LeasePlan
Pillar 3 Report 2023

Contents

1 Introduction

1.1 General requirements for disclosures

This report provides Pillar 3 disclosures for LeasePlan Corporation N.V. ("LeasePlan") in accordance with Article 13.1 of the Capital Requirements Regulation (CRR)[1], where LeasePlan is required to disclose the information specified in Articles 437, 438, 440, 442, 450, 451, 451a and 453 on an individual basis or, where applicable in accordance with this Regulation and Directive 2013/36/EU, on a sub-consolidated basis.

LeasePlan's Pillar 3 disclosures are in accordance with Part Eight of the Capital Requirements Regulation (EU) No. 575/2013 (CRR), amended by Regulation (EU) 2019/876 (CRR II). LeasePlan adopts a formal disclosure policy governed by the Group's Pillar 3 Disclosure Policy.

From a control and governance perspective, LeasePlan ensures prudent operation of the LeasePlan entities. The LeasePlan entities are integrated into the overall risk management framework and are required to operate within the risk appetite.

The Basel III framework is built on three pillars:

Pillar 1 – defines the rules and regulations for calculating risk-weighted assets (RWA) or total risk exposure amount (TREA), throughout this document both terms are being used, and regulatory minimum capital and liquidity requirements.

Pillar 2 – addresses a bank's internal process for assessing overall capital and liquidity adequacy in relation to its risks, as well as the Supervisory review process.

Pillar 3 – focuses on market discipline, through a set of minimum disclosure requirements.

1.2 Scope of application

The prudential consolidated level includes LP Group B.V. (consolidated level) which holds 100% of the ordinary shares of LeasePlan Corporation N.V. (sub-consolidated level); LP Group B.V. is a financial holding company as defined in Article 4 (20) of the CRR.

On 22 May 2023, ALD S.A. completed the transaction to acquire 100% of LeasePlan Group B.V. Following this acquisition by ALD S.A., LeasePlan Corporation N.V. remains a significant supervised institution, but as part of the significant supervised group headed by Société Générale S.A. which is the EU parent institution. Therefore, following Article 13.1 of the CRR, LeasePlan is required to disclose the information specified in Articles 437, 438, 440, 442, 450, 451, 451a and 453 on an individual basis or, where applicable in accordance with this Regulation and Directive 2013/36/EU, on a sub-consolidated basis (in contrast to the consolidated level in previous disclosure periods). The below reference table outlines the revised scope, also indicating on which basis the disclosure has been prepared

i. Consolidated meaning the consolidated situation of LeasePlan Group B.V and its subsidiaries is out of scope for this Pillar 3 report
ii. Sub-consolidated meaning the consolidated situation of LeasePlan Corporation N.V. and its subsidiaries is in scope for this report
iii. Individual (solo) meaning LeasePlan Corporation from a non-consolidated, company only perspective is in scope for this report.
iv. All Article 13.1 requirements except Article 451 are prepared on sub-consolidated basis.

Reference Table

CRR Articles	Disclosures	Pillar 3 Report 2023	Annual Report 2023	Sub-consolidated/ Individual basis from June 2023
Article 431	Disclosure requirements and policies	Section 1		-
Article 432	Non-material, proprietary or confidential information	Section 1		-
Article 433	Frequency and scope of disclosures	Section 1		-
Article 437	Disclosure of own funds	Section 2	RM: B. Capital management	Sub-consolidated
Article 437a	Disclosure of own funds and eligible liabilities	Section 2	RM: B. Capital management	Sub-consolidated
Article 438	Disclosure of own funds requirements and risk-weighted exposure amounts	Section 2	RM: B. Capital management	Sub-consolidated
Article 440	Disclosure of countercyclical capital buffers	Section 2	RM: B. Capital management	Sub-consolidated
Article 442	Disclosure of exposures to credit risk and dilution risk	Section 5	RM: D. Risk	Sub-consolidated
Article 450	Disclosure of remuneration policy	Section 6	SN:6,28,38; Remuneration report	-
Article 451	Disclosure of the leverage ratio	Section 3	Not applicable	Individual
Article 451a	Disclosure of liquidity requirements	Section 4	RM: D. Risk	Individual
Article 453	Disclosure of the use of credit risk mitigation techniques	Section 5	RM: D Risk	Sub-Consolidated

Table 1: Reference table between CRR Articles, Pillar 3 Report and LeasePlan Annual Report

The following table contains an overview that Templates that are in scope but not applicable for LeasePlan to disclose.

CRR	Template	Reason
Article 438	EU CCR7 – RWEA flow statements of CCR exposures under the IMM	LeasePlan does not apply IMM approach.
	EU INS1 - Insurance participations	LeasePlan Insurance is fully consolidated entity. So INS1 is not applicable to LeasePlan.
	EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio	LeasePlan is not financial conglomerate.
	EU MR2-B - RWA flow statements of market risk exposures under the IMA	LeasePlan does not apply IMA approach.
Article 442	EU CQ2: Quality of forbearance	Not Applicable for LeasePlan as NPL threshold is not >5%)
	EU CQ6: Collateral valuation - loans and advances	Not Applicable for LeasePlan as NPL threshold is not >5%)
	EU CQ7: Collateral obtained by taking possession and execution processes	The lease objects/vehicles are considered as credit risk mitigation technique for RWA calculations. The legal ownership for these lease objects/vehicles remains with LeasePlan during the lifetime of the lease contract, hence no additional possession or execution process is performed.
	EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown	The lease objects/vehicles are considered as credit risk mitigation technique for RWA calculations. The legal ownership for these lease objects/vehicles remains with LeasePlan during the lifetime of the lease contract, hence no additional possession or execution process is performed.
	EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Not Applicable for LeasePlan as NPL threshold is not >5%)
Article 444	EU CR4 – standardised approach – Credit risk exposure and CRM effects	LeasePlan does not use any other credit risk mitigation techniques which is required under disclosures for this template.
Article 453	EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques	Effect on the RWEAs of credit derivatives used as CRM techniques is not applicable to LeasePlan since LeasePlan does not use credit derivatives.
	EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques	Only the lease objects/vehicles are considered as credit risk mitigation technique for RWA calculations. For these lease objects/vehicles the legal ownership remains with LeasePlan during the lifetime of the lease contract, hence, these do not qualify as funded credit protection in accordance with CRR Article 453 (g).

Table 2: Templates that are not applicable to LeasePlan

Assurance

LeasePlan's Pillar 3 disclosures are governed by the Group's Pillar 3 Disclosure Policy to ensure compliance with the applicable regulatory disclosure standards. The Pillar 3 Disclosure Policy defines the overall roles and responsibilities and sets up the disclosure preparation process based upon a set of internally defined processes. In line with the Group's Pillar 3 Disclosure Policy, if the Group considers omitting certain disclosures due to these disclosures being classified as immaterial, proprietary information considered confidential, then it will be stated accordingly in the Pillar 3 Report in the related disclosures.

LeasePlan applies materiality in relation to the disclosure requirements under Article 432(1) of the CRR and requirements laid out in EBA/GL/2014/14. LeasePlan does not define explicit quantitative criteria to determine materiality and does not apply any materiality threshold for Pillar 3 assessments. Materiality assessment is mainly based on qualitative approaches in terms of the nature of a given piece of information. When assessing the materiality, LeasePlan consider its specific characteristics, activities, risks and risk profile. LeasePlan determines materiality on dynamic concept depending on the evolution of risks. Therefore, materiality may be applied differently to different disclosures over time based on ad-hoc re-assessments. While assessing materiality, LeasePlan also takes into consideration its business model and size as well as its long-term strategy. Disclosure requirements as laid down in Part Eight of Regulation (EU) No 575/2013, and its applicability is reviewed at least once a year. The disclosure information or a set of requirements that are not reported due to immateriality, shall be evidently mentioned in the Pillar 3 disclosures.

Pillar 3 disclosure frequency and report structure

LeasePlan prepares Pillar 3 Report at least annually which is published on the website[2]. Unless the context requires otherwise, 'Pillar 3 Report' means LeasePlan's Pillar 3 Report as of 31 December 2023.

All tables are as of 31 December 2023 and in millions of euros, unless stated otherwise. Due to rounding, numbers presented throughout this document may not add up precisely to the totals we provide, and percentages may not precisely reflect the absolute figures.

[2] https://www.ayvens.com/en-cp/investors/publications-and-documents/leaseplan-documents/results-and-reports/

1.3 Key Metrics

The following table contains an overview of LeasePlan's prudential regulatory metrics in accordance with CRR Article 447 (a) to (g) and CRR Article 438 (b).

Ref	in millions of euros	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	2,871	2,765	2,754	3,559	3,487
2	Tier 1 capital	3,866	3,760	3,748	4,054	3,982
3	Total capital	4,616	4,510	4,498	4,054	3,982
	Risk-weighted exposure amounts (RWA)					
4	Total RWA	26,324	26,482	23,632	22,798	22,412
	Capital ratios (as a percentage of risk-weighted exposure amounts)					
5	Common Equity Tier 1 ratio (%)	10.91%	10.44%	11.65%	15.61%	15.56%
6	Tier 1 ratio (%)	14.68%	14.20%	15.86%	17.78%	17.77%
7	Total capital ratio (%)	17.53%	17.03%	19.03%	17.78%	17.77%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amounts)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	-	-	-	-	-
EU 7b	of which: to be made up of CET1 capital	-	-	-	-	-
EU 7c	of which: to be made up of Tier 1 capital	-	-	-	-	-
EU 7d	Total SREP own funds requirements (%)[3]	10.90%	10.90%	11.90%	11.90%	11.90%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amounts)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	0.65%	0.56%	0.48%	0.32%	0.16%
EU 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	-	-	-	-	-
11	Combined buffer requirement (%)	3.15%	3.06%	2.98%	2.82%	2.66%
EU 11a	Overall capital requirements (%)	14.05%	13.96%	14.88%	14.72%	14.56%
12	CET1 available after meeting the total SREP own funds requirements (%)	4.78%	4.31%	4.96%	5.88%	5.87%
	Leverage ratio					
13	Total exposure measure	27,998	27,560	27,630	28,725	29,043
14	Leverage ratio (%)	14.06%	14.57%	14.40%	14.85%	14.29%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)					
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	5,282	5,282	5,282	5,442	5,001
EU 16a	Cash outflows - Total weighted value	1,093	1,093	1,093	1,037	1,063
EU 16b	Cash inflows - Total weighted value	828	828	828	806	810
16	Total net cash outflows (adjusted value)	371	371	371	322	346
17	Liquidity coverage ratio (%)	1423.72	1423.72	1423.72	1690.06	1445.38
	Net Stable Funding Ratio					
18	Total available stable funding	23,499	23,334	21,505	21,541	22,023
19	Total required stable funding	17,910	16,858	16,573	15,976	15,626
20	NSFR ratio (%)	131.21%	138.41%	129.76%	134.83%	140.93%

Table 3: EU KM1 – Key metrics[4]

[3] In accordance with the ECB SREP Decision LeasePlan's total SREP Own Funds requirements (%) will be per January 1st 2024 8.0%

[4] The references in this table and the subsequent tables are as prescribed in the relevant EBA template where applicable.

For reference, the CET1 ratio at the regulatory consolidated level (LeasePlan Group B.V) is 11.2% and CET1 ratio at the regulatory Individual (solo) level (LeasePlan Corporation N.V.) is 11.0% as of 31 December 2023.

For more information, please refer to sections 'Own funds and Capital requirements', 'Leverage' and 'Liquidity' of this report

2 Own funds and Capital requirements

2.1 Capital requirements

The following table is in accordance with CRR Article 438 (d) and illustrates the breakdown of RWA/TREA, minimum capital requirements under Part Three, Title I, Chapter 1 of the CRR:

		Total risk exposure amounts (TREA)		Total own funds requirements
	in millions of euros	Dec-23	Sep-23	Dec-23
1	Credit risk (excluding CCR)	22,747	22,743	1,820
2	Of which the standardised approach	5,828	4,694	466
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	57	55	5
5	Of which the Advanced IRB (A-IRB) approach	16,918	18,050	1,353
6	Counterparty credit risk - CCR	111	133	9
7	Of which the standardised approach	74	85	6
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	1	1	0
EU 8b	Of which credit valuation adjustment - CVA	37	48	3
9	Of which other CCR	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	-	-	-
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	596	782	48
21	Of which the standardised approach	596	782	48
22	Of which IMA	-	-	-
EU 22a	Large exposures	-	-	-
23	Operational risk	2,870	2,823	230
EU 23a	Of which basic indicator approach	-	-	-
EU 23b	Of which standardised approach	2,870	2,823	230
EU 23c	Of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	295	401	24
29	Total	26,324	26,482	2,106

Table 4: EU OV1 – Overview of risk weighted exposure amounts[5]

[5] The row 24 '*Amounts below the thresholds for deduction (subject to 250% risk weight)*' is for information purpose only as per EBA template and is not considered in the Total amount.

In August 2023 LeasePlan received the final decision regarding the Internal Model Investigation performed based on the newly developed Internal Ratings Based (IRB) models for LeasePlan. The ECB has decided to grant permission to LeasePlan to apply material changes to the Probability of Default (PD), Loss Given Default (LGD) including LGD-in default and ELbe (Expected Loss best estimate) for the retail exposure class in the Netherlands and in the United Kingdom, and for the corporate exposure class for calculating own funds requirements for Credit risk. However, this approval came with a limitation which describes that for the exposures in the scope of application of the rating model, LeasePlan shall apply a risk-weighted exposure amount (TREA) floor at an amount equal to the TREA computed in accordance with Standardised approach. The floor needs to be applied separately for defaulted and non-defaulted exposures. As a result of this, LeasePlan reports its TREA based on a floored amount since September 2023.

The movement in TREA between September 2023 and December 2023 is mainly attributable to the growth in the leasing portfolio. This increase is offset by the decrease in off balance sheet TREA due to a change in treatment of these exposures (change in applied Credit Conversion Factor, which was done in combination with the switch from IRB approach to standardized approach). The increase was further offset by a decrease due to the foreign exchange movements. In EBA credit risk templates, the other non-credit obligation assets (ONCOA) are reported under a specific line item under the total IRB approach.

2.2 Composition of regulatory own funds

Capital Management

LeasePlan's approach for capital management is driven by the Internal Capital Adequacy Assessment Process (ICAAP). ICAAP is an internal review requirement which comprises strategies and processes to assess and maintain, on an ongoing basis, the amounts, types and distribution of internal capital considered adequate to cover the nature and level of the risks to which LeasePlan Corporation N.V. (LeasePlan) is or might be exposed.

The objectives of the ICAAP are:

- identifying and measuring the risks that LeasePlan is exposed to and that threaten LeasePlan in realising its strategic objectives;
- assessing capital adequacy by reviewing regulatory and internal (economic) capital required in relation to risks LeasePlan is exposed to and in relation to its strategy;
- assessing LeasePlan's resilience to severe adverse (financial) events by performing integrated stress testing.

The ICAAP is annually submitted to the ECB as part of the Supervisory Review and Evaluation Process (SREP). The SREP aims to capture an overall picture of an institution's risk profile as adequately as possible, considering risks and their mitigants. If inadequate, it can lead to decisions about supervisory measures to be taken. The adequacy of the internal capital is first assessed and approved by the Managing Board, and final approval is provided by the Supervisory Board.

Total risk exposure amount (TREA)

To determine risk-weighting, the Group applies the Advanced Internal Ratings Based (AIRB) approach for the corporate lease portfolio and trade receivables, and for the retail portfolios and trade receivables in the United Kingdom and the Netherlands. However, as explained above, for the exposures in the scope of application of AIRB, the Group shall apply a risk-weighted exposure amount (TREA) floor at an amount equal to the TREA computed in accordance with Standardised approach. For the exposures related to governments, banks and other retail clients, the Group applies the Standardised Approach of the CRR/CRD IV framework.

LeasePlan has not published the result of the ICAAP and composition of the additional own funds. The minimum requirement for own funds and eligible liabilities is equal to the Own Funds requirement.

Capital Position

LeasePlan has included the eligible net result of EUR 376 million to its Common Equity Tier 1 (CET1). The CET1 ratio as per December 2023 was 10.91%. The Tier 1 capital ratio was 14.68% and the Total Capital ratio was 17.53%. The capital ratios are all above the minimum required capital requirements. The minimum requirement for own funds and eligible liabilities (MREL) is equal to the Own Funds requirement.

The main impact on the capital ratios in 2023 came from the final capital distribution following the close of the sale of LeasePlan. To ensure the capital requirements are met at all levels, the distributed CET1 capital has been partly replaced by additional Tier 1 capital of EUR 500 million and additional Tier 2 capital of EUR 750 million.

In May 2023, LeasePlan declared a distribution for an amount of EUR 1.91 billion, of which EUR 772 million related to LPC pre-closing distribution of 2022 Q4 profit, EUR 411.7 million based on the January to April 2023 net results, EUR 23.9 million related to the Constellation Stake distribution and the remaining part related to capital distribution to the previous shareholders. The capital distribution is partly replaced by the additional Tier 1 and Tier 2 capital as mentioned above. Additionally, LeasePlan also declared a dividend distribution of EUR 460.7 million related to 2022 Q3 as per the resolution of April 18, 2023.

The following table sets out the capital resources as referred to in CRR Article 437 (a), (d), (e) and (f).

	as at 31 December 2023, in millions of euros	Dec-23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	578	1 + 2
2	Retained earnings	2,580	4
3	Accumulated other comprehensive income (and other reserves)	- 270	3
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	4
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	3,107	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	- 1	
8	Intangible assets (net of related tax liability) (negative amount)	- 200	6
9	Not applicable	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	- 35	7
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
25	of which: deferred tax assets arising from temporary differences	-	
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	-	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	- 236	

29	Common Equity Tier 1 (CET1) capital	2,871	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	995	
31	of which: classified as equity under applicable accounting standards	995	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	5
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	995	
	Additional Tier 1 (AT1) capital: regulatory adjustments	-	
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	995	
45	Tier 1 capital (T1 = CET1 + AT1)	3,866	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	750	
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	750	5
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	Tier 2 (T2) capital before regulatory adjustments	750	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	-	

57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	750	
59	Total capital (TC = T1 + T2)	4,616	
60	Total Risk exposure amount	26,324	
	Capital ratios and requirements including buffers	-	
61	Common Equity Tier 1 capital	-	
62	Tier 1 capital	-	
63	Total capital	-	
64	Institution CET1 overall capital requirements	-	
65	of which: capital conservation buffer requirement	-	
66	of which: countercyclical capital buffer requirement	-	
67	of which: systemic risk buffer requirement	-	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	-	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	-	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	-	
	Amounts below the thresholds for deduction (before risk weighting)	-	
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	38	8
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	80	7 + 8
	Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	5,902	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)	-	
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Table 5: EU CC1 - Composition of regulatory own funds

The following table sets out the reconciliation between the accounting and regulatory consolidation with references showing the linkage between this table and EU CC1, presenting the revised scope on Sub-consolidated basis for December 2023.

		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference[6]
	as at 31 December 2023, in millions of euros	Dec-23	Dec-23	
	Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
1	Cash and balances at central banks	3,536	3,536	
2	Investments in equity and debt securities	120	120	
3	Receivables from financial institutions	1,060	1,063	
4	Derivative financial instruments	313	313	
5	Other receivables and prepayments	1,548	1,548	
6	Inventories	338	338	
7	Lease receivables from clients	2,298	2,298	
8	Property and equipment under operating lease & Rental	23,216	23,216	
9	Other property and equipment	211	211	
10	Loans to equity accounted investments	40	40	
11	Investments in equity accounted investments	18	34	8
12	Intangible assets	313	596	6
13	Corporate income tax receivable	35	35	
14	Deferred tax asset	171	171	7
15	Assets classified as held-for-sale	31	31	
16	**Total Assets**	**33,248**	**33,549**	
	Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
17	Trade and other payables and Deferred income	2,791	2,724	
18	Borrowings from financial institutions	2,981	2,981	
19	Derivative financial instruments	511	511	
20	Funds entrusted	11,753	11,753	
21	Debt securities issued	7,262	7,262	
22	Lease liabilities	148	148	
23	Loans from subsidiaries	1,618	1,618	
24	Provisions	735	735	
25	Corporate income tax payable	51	52	
26	Deferred tax liabilities	503	536	
27	Liabilities classified as held-for-sale	9	9	
28		750	750	
29	**Total liabilities**	**29,111**	**29,077**	
	Shareholders' Equity			
30	Share capital	72	100	1
31	Share premium	506	1,936	2
32	Other reserves	-51	-40	3
33	Retained earnings	2,580	1,446	4
34	AT1 capital - securities - parent	530	530	
35	**Equity of owners of the parent**	**3,637**	**3,972**	
36	AT1 capital - securities	498		5
37	Holders of AT1 capital securities	0	498	
38	Other non-controlling interest	2	2	
39	**Total shareholders' equity**	**4,137**	**4,472**	

Table 6: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

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1 Balance sheet as in published in financial statements for LeasePlan Corporation N.V.
2 Under regulatory scope of consolidation that is for LP Group B.V
3 Cross-referenced to the corresponding rows in table EU CC1

2.3 Main features of regulatory own funds instruments

	As at 31 December 2023, in millions of				
	Scope	LeasePlan Corporation N.V.	LeasePlan Corporation N.V.	LeasePlan Corporation N.V.	LeasePlan Corporation N.V.
	Instrument	Issued CET 1 capital	Issued Tier 1 capital[7]	Issued Tier 1 capital	Issued Tier 2 capital
	External/internal		(externally placed)	(Internally placed)	(Internally placed)
1	Issuer	LeasePlan Corporation	LeasePlan	LeasePlan Corporation	LeasePlan Corporation
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private	N/A	XS2003473829	N/A	N/A
2a	Public or private placement	Public	Public	Private	Private
3	Governing law(s) of the instrument	Dutch law	Dutch law	Dutch law	Dutch law
3a	Contractual recognition of write down and conversion powers of resolution	N/A	N/A	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Tier 2 subordinated loan
5	Post-transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Tier 2 subordinated
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo and (sub-) consolidated	Solo and (sub-) consolidated	Solo and (sub-) consolidated	Solo and (sub-) consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	AT1 EU 575/2013 Article. 52	AT1 EU 575/2013 Article. 52	AT1 EU 575/2013 Article. 63
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting	EUR 71.6 million	EUR 495.6 million	EUR 500 million	EUR 750 million
9	Nominal amount of instrument	EUR 1	EUR 500 million (as of most recent re-porting date)	EUR 500 million	EUR 750 million
EU-	Issue price	N/A	EUR 1	EUR 1	EUR 1
EU-	Redemption price	N/A	EUR 1	EUR 1	EUR 1
10	Accounting classification	Equity	Equity	Equity	Liability – amortised
11	Original date of issuance	N/A	29 May 2019	22 May 2023	22 May 2023
12	Perpetual or dated	N/A	Perpetual	Perpetual	Dated
13	Original maturity date	N/A	No maturity	No maturity	22 May 2033
14	Issuer call subject to prior supervisory	N/A	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	29 May 2024, regulatory & tax call (prevailing principal	22 May 2028	22 May 2028
16	Subsequent call dates, if applicable	N/A	Callable on each date which falls 5, or an integral multiple of 5, years after 29 May 2024	Callable on each date which falls 5, or an integral multiple of 5, years after 22 May 2028	Callable on each date which falls 5, or an integral multiple of 5, years after 22 May 2028
	Coupons / dividends				
17	Fixed or floating dividend/coupon	N/A	Fixed, subject to reset on the first call date and each reset date thereafter	Fixed, subject to reset on the first call date and each reset date thereafter	Floating
18	Coupon rate and any related index	N/A	7.375% per annum	9.742% per annum	1 month Euribor + 3.46%
19	Existence of a dividend stopper	N/A	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms	N/A	N/A	N/A	N/A
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms	N/A	N/A	N/A	N/A
21	Existence of step up or other	N/A	N/A	N/A	N/A
22	Noncumulative or cumulative	N/A	N/A	N/A	N/A
23	Convertible or non-convertible	N/A	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A

[7] On 29 May 2024, the externally place Tier 1 capital securities were redeemed in full at their prevailing principal amount, together with accrued and unpaid interest.

27	If convertible, mandatory or	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30	Write-down features	N/A	Yes	Yes	No
31	If write-down, write-down trigger(s)	N/A	5.125% CET1	5.125% CET1	N/A
32	If write-down, full or partial	N/A	Partial	Partial	N/A
33	If write-down, permanent or	N/A	Temporary	Temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A	Write-up possible if Return to Financial Health has been achieved, i.e. a positive Consolidated Net Income has been recorded at any time, and subject to MDA not being exceeded	Write-up possible if Return to Financial Health has been achieved, i.e. a positive Consolidated Net Income has been recorded at any time, and subject to MDA not being exceeded	N/A
34a	Type of subordination (only for eligible	N/A	Statutory	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	First	Second, after CET1	Second, after CET1	Third, after Tier 1
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	Deeply subordinated, junior to Tier 2	Deeply subordinated, junior to Tier 2	Subordinated debt
36	Non-compliant transitioned features	N/A	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A

Table 7: EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

2.4 Capital buffers

As on 31 December 2023, LeasePlan holds 0.65% (June 23: 0.48%) of its TREA as a countercyclical capital buffer (CCyB). LeasePlan has mainly been impacted by the increase of the CCyB rate for the United Kingdom as per July 2023 to 2% (June 2023: 1%).

The following table is the geographical distribution of credit exposures relevant for CCyB in accordance with CRR Article 440 (a).

	as at 31 December 2023, in millions of euros	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
010	Breakdown by country:	Exposure value under the SA	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
1	AUSTRALIA	1	20	-	-	-	21	4	-	-	4	0	0.5%	1.00%
2	AUSTRIA	85	132	-	-	-	217	13	-	-	13	2	1.5%	0.00%
3	BELGIUM	414	431	-	-	-	845	50	-	-	50	6	6.0%	0.00%
4	BERMUDA	233	0	-	-	-	233	9	-	-	9	1	1.1%	0.00%
5	BRAZIL	18	59	-	-	-	78	4	-	-	4	1	0.5%	0.00%
6	DENMARK	147	216	-	-	-	363	21	-	-	21	3	2.5%	2.50%
7	FRANCE	721	392	-	-	-	1,112	70	-	-	70	9	8.3%	0.50%
8	GERMANY	383	775	-	-	-	1,158	75	-	-	75	9	8.9%	0.75%
9	GREECE	474	94	-	-	-	568	29	-	-	29	4	3.5%	0.00%
10	HUNGARY	68	55	-	-	-	123	7	-	-	7	1	0.8%	0.00%
11	INDIA	9	131	-	-	-	140	10	-	-	10	1	1.2%	0.00%
12	IRELAND	55	94	-	-	-	149	9	-	-	9	1	1.1%	1.00%
13	ITALY	1,490	564	-	-	-	2,053	118	-	-	118	15	14.1%	0.00%
14	LUXEMBOURG	5	0	-	-	-	5	0	-	-	0	0	0.0%	0.50%
15	MEXICO	19	138	-	-	-	157	11	-	-	11	1	1.3%	0.00%
16	NETHERLANDS	907	1,071	-	-	-	1,979	110	-	-	110	14	13.1%	1.00%
17	NORWAY	348	240	-	-	-	589	33	-	-	33	4	4.0%	2.50%
18	POLAND	121	212	-	-	-	333	20	-	-	20	3	2.4%	0.00%
19	PORTUGAL	427	252	-	-	-	679	40	-	-	40	5	4.8%	0.00%
20	ROMANIA	46	48	-	-	-	94	5	-	-	5	1	0.6%	1.00%
21	RUSSIAN FEDERATION[8]	1	6	-	-	-	7	0	-	-	0	0	0.0%	0.00%
22	SLOVAKIA	30	50	-	-	-	80	5	-	-	5	1	0.6%	1.50%
23	SPAIN	739	290	-	-	-	1,029	59	-	-	59	7	7.0%	0.00%
24	SWEDEN	87	139	-	-	-	226	13	-	-	13	2	1.5%	2.00%
25	SWITZERLAND	27	62	-	-	-	89	5	-	-	5	1	0.6%	0.00%
26	TURKEY	599	0	-	-	-	599	35	-	-	35	4	4.2%	0.00%
27	UNITED ARAB EMIRATES	0	16	-	-	-	16	3	-	-	3	0	0.4%	0.00%
28	UNITED KINGDOM	176	1,231	-	-	-	1,407	79	-	-	79	10	9.4%	2.00%
29	UNITED STATES	19	0	-	-	-	19	1	-	-	1	0	0.1%	0.00%
020	Total	7,650	6,719	-	-	-	14,369	21,088	-	-	839	105	100.00%	

Table 8: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

[8] 21 Russian Federation is booked as Held for Sale as at 31 December 2023.

The following table shows an overview of our countercyclical exposure and buffer requirements in accordance with CRR Article 440 (b).

	in millions of euros	Dec-23	Jun-23
1	Total risk exposure amount	26,324	23,632
2	Institution specific countercyclical buffer rate	0.65%	0.48%
3	Institution specific countercyclical buffer requirement	171	114

Table 9: EU CCyB2 - Amount of institution-specific countercyclical capital buffer

3 Leverage ratio

The leverage ratio is calculated based on the requirements of CRR/CRD IV. The regulatory minimum level of the leverage ratio is 3.0%. LeasePlan monitors its leverage ratio and the development of the on- and off-balance sheet exposures and eligible Tier 1 capital, in order to comply with the minimum requirement of 3%.

In accordance with article 13 (1) CRR the disclosure tables for the leverage ratio, EU LR1, EU LR2 and EU LR3, have been completed on an individual basis.

LeasePlan's Leverage ratio on Individual (solo) level was at 14.06% per December 2023, compared to 14.40% per June 2023. This slight decrease in Leverage Ratio compared to June 2023 is driven by a decrease in Tier 1 capital and an increase of the exposure measure.

For reference, the December 2023 Leverage ratio on consolidated level was 11.20%.

LeasePlan's risk of excessive leverage is low given relatively high average risk weight considering the standardised risk weights that are applied on an individual level.

'Adjustments for off balance sheet items' include on an individual basis guarantees provided by LeasePlan on behalf of its subsidiaries. The guarantees relate to commitments entered into by those companies and amounted to EUR 1.4 billion (Jun 2023: 1.9 billion). The lower amount for guarantees as per December 2023 is explained by the sale of LeasePlan Finland and LeasePlan Czech Republic.

In accordance with CRR article 451, a breakdown of the leverage ratio components is provided on a semi-annual basis in the following three tables.

	in millions of euros	Dec-23	Jun-23
1	Total assets as per published financial statements	26,986	26,576
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-0	0
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
7	Adjustment for eligible cash pooling transactions	-	-
8	Adjustment for derivative financial instruments	-70	-611
9	Adjustment for securities financing transactions (SFTs)	-	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,631	1,941
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-1	-1
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-	-
12	Other adjustments	-548	-275
13	Total exposure measure	27,998	27,630

Table 10: EU LR1-LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	in millions of euros	Dec-23	Jun-23
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	26,328	25,632
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	355
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-46	-148
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	-165	-1
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	26,117	25,838
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	127	-253
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	123	104
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	250	-149
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	-	-
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	1,631	1,942
20	(Adjustments for conversion to credit equivalent amounts)	0	0
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	1,631	1,941
	Excluded exposures		
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-

EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Total exempted exposures)	-	-
	Capital and total exposure measure		
23	Tier 1 capital	3,935	3,978
24	Total exposure measure	27,998	27,630
	Leverage ratio		
25	Leverage ratio (%)	14.06%	14.40%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	14.06%	14.40%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	14.06%	14.40%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure	-	-
	Disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	27,998	27,630
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	27,998	27,630
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	14.06%	14.40%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	14.06%	14.40%

Table 11: EU LR2 - LRCom: Leverage ratio common disclosure

	in millions of euros	Dec-23	Jun-23
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	26,283	25,484
EU-2	Trading book exposures	-	-
EU-3	Banking book exposures, of which:	26,283	25,484
EU-4	Covered bonds	-	-
EU-5	Exposures treated as sovereigns	3,582	4,207
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	-	-
EU-7	Institutions	69	13
EU-8	Secured by mortgages of immovable properties	-	-
EU-9	Retail exposures	0	0
EU-10	Corporates	18,254	16,438
EU-11	Exposures in default	0	0
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	4,377	4,826

Table 12: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

4 Liquidity requirements

Within LeasePlan, Liquidity Coverage Ratio (LCR) is mainly driven by the level of High-Quality Liquid Assets (HQLA) due to the funding transactions performed as well as the funding redemption profile. LeasePlan maintains a solid platform of diversified funding sources that include financing from securitisation, bank credit lines and our LeasePlan internet savings bank in the Netherlands and Germany. Following the acquisition by ALD S.A., LeasePlan is no longer active in Debt Capital Markets (DCM). Instead, LeasePlan only has to report LCR and NSFR on Individual (solo) level. This has a significant impact on LCR as compared to the situation before June 2023, when LeasePlan had to report LCR on Consolidated level. Net outflows for LCR are significantly lower on Individual (solo) level resulting in a substantial increase in the LCR ratio. The impact of this change on reported NSFR is limited.

Two of the key drivers of the increase in Individual (solo) LCR compared to Consolidated LCR are:

- LPC (through Treasury) mainly lends to leasing entities. The intercompany loans have a contractual maturity and as a result, LPC receives repayments of intercompany loans from the leasing entities. These cash inflows are taken into account in Individual (solo) LCR which improves the reported number. In consolidated LCR, these inflows are ignored as they are intercompany.
- Consolidated LCR contains a significant outflow (typically just over EUR 1bn) related to off-balance sheet commitments due to ordered cars. These commitments are entered into by the leasing entities instead of by LPC. As a result, this outflow does not have to be reflected in the Individual (solo) LCR.

LeasePlan's LCR on Individual (solo) level was at 1,123% per December 2023, compared to 1,424% per June 2023. Both are substantially above the regulatory requirement of 100%. HQLA are held only in the form of central bank cash deposits.

LeasePlan applies the matched funding principle in every currency and thereby avoids mismatches in individual currencies.

The liquidity management is centralized within LeasePlan Treasury (LPTY) and incorporated in LeasePlan's monthly funding planning process. LeasePlan Corporation N.V. holds a revolving credit facility with a consortium of 11 banks (EUR 1.4 billion) maturing in November 2024. As per 31 December 2023, no amounts were drawn under this facility.

The following table shows the breakdown of high-quality liquid assets, cash inflows and cash outflows, on both an unweighted and weighted basis, that are used to derive the liquidity coverage ratio. This in accordance with Article 451a(2) and EBA Guidelines (EBA/GL/2017/01).

Consolidated Liquidity Coverage ratio common disclosure

	in millions of euros	Total unweighted value (average)					Total weighted value (average)				
EU 1a	Quarter ending on	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS										
1	Total high-quality liquid assets (HQLA)						4,592	5,110	5,282	5,442	5,282
	CASH - OUTFLOWS										
2	Retail deposits and deposits from small business customers, of which:	7,869	7,825	7,724	7,537	7,263	787	782	772	754	726
3	Stable deposits										
4	Less stable deposits	7,869	7,825	7,724	7,537	7,263	787	782	772	754	726
5	Unsecured wholesale funding	330	328	310	283	359	223	224	199	163	219
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	177	173	185	200	233	71	69	74	80	93
8	Unsecured debt	153	155	125	83	126	153	155	125	83	126
9	Secured wholesale funding						-	-	-	-	-
10	Additional requirements	138	127	119	116	114	138	127	120	118	116
11	Outflows related to derivative exposures and other collateral requirements	138	127	119	116	114	138	127	119	116	114
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	-	-	-	-	-	-	-	1	2	3
14	Other contractual funding obligations	-	-	-	-	-	-	-	-	-	-
15	Other contingent funding obligations	3	2	2	1	1	3	2	2	1	1
16	TOTAL CASH OUTFLOWS						1,152	1,136	1,093	1,037	1,063
	CASH - INFLOWS										
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	1,492	1,556	1,562	1,526	1,540	765	796	801	786	793
19	Other cash inflows	41	35	27	20	16	41	35	27	20	16
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)						-	-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)						-	-	-	-	-
20	TOTAL CASH INFLOWS	1,532	1,591	1,589	1,547	1,557	806	831	828	806	810
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	1,532	1,591	1,589	1,547	1,557	806	831	828	806	810
	TOTAL ADJUSTED VALUE										
EU-21	LIQUIDITY BUFFER						4,592	5,110	5,282	5,442	5,001
22	TOTAL NET CASH OUTFLOWS						409	414	371	322	346
23	LIQUIDITY COVERAGE RATIO						1122.7%	1234.3%	1423.7%	1690.1%	1445.4%

Table 13 EU LIQ1 – Quantitative information of LCR

The following table states the minimum net stable funding ratio ('NSFR') requirement in accordance with Article 451a(3). The table is prepared on Individual basis (in the Pillar 3 disclosures until March 2023 the numbers were disclosed on consolidated basis).

	as at 31 December 2023, in millions of euros	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	Available stable funding (ASF) Items					
1	Capital items and instruments	3,969	-	-	750	4,719
2	Own funds	3,969	-	-	750	4,719
3	Other capital instruments	-	-	-	-	-
4	Retail deposits	-	9,205	1,703	796	10,613
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	9,205	1,703	796	10,613
7	Wholesale funding:	-	843	917	7,674	8,133
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	843	917	7,674	8,133
10	Interdependent liabilities	-	-	-	-	-
11	Other liabilities:	-	173	-	34	34
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and capital instruments not included in the above categories	-	173	-	34	34
14	Total available stable funding (ASF)	-	-	-	-	**23,499**
	Required stable funding (RSF) Items	-	-	-	-	-
15	Total high-quality liquid assets (HQLA)	-	-	-	-	3,428
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool	-	-	-	-	-
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	-	3,554	2,879	10,975	12,770
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut	-	-	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions	-	3,554	2,879	10,975	12,770
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	-	-	-	-
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products	-	-	-	-	-
25	Interdependent assets	-	-	-	-	-
26	Other assets:	-	909	-	4,574	5,028
27	Physical traded commodities	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29	NSFR derivative assets	-	-	-	-	-
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
31	All other assets not included in the above categories	-	909	-	4,574	5,028
32	Off-balance sheet items	-	-	-	-	-
33	**Total RSF**	-	-	-	-	**17,799**
34	**Net Stable Funding Ratio (%)**					**131.2%**

Table 14: EU LIQ2 - Net Stable Funding Ratio

5 Credit Risk

This section provides information about the exposures subject to credit risk framework and details regarding the exposures relevant for determining LeasePlan's regulatory capital requirement and credit quality of assets.

As a result of its normal business activities, the Group is exposed to credit risk, which is the risk that a counterparty will not be able to fulfil its financial obligations when due. In the Group's core business, this credit risk mainly relates to lease receivables from clients.

Lease receivables from clients consist of trade receivables and amounts receivable under finance lease contracts. For amounts receivable under finance lease contracts credit risk is mitigated by the underlying value of the available collateral (i.e. leased object).

Credit Risk Framework

LeasePlan has a Credit Risk Management framework, including policies and processes, defined that includes the requirements and boundaries to manage and control the credit risk in LeasePlan. This framework is created in alignment with articles provided in the EBA Guidelines on loan origination and monitoring under consideration of relevant articles of CRR.

LeasePlan has an 'open' appetite for Credit Risk, which translates to a strategy to maintain a growing profitable leasing portfolio with a controllable risk profile in which LeasePlan understands the expected impact of bad debt costs on the profitability, capital and reputation and serve our customers well. Limits are in place regarding concentrations and estimated probability of default in line with the appetite. These limits are proposed by a combination of 1st and 2nd line specialist/risk owners and decided on by Management Board / Executive Committee (ExCo).

Group Risk ensures the Managing Board and the Supervisory Board are made aware of all material risk developments. Reporting on credit risk exposures and credit risk management is done via monthly reports to all ExCo members, structurally in the Group Risk Committee and Supervisory Board Risk Committee, and ad-hoc where deemed relevant by the 1st and 2nd line risk owners.

Risk Management Function

Credit Risk management is done both on Central level and on local level. On Central level this sits within the Risk Management department and is responsible for, amongst others, the global policies, global portfolio monitoring and the approval of the larger credit requests. On local level the adherence to the global policies, monitoring of the local portfolio and decisioning on all (local) credit requests is done, amongst other tasks.

The Group Risk Committee of LeasePlan delegates authority for the decisioning on credit requests and for the decisioning on loan and provisioning strategy for defaulted customers towards the local entities through the Risk Authority Letter.

The risk governance, and therefore also credit risk governance, is based on the three lines model as set out in the European Banking Authority (EBA) Guidelines on Internal Governance (GL 2017/11). This model distinguishes among functions that own and manage risks (first line), functions that oversee and advise on risk management practices (second line) and functions that provide internal assurance (third line). The following overview outlines the composition and responsibilities of the key parties involved in executing the three lines within LeasePlan:

1st line	2nd line	3rd line	External assurance and supervision	
Group & local management	Risk Management Function Privacy & Compliance Function	Group Audit	External auditor	ECB
				CBI
				AFM
				Others

Default definition

LeasePlan's definition of default is aligned with the regulatory definition. A customer is reported as default as prescribed by the guidelines on the application of the definition of default. For purposes of assessing, recognising and reporting defaults, a customer shall be considered to be in default when either one or both of the following events occur:

i. the Local LP entity considers the customer unlikely to pay ('UTP'); and /or
ii. the customer is past due more than 90 consecutive days on any material credit obligation

Past due and impaired exposures

Receivables from clients are individually assessed on indications of impairment (specific credit risk adjustment). The sources for such indications can be internal (such as internal credit rating/score, payment behaviour and receivable ageing) or external (such as external credit ratings and solvency information). Impairment is recognised when the collection of receivables is at risk and when the recoverable amount is lower than the carrying amount of the receivable, also taking into account collateral and the fact that LeasePlan retains legal ownership of the leased asset until transfer of such ownership at the end of the lease contract (as the case may be). Receivables from clients less than 90 days past due are not considered to be impaired, unless other information is available to indicate the contrary. LeasePlan does not account for any general credit risk adjustments.

When a leasing client is considered to be in default, LeasePlan calculates its exposure by aggregating the outstanding invoices and the book value of the vehicles. The estimated sales proceeds of the vehicles under lease at the time of the default are deducted from the exposure at default to arrive at a provision amount. In general, such exposure at default is intended to fully cover the expected loss. LeasePlan individually assesses receivables from defaulted clients (mainly lease rentals that have become payable) for indications of impairment.

LeasePlan applies the same definitions, of 'past due' and 'impairment' as used for accounting purposes in the Annual Report.

LeasePlan's definition of a restructured exposure equals the definition of exposures with forbearance measures as defined in CRR Article 47b. LeasePlan considers an exposure forborne if all of the following requirements are met:

1. A modification of the previous terms and conditions of a contract ('contract modification') has been granted; and
2. The contract modification was granted to a Customer experiencing or about to experience financial difficulty; and
3. The contract modification would not have been granted had the Customer not been experiencing financial difficulty

Where the contract modification:

a) results in a difference in favour of the debtor between the modified terms of the contract and the previous terms of the contract; and / or
b) After modification, the contract includes more favourable terms than other debtors with a similar risk profile could have obtained from the local LP entity at that time.

5.1 Credit quality of assets

The following table shows maturity of exposures in accordance with Article 442 (g). The original maturity of lease contracts is appr. 4 years resulting in most exposure in the buckets ‘<=1 year’ and '> 1 year <= 5 years’.

		Net exposure value					
	as at 31 December 2023, in millions of euros	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	722	2,171	1,037	10	-	3,940
2	Debt securities	-	47	39	-	-	86
3	**Total**	**722**	**2,218**	**1,076**	**10**	-	**4,026**

		Net exposure value					
	as per 30 June 2023, in millions of euros	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	651	1,432	1,372	14	–	3,469
2	Debt securities	–	32	53	–	–	85
3	**Total**	**651**	**1,464**	**1,425**	**14**	–	**3,554**

Table 15: EU CR1-A - Maturity of exposures

The following table is in accordance with Article 442 (f). During the second half of 2023, the stock of non-performing loans and advances has increased. Increasing efforts on the collection process as well as on the default management has been continued in this period, the increase in inflows of non-performing loans and advances are due to worsening economic environment that trigger an increase in unlikeliness to pay (UTPs).

		Gross carrying amount	
	in millions of euros	Dec-23	Jun-23
010	Initial stock of non-performing loans and advances	82	41
020	Inflows to non-performing portfolios	166	62
030	Outflows from non-performing portfolios	-169	-81
040	Outflows due to write-offs	0	-
050	Outflow due to other situations	0	-41
060	Final stock of non-performing loans and advances	78	63

Table 16: EU CR2: Changes in the stock of non-performing loans and advances

The following table shows performing and non-performing exposures and related provisions in accordance with Article 442 (c) and (e). Loans comprise of lease portfolio, trade receivables and loans to LeasePlan entities and third parties. Off-balance sheet exposures represent the commitments on replacement of the lease portfolio. The table provides an overview of the performing and non-performing exposures per exposure class. By far most of the exposure, both performing and non-performing, is within the Non-Financial corporations. The majority of the LeasePlan customers, at least in terms of exposure, are larger corporations which classify as Non-Financial corporation in the following table.

	as at 31 December 2023, in millions of euros	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
		Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3	Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3		On performing exposures	On non-performing exposures
005	Cash balances at central banks and other demand deposits	3,719	3,719	-	-	-	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	3,923	3,923	-	78	-	78	- 21	- 21	-	- 41	-	- 41	-	-	-
020	Central banks	0	0	-	-	-	-	- 0	- 0	-	-	-	-	-	-	-
030	General governments	59	59	-	3	-	3	- 0	- 0	-	- 1	-	- 1	-	-	-
040	Credit institutions	889	889	-	0	-	0	- 0	- 0	-	- 0	-	- 0	-	-	-
050	Other financial corporations	450	450	-	0	-	0	- 7	- 7	-	- 0	-	- 0	-	-	-
060	Non-financial corporations	2,452	2,452	-	72	-	72	- 13	- 13	-	- 37	-	- 37	-	-	-
070	Of which SMEs	785	785	-	40	-	40	- 8	- 8	-	- 28	-	- 28	-	-	-
080	Households	74	74	-	3	-	3	- 1	- 1	-	- 2	-	- 2	-	-	-
090	Debt securities	86	86	-	-	-	-	- 0	- 0	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	6	6	-	-	-	-	- 0	- 0	-	-	-	-	-	-	-
120	Credit institutions	18	18	-	-	-	-	- 0	- 0	-	-	-	-	-	-	-
130	Other financial corporations	38	38	-	-	-	-	- 0	- 0	-	-	-	-	-	-	-
140	Non-financial corporations	24	24	-	-	-	-	- 0	- 0	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	4,323	4,323	-	-	-	-	-	-	-	-	-	-		-	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-		-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial corporations	4,323	4,323	-	-	-	-	-	-	-	-	-	-		-	-
210	Households	-	-	-	-	-	-	-	-	-	-	-	-		-	-
220	Total	12,051	12,051	-	78	-	78	- 21	- 21	-	- 41	-	- 41	-	-	-

Table 17: EU CR1 - Performing and non-performing exposures and related provisions

The following table is in accordance with Article 442 (c). Similar to the performing and non-performing exposures table, the majority of the forborne exposure is within the Non-Financial corporation as the large majority of our leasing customers are in that category.

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures	Total	Of which collateral and financial guarantees received on non-performing exposures
as at 31 December 2023, in millions of euros			Total	Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	9	9	9	9	- 0	- 7	-	-
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	0	0	0	0	- 0	- 0	-	-
040	Credit institutions	0	-	-	-	- 0	-	-	-
050	Other financial corporations	0	0	0	0	- 0	-	-	-
060	Non-financial corporations	8	9	9	9	- 0	- 7	-	-
070	Households	1	0	0	0	- 0	- 0	-	-
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	Total	9	9	9	9	- 0	- 7	-	-

Table 18: EU CQ1: Credit quality of forborne exposures

The following table shows the quality of non-performing exposures by geography in accordance with Article 442 (c) and (e). The main contributor of the non-performing exposures are in Germany and Italy. Due to the payment behaviour of the customers in these countries, more 90 days past due defaults are noticed in Germany and Italy than in other entities.

as at 31 December 2023, in millions of euros		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing					
		Total	Total	Of which defaulted	Of which subject to impairment			
0	On balance sheet exposures	3,848	78	78	3,848	-61		-
1	UNITED KINGDOM	743	6	6	743	-10		-
2	IRELAND	567	0	0	567	-0		-
3	FRANCE	579	6	6	579	-3		-
4	GERMANY	383	21	21	383	-2		-
5	UNITED STATES	23	0	0	23	-0		-
6	NETHERLANDS	259	4	4	259	-8		-
7	SPAIN	163	1	1	163	-6		-
8	ITALY	194	19	19	194	-15		-
9	BELGIUM	164	5	5	164	-2		-
10	NORWAY	149	0	0	149	-1		-
11	PORTUGAL	108	2	2	108	-2		-
12	SWEDEN	113	0	0	113	-0		-
13	DENMARK	66	1	1	66	-1		-
14	GREECE	62	2	2	62	-2		-
15	LUXEMBOURG	45	0	0	45	-0		-
16	AUSTRIA	36	0	0	36	-0		-
17	POLAND	36	1	1	36	-1		-
18	SWITZERLAND	32	2	2	32	-0		-
19	SLOVAKIA	24	0	0	24	-0		-
20	MEXICO	31	0	0	31	-1		-
21	RUSSIAN FEDERATION	0	0	0	0	0		-
22	INDIA	14	7	7	14	-7		-
23	BRAZIL	18	0	0	18	-1		-
24	HUNGARY	12	0	0	12	-0		-
25	ROMANIA	10	0	0	10	-0		-
26	TURKEY	9	0	0	9	-0		-
27	AUSTRALIA	2	0	0	2	-0		-
28	HONG KONG	2	0	0	2	-0		-
29	CANADA	3	0	0	3	-0		-
30	JERSEY	0	0	0	0	-0		-
31	FINLAND	0	0	0	0	-0		-
080	Off balance sheet exposures	4,313	-	-			-	
1	ITALY	705	-	-			-	
2	GERMANY	463	-	-				
3	FRANCE	521	-	-			-	
4	NETHERLANDS	489	-	-			-	

	as at 31 December 2023, in millions of euros	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Total	Of which non-performing		Of which subject to impairment			
			Total	Of which defaulted				
5	BELGIUM	386	-	-			-	
6	UNITED KINGDOM	379	-	-			-	
7	PORTUGAL	345	-	-			-	
8	NORWAY	192	-	-			-	
9	POLAND	94	-	-			-	
10	DENMARK	125	-	-			-	
11	SPAIN	97	-	-			-	
12	SWEDEN	98	-	-			-	
13	CZECH REPUBLIC	-	-	-			-	
14	GREECE	147	-	-			-	
15	FINLAND	-	-	-			-	
16	AUSTRIA	62	-	-			-	
17	SLOVAKIA	31	-	-			-	
18	HUNGARY	30	-	-			-	
19	IRELAND	39	-	-			-	
20	LUXEMBOURG	-	-	-			-	
21	SWITZERLAND	32	-	-			-	
22	ROMANIA	46	-	-			-	
23	MEXICO	-	-	-			-	
24	BRAZIL	15	-	-			-	
25	TURKEY	9	-	-			-	
26	INDIA	8	-	-			-	
27	RUSSIAN FEDERATION	-	-	-			-	
28	SAN MARINO	-	-	-			-	
29	IRAN, ISLAMIC REPUBLIC OF	-	-	-			-	
30	ESTONIA	-	-	-			-	
31	LITHUANIA	-	-	-			-	
32	MALAYSIA	-	-	-			-	
33	CYPRUS	-	-	-			-	
34	AUSTRALIA	-	-	-			-	
35	UNITED STATES	-	-	-			-	
36	NEW ZEALAND	-	-	-			-	
150	Total	8,161	78	78	3,848	- 61	-	-

Table 19: EU CQ4: Quality of non-performing exposures by geography

The following table is in accordance with Article 442 (c) and (e). The most exposure is within the industry Wholesale and retail trade, while the majority of the non-performing exposure is within the Transport and storage industry. There is no increased credit risk identified due to the industry the customer is in, the higher amounts in exposure and impairment in the Transport and storage industry are the result of overdue defaults mainly.

as at 31 December 2023, in millions of euros		Gross carrying/nominal amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposure
		Total	Of which non-performing		Of which loans and advances subject to impairment		
			Total	Of which defaulted			
010	Agriculture, forestry and fishing	10	0	0	10	- 0	-
020	Mining and quarrying	4	0	0	4	- 0	-
030	Manufacturing	279	5	5	279	- 4	-
040	Electricity, gas, steam and air conditioning supply	22	1	1	22	- 0	-
050	Water supply	12	1	1	12	- 1	-
060	Construction	345	7	7	345	- 7	-
070	Wholesale and retail trade	723	9	9	723	- 10	-
080	Transport and storage	449	35	35	449	- 13	-
090	Accommodation and food service activities	4	0	0	4	- 0	-
100	Information and communication	28	1	1	28	- 1	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	14	0	0	14	- 0	-
130	Professional, scientific and technical activities	63	1	1	63	- 2	-
140	Administrative and support service activities	396	6	6	396	- 6	-
150	Public administration and defense, compulsory social security	-	-	-	-	-	-
160	Education	3	0	0	3	- 0	-
170	Human health services and social work activities	20	1	1	20	- 1	-
180	Arts, entertainment and recreation	6	1	1	6	- 0	-
190	Other services	146	4	4	146	- 4	-
200	Total	2,524	72	72	2,524	- 50	-

Table 20: EU CQ5: Credit quality of loans and advances by industry

5.2 Credit risk mitigation

LeasePlan distinguishes two types of collateral, namely the lease objects/vehicles and other credit protection (e.g. deposits, guarantees). The lease objects/vehicles are used in the capital calculations, while the other credit protections are only indirectly and implicitly taken into account via a lower LGD percentage.

In the 'Collateral Standard' the main requirements related to credit protection is included, which mainly consist of the following:

Lease objects/vehicles

This type of collateral considers the lease object/vehicle as collateral for the lease. The loan portfolio of LeasePlan is therefore considered to be collateralised.

For the object (e.g. vehicle) that is provided in relation to a lease where, regardless of the economic ownership, the legal title of the object is with LeasePlan until payment is made by customer to transfer the title and/or the lease is terminated and the object is returned to LeasePlan. Therefore, there is legal certainty that collateral can always be used to mitigate the credit risk.

For valuation of the collateral LeasePlan distinguishes the approach by defaulted and non-defaulted customers. For non-defaulted customers the best estimate for the value of the object is the current book value of the lease on LeasePlan's balance sheet. The book value of performing contracts is periodically (i.e. on a quarterly basis) assessed and, if required, adjusted based on the requirements included in the accounting policy. Moreover, the book value diminishes over time to reflect the depreciation on the lease object and hence the collateral value. The book value of the lease is therefore considered the best estimate for performing customers.

For defaulted customers the collateral value is the value of the object that can be realised when sold to a third party effectively reflecting the current market value of the object ('market value'). The market value should be determined at the moment of default and updated over the lifetime of the default to properly reflect the exposure we have on defaulted customers which is not covered by value of the object. This update is performed at least on a quarterly basis. No haircut is used to reduce the value of the collateral since remarketing of second-hand cars is core business for LeasePlan and assumed we can (minimally) receive the current market value for the cars.

Other credit protection

Next to the lease objects/vehicles, LeasePlan also accepts other collateral to mitigate the credit risk of the customers. Most used types of these collaterals are deposits, down payments and guarantees, usually from another subsidiary in the family tree (parent- subsidiary relation).

The legal certainty that the collateral can be called in case of a breach of the contract is verified by the local credit risk department and the 4-eye principle is included in the process to make sure this is correctly administrated in the Global Credit Risk Management System.

These types of collateral are considered to be based on the exchange of 'cash'. The value of the collateral should therefore be considered in line with the value of the collateral exchanged with the customer or counterparty. So the nominal value of the collateral is considered the valuation throughout the whole period the collateral is applicable.

It is LeasePlan's practice to execute ISDA agreements and CSAs with all of its derivative financial counterparties. LeasePlan's ISDAs cover Interest rate swaps, Forward rate agreements, Currency Swaps and Currency forwards.

Concentration risk

In accordance with Capital Requirements Directive (CRD) Article 81, and in addition to the ongoing monitoring of credit quality trends in the portfolio, LeasePlan applies key focus on the assessment of potential concentration risks across counterparties, industries and countries. Limits related to these concentrations are included in the Risk Appetite Statement. LeasePlan calculates it's Pillar 2 capital requirement for concentration risk based on the Herfindahl-Hirschman Index (HHI) on an annual basis to monitor any single exposure or group of related exposures with the potential to produce losses large enough to threaten the ability to maintain the core operations.

The following table shows the loans and advances and the part which is considered collateralized. The collateralized part is related to the finance lease portfolio which is, as explained above, considered collateralized.

as at 31 December 2023, in millions or euros		Unsecured carrying amount	Secured carrying amount			
			Total	Of which secured by collateral	Of which secured by financial guarantees	
					Total	Of which secured by credit derivatives
1	Loans and advances	7,723	1,563	1,563	-	-
2	Debt securities	86	-	-	-	
3	Total	7,809	1,563	1,563	-	-
4	Of which non-performing exposures	78	32	32	-	-
EU-5	Of which defaulted	78	32			

as per 30 June 2023, in millions or euros		Unsecured carrying amount	Secured carrying amount			
			Total	Of which secured by collateral	Of which secured by financial guarantees	
					Total	Of which secured by credit derivatives
1	Loans and advances	7,865	1,430	1,430	–	–
2	Debt securities	85	–	–	–	
3	Total	7,950	1,430	1,430	–	–
4	Of which non-performing exposures	63	52	52	–	–
EU-5	Of which defaulted	63	52			

Table 21: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

5.3 Standardised approach

Use of external credit ratings

LeasePlan uses ratings mainly from Standard & Poor's for calculating the risk weight of the exposure classes Sovereigns and central banks, Non-central government public sector entities and banks.

LeasePlan's rating	Description of the grade	External rating: Standard & Poor's equivalent
1	Prime	AAA/AA-
2A	Very Strong	A+
2B	Strong	A
2C	Relatively Strong	A-
3A	Very Acceptable	BBB+
3B	Acceptable	BBB
3C	Relatively Acceptable	BBB-
4A	Very Sufficient	BB+
4B	Sufficient	BB
4C	Relatively Sufficient	BB-
5A	Somewhat Weak - Special Attention	B+
5B	Weak - Special Attention	B
5C	Very Weak - Watch	B-
6A	Sub-Standard - Watch	CCC+/C

Table 22: Mapping of LeasePlan's rating with external credit rating

LeasePlan does not use an issuer or an issue credit assessment to determine the risk weight to be assigned to an exposure not included in the trading book in accordance with Article 139 of Chapter 2 of Title II of Part Three CRR.

LeasePlan complies with the standard association published by the EBA regarding the alphanumerical scale of each nominated ECAI/ECA with the risk weights that correspond with the credit quality steps as set out in Chapter 2 of Title II of Part Three CRR.

5.4 Internal Ratings Based (IRB) approach

Internal models

Effective 1 December 2008, LeasePlan implemented Advanced Internal Rating Based (A-IRB) models for calculating the regulatory capital requirement for credit risk for its corporate fleet. Effective 1 January 2014 LeasePlan implemented AIRB models for the retail portfolios in the United Kingdom and the Netherlands. LeasePlan is authorised to use IRB for their Corporate customers, Retail NL (SME) and Retail UK (SME/Private Lease).

With the implementation of EBA's (new) definition of default as per 1 January 2021 the characteristics (PD, LGD, EAD) related to defaults have also changed. Therefore, the regulatory models which determine the PD, LGD and EAD of a client have been redeveloped by LeasePlan. These redeveloped models have been assessed by the regulator and LeasePlan has received approval to implement these models from the ECB in August 2023. LeasePlan implemented the new IRB models per the 31st of October 2023. The following table shows the changes in risk weighted assets of credit risk exposures under the IRB approach in accordance with CRR Article 438 (h).

	in millions of euros	Dec-23	Sep-23
1	Risk weighted exposure amount as at the end of the previous reporting period	18,050	14,473
2	Asset size (+/-)	- 473	- 538
3	Asset quality (+/-)	965	6
4	Model updates (+/-)	2,923	-
5	Methodology and policy (+/-)	-	-
6	Acquisitions and disposals (+/-)	-	- 610
7	Foreign exchange movements (+/-)	- 4	0
8	Other (+/-)	- 4,542	4,719
9	**Risk weighted exposure amount as at the end of the reporting period**	**16,918**	**18,050**

Table 23: EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

The Credit risk RWA in the IRB portfolio decreased to EUR 16,918 million in December 2023 (EUR 18,050 million in September 2023). The main drivers of the decrease are explained as follows:

- Asset quality: Changes in the asset quality line correspond to an increase in default customers.
- Model update: Model updates: As stated earlier, LP implemented new IRB models and the impact of this is reflected in this line of the table.
- Foreign exchange movements: The drop is primarily caused by the depreciation of the Mexican peso and the British pound sterling. The Polish zloty and the Swedish krona saw appreciation, but it was completely offset by other currencies.
- Other: The decrease was mainly caused by Other non-credit obligation assets (ONCOA). Compared to September 2023, lease commitments are no longer included in ONCOA since they have been switched to Standardised approach(STD), as stated earlier. Moreover, the amount floored to STD , which is part of ONCOA, decreased compared to September as a result of the implementation of the new IRB model.

5.5 Equity exposures under the simple risk-weighted approach

The equity exposures under the simple risk-weighted approach represent the fair value of the shares in in Constellation Automotive Holdings S.a.r.l. where LeasePlan does not have significant influence. The equity investment in Constellation Automotive Holdings S.a.r.l increased from June 2023 (EUR 8 million) to December 2023 (EUR 15 million) as a result of the change in the fair value. This equity exposure is risk weighted against 370%.

as at 31 December 2023, in millions of euros	Equity exposures under the simple risk-weighted approach					
Categories	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	15	-	370%	15	57	0
Total	15	-		15	57	0

as per 30 June 2023, in millions of euros	Equity exposures under the simple risk-weighted approach					
Categories	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	–	–	190%	–	–	–
Exchange-traded equity exposures	–	–	290%	–	–	–
Other equity exposures	8	–	370%	8	29	–
Total	8	–	–	8	29	–

Table 24: EU CR10.5 – Equity exposures under the simple risk-weighted approach

6. Remuneration

LeasePlan's Group Remuneration Framework, remuneration policy, including the remuneration committee and activities, remuneration strategy and remuneration details of LeasePlan's Identified Staff[9], Supervisory Board and Managing Board, is set out in the section Remuneration Report of the Annual Report 2023.

For Remuneration policy disclosure in accordance with CRR Article 450 (1) points (a), (b), (c), (d), (e), (f), (j), (k) and Article 450(2), please refer to sections 'Remuneration Report' in Annual Report 2023.

The following table contains an overview of Remuneration awarded for the financial year in accordance with CRR Article 450 (1) point (h) (i)-(ii)[10].

as per 31 December 2023, in euros			MB Supervisory function	MB Management function *	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	-	7	15	59
2		Total fixed remuneration	557,858	2,211,527	2,643,538	9,995,675
3		Of which: cash-based	557,858	2,211,527	2,643,538	9,995,675
EU-4a		Of which: shares or equivalent ownership interests	-	-	-	-
5		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-5x		Of which: other instruments	-	-	-	-
7		Of which: other forms	-	-	-	-
9	Variable remuneration	Number of identified staff		7	15	59
10		Total variable remuneration **		4,902,645	5,424,721	8,957,459
11		Of which: cash-based		2,451,322	2,712,360	4,478,730
12		Of which: deferred		1,470,793	1,441,522	1,907,871
EU-13a		Of which: shares or equivalent ownership interests	-	-	-	-
EU-14a		Of which: deferred	-	-	-	-
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments		2,451,322	2,712,360	4,478,730
EU-14b		Of which: deferred		1,470,793	1,441,522	1,907,871
EU-14x		Of which: other instruments	-	-	-	-
EU-14y		Of which: deferred	-	-	-	-
15		Of which: other forms	-	-	-	-
16		Of which: deferred	-	-	-	-
17	**Total remuneration**		557,858	7,114,172	8,068,258	18,953,135

Table 25: EU REM1 – Renumeration awarded for the financial year

[9] LeasePlan's staff members who have a material impact on the risk profile of LeasePlan Corporation (i.e. Identified Staff). Number of identified staff in the tables are absolute figures

[2] Variable remuneration includes the full retention grant related to sale of LeasePlan to ALD. The retention period covers 2022 and 2023.

[3] One employee promoted from other senior management to MB Management, compensation has been split accordingly and reported in both columns.

	as per 31 December 2023, in euros	MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	-	-	-	-
2	Guaranteed variable remuneration awards -Total amount	-	-	-	-
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	-	-	-	-
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	-	-	-	-
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	-	-	-	-
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff	-	3	2	5
7	Severance payments awarded during the financial year - Total amount	-	3,480,000	1,459,827	1,626,723
8	Of which paid during the financial year	-	3,480,000	1,459,827	1,626,723
9	Of which deferred	-	-	-	-
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	-	3,480,000	1,459,827	1,626,723
11	Of which highest payment that has been awarded to a single person	-	1,480,000	949,827	463,660

Table 26: EU REM2- Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

The following table contains an overview of deferred remuneration for the financial year in accordance with CRR Article 450 (1) point (h) (iii)-(iv).

	as per 31 December 2023, in euros	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function					
2	Cash-based					
3	Shares or equivalent ownership interests					
4	Share-linked instruments or equivalent non-cash instruments					
5	Other instruments					
6	Other forms					
7	**MB Management function [1]**	**5,016,214**	**321,136**	**4,695,078**	**228,284**	**246,724**
8	Cash-based	2,289,332	74,412	2,214,920	74,412	-
9	Shares or equivalent ownership interests					
10	Share-linked instruments or equivalent non-cash instruments	2,726,882	246,724	2,480,158	153,872	246,724
11	Other instruments					
12	Other forms					
13	**Other senior management**	**5,235,998**	**427,062**	**4,808,935**	**325,362**	**336,932**
14	Cash-based	2,395,822	90,130	2,305,692	90,130	-
15	Shares or equivalent ownership interests					
16	Share-linked instruments or equivalent non-cash instruments	2,840,176	336,932	2,503,244	235,232	336,932
17	Other instruments					
18	Other forms					
19	**Other identified staff**	**8,901,656**	**1,386,027**	**7,515,629**	**1,142,151**	**873,298**
20	Cash-based	4,290,273	512,729	3,777,544	512,729	-
21	Shares or equivalent ownership interests					
22	Share-linked instruments or equivalent non-cash instruments	4,611,383	873,298	3,738,085	629,421	873,298
23	Other instruments					
24	Other forms					
25	Total amount	19,153,868	2,134,226	17,019,642	1,695,797	1,456,954

[1] Data for Sr Manager promoted to MB disclosed in the Sr manager column, there is no outstanding VR for the time as MB

Table 27: EU REM3 – Deferred renumeration

The following table contains an overview of remuneration awarded for the financial year in accordance with CRR Article 450 (1) point (i).

	as per 31 December 2023, in euros	Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	5
2	1 500 000 to below 2 000 000	1
3	2 000 000 to below 2 500 000	1
4	2 500 000 to below 3 000 000	1
5	3 000 000 to below 3 500 000	1
6	3 500 000 to below 4 000 000	-
7	4 000 000 to below 4 500 000	-
8	4 500 000 to below 5 000 000	-
9	5 000 000 to below 6 000 000	1

Table 28: EU REM4 – Renumeration of 1 million EUR or more per year

The following table contains an overview of remuneration awarded broken down in business areas for the financial year in accordance with CRR Article 450 (1) point (g).

		Management body remuneration			Business areas			Total
	as per 31 December 2023, in euros	MB Supervisory function	MB Management function	Total MB	Corporate functions	Independent internal control functions	All other	
1	**Total number of identified staff**							81
2	Of which: members of the MB	-	7	7				
3	Of which: other senior management				13	2	-	
4	Of which: other identified staff				8	17	34	
5	**Total remuneration of identified staff**	557,858	7,114,172	7,672,030	11,108,795	3,499,631	12,412,967	
6	Of which: variable remuneration	-	4,902,645	4,902,645	7,147,385	1,323,654	5,911,141	
7	Of which: fixed remuneration	557,858	2,211,527	2,769,385	3,961,410	2,175,977	6,501,825	

Table 29: EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

More remuneration information can be found in Annual Report 2023.

Glossary

A-IRB	Advanced Internal Ratings Based Approach
ASF	Available Stable Funding
CCP	Central Clearing Counterparty
CCR	Counterparty Credit Risk
CET1	Common Equity Tier 1. Mostly refers to capital held by a bank or financial institution
CET1 Ratio	Compares capital against assets
CRR	Capital Requirements Regulation
CSA	Credit Support Annex
CSD	Central Securities Depositories
CVA	Credit Valuation Adjustment
EAD	Exposure At Default
EBA	European Banking Authority
ECB	European Central Bank
FX Risk	Foreign Exchange Risk
HQLA	High Quality Liquid Assets
IRB	Internal Ratings Based
ISDA	International Swap and Derivatives Association
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
LPTY	LeasePlan Treasury team
ONCOA	Other Non-Credit Obligation Assets
PD	Probability of Default
RSF	Required Stable Funding
RWA	Risk-Weighted Assets
SFT	Securities Financing Transactions
SEC-ERBA	Securitisation External Ratings Based Approach
SEC_IRBA	Securitisation internal Ratings Based Approach
SEC-SA	Standardised Approach
SREP	Supervisory Review and Evaluation Process
STD	Standardised Approach
TC	Total Capital
TREA	Total Risk Exposure Amount