB+ / stable / L3
Rating Update	17.10.2023	A- / stable / L2
Rating Update	31.10.2024	A+ / stable / L2
Bank Capital and Debt Instruments	Rating Date	Result
Senior Unsecured / T2 / AT1 (Initial)	13.07.2018	BBB- / B+ / -
PSU / T2	12.12.2019	BBB- / B+ (UNW)
PSU / T2	24.03.2020	BBB- / B+ (NEW)
PSU / NPS / T2 / AT1	15.09.2020	BBB- / BB+ / B+ / B
PSU / NPS / T2 / AT1	07.10.2021	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	10.10.2022	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	17.10.2023	A- / BBB+ / BB+ / BB
PSU / NPS / T2 / AT1	31.10.2024	A+ / A- / BBB / BBB-

### Tables Group (if applicable)

Figure 2: Income statement<sup>1</sup> | Source: eValueRate / CRA

Income Statement (EUR m)	2023	%	2022	2021	2020
<b>Income</b>					
Net Interest Income	1.061	+20,3	882	802	1.281
Net Fee & Commission Income	208	+25,3	166	52	-38
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	-71	-39,3	-117	139	225
Equity Accounted Results	98	>+100	41	17	-24
Dividends from Equity Instruments	15	+7,1	14	14	5
Other Income	165	>+100	71	103	62
<b>Operating Income</b>	<b>1.476</b>	<b>+39,6</b>	<b>1.057</b>	<b>1.127</b>	<b>1.511</b>
<b>Expense</b>					
Depreciation and Amortisation	56	-26,3	76	70	73
Personnel Expense	456	+0,7	453	467	484
Tech & Communications Expense	203	-11,4	229	238	231
Marketing and Promotion Expense	15	+7,1	14	12	11
Other Provisions	14	<-100	-16	-7	-19
Other Expense	362	+6,8	339	336	332
<b>Operating Expense</b>	<b>1.106</b>	<b>+1,0</b>	<b>1.095</b>	<b>1.116</b>	<b>1.112</b>
<b>Operating Profit &amp; Impairment</b>					
<b>Operating Profit</b>	<b>370</b>	<b>&lt;-100</b>	<b>-38</b>	<b>11</b>	<b>399</b>
Cost of Risk / Impairment	99	<-100	-142	-18	426
<b>Net Income</b>					
Non-Recurring Income	-	-	-	-	-
Non-Recurring Expense	-	-	-	-	-
<b>Pre-tax Profit</b>	<b>271</b>	<b>&gt;+100</b>	<b>104</b>	<b>29</b>	<b>-27</b>
Income Tax Expense	47	>+100	15	-3	-40
Discontinued Operations	-	-	-	-	-
<b>Net Profit</b>	<b>224</b>	<b>&gt;+100</b>	<b>89</b>	<b>32</b>	<b>13</b>
Attributable to minority interest (non-controlling interest)	-	-	-	-	-6
Attributable to owners of the parent	224	>+100	89	32	19

Figure 3: Key earnings figures | Source: eValueRate / CRA and Pillar III

Income Ratios (%)	2023	%	2022	2021	2020
Cost Income Ratio (CIR)	74,93	-28,66	103,60	99,02	73,59
Cost Income Ratio ex. Trading (CIRex)	71,49	-21,78	93,27	112,96	86,47
Return on Assets (ROA)	0,20	+0,12	0,08	0,03	0,01
Return on Equity (ROE)	3,26	+1,85	1,41	0,55	0,23
Return on Assets before Taxes (ROAbT)	0,24	+0,15	0,10	0,03	-0,02
Return on Equity before Taxes (ROEbT)	3,95	+2,30	1,65	0,50	-0,47
Return on Risk-Weighted Assets (RORWA)	0,55	+0,33	0,22	0,09	0,03
Return on Risk-Weighted Assets before Taxes (RORWAbT)	0,67	+0,41	0,26	0,08	-0,07
Net Financial Margin (NFM)	0,90	+0,19	0,71	0,83	1,21
Pre-Impairment Operating Profit / Assets	0,33	+0,37	-0,03	0,01	0,32

Change in %-Points

<sup>1</sup> Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets | Source: eValueRate / CRA

Assets (EUR m)	2023	%	2022	2021	2020
Cash and Balances with Central Banks	3.435	+39,4	2.464	6.930	6.031
Net Loans to Banks	13.404	+2,3	13.107	14.029	14.949
Net Loans to Customers	73.195	+2,1	71.705	68.810	74.105
Total Securities	15.083	+2,5	14.718	17.191	20.851
Total Derivative Assets	2.380	-20,2	2.982	3.906	5.983
Other Financial Assets	2.388	-4,0	2.487	1.845	2.205
<b>Financial Assets</b>	<b>109.885</b>	<b>+2,3</b>	<b>107.463</b>	<b>112.711</b>	<b>124.124</b>
Equity Accounted Investments	631	+57,8	400	420	449
Other Investments	179	+25,2	143	126	131
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	-	-	0	0	67
Tangible and Intangible Assets	296	-19,8	369	405	428
Tax Assets	452	-1,7	460	475	481
Total Other Assets	538	+9,8	490	494	496
<b>Total Assets</b>	<b>111.981</b>	<b>+2,4</b>	<b>109.325</b>	<b>114.631</b>	<b>126.176</b>

Figure 5: Development of asset quality | Source: eValueRate / CRA and Pillar III

Asset Ratios (%)	2023	%	2022	2021	2020
Net Loans to Customers / Assets	65,36	-0,23	65,59	60,03	58,73
Risk-weighted Assets <sup>1</sup> / Assets	36,23	-0,49	36,72	32,81	0,00
NPL <sup>2</sup> / Loans to Customers <sup>3</sup>	2,07	+0,68	1,39	1,82	2,66
NPL <sup>2</sup> / Risk-weighted Assets <sup>1</sup>	3,10	+1,06	2,04	2,70	3,98
Potential Problem Loans <sup>4</sup> / Loans to Customers <sup>3</sup>	19,82	+14,29	5,53	5,81	5,80
Reserves <sup>5</sup> / NPL <sup>2</sup>	65,47	-6,41	71,88	76,28	84,38
Cost of Risk / Loans to Customers <sup>3</sup>	0,16	+0,40	-0,24	-0,03	0,71
Cost of Risk / Risk-weighted Assets <sup>1</sup>	0,24	+0,60	-0,35	-0,05	1,07
Cost of Risk / Total Assets	0,09	+0,22	-0,13	-0,02	0,34

Change in %-Points

1 RWA: Pillar 3, EU CR1

2 NPL: Gross: Non-Performing Loans of the categories Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

3 Loans to Customers: Gross: Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

4 Potential Problem Loans: Stage 2: Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

5 Reserves: Impairment & Provisions and Collateral & Guarantees; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

Figure 6: Development of refinancing and capital adequacy | Source: eValueRate / CRA

Liabilities (EUR m)	2023	%	2022	2021	2020
Total Deposits from Banks	27.400	-4,4	28.664	28.705	30.460
Total Deposits from Customers	49.931	+4,1	47.975	49.357	52.414
Total Debt	22.933	+8,3	21.184	22.867	27.063
Derivative Liabilities	1.856	-23,0	2.409	3.680	6.074
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	14	-30,0	20	19	48
<b>Total Financial Liabilities</b>	<b>102.134</b>	<b>+1,9</b>	<b>100.252</b>	<b>104.628</b>	<b>116.059</b>
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	-
Tax Liabilities	55	-20,3	69	86	93
Provisions	2.642	+8,6	2.433	3.636	3.909
Total Other Liabilities	285	+5,2	271	433	340
<b>Total Liabilities</b>	<b>105.116</b>	<b>+2,0</b>	<b>103.025</b>	<b>108.783</b>	<b>120.401</b>
<b>Total Equity</b>	<b>6.865</b>	<b>+9,0</b>	<b>6.300</b>	<b>5.848</b>	<b>5.775</b>
<b>Total Liabilities and Equity</b>	<b>111.981</b>	<b>+2,4</b>	<b>109.325</b>	<b>114.631</b>	<b>126.176</b>



Figure 7: Development of capital and liquidity ratios | Source: eValueRate / CRA and Pillar III

Capital Ratios and Liquidity (%)	2023	%	2022	2021	2020
Total Equity / Total Assets	6,13	+0,37	5,76	5,10	4,58
Leverage Ratio <sup>1</sup>	5,52	+0,07	5,45	5,19	4,29
Common Equity Tier 1 Ratio (CET1) <sup>2</sup>	15,15	+0,99	14,16	15,50	14,56
Tier 1 Ratio (CET1 + AT1) <sup>2</sup>	15,28	+0,99	14,28	15,64	14,68
Total Capital Ratio (CET1 + AT1 + T2) <sup>2</sup>	17,25	-0,37	17,62	19,89	19,16
CET1 Minimum Capital Requirements <sup>1</sup>	9,42	+0,68	8,73	8,67	8,67
Net Stable Funding Ratio (NSFR) <sup>1</sup>	117,84	+5,15	112,69	126,83	-
Liquidity Coverage Ratio (LCR) <sup>1</sup>	143,16	-6,99	150,15	147,09	158,88

Change in %-Points

<sup>1</sup> Pillar 3 EU KM1

<sup>2</sup> Regulatory Capital Ratios: Pillar 3 EU KM1

## Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following table clarifies the level of participation of the rated entity (rating object):

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With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

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- [Bank ratings \(v3.3\)](#)
- [Rating of bank capital and unsecured debt instruments \(v2.2\)](#)
- [Government-Related Banks \(v2.1\)](#)
- [Institutional Protection Scheme Banks \(v1.0\)](#)
- [Environmental, Social and Governance Score for Banks \(v1.1\)](#)

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions are published on our homepage:

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The rating result was communicated to Norddeutsche Landesbank AöR, and the preliminary rating report was made available to the bank. There was no change in the rating.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

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Creditreform Rating AG

### Contact information

Creditreform Rating AG  
Europadamm 2-6  
D-41460 Neuss

Phone +49 (0) 2131 / 109-626

Fax +49 (0) 2131 / 109-627

E-Mail [info@creditreform-rating.de](mailto:info@creditreform-rating.de)  
[www.creditreform-rating.de](http://www.creditreform-rating.de)

CEO: Dr. Michael Munsch

Chairman of the Board: Michael Bruns  
HR Neuss B 10522