

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the supplement following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the supplement. In accessing the supplement, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SECURITIES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE COVERED BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA ("EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II"); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC ("IMD"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC (AS AMENDED, THE "PROSPECTUS DIRECTIVE"). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE COVERED BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE COVERED BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

THE FOLLOWING SUPPLEMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this supplement or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act). This supplement is being sent at your request and by accepting the e-mail and

accessing this supplement, you shall be deemed to have represented to us that you are not a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any States of the United States or the District of Columbia and that you consent to delivery of such supplement by electronic transmission.

You are reminded that this supplement has been delivered to you on the basis that you are a person into whose possession this supplement may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this supplement to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

This supplement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither de Volksbank N.V. nor Volks Covered Bond Company B.V. nor The Royal Bank of Scotland plc (trading as NatWest Markets) ("NatWest Markets") nor any person who controls it nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the supplement distributed to you in electronic format and the hard copy version available to you on request from de Volksbank N.V. or The Royal Bank of Scotland plc (trading as NatWest Markets).

To the extent that there is any inconsistency between (a) any statement in this supplement or any statement incorporated by reference into the Base Prospectus by this supplement and (b) any statement in or incorporated by reference in the Base Prospectus, the statements under (a) above will prevail.

FIRST SUPPLEMENTAL

TO THE BASE PROSPECTUS DATED 26 January 2017

d e V o l k s b a n k N . V .

(incorporated under the laws of the Netherlands with limited liability
and having its statutory seat in Utrecht, the Netherlands)

€ 15,000,000,000 Covered Bond Programme guaranteed as to payments of interest and principal by

VOLKS COVERED BOND COMPANY B.V.

(incorporated under the laws of the Netherlands with limited liability
and having its statutory seat in Amsterdam, the Netherlands)

This supplement (the "**Supplement**") is the first supplemental to the base prospectus dated 26 January 2017 (the "**Base Prospectus**") of the € 15,000,000,000 Covered Bond Programme (the "**Programme**") of de Volksbank N.V. (the "**Issuer**") and is prepared to update and amend the Base Prospectus, and is supplemental to, forms part of and should be read in conjunction with the Base Prospectus. Terms defined in the Base Prospectus shall have the same meaning in this Supplement, unless specified otherwise.

This document is an amendment and a supplement to the Base Prospectus within the meaning of article 16 of Directive 2003/71/EC including Directive 2010/73/EU (the "**PD Amending Directive**") (the "**Prospectus Directive**") This Supplement has been approved by the Netherlands Authority for the Financial Markets ("**Stichting Autoriteit Financiële Markten**", the "**AFM**"), which is the Netherlands competent authority for the purpose of the Prospectus Directive and relevant implementing measures in the Netherlands, as a supplemental prospectus issued in compliance with the Prospectus Directive, Commission Regulation EC No. 809/2004 (the "**Prospectus Regulation**") and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Covered Bonds under the Programme.

Subscribers for any Covered Bonds to be issued have the right to withdraw such subscription within two (2) business days following the publication of this Supplement.

The Issuer has requested the AFM to provide the competent authorities in Luxembourg with a certificate of approval, attesting that this Supplement has been drawn up in accordance with the Prospectus Directive, the Prospectus Regulation and relevant implementing measures in the Netherlands.

The Base Prospectus and this Supplement are available on the website of the Issuer at <https://www.devолksbank.nl/en/investor-relations/debt-information/covered-bond-programme> as of 23 February 2017 and are available for viewing at the specified office of the Agent (69 Route d'Esch, L-2953 Luxembourg, Luxembourg), the Security Trustee (Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands) and the Utrecht office of the Issuer at Croeselaan 1, 3521 BJ Utrecht, the Netherlands, where copies of the Base Prospectus and this Supplement and any documents incorporated by reference may also be obtained free of charge. The Base Prospectus and this Supplement in the form made available on the website of the Issuer at www.devолksbank.nl contain hyperlinks to the documents incorporated by reference.

The date of this Supplement is 23 February 2017.

IMPORTANT INFORMATION

The Issuer accepts responsibility for the information contained in this Supplement and the CBC accepts responsibility for the information relating to the CBC. To the best of their knowledge (having taken all reasonable care to ensure that such is the case) the information (in the case of the CBC, in respect of the information that relates to it) contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties identified in this Supplement as such has been accurately reproduced and as far as the Issuer and the CBC are aware and are able to ascertain from the information published by a third party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Issuer and the CBC accept responsibility accordingly.

Neither the Arranger, the Dealers (other than the Issuer) nor the Security Trustee has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger, the Dealers (other than the Issuer) or the Security Trustee as to the accuracy or completeness of the information contained or referred to in this Supplement or any other information provided by the Issuer and the CBC in connection with the Programme. Neither the Arranger, the Dealers (other than the Issuer) nor the Security Trustee accepts any liability in relation to the information contained in this Supplement or any other information provided by the Issuer and the CBC in connection with the Programme.

The Issuer will furnish a supplement to the Base Prospectus in case of any significant new factor, material mistake or inaccuracy relating to the information contained in this Supplement which is capable of affecting the assessment of the Covered Bonds and which arises or is noticed between the time when this Supplement has been approved and the final closing of any Series or Tranche of Covered Bonds offered to the public or, as the case may be, when trading of any Series or Tranche of Covered Bonds on a regulated market begins, in respect of Covered Bonds issued on the basis of the Base Prospectus and this Supplement.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Supplement or any other information supplied in connection with the Programme or the offering of the Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the CBC, the Arranger or any of the Dealers.

Neither this Supplement nor any other information supplied in connection with the Programme or any Covered Bonds should be considered as a recommendation by the Issuer or the CBC that any recipient of this Supplement or any other information supplied in connection with the Programme or any Covered Bonds should purchase any Covered Bonds. Each investor contemplating purchasing any Covered Bonds should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer and the CBC. Neither this Supplement nor any other information supplied in connection with the Programme or the issue of any Covered Bonds constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Covered Bonds.

The distribution of this Supplement and the offering, sale and delivery of the Covered Bonds may be restricted by law in certain jurisdictions. Persons into whose possession the Base Prospectus, this Supplement or any Covered Bond comes must inform themselves about, and observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Covered Bonds and on distribution of this Supplement and other offering material relating to the Covered Bonds, see *Subscription and Sale* in the Base Prospectus.

The Covered Bonds have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the accuracy or adequacy of this Supplement. Any representation to the contrary is unlawful.

The Covered Bonds have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and include Covered Bonds in bearer form that are subject to United States tax law requirements. The Covered Bonds may not be offered, sold or delivered within the United States or to United States persons as defined in Regulation S under the Securities Act ("**Regulation S**"), except in certain transactions permitted by US tax regulations and the Securities Act. See *Subscription and Sale* in the Base Prospectus.

The Covered Bonds and the Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state of the U.S. or other jurisdiction. The securities may not be offered or sold within the U.S. or to, or for the account or benefit of U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Accordingly, the Covered Bonds are being offered, sold or delivered only to non-U.S. persons (as defined in Regulation S) outside the U.S. in reliance on Regulation S.

CERTAIN MODIFICATIONS TO THE BASE PROSPECTUS

The following are amendments to the text of the Base Prospectus.

References to page numbers are to page numbers of the Base Prospectus.

- On page 230 under the chapter “**Documents incorporated by reference**” the following document shall be added to the list of documents incorporated in and to form part of, the Base Prospectus (with the deletion of “and” at the end of paragraph (p) and replacement of “.” at the end of paragraph (q) with ”; and”):

(r) A press release published by the Issuer on 23 February 2017 regarding the Issuer’s 2016 annual results (with the exception of page 8 ‘Outlook’).