ABN AMRO Bank N.V.

Interim Report and Quarterly Report

Second quarter 2024

ABN·AMRO

About this report

Introduction

This Quarterly Report presents ABN AMRO's results for the second quarter of 2024, the interim report for 2024 and the Condensed Consolidated Interim Financial Statements for 2024. The report provides a quarterly business and financial review as well as risk, funding, liquidity and capital disclosures.

Presentation of information

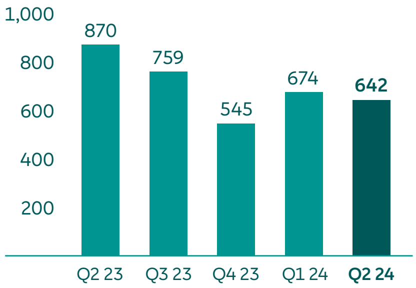
The Condensed Consolidated Interim Financial Statements in this report have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union (EU) and have been reviewed by our external auditor. Some disclosures in the Risk, funding & capital section of this report are part of the Condensed Consolidated Interim Financial Statements and are labelled as 'Reviewed' in the respective tables or headings.

This report is presented in euros (EUR), which is ABN AMRO's functional and presentation currency, rounded to the nearest million (unless otherwise stated). All annual averages in this report are based on month-end figures. Management does not believe these month-end averages present trends that are materially different from those that would be presented by daily averages. Certain figures in this report may not tally exactly due to rounding. Furthermore, certain percentages in this document have been calculated using rounded figures.

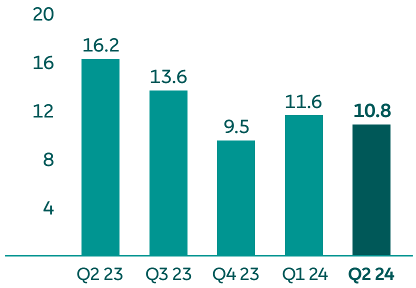
To download this report or to obtain more information, please visit us at abnamro.com/ir or contact us at investorrelations@nl.abnamro.com. In addition to this report, ABN AMRO provides an analyst and investor call presentation, an investor presentation and a factsheet regarding the second-quarter 2024 results.

Figures at a glance

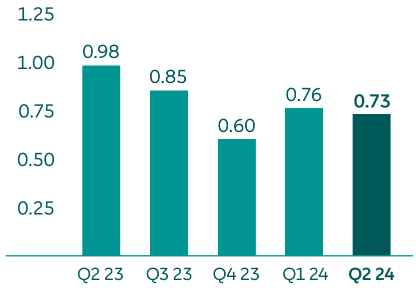
Net profit/(loss)
(in EUR millions)



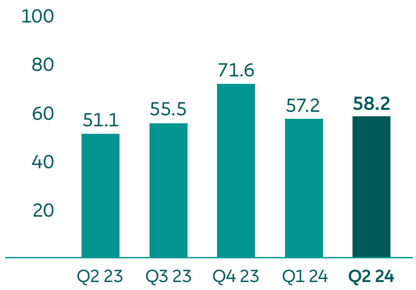
Return on equity
(in %) Target is 9-10%



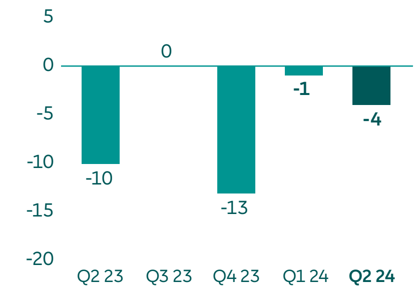
Earnings per share
(in EUR)



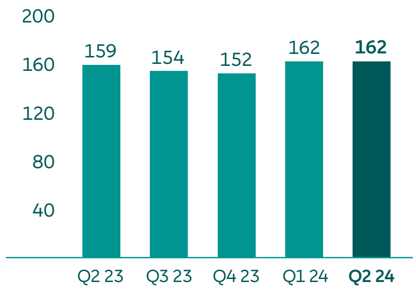
Cost/income ratio
(in %) Target is circa 60%



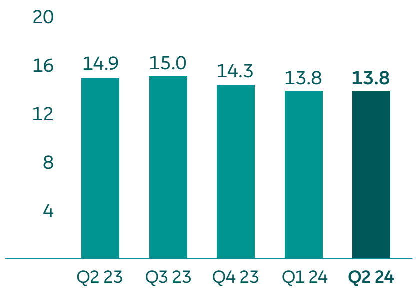
Cost of risk
(in bps)



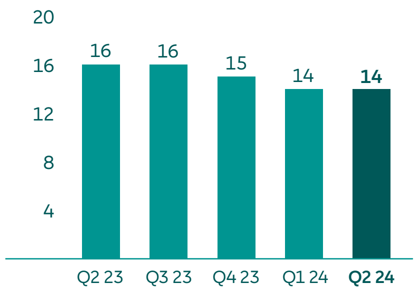
Net interest margin
(in bps)



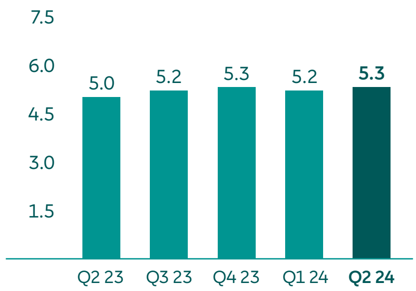
CET1 ratio (Basel III)
(end-of-period, in %)



CET1 ratio (Basel IV)
(end-of-period, in %) Target is 13.5%



Leverage ratio (CRR2)
(end-of-period, in %)



All targets refer to our strategic targets for 2026.
For more information about net profit, return on equity, earnings per share, cost/income ratio, cost of risk and net interest margin, please refer to the Financial review section.
For more information about CET1 ratio (Basel III and Basel IV) and leverage ratio, please refer to the Capital management section.

Message from the CEO

Q2 Key messages

- **Continued strong results:** Net profit of EUR 642 million and 10.8% return on equity, driven by improved net interest income and net impairment releases
- **Good business momentum:** Our mortgage loan book expanded by EUR 1.6 billion, maintaining our market leadership into Q2, while our corporate loan book grew by EUR 0.7 billion
- **Improved net interest income outlook:** Benefitting from continued favourable interest rate environment; guidance for 2024 has been adjusted upwards to above EUR 6.4 billion
- **Costs remain under control:** New collective labour agreement reached, starting 1 July 2024
- **Solid credit quality:** EUR 4 million in net impairment releases
- **Strong capital position:** Basel III CET1 ratio at 13.8% and Basel IV CET1 ratio around 14%. Interim dividend has been set at EUR 0.60 per share
- **Acquisition of Hauck Aufhäuser Lampe:** Expanding our wealth management and corporate banking activities in Northwest Europe

Message from the CEO

The second quarter marked another strong quarter for ABN AMRO, both with regard to our financial results and also in delivering better services and products, and supporting clients in their sustainability transition.

Our results continue to benefit from the good performance of the Dutch economy. Unemployment is still historically low and the labour market remains tight. Inflation is continuing its downward trend, leading the ECB to lower its deposit rate for the first time in years. Wages are rising and have now largely caught up with inflation. The combination of improved affordability due to higher wages and lower mortgage rates has led to a strong rebound of the Dutch housing market, with prices at new record levels. Transaction volumes have also risen by 8% compared with last year.

In this improving housing market ABN AMRO remained the market leader in new mortgage production this quarter. An increase in new clients and net growth of EUR 1.6 billion in the mortgage book resulted in a 20% market share in new mortgage production. Corporate Banking's focus on the transition themes new energies, digital and mobility in the Netherlands and Northwest Europe is continuing to pay off. The corporate loan book grew by EUR 0.7 billion, predominantly in these sectors.

Our financial results were strong during the second quarter. Net profit was EUR 642 million resulting in a return on equity of almost 11%. Net interest income was strong at EUR 1,608 million and we now expect full-year net interest income above EUR 6.4 billion, reflecting higher-for-longer-interest rates. I am pleased that we have reached a new two-year collective labour agreement, starting 1 July. I believe it is a fair and comprehensive package that focuses on appreciation, prospects for the future and long-term employability. Although this puts some pressure on the cost base, we are keeping our cost guidance for the year at around EUR 5.3 billion.

The combination of a healthy macro environment and solid credit quality led to net impairment releases. Risk-weighted assets rose by EUR 2.2 billion, primarily reflecting business developments. Our capital position is strong, with a Basel III CET1 ratio of 13.8% and a Basel IV CET1 ratio of around 14%. In line with our dividend policy, the interim dividend has been set at EUR 0.60 per share, amounting to EUR 500 million. We are working to reduce uncertainties in our capital outlook as we make progress on our model reviews and continue to work on data remediation. Capital allocation and capital steering will become increasingly important, incorporating the effects of moving portfolios to less sophisticated approaches.

We are continuing our efforts to improve our client services and product offering. For Personal & Business Banking, we have been able to sustain the Net Promoter Score (NPS), following a strong improvement previous quarter. Within Corporate Banking the NPS increased in both Commercial Clients (+12) and Corporate & Institutional Banking (+13) compared with FY2023. In this survey, clients highlighted that they appreciate our expertise, commitment, and the relationship they have with the bank. This quarter, we welcomed the 10 millionth active user of Tikkie, our successful app for payment requests. The recent acquisition of

German private bank Hauck Aufhäuser Lampe will greatly increase our footprint in the German market, while the acquisition of neobroker Bux will broaden our product offering and digital product capabilities.

This quarter we continued to future-proof the bank. ABN AMRO GPT was launched for all our colleagues - a secure, compliant and in-house version of ChatGPT. This technology is being used, for example, to assist our developers in writing and documenting software code, and to help colleagues generate text and retrieve information from large documents. We are actively exploring the further possibilities of Generative AI as we believe these examples are only the beginning.

The asset volume of client loans with a sustainability component (including mortgages and corporate loans) and ESG & impact investments further increased in the last six months from 34% to 35%. This was mainly due to an increase in corporate lending in our transition themes new energies, digital and mobility. In 2022 we set a target to increase our commitment to renewables and other decarbonisation technologies to at least EUR 4 billion by 2025. We had already exceeded this target by the end of last year and have set a new and more ambitious target for this commitment of EUR 10 billion by 2030. In addition, we have added decarbonisation targets for trucks and vans as part of our Net-Zero Banking Alliance ambition.

We look back on a successful quarter with a healthy profit and good progress on executing our strategy. There are also areas that require ongoing attention. We have to keep focus on our efforts in data capabilities, digitalisation and regulation, while at the same time being mindful of the cost base. Last week it was announced that I will not be completing my second term as CEO, in order to allow a timely handover to my successor. I remain fully committed to the bank and all its stakeholders until a suitable candidate has been found. Once again, I would like to thank our staff for their continued dedication to our clients and our bank. I am confident that with their high level of commitment we will continue to be successful.

Robert Swaak
CEO of ABN AMRO Bank N.V.

Update on sustainability

Preserving nature is part of our purpose 'Banking for better, for generations to come'. A stable climate, clean air and water, healthy soil and thriving flora and fauna are essential for human wellbeing and economic stability. Our biodiversity impact is mainly the result of our financing and investment activities and to decrease negative impact we need to support our clients in effectively addressing the main drivers of biodiversity loss. We aim to make a difference by better integrating biodiversity in decision-making and client interactions. We support the Kunming-Montreal Global Biodiversity Framework, expressing our commitment to using and expanding our influence as a bank to reduce negative impacts and play a role in halting and reversing biodiversity loss.

In line with our Net-Zero Banking Alliance commitment, we work closely with our clients in order to achieve our goal bringing our portfolio in line with a 1.5°C maximum global warming scenario and supporting the transition to a net zero economy by 2050. In the past months, we further focused on client engagement and have started to use the transition readiness assessment tool. Meanwhile we remain focused on our net zero target for our own operations. In addition to the targets set for residential mortgages, commercial real estate, oil and gas upstream, power generation, shipping, inland shipping, agriculture and our discretionary portfolio management as part of the client assets portfolio, we have now also set targets for trucks and vans. In total we now cover 67% of our total loans and advances and 21% of our total corporate loans.

With regard to trucks we have set a target for our exposure, which was EUR 353 million at the end of 2023. We are targeting a 25% reduction in emission intensity by 2030, bringing our emission intensity down from 81.5 gCO_2/tkm to 61.1 gCO_2/tkm. For vans we have set a target for our year-end 2023 exposure of EUR 93 million. We are targeting a 37% reduction in emission intensity compared to 2023, thus bringing our current emission intensity of 224.7 gCO_2/vkm down to 141.0 gCO_2/vkm by 2030. To achieve these 2030 targets, we depend on effective implementation of regulations in the Netherlands and in Europe, for example the facilitation of adequate charging infrastructures for battery electric vehicles across Europe. We encourage our clients to invest in carbon reduction solutions by providing funding for zero and low emission vehicles and informing them about subsidy opportunities for zero emission vehicles, as well as present and upcoming regulations impacting their business (e.g. urban zero emission zones).[1]

In 2022 we set the target of reducing our absolute financing to the upstream oil and gas sector by 22% by 2030. We are further refining our client engagement approach to support our clients on their transition pathway towards a more sustainable business model. We aim to incentivise our clients to reduce the emissions associated with their production activities, and we plan to implement robust policies on venting and flaring and reduce methane emissions to zero. In addition to decreasing our exposure to oil and gas production, we aim to set an operational emission intensity target for clients in our upstream and midstream portfolio.

We have updated our coal sustainability standard towards a commitment to phase out thermal coal by 2030. We will finance clients that are over 5% reliant on coal only if these clients have an externally communicated plan to phase-out of thermal coal for all assets by 2030 and a credible growth strategy for their renewable activities.

[1] Please refer to Other information for a detailed methodology description for trucks and vans.

Financial review

This financial review includes a discussion and analysis of the results and sets out the financial condition of ABN AMRO.

Results

Operating results

(in millions)	Q2 2024	Q2 2023	Change	Q1 2024	Change	First half 2024	First half 2023	Change
Net interest income	1,608	1,622	-1%	1,589	1%	3,198	3,242	-1%
Net fee and commission income	462	444	4%	469	-1%	931	889	5%
Other operating income	100	157	-36%	139	-28%	239	235	2%
Operating income	**2,171**	**2,223**	**-2%**	**2,197**	**-1%**	**4,368**	**4,366**	
Personnel expenses	659	612	8%	656		1,315	1,218	8%
Other expenses	604	525	15%	600	1%	1,205	1,325	-9%
Operating expenses	**1,263**	**1,137**	**11%**	**1,257**	**1%**	**2,520**	**2,543**	**-1%**
Operating result	**908**	**1,086**	**-16%**	**940**	**-3%**	**1,848**	**1,823**	**1%**
Impairment charges on financial instruments	-4	-69	94%	3		-1	-55	98%
Profit/(loss) before taxation	**912**	**1,155**	**-21%**	**937**	**-3%**	**1,849**	**1,877**	**-1%**
Income tax expense	271	285	-5%	263	3%	534	485	10%
Profit/(loss) for the period	**642**	**870**	**-26%**	**674**	**-5%**	**1,316**	**1,393**	**-6%**
Attributable to:								
Owners of the parent company	642	870	-26%	674	-5%	1,316	1,393	-6%
Other indicators								
Net interest margin (NIM) (in bps)	162	159		162		162	161	
Cost/income ratio	58.2%	51.1%		57.2%		57.7%	58.2%	
Cost of risk (in bps)[1]	-4	-10		-1		-3	-3	
Return on average equity[2]	10.8%	16.2%		11.6%		11.2%	12.9%	
Dividend per share (in EUR)[3]	0.60	0.62				0.60	0.62	
Earnings per share (in EUR)[4, 5]	0.73	0.98		0.76		1.48	1.54	
Client assets (end of period, in billions)	358.1	312.6		347.1				
Risk-weighted assets (end of period, in billions)	146.3	134.5		144.2				
Number of internal employees (end of period, in FTEs)	21,047	20,153		20,887				
Number of external employees (end of period, in FTEs)	3,945	4,296		3,931				

1 Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding fair value adjustments from hedge accounting.
2 Annualised profit/(loss) for the period, excluding payments attributable to AT1 capital securities and results attributable to non-controlling interests, divided by the average equity attributable to the owners of the company excluding AT1 capital securities.
3 Interim/final dividend per share over the relevant period as declared/proposed by the company, subject to approval at the annual general meeting (AGM).
4 Profit/(loss) for the period, excluding payments attributable to AT1 capital securities and results attributable to non-controlling interests, divided by the average outstanding and paid-up ordinary shares.
5 For Q2 2024, the average number of outstanding shares amounted to 835,811,973 (Q1 2024: 860,275,379; Q2 2023: 866,005,715). For the first half year 2024, the average number of outstanding shares amounted to 848,043,676 (first half year 2023: 877,456,566).

Large incidentals

Q2 2024

Held for sale adjustment

In Q2 2024, the carrying value of assets held for sale was impaired to reflect the fair value less costs to sell. This has resulted in an impairment of EUR 24 million (including disposal cost) recorded in Share of result in equity accounted investments, which is included in Other income within Wealth Management.

Q1 2024

Positive revaluation DSB claim

Q1 2024 included a positive revaluation of EUR 29 million for a DSB claim, recorded in net interest income at Group Functions.

Q2 2023

Provision for revolving consumer credit compensation

In Q2 2023, this provision was updated, resulting in a EUR 18 million release under net interest income and a EUR 20 million addition for handling costs under other expenses within Personal & Business Banking.

Second-quarter 2024 results

Net interest income (NII) amounted to EUR 1,608 million in Q2 2024 (Q2 2023: EUR 1,622 million). Excluding large incidentals, NII showed a slight increase of EUR 4 million. Treasury results improved, but were partly offset by asset margin pressure.

The net interest margin amounted to 162bps in Q2 2024 (Q2 2023: 159bps), increasing by 3bps despite a slight decline in NII as average assets decreased relatively more than NII. In comparison with Q1 2024, NII increased by EUR 19 million, and by EUR 48 million excluding large incidentals. This increase was mainly attributable to improved deposit margins following stable high market rates and also reflected a release of part of the Euribor provision.

Net fee and commission income increased by EUR 18 million to EUR 462 million in Q2 2024 (Q2 2023: EUR 444 million) reflecting increased transaction relating to volumes as well as prices, higher pricing for services and an increase in mortgage advisory fees (at Personal & Business Banking). Also, asset management fee income was higher due to positive market performance.

In comparison with Q1 2024, net fee and commission income showed a small decrease of EUR 7 million, mainly at Personal & Business Banking, which incurred higher fee expenses for ATM services due to seasonally larger transaction volumes, and somewhat lower capital market fee income after strong results in Q1 2024.

Other operating income was EUR 100 million in Q2 2024 (Q2 2023: EUR 157 million). Excluding large incidentals, other operating income was EUR 33 million lower than in Q2 2023. The decline was mainly attributable to lower fair value revaluations on loans, and derecognition losses and lower results from equity participations at Corporate Banking. This was partly offset by higher asset and liability management results at Treasury.

Compared with Q1 2024, other operating income, excluding large incidentals, was EUR 15 million lower. The decline was driven by derecognition losses and lower revaluations on loans, partly offset by higher asset and liability management results at Treasury.

Personnel expenses totalled EUR 659 million in Q2 2024 (Q2 2023: EUR 612 million). The EUR 47 million rise reflects a net increase in internal FTEs and a salary increase as part of the previous collective labour agreement (CLA).

Internal FTEs grew by 894 compared to Q2 2023, totalling 21,047 in Q2 2024. Compared with Q1, the number of FTEs increased by 160, mainly reflecting a rise in internal FTEs working on regulatory and data programmes at Group Functions, resulting in a EUR 3 million increase on personnel expenses.

Other expenses amounted to EUR 604 million in Q2 2024 (Q2 2023: EUR 525 million). Excluding large incidentals, other expenses increased by EUR 101 million compared with the previous year, largely due to higher regulatory levies as Q2 2023 included a partial release of contributions accrued. Excluding regulatory levies and large incidentals, other expenses increased by EUR 44 million, partly due to higher external staffing costs driven by activities related to regulatory and data programmes.

Compared with Q1 2024, the increase in other expenses was EUR 4 million. Higher IT costs and external staffing costs were partly offset by lower regulatory levies. The contribution to the Deposit Guarantee Scheme was lower as the target size of the fund had been reached.

Impairment charges included a release of EUR 4 million (Q2 2023: EUR 69 million release). Releases at Personal & Business Banking driven by a reduction in management overlays were almost fully offset by additions primarily from individually provisioned files.

Income tax expenses came to EUR 271 million in Q2 2024 (Q2 2023: EUR 285 million) while profit before tax amounted to EUR 912 million, resulting in an effective tax rate of 29.7%. This is higher than the Dutch corporate income tax rate of 25.8% and is largely explained by non-deductible interest due to the Dutch "thin capitalisation" rules for banks.

Profit attributable to owners of the parent company amounted to EUR 642 million in Q2 2024 (Q2 2023: EUR 870 million). After deducting EUR 36 million for coupons attributable to AT1 instruments, this amount was EUR 606 million in Q2 2024 (Q2 2023: EUR 847 million).

Risk weighted assets (RWA) increased by EUR 2.2 billion to EUR 146.3 billion at 30 June 2024 (31 March 2024: EUR 144.2 billion, 31 December 2023: EUR 140.2 billion) largely driven by credit risk RWA reflecting business developments.

First half-year 2024 results

ABN AMRO recorded a net profit of EUR 1.316 million in H1 2024 (H1 2023: EUR 1.393 million), reflecting lower loan impairment releases and higher taxes. Operating income and operating expenses were more or less flat.

Return on average equity for H1 2024 was 11.2%, compared with 12.9% in H1 2023.

Net interest income (NII) was EUR 3.198 million (H1 2023: EUR 3.242 million). Excluding large incidentals, NII declined by EUR 55 million, mainly as a result of lower margins on mortgages and consumer loans in combination with lower volumes in corporate loans and consumer loans. Mortgage margins were lower due to competitive market conditions and an increased share of NHG mortgages. Slightly higher deposit margins together with housing market developments and strong execution that resulted in mortgage book growth partly offset the decreasing drivers.

Net fee and commission income amounted to EUR 931 million, an increase of EUR 43 million compared with H1 2023. This increase was attributable to higher transaction volumes and increased payment package pricing (at Personal & Business Banking), as well as higher asset management fee income, which benefitted from market performance.

Other operating income remained more or less stable and sightly increased by EUR 4 million to EUR 239 million (H1 2023: EUR 235 million). Excluding large incidentals, other operating income increased by EUR 28 million, mainly as asset and liability management results at Treasury improved significantly, partly offset by lower equity participations results at Corporate Banking.

Personnel expenses increased by EUR 97 million to EUR 1,315 million (H1 2023: EUR 1,218 million) as the number of internal FTEs grew by 894 (mainly FTEs involved in IT, data and regulatory programmes at Group Functions) and salaries increased as part of the previously agreed collective labour agreement (CLA).

Other expenses decreased by EUR 120 million to EUR 1.205 million (H1 2023: 1.325 million). Excluding large incidentals, other expenses decreased by EUR 100 million, mainly due to lower regulatory levies as both the Single Resolution Fund and the Deposit Guarantee fund reached their targeted levels in 2024 and our contributions were therefore lower. Lower regulatory levies were partly offset by higher IT costs and external staffing costs, primarily for consultancy services.

Impairment releases of EUR 1 million were recorded in the first half of 2024 (H1 2023: EUR 55 million was released). Releases at Personal & Business Banking were almost fully offset by additions at Corporate Banking and Wealth Management. At Personal & Business Banking the releases were mainly driven by a reduction in management overlays followed by higher repayments and further improvements of days past due in home financing. Impairment charges at both Corporate Banking and Wealth Management were primarily driven by increases of individually provisioned files.

Income tax expenses amounted to EUR 534 million in H1 2024 (H1 2023: EUR 485 million), resulting in an effective tax rate of 28.9%. This is higher than the Dutch corporate income tax rate of 25.8% and is largely explained by non-deductible interest due to the Dutch "thin capitalisation" rules for banks.

Profit attributable to owners of the parent company amounted to EUR 1,316 million in H1 2024 (H1 2023: EUR 1,393 million). After deducting EUR 62 million for coupons attributable to AT1 instruments, this amount was EUR 1,253 million in H1 2024 (H1 2023: EUR 1,347 million).

Balance sheet

Condensed consolidated statement of financial position

(in millions)	30 June 2024	31 March 2024	31 December 2023
Cash and balances at central banks	38,085	45,623	53,656
Financial assets held for trading	2,109	2,309	1,371
Derivatives	4,576	4,347	4,403
Financial investments	50,326	47,061	41,501
Securities financing	34,993	32,575	21,503
Loans and advances banks	3,279	3,525	2,324
Loans and advances customers	251,513	252,498	245,935
Other	8,522	9,709	7,218
Total assets	**393,404**	**397,647**	**377,909**
Financial liabilities held for trading	1,410	1,691	917
Derivatives	2,628	2,994	2,856
Securities financing	18,523	17,920	11,710
Due to banks	5,286	8,187	5,352
Due to customers	260,826	261,329	254,466
Issued debt	67,241	65,855	66,227
Subordinated liabilities	5,608	5,556	5,572
Other	6,887	8,915	6,641
Total liabilities	**368,408**	**372,447**	**353,741**
Equity attributable to the owners of the parent company	24,993	25,197	24,165
Equity attributable to non-controlling interests	3	3	3
Total equity	**24,995**	**25,200**	**24,168**
Total liabilities and equity	**393,404**	**397,647**	**377,909**
Committed credit facilities	50,927	53,211	53,968
Guarantees and other commitments	6,801	6,614	6,289

Main developments in total assets compared with 31 March 2024

Total assets came down by EUR 4.2 billion to EUR 393.4 billion as a decrease in cash and balances at central banks and other assets was largely offset by an increase in financial investments and securities financing.

Cash and balances at central banks declined by EUR 7.5 billion to EUR 38.1 billion and included EUR 3.0 billion in TLTRO repayments.

Financial investments increased by EUR 3.3 billion, predominantly due to an increase in corporate debt securities at Treasury.

Securities financing showed an increase of EUR 2.4 billion to EUR 35.0 billion on the back of a rise in reverse repurchase agreements and security borrowing transactions.

Loans and advances customers decreased by EUR 1.0 billion, mainly driven by lower professional lending and fair value adjustments for hedge accounting resulting from the sharp increase in long-term interest rates this quarter, largely offset by higher client loan volumes.

Client loans increased by EUR 2.1 billion to EUR 240.3 billion as at 30 June 2024. The increase was mainly attributable to mortgage portfolio growth of EUR 1.6 billion as new-production volumes went up this quarter, followed by a EUR 0.7 billion rise in corporate loans.

Loans to professional counterparties and other loans came down by EUR 2.5 billion due to lower volumes mainly at Clearing and Treasury after seasonally higher business activity in Q1.

Main developments in total assets compared with 31 December 2023

Total assets increased by EUR 15.5 billion, mainly driven by an increase in securities financing, financial investments, loans and advances to customers which was partially offset by a decrease in cash and balances at central banks.

Cash and balances at central banks declined by EUR 15.6 billion to EUR 38.1 billion, mainly driven by cash positions at Treasury partially related to TLTRO repayments.

Financial investments increased by EUR 8.8 billion, predominantly due to an increase in corporate debt securities and government bonds at Treasury.

Securities financing went up by EUR 13.5 billion to EUR 35.0 billion at 30 June 2024, reflecting a seasonal pattern.

Loans and advances customers increased by EUR 5.6 billion, totalling EUR 251.5 billion. This increase was mainly driven by a rise in client loans and loans to professional counterparties, which was slightly offset by negative fair value adjustments for hedge accounting resulting from interest rate movements.

Client loans increased by EUR 3.0 billion to EUR 240.3 billion at 30 June 2024. The increase was mainly attributable to a EUR 2.4 billion increase in residential mortgages due to favourable market conditions and increased new-production volumes, and a EUR 1.4 billion increase in corporate loans at Corporate Banking reflecting good business momentum in the first half of 2024.

Loans to professional counterparties and other loans went up by EUR 3.3 billion, reflecting a seasonal pattern.

Loans and advances customers

(in millions)	30 June 2024	31 March 2024	31 December 2023
Residential mortgages	153,485	151,874	151,078
Consumer loans	8,564	8,740	9,028
Corporate loans to clients[1]	78,231	77,556	77,211
- of which Personal & Business Banking	*8,154*	*8,258*	*8,369*
- of which Corporate Banking	*64,171*	*63,409*	*62,807*
Total client loans[2]	**240,281**	**238,170**	**237,317**
Loans to professional counterparties and other loans[2, 3]	19,379	21,878	16,129
Total loans and advances customers, gross[2]	**259,660**	**260,048**	**253,446**
Fair value adjustments from hedge accounting	-6,646	-6,005	-5,909
Total loans and advances customers, gross	**253,015**	**254,043**	**247,536**
Less: Loan impairment allowances	1,502	1,545	1,602
Total loans and advances customers	**251,513**	**252,498**	**245,935**

1 Corporate loans excluding loans to professional counterparties.
2 Excluding fair value adjustment from hedge accounting.
3 Loans to professional counterparties and other loans includes loans and advances to governments, official institutions and financial markets parties.

Main developments in total liabilities and equity compared with 31 March 2024

Total liabilities decreased by EUR 4.0 billion, mainly driven by a decline in due to banks and other liabilities, partially offset by higher issued debt securities.

Due to banks came down, mainly representing TLTRO EUR 3.0 billion repayments at Treasury.

Due to customers were broadly stable, totalling EUR 260.8 billion at 30 June 2024. A EUR 2.9 billion decrease in professional deposits, mainly observed in time deposits at Clearing, was almost entirely offset by a EUR 2.4 billion rise in client deposits that was mainly recorded in demand deposits at Personal & Business Banking as a result of clients receiving holiday allowances in Q2.

Issued debt increased by EUR 1.4 billion to EUR 67.2 billion at 30 June 2024, mainly due to a EUR 1.9 billion increase in short-term funding. At 30 June 2024, issued debt included EUR 21.7 billion in covered bonds, EUR 12.2 billion in senior preferred funding, EUR 16.7 billion in senior non-preferred funding and EUR 16.5 billion in commercial paper and certificates of deposit. EUR 7.2 billion in outstanding long-term funding and EUR 16.5 billion in outstanding short-term funding matures within 12 months.

Total equity decreased by EUR 0.2 billion to EUR 25.0 billion at 30 June 2024. This decrease was mainly attributable to the payout in May 2024 of the final dividend for 2023 and the finalisation of the share buyback programme, offset by the inclusion of profit for the period.

Equity attributable to owners of the parent company, excluding AT1 securities of EUR 2.7 billion, decreased by EUR 0.2 billion to EUR 22.3 billion at 30 June 2024, resulting in a book value of EUR 26.72 per share based on 833,048,566 outstanding shares (31 March 2024: EUR 26.52 per share based on 846,975,379 outstanding shares).

Main developments in total liabilities and equity compared with 31 December 2023

Total liabilities went up by EUR 14.7 billion to EUR 368.4 billion as at 30 June 2024, mainly driven by an increase in due to customers and securities financing.

Due to customers rose by EUR 6.4 billion, totalling EUR 260.8 billion as at 30 June 2024. This increase was largely caused by seasonally higher professional deposits as clients brought down their positions before the year-end, partly offset by a decrease in client deposits.

Client deposits came down by EUR 4.8 billion, driven by current accounts. The outflow in current accounts was partly driven by seasonal factors related to tax payments and holiday allowance pay-outs to employees, higher expenses incurred by businesses at year-end and dividend distributions by business owners.

Professional deposits showed an increase of EUR 11.2 billion, mainly in time deposits. The growth reflected a seasonal pattern as clients increased their positions after the seasonally lower year-end.

Securities financing liabilities increased by EUR 6.8 billion to EUR 18.5 billion after a seasonally lower amount at year-end.

Issued debt increased by EUR 1.0 billion to EUR 67.2 billion at 30 June 2024 due to a EUR 2.8 billion increase in short-term wholesale funding that was partly offset by a EUR 1.8 billion decrease in long-term funding.

Total equity increased by EUR 0.8 billion to EUR 25.0 billion as at 30 June 2024. This increase was mainly attributable to the inclusion of the profit for the period and the issuance of EUR 750 million in AT1 securities, which was partly offset by share buybacks and the payment of the final dividend for 2023.

Due to customers

(in millions)	30 June 2024	31 March 2024	31 December 2023
Client deposits			
Current accounts	81,141	82,356	91,612
Demand deposits	103,350	100,321	100,943
Time deposits	39,596	38,985	36,364
Other client deposits	103	96	96
Total Client deposits	**224,190**	**221,758**	**229,016**
Professional deposits			
Current accounts	9,090	9,783	8,336
Time deposits	25,424	27,822	15,364
Other professional deposits	2,122	1,965	1,750
Total Professional deposits	**36,635**	**39,570**	**25,450**
Due to customers	**260,826**	**261,329**	**254,466**

Results by segment

Personal & Business Banking

Highlights

- Net interest income in Q2 2024 was lower than in Q2 2023. Excluding large incidentals, net interest income was EUR 6 million higher due to higher deposit volumes and slightly higher deposit margins.
- Mortgage volumes increased in Q2 2024 despite rising interest rates. Our market share in new residential mortgage production was 20% in Q2 2024 (Q2 2023: 14%, Q1 2024: 19%), reflecting our continued market leadership in a competitive market.
- Net fee and commission income increased to EUR 143 million in Q2 2024 (Q2 2023: EUR 130 million), largely due to increased transaction and payment services pricing and an increase in transaction volumes.
- Other income decreased to EUR 6 million (Q2 2023: EUR 33 million), mainly as fair value revaluations on loans were lower in comparison with Q2 2023, when they had a considerable positive impact.
- Operating expenses excluding large incidentals increased by EUR 22 million in comparison with Q2 2023, mainly as regulatory levies and IT costs were higher.
- The number of 'Help with Banking' advisers assisting mainly elderly people with their daily banking (including home visits) has doubled this year and amounted to 200 by the end of Q2.

Operating results

(in millions)	Q2 2024	Q2 2023	Change	Q1 2024	Change	First half 2024	First half 2023	Change
Net interest income	833	845	-1%	805	3%	1,638	1,654	-1%
Net fee and commission income	143	130	10%	147	-3%	290	262	10%
Other operating income	6	33	-82%	14	-60%	20	28	-28%
Operating income	**981**	**1,008**	**-3%**	**967**	**1%**	**1,948**	**1,944**	
Personnel expenses	117	116	1%	129	-9%	247	231	7%
Other expenses	451	449		467	-3%	918	993	-8%
Operating expenses	**568**	**565**	**0%**	**596**	**-5%**	**1,165**	**1,224**	**-5%**
Operating result	**413**	**442**	**-7%**	**371**	**11%**	**783**	**721**	**9%**
Impairment charges on financial instruments	-36	-56	35%	-3		-39	-55	29%
Profit/(loss) before taxation	**449**	**498**	**-10%**	**373**	**20%**	**822**	**776**	**6%**
Income tax expense	116	127	-8%	97	21%	213	198	8%
Profit/(loss) for the period	**333**	**372**	**-10%**	**277**	**20%**	**609**	**578**	**5%**
Cost/income ratio	57.9%	56.1%		61.7%		59.8%	62.9%	
Cost of risk (in bps)[1]	-9	-14				-5	-6	
Other indicators								
Loans and advances customers (end of period, in billions)	158.9	157.4		157.4				
-of which Client loans (end of period, in billions)[2]	*159.3*	*157.9*		*157.9*				
Due to customers (end of period, in billions)	126.3	123.9		123.8				
Risk-weighted assets (end of period, in billions)	37.9	38.9		38.1				
Number of internal employees (end of period, in FTEs)	4,374	4,400		4,496				
Total client assets (end of period, in billions)	106.0	102.0		103.3				
- of which Cash	*93.9*	*90.8*		*91.4*				
- of which Securities	*12.2*	*11.2*		*11.9*				

[1] Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding fair value adjustments from hedge accounting.
[2] Gross carrying amount excluding fair value adjustment from hedge accounting.

Wealth Management

Highlights

- Net interest income decreased by EUR 10 million in comparison with Q2 2023, mainly reflecting a shift from saving accounts to time deposits, which have lower margins.
- Net fee and commission income grew by EUR 10 million compared with Q2 2023 as asset management fees and related fees rose on the back of positive stock market developments.
- Operating expenses increased by EUR 21 million due to a combination of higher personnel expenses and other expenses. Growth in the number of internal employees and salary increases in accordance with the CLA resulted in higher personnel expenses. Other expenses increased compared with Q2 2023 due to higher charges from Group Functions.
- Client assets increased on Q2 2023, due mainly to a temporarily inflow of short-term custody assets. In comparison with Q1 2024, client assets increased by EUR 8.3 billion as EUR 13.2 billion in net new assets was partly offset by a EUR 4.1 billion decline mainly following the divestment of ABN AMRO Premium Pension Institution.
- Net new assets in Q2 2024 included EUR 12.6 billion in mainly short-term custody assets expected to leave the portfolio in the coming months and, to a lesser extent, securities (EUR 0.6 billion).
- ABN AMRO announced the intended acquisition of Hauck Aufhäuser Lampe, a leading German private bank.

Operating results

(in millions)	Q2 2024	Q2 2023	Change	Q1 2024	Change	First half 2024	First half 2023	Change
Net interest income	244	254	-4%	238	2%	482	513	-6%
Net fee and commission income	156	146	7%	156		312	296	6%
Other operating income	-16	9		7		-9	12	
Operating income	**384**	**409**	**-6%**	**401**	**-4%**	**785**	**821**	**-4%**
Personnel expenses	108	101	6%	104	3%	212	203	5%
Other expenses	156	141	11%	157		313	299	4%
Operating expenses	**264**	**243**	**9%**	**261**	**1%**	**524**	**502**	**4%**
Operating result	**121**	**167**	**-28%**	**140**	**-14%**	**261**	**319**	**-18%**
Impairment charges on financial instruments	5	-12		6	-11%	11	-13	
Profit/(loss) before taxation	**115**	**178**	**-35%**	**135**	**-14%**	**250**	**332**	**-25%**
Income tax expense	38	44	-14%	38		75	86	-13%
Profit/(loss) for the period	**78**	**135**	**-42%**	**97**	**-20%**	**175**	**246**	**-29%**
Cost/income ratio	68.6%	59.3%		65.0%		66.8%	61.1%	
Cost of risk (in bps)[1]	12	-24		15		14	-14	
Other indicators								
Loans and advances customers (end of period, in billions)	16.2	16.9		16.3				
-of which Client loans (end of period, in billions)[2]	*16.4*	*17.0*		*16.4*				
Due to customers (end of period, in billions)	64.4	64.5		64.0				
Risk-weighted assets (end of period, in billions)	12.9	11.3		13.3				
Number of internal employees (end of period, in FTEs)	2,975	2,829		2,953				
Total client assets (end of period, in billions)	252.1	210.6		243.7				
- of which Cash	*64.3*	*64.4*		*63.9*				
- of which Securities	*187.8*	*146.2*		*179.8*				
Net new assets (for the period, in billions)	13.2	-0.8		19.7		32.9	-0.4	

[1] Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding fair value adjustments from hedge accounting.
[2] Gross carrying amount excluding fair value adjustment from hedge accounting.

Corporate Banking

Highlights

- Net interest income was higher than in the previous quarter as volumes and margins on corporate loans grew, slightly offset by lower volumes in deposits.
- Net fee and commission decreased compared to Q2 2023, mainly due to a one-off catch-up fee related to CB non-core in Q2 2023. In comparison with the previous quarter, fees decreased mainly due to capital market fee income declining after strong results in Q1 2024.
- Other income decreased compared to Q1 2024 due to derecognition losses, partly offset by higher equity participation results.
- Other expenses showed a strong increase this quarter compared to Q2 2023, as regulatory levies in Q2 2023 were higher and Q2 2023 included a partial release of contribution accrued.
- Impairment charges were EUR 27 million, mainly reflecting individually based additions partly offset by recoveries for written-off client exposures.
- H1 2024 our NPS results improved significantly in several areas of CB, as clients appreciate our expertise, commitment, and the relationship they have with the bank and its employees.

Operating results

(in millions)	Q2 2024	Q2 2023	Change	Q1 2024	Change	First half 2024	First half 2023	Change
Net interest income	601	559	8%	596	1%	1,198	1,101	9%
Net fee and commission income	167	176	-5%	173	-3%	340	347	-2%
Other operating income	79	124	-36%	108	-27%	187	240	-22%
Operating income	**848**	**859**	**-1%**	**878**	**-3%**	**1,725**	**1,688**	**2%**
Personnel expenses	153	143	7%	146	5%	299	286	5%
Other expenses	260	175	49%	260		520	513	1%
Operating expenses	**413**	**318**	**30%**	**406**	**2%**	**819**	**798**	**3%**
Operating result	**434**	**541**	**-20%**	**472**	**-8%**	**906**	**889**	**2%**
Impairment charges on financial instruments	27	-2				28	13	115%
Profit/(loss) before taxation	**407**	**543**	**-25%**	**471**	**-14%**	**879**	**877**	
Income tax expense	100	116	-14%	121	-18%	221	203	9%
Profit/(loss) for the period	**307**	**427**	**-28%**	**350**	**-12%**	**658**	**673**	**-2%**
Cost/income ratio	48.8%	37.0%		46.3%		47.5%	47.3%	
Cost of risk (in bps)[1]				-5		-3	5	
Other indicators								
Loans and advances customers (end of period, in billions)	82.7	81.8		84.0				
-of which Client loans (end of period, in billions)[2]	*64.6*	*65.2*		*63.9*				
Due to customers (end of period, in billions)	54.1	56.9		56.9				
-of which Client deposits (end of period, in billions)	*33.6*	*39.0*		*34.0*				
-of which Professional deposits (end of period, in billions)	*20.5*	*18.0*		*22.9*				
Risk-weighted assets (end of period, in billions)	91.9	77.1		89.2				
Number of internal employees (end of period, in FTEs)	3,836	3,701		3,794				

1 Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding fair value adjustments from hedge accounting.
2 Gross carrying amount excluding fair value adjustment from hedge accounting.

Group Functions

Highlights

- Net interest income declined compared with Q2 2023, largely due to the introduction of a zero interest rate on the mandatory cash reserve as of Q4 2023, higher funding costs and interest allocations to client units (with nil impact for the group). Compared to Q1 2024, NII decreased due to a large incidental in the previous quarter.
- Other operating income was higher compared to both Q1 2024 and Q2 2023 as asset and liability management results at Treasury improved.
- Personnel expenses were higher compared with Q2 2023, mainly due to a salary increase as part of the CLA and a significant rise in internal FTEs. The additional internal FTEs are primarily working on our IT, data and regulatory programmes.
- Loans and advances to customers amounted to EUR 6.3 billion negative, a decrease compared with Q1 2024, mainly due to higher long-term interest rates which negatively impacted fair value adjustments for hedge accounting.

Operating results

(in millions)	Q2 2024	Q2 2023	Change	Q1 2024	Change	First half 2024	First half 2023	Change
Net interest income	-69	-36	-92%	-50	-38%	-120	-26	
Net fee and commission income	-4	-8	51%	-7	45%	-11	-16	30%
Other operating income	31	-8		9		40	-45	
Operating income	**-42**	**-53**	**20%**	**-48**	**13%**	**-91**	**-88**	**-3%**
Personnel expenses	281	251	12%	277	1%	558	499	12%
Other expenses	-263	-240	-10%	-283	7%	-546	-480	-14%
Operating expenses	**18**	**11**	**61%**	**-6**		**12**	**19**	**-38%**
Operating result	**-60**	**-64**	**6%**	**-42**	**-42%**	**-102**	**-107**	**4%**
Impairment charges on financial instruments		1				-1		
Profit/(loss) before taxation	**-60**	**-65**	**8%**	**-42**	**-41%**	**-102**	**-107**	**5%**
Income tax expense	17	-2		8	114%	24	-3	
Profit/(loss) for the period	**-76**	**-63**	**-21%**	**-50**	**-53%**	**-126**	**-104**	**-21%**
Other indicators								
Securities financing - assets (end of period, in billions)	24.1	24.4		21.4				
Loans and advances customers (end of period, in billions)[1]	-6.3	-7.4		-5.2				
Securities financing - liabilities (end of period, in billions)	18.0	23.1		17.4				
Due to customers (end of period, in billions)	16.2	14.7		16.7				
Risk-weighted assets (end of period, in billions)	3.6	7.2		3.6				
Number of internal employees (end of period, in FTEs)	9,862	9,224		9,644				

[1] Including fair value hedges (30 June 2024: EUR -6,7 billion; 30 June 2023: EUR -8,5 billion; 31 March 2024: EUR -6,1 billion).

Risk, funding & capital

Risk developments

Highlights second quarter

- Credit quality indicators remained solid and stable.
- Cost of risk continued to remain well below the through-the-cycle level of 15-20bps.
- Rising housing prices and lower unemployment rates in the Netherlands resulted in lower expected losses in residential mortgages and consumer loans.

Key figures

(in millions)	30 June 2024	31 March 2024	31 December 2023
Total loans and advances, gross carrying amount[1,2]	**262,302**	**262,880**	**255,066**
- of which Banks	*3,281*	*3,528*	*2,327*
- of which Residential mortgages[1]	*153,485*	*151,874*	*151,078*
- of which Consumer loans[2]	*7,954*	*8,102*	*8,380*
- of which Corporate loans[1,2]	*91,203*	*92,550*	*86,784*
- of which Other loans and advances customers[2]	*6,378*	*6,826*	*6,497*
Total Exposure at Default (EAD)	**390,275**	**393,886**	**386,024**
Credit quality indicators[2]			
Forbearance ratio	2.2%	2.2%	2.2%
Past due ratio	0.7%	0.7%	0.8%
Stage 2 ratio	8.1%	8.1%	8.7%
Stage 2 coverage ratio	1.1%	1.2%	1.3%
Stage 3 ratio[3]	1.9%	1.9%	1.9%
Stage 3 coverage ratio[3]	21.7%	22.3%	22.9%
Regulatory capital			
Total RWA	146,348	144,174	140,187
- of which Credit risk[4]	*127,536*	*125,746*	*122,548*
- of which Operational risk	*15,977*	*15,977*	*15,465*
- of which Market risk	*2,835*	*2,451*	*2,175*
Total RWA/total EAD	37.5%	36.6%	36.3%
Mortgage indicators			
Residential mortgages, gross carrying amount[1]	153,485	151,874	151,078
- of which mortgages with Nationale Hypotheek Garantie (NHG)	*30,707*	*29,953*	*29,542*
Exposure at Default[5]	159,297	158,506	157,486
Risk-weighted assets (Credit risk)[5]	23,855	23,932	23,891
RWA/EAD	15.0%	15.1%	15.2%
Average Loan-to-Market-Value	56%	57%	58%
Average Loan-to-Market-Value - excluding NHG loans	56%	57%	58%

1 Excluding fair value adjustments from hedge accounting.
2 Excluding loans and advances measured at fair value through P&L.
3 Including Purchased or originated credit impaired (POCI).
4 RWA for credit value adjustment (CVA) is included in credit risk. CVA per 30 June 2024: EUR 0.2 billion (31 March 2024: EUR 0.3 billion; 31 December 2023: EUR 0.3 billion).
5 The RWA (Credit risk) and Exposure at Default amounts are based on the exposure class Secured by immovable property. This scope is slightly broader than the residential mortgage portfolio.

Loans and advances

As at 30 June 2024, total loans and advances decreased marginally to EUR 262.3 billion (31 March 2024: EUR 262.9 billion). The largest decrease was in corporate loans and other loans and advances, mainly to professional counterparties, where there was less demand for credit and margin contributions were lower. This decrease was partially offset by an increase in mortgage loans, where we continue to grow our market share.

Exposure at default

The exposure at default decreased by EUR 3.6 billion to EUR 390.3 billion on 30 June 2024. This was mainly due to a decrease in exposure at cash and balances at central banks.

Credit quality indicators

The forbearance ratio remained stable in Q2 2024, at 2.2%. Forborne exposures decreased slightly to EUR 5.7 billion (31 March 2024: EUR 5.8 billion, 31 December 2023: EUR 5.5 billion), mainly in performing corporate loans.

The overall past due ratio stood unchanged at 0.7% (31 March 2024: 0.7%, 31 December 2023: 0.8%). Stage 2 and 3 ratios remained stable at 8.1% and 1.9% respectively. Coverage ratio for stage 3 declined to 21.7% (31 March 2024: 22.3%, 31 December 2023: 22.9%) mainly as a result of the continued rise in Dutch housing prices and lower unemployment rates.

Risk-weighted assets

Total risk-weighted assets (RWA) increased by EUR 2.2 billion to EUR 146.3 billion as at 30 June 2024 (31 March 2024: EUR 144.2 billion, 31 December 2023: EUR 140.2 billion). Credit risk RWA increased by EUR 1.8 billion, mainly due to business developments at Corporate Banking. Asset quality improved at Personal & Business Banking and Wealth Management. We are continuing the review of our credit risk RWA model and data landscape, which may lead to further model updates and RWA add-ons under both Basel III and Basel IV.

Market risk RWA increased by EUR 0.4 billion to EUR 2.8 billion (31 March 2024: 2.5 billion, 31 December 2023: EUR 2.2 billion), mainly driven by position changes and a new regulatory add-on, partially offset by a decrease in the capital multipliers for value-at-risk (VaR) and stressed VaR.

Impairments and cost of risk

	Q2 2024	Q2 2023	Q1 2024	First half 2024	First half 2023
Impairment charges on loans and other advances (in EUR million)[1]	-4	-69	3	-1	-55
- of which Residential mortgages	*- 5*		*- 14*	*- 19*	*3*
- of which Consumer loans	*- 1*	*- 8*	*1*		*- 16*
- of which Corporate loans	*- 22*	*- 56*	*7*	*- 14*	*- 24*
- of which Off-balance sheet items	*25*	*- 4*	*10*	*35*	*- 13*
Cost of risk (in bps)[2,3]	-4	-10	-1	-3	-3
- of which Residential mortgages	*- 1*		*- 4*	*- 2*	
- of which Consumer loans	*- 3*	*- 34*	*4*	*1*	*- 33*
- of which Corporate loans	*- 9*	*- 25*	*3*	*- 3*	*- 5*

1 Including other loans and impairments charges on off-balance sheet exposures.
2 Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers on the basis of gross carrying amount and excluding fair value adjustment from hedge accounting.
3 Calculation of CoR excludes (impairment charges on) off-balance exposures.

In Q2 2024, a net impairment release of EUR 4 million was recorded (Q2 2023: a EUR 69 million release), resulting in a cost of risk of -4bps (Q2 2023: -10bps). Impairment releases were recorded mainly in corporate loans and were largely attributable to a recovery from a previously written off loan and a further decrease of management overlays related to corporate loan portfolios in rundown in Personal & Business Banking. On the other hand the charges in corporate loans were primarily caused by an increase in individual files, which is also reflected in the off-balance items. The impairments in residential mortgages accounted for a release of EUR 5 million as the decrease in the management overlays exceeded the adjustments taken to dampen the effect of the increasing House Price Index (HPI) in the modelled provisions.

In the first half of 2024, net impairment releases amounted to EUR 1 million (H1 2023: EUR 55 million release). During the first quarter, a net impairment charge of EUR 3 million was recorded, primarily due to new and existing individually provisioned files in corporate loans. They were partly offset by releases in stages 1 and 2, as macroeconomic scenarios improved and management overlays for wind-down portfolios decreased.

Macroeconomic scenarios Reviewed

After the moderate macroeconomic figures in the first quarter, GDP growth in the Netherlands is expected to stay below the trend growth rate in 2024, increasing by 0.5% in 2024 and 1.3% in 2025. The key driver of Dutch growth will be domestic demand by households and the government. Inflation is continuing its downward trend. ABN AMRO economists expect inflation (CPI) to average 2.7% in 2024, and 2.2% in 2025, down from 3.8% in 2023. The labour market remains tight, and unemployment will remain low from a historical perspective. As the ECB is expecting to follow through with more interest rate cuts and wages are increasing sharply, housing market affordability is improving. As a result, ABN AMRO economists raised their forecast for Dutch housing prices for the coming years.

The expected credit losses (ECL) scenarios in the table below reflect the expectations of our economists as at the end of June 2024. Economic developments that took place after that date will be reflected in our ECL calculation for the third quarter of 2024. The scenario weights indicated in the tables below are in place for ECL calculation purposes only and are designed to capture prevailing uncertainties in the macroeconomic outlook in our ECL estimate.

ECL scenarios and sensitivity on 30 June 2024 Reviewed

(in millions)	Weight	Macroeconomic variable	2024	2025	2026	2027	Unweighted ECL[4]	Weighted ECL[4]
		Real GDP Netherlands[1]	1.8%	2.7%	2.1%	1.9%		
Positive	15%	Unemployment[2]	3.5%	3.5%	3.4%	3.4%	685	
		House price index[3]	8.0%	6.5%	3.5%	3.0%		
		Real GDP Netherlands[1]	0.5%	1.3%	1.4%	1.4%		
Baseline	60%	Unemployment[2]	3.8%	4.0%	4.2%	4.2%	729	772
		House price index[3]	6.0%	5.0%	3.0%	2.5%		
		Real GDP Netherlands[1]	-0.4%	0.0%	1.1%	0.9%		
Negative	25%	Unemployment[2]	4.8%	6.1%	5.9%	5.7%	929	
		House price index[3]	1.5%	-8.0%	-1.0%	2.0%		

1 Real GDP Netherlands, % change year-on-year.
2 Unemployment Netherlands, % of labour force.
3 House price index Netherlands - average % change year-on-year.
4 Excluding ECL for stage 3 and POCI for exposures not affected by macroeconomic scenarios.

ECL scenarios and sensitivity on 31 December 2023 Reviewed

(in millions)	Weight	Macroeconomic variable	2024	2025	2026	2027	Unweighted ECL[4]	Weighted ECL[4]
		Real GDP Netherlands[1]	2.0%	2.0%	1.4%	1.2%		
Positive	15%	Unemployment[2]	3.7%	3.6%	3.5%	3.6%	763	
		House price index[3]	4.5%	2.0%	1.5%	2.5%		
		Real GDP Netherlands[1]	0.6%	1.1%	1.3%	1.2%		
Baseline	60%	Unemployment[2]	4.1%	4.0%	4.0%	4.1%	822	855
		House price index[3]	2.5%	0.5%	1.5%	2.0%		
		Real GDP Netherlands[1]	-1.0%	1.0%	1.6%	1.4%		
Negative	25%	Unemployment[2]	6.1%	5.6%	5.3%	5.1%	990	
		House price index[3]	-7.5%	-5.0%	1.3%	2.1%		

1 Real GDP Netherlands, % change year-on-year.
2 Unemployment Netherlands, % of labour force.
3 House price index Netherlands - average % change year-on-year.
4 Excluding ECL for stage 3 and POCI.

Residential mortgages

Housing market developments

Dutch residential property prices continued to increase in the second quarter of 2024. The average house price, as published by the Dutch Land Registry (Kadaster), was 2.9% higher than in Q1 2024 and 8.6% higher than in Q2 2023, although price movements differ per region. The limited supply of homes for sale, currently stable mortgage rates, recent wage increases, equity released by moving homeowners and rising consumer confidence in the housing market are the main factors driving current house price increases.

The number of houses sold in Q2 2024 increased by 7.7% compared to Q2 2023, according to Kadaster. However, the number of transactions remains low and the number of houses for sale remains tight.

Residential mortgage insights

New mortgage production amounted to EUR 4.8 billion, an increase of 20.4% compared to Q1 2024 (EUR 3.9 billion) and 70.5% more than in Q2 2023 (EUR 2.8 billion). ABN AMRO's market share in new mortgage production came to 19.8%[1] in Q2 2024 (Q1 2024: 19.0%, Q2 2023: 14.3%). In Q2 2024, redemptions totalled EUR 3.3 billion, a 0.5% decrease compared to Q1 2024 but 3.1% more than in Q2 2023. Redemptions are relatively low, as refinancing incentive decreased due to the rise in interest rates.

The average Loan to indexed Market Value (LtMV) decreased to 56% (Q1 2024: 57%, Q2 2023: 57%). The gross carrying amount of mortgages with an LtMV in excess of 100% decreased to EUR 3.9 billion, or 2.5% of the outstanding portfolio (Q1 2024: EUR 5.0 billion, Q2 2023: EUR 6.5 billion) mainly due to house price developments. The total exposure of mortgages originated in the second quarter of 2024 with an LtMV in excess of 100% was approximately EUR 1.1 billion and mainly concerned sustainable home improvements within the scope of a temporary Dutch scheme for mortgage loans (Tijdelijke Regeling Hypothecair Krediet). The LtMV on those loans is capped at 106%.

The proportion of amortising mortgages further increased to 48.1% (Q1 2024: 47.2%, Q2 2023: 45.1%), while the proportion of interest-only mortgages continued to decline to 40.8% (Q1 2024: 41.5%, Q2 2023: 42.6%). The amount (in euros) of fully interest-only mortgages with an LtMV in excess of 100% is limited at 0.04% of the portfolio (Q1 2024: 0.04%, Q2 2023: 0.06%).

The percentage of residential mortgage loans in arrears increased from 0.6% in Q1 2024 to 0.7% in Q2 2024.

Past due but not classified as stage 3 Reviewed

At 30 June 2024, past due performing loans rose EUR 0.2 billion to EUR 1.9 billion (Q1 2024: EUR 1.7 billion; Q4 2023: EUR 2.0 billion). The increase was attributable to residential mortgages and corporate loans in the short term bucket and was not perceived as a risk signal. Due to growth in the residential mortgages portfolio, past due ratio stood unchanged at 0.7% (Q1 2024: 0.7%, Q4 2023: 0.8%).

						30 June 2024	31 March 2024[4]	31 December 2023
		Days past due						
(in millions)	Gross carrying amount[2]	≤ 30 days	> 30 days & ≤ 90 days	> 90 days[3]	Total past due, but not stage 3 or POCI	Past due ratio	Past due ratio[4]	Past due ratio
Loans and advances banks	**3,281**					**0.0%**	**0.0%**	**0.0%**
Residential mortgages	153,485	1,054	5	1	1,059	0.7%	0.6%	0.8%
Consumer loans[1]	7,954	67	14	14	95	1.2%	1.5%	1.7%
Corporate loans[1]	91,203	591	173	17	782	0.9%	0.7%	0.7%
Other loans and advances customers[1]	6,378					0.0%	0.0%	0.1%
Total loans and advances customers[1]	**259,021**	**1,712**	**192**	**32**	**1,937**	**0.7%**	**0.7%**	**0.8%**
Total loans and advances[1]	**262,302**	**1,712**	**192**	**32**	**1,937**	**0.7%**	**0.6%**	**0.8%**

1 Excluding loans at fair value through P&L.
2 Gross carrying amount excludes fair value adjustments from hedge accounting.
3 Materiality thresholds are applied for counterparties transferring to stage 3. Below these thresholds, amounts are reported on > 90 days past due.
4 The figures in this column are not reviewed. This column is for comparison purposes only.

1 Note that our data source for new mortgage production and market share changed from Land Registry (Kadaster) to Hypotheken Data Netwerk (HDN) from Q1 2024. Comparative figures have been adjusted accordingly.

Coverage and stage ratios Reviewed

(in millions)	Gross carrying amount[3]	Allowances for credit losses[4]	30 June 2024 Coverage ratio	30 June 2024 Stage ratio	31 March 2024 Coverage ratio	31 March 2024 Stage ratio	31 December 2023 Coverage ratio	31 December 2023 Stage ratio
Stage 1								
Loans and advances banks	**3,245**	**3**	**0.1%**	**98.9%**	**0.1%**	**99.0%**	**0.1%**	**98.4%**
Residential mortgages	141,800	22	0.0%	92.4%	0.0%	92.2%	0.0%	91.8%
Consumer loans[1]	7,178	15	0.2%	90.2%	0.2%	92.1%	0.2%	91.4%
Corporate loans[1]	77,950	183	0.2%	85.5%	0.2%	85.7%	0.3%	84.5%
Other loans and advances customers[1]	6,370		0.0%	99.9%	0.0%	99.6%	0.0%	99.7%
Total loans and advances customers[1]	**233,298**	**220**	**0.1%**	**90.1%**	**0.1%**	**90.1%**	**0.1%**	**89.5%**
Stage 2								
Loans and advances banks					**0.0%**	**1.0%**	**0.0%**	**1.6%**
Residential mortgages	10,325	41	0.4%	6.7%	0.4%	7.0%	0.4%	7.4%
Consumer loans[1]	528	12	2.2%	6.6%	2.6%	4.9%	2.4%	5.6%
Corporate loans[1]	10,003	175	1.7%	11.0%	2.0%	10.8%	2.2%	11.9%
Other loans and advances customers[1]	1		0.8%	0.0%	6.3%	0.2%	7.9%	0.2%
Total loans and advances customers[1]	**20,856**	**227**	**1.1%**	**8.1%**	**1.2%**	**8.1%**	**1.3%**	**8.7%**
Stage 3 and POCI[2]								
Loans and advances banks	**37**		**0.0%**	**1.1%**				
Residential mortgages	1,360	122	8.9%	0.9%	9.4%	0.9%	9.7%	0.9%
Consumer loans[1]	249	115	46.0%	3.1%	47.1%	3.0%	46.3%	3.0%
Corporate loans[1]	3,251	816	25.1%	3.6%	25.6%	3.5%	26.4%	3.6%
Other loans and advances customers[1]	7	2	23.4%	0.1%	21.1%	0.1%	27.1%	0.1%
Total loans and advances customers[1]	**4,867**	**1,054**	**21.7%**	**1.9%**	**22.3%**	**1.9%**	**22.9%**	**1.9%**
Total of stages 1, 2, 3 and POCI[2]								
Total loans and advances banks	**3,281**	**3**	**0.1%**		**0.1%**		**0.1%**	
Residential mortgages	153,485	184	0.1%		0.1%		0.1%	
Consumer loans[1]	7,954	141	1.8%		1.7%		1.8%	
Corporate loans[1]	91,203	1,174	1.3%		1.3%		1.4%	
Other loans and advances customers[1]	6,378	2	0.0%		0.0%		0.1%	
Total loans and advances customers[1]	**259,021**	**1,502**	**0.6%**		**0.6%**		**0.6%**	
Total loans and advances[1]	**262,302**	**1,504**	**0.6%**		**0.6%**		**0.6%**	

[1] Excluding loans at fair value through P&L.
[2] On 30 June 2024 loans classified as POCI amounted to EUR 3 million (31 March 2024: EUR 5 million; 31 December 2023: EUR 5 million). Due to the immateriality it has been included in the amount shown for stage 3.
[3] Gross carrying amount excludes fair value adjustments from hedge accounting.
[4] The allowances for credit losses excludes allowances for financial investments held at FVOCI (30 June 2024: EUR 1 million; 31 March 2024: EUR 1 million; 31 December 2023: EUR 1 million).

Compared to Q1 2024, the stage 2 ratio remained unchanged at 8.1% (Q1 2024: 8.1%, Q4 2023: 8.7%). The overall decline compared to Q4 2023 was supported by portfolio growth and stage shifts resulting from improved macroeconomic scenarios.

For three quarterly periods in a row, stage 3 ratio stood unchanged at 1.9%, reflecting a solid credit portfolio. Coverage ratios for stage 3 residential mortgages declined for two consecutive periods, as a result of rising Dutch housing prices and lower unemployment levels. The declining unemployment rates also drove stage 2 and 3 consumer loan coverage ratios downwards in Q2 2024. Decline in corporate loan coverage ratios was caused by changes in the portfolio credit quality in Q1 2024 and the recovery of a previously written off loan in Q2 2024.

Loan impairment charges and allowances in the first six months Reviewed

(in millions)	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	30 June 2024 Off-balance
Balance at 31 December 2023	**3**	**198**	**147**	**1,254**	**3**	**1,605**	**109**
Transfer to stage 1		-3	-3	-6		-12	
Transfer to stage 2				11		10	1
Transfer to stage 3		13	18	61		92	
Remeasurements[1]		-17		-10	-2	-30	-7
Changes in risk parameters		1	2	-7		-3	
Originated or purchased		2	2	16	1	21	3
Matured or repaid		-9	-4	-35		-48	-8
Impairment charges (releases) on loans and advances	**-1**	**-13**	**15**	**30**	**-2**	**29**	**-11**
Write-offs		-2	-42	-104		-148	
Unwind discount / unearned interest accrued		1	1	11		14	
Foreign exchange and other movements			21	-17		4	-15
Balance at 30 June 2024	**3**	**184**	**141**	**1,174**	**2**	**1,504**	**83**
							First half 2024
Impairment charges (releases) on loans and advances	-1	-13	15	30	-2	29	-11
Recoveries and other charges (releases)		-6	-15	-44		-65	46
Total impairment charges for the period[2]	**-1**	**-19**		**-14**	**-2**	**-36**	**35**

[1] Remeasurements represents the current year change of expected credit loss allowances mainly attributable to changes in volumes such as partial repayments and changes in the credit quality of existing loans remaining in their stage.
[2] The impairment charges for the period excludes charges (releases) for financial investments held at FVOCI 30 June 2024: EUR 0 million

(in millions)	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	30 June 2023 Off-balance
Balance at 31 December 2022	**8**	**153**	**277**	**1,590**	**5**	**2,034**	**51**
Impact adopting IFRS 17			-100			-100	
Balance at 1 January 2023	**8**	**153**	**177**	**1,590**	**5**	**1,934**	**51**
Transfer to stage 1		-3	-11	-11		-25	-1
Transfer to stage 2		6	-2	-1		3	3
Transfer to stage 3		13	22	65	2	101	
Remeasurements[1]	-1	-11	-16	-22	-4	-55	53
Changes in risk parameters		13	8	-8		12	-1
Originated or purchased		2	2	19		23	6
Matured or repaid		-9	-5	-25		-39	-6
Impairment charges (releases) on loans and advances	**-2**	**11**	**-2**	**15**	**-2**	**20**	**55**
Write-offs			-32	-156		-189	
Unwind discount / unearned interest accrued		1	1	16		18	
Foreign exchange and other movements		-6	13	-16		-9	
Balance at 30 June 2023	**6**	**158**	**157**	**1,450**	**3**	**1,775**	**106**
							First half 2023
Impairment charges (releases) on loans and advances	-2	11	-2	15	-2	20	55
Recoveries and other charges (releases)		-8	-14	-39		-62	-68
Total impairment charges for the period[2]	**-2**	**3**	**-16**	**-24**	**-2**	**-41**	**-13**

[1] Remeasurements represents the current year change of expected credit loss allowances mainly attributable to changes in volumes such as partial repayments and changes in the credit quality of existing loans remaining in their stage.
[2] The impairment charges for the period excludes charges (releases) for financial investments held at FVOCI 30 June 2023: EUR 1 million

Loan impairment charges and allowances per stage in the first six months Reviewed

				30 June 2024				30 June 2023
(in millions)	Stage 1	Stage 2	Stage 3[2]	Total	Stage 1	Stage 2	Stage 3[2]	Total
Closing balance of the previous year	**237**	**289**	**1,079**	**1,605**	**316**	**396**	**1,322**	**2,034**
Impact adopting IFRS 17					-6	-19	-75	-100
Balance at 1 January	**237**	**289**	**1,079**	**1,605**	**310**	**376**	**1,247**	**1,934**
Transfer to stage 1	44	-50	-6	-12	71	-80	-15	-25
Transfer to stage 2	-31	72	-30	10	-24	57	-30	3
Transfer to stage 3	-2	-29	123	92	-4	-23	129	101
Remeasurements[1]	-30	-39	39	-30	-79	2	23	-55
Changes in risk parameters	-4		1	-3	1	4	7	12
Originated or purchased	21			21	23			23
Matured or repaid	-10	-22	-16	-48	-7	-8	-24	-39
Impairment charges (releases) on loans and advances	**-13**	**-67**	**110**	**29**	**-21**	**-48**	**90**	**20**
Write-offs			-147	-148			-189	-189
Unwind discount / unearned interest accrued			14	14			18	18
Foreign exchange and other movements	-1	5	-1	4	3	-7	-5	-9
Balance at 30 June	**223**	**227**	**1,054**	**1,504**	**293**	**321**	**1,162**	**1,775**
				First half 2024				First half 2023
Impairment charges (releases) on loans and advances	-13	-67	110	29	-21	-48	90	20
Recoveries and other charges (releases)			-65	-65			-62	-62
Total impairment charges for the period	**-13**	**-67**	**45**	**-36**	**-21**	**-48**	**28**	**-41**

1 Remeasurements represents the current year change of expected credit loss allowances mainly attributable to changes in volumes such as partial repayments and changes in the credit quality of existing loans remaining in their stage.
2 Including POCI.

Individual and collective loan impairment allowances and management overlays Reviewed

							30 June 2024
(in millions)	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	Off-balance
Individual impairments							
Stage 3[1]			51	680	2	732	56
Total individual impairments			**51**	**680**	**2**	**732**	**56**
Collective impairments							
Stage 1	3	22	15	183		223	15
Stage 2		41	12	175		227	13
Stage 3[1]		122	64	137		322	
Total collective impairments	**3**	**184**	**91**	**494**		**772**	**27**
- of which management overlay		*74*		*154*		*228*	
Total impairments	**3**	**184**	**141**	**1,174**	**2**	**1,504**	**83**
Carrying amount of loans, determined to be impaired, before deducting any assessed impairment allowance	37	1,360	249	3,251	7	4,904	

1 Including POCI.

(in millions)	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	31 December 2023 Off-balance
Individual impairments							
Stage 3[1]			52	695	2	750	78
Total individual impairments			**52**	**695**	**2**	**750**	**78**
Collective impairments							
Stage 1	3	24	18	192		237	16
Stage 2		49	11	228	1	289	12
Stage 3[1]		125	66	138		329	3
Total collective impairments	**3**	**198**	**95**	**558**	**1**	**855**	**31**
- of which management overlay		*83*		*177*		*260*	
Total impairments	**3**	**198**	**147**	**1,254**	**3**	**1,605**	**109**
Carrying amount of loans, determined to be impaired, before deducting any assessed impairment allowance		1,292	255	3,152	8	4,707	

[1] Including POCI.

Total collective impairments amounted to EUR 772 million at 30 June 2024 (EUR 855 million at 31 December 2023). These impairments included ECL as calculated by our IFRS 9 models and management overlays. The ECL calculations take into account a probability weighted average of three economic scenarios (see table ECL scenarios and sensitivity on 30 June 2024). As the ECL model outcomes do not always reflect the current economic environment and circumstances, additional management overlays are applied to incorporate potential risks not fully captured by the model outcomes. We are continuing the review of our credit risk model and data landscape, which may lead to changes to impairments and overlays.

During the first half of 2024, management overlays decreased to a total of EUR 228 million (31 December 2023: EUR 260 million). The largest part of this release concerned corporate loan portfolios in rundown. Also, management overlays for residential mortgages decreased in line with lower outstandings and coverage ratios.

All management overlays represent best estimates of the risks involved. The underlying reasoning and calculations are documented, discussed and approved by the Impairments and Provisioning Committee (IPC).

Other risk developments

AML remediation programme

ABN AMRO is progressing with the enhancement to its internal processes and systems to effectively contribute to the prevention of financial economic crime. We have internally addressed the AML client file remediations and are awaiting the observations from the supervisor, while additional work continues to increase the effectiveness and sustainability of our measures to meet regulatory requirements. We are in regular dialogue with the Dutch central bank, who is kept informed and continues to monitor progress. As a result of insights from the enhancements of our processes or from observations from the supervisor additional remedial actions by ABN AMRO may occasionally be required in the future.

Cyber security

In May 2024 one of our suppliers was victim of a ransomware attack. As a result, unauthorised parties obtained access to data of a limited number of our clients. There are no indications that unauthorised parties have in fact used the data of our clients. Our systems were not affected. As ransomware attacks occur more and more through third-parties, supply chain risk is also rising. We are continuously investing in our security capabilities and adapting to the threats that we are facing. The upcoming Digital Operational Resilience Act (DORA), which sets out requirements for cyber/ICT risk management, incident reporting, resilience testing, and third-party outsourcing is a strategic topic within the Bank. The implementation of DORA aims to further strengthen our cyber resilience.

Market risk

Market risk in the banking book

Market risk in the banking book is the risk that the economic value of the bank's equity or income declines due to unfavourable market movements. This risk consists predominantly of credit spread risk in the bank's liquidity portfolio and interest rate risk. Interest rate risk arises from holding assets such as loans with interest rate maturities that are different from the interest rate maturities of liabilities such as deposits. Assets have a longer average maturity than liabilities. This applies to contractual as well as behavioural maturities.

ABN AMRO uses a combination of portfolio (macro) hedges and specific asset or liability (micro) hedges to swap fixed interest rates for floating interest rate positions. ABN AMRO actively manages the resulting interest rate position to stay within its risk appetite.

Interest rate risk metrics

(in millions)	30 June 2024	31 December 2023[1]
NII impact from an instantaneous increase in interest rates of 200bps	147	216
NII impact from an instantaneous decrease in interest rates of 200bps	-46	-139
EVE impact from an instantaneous increase in interest rates of 200bps	-1,970	-1,126
EVE impact from an instantaneous decrease in interest rates of 200bps	535	-679

1 As from 2024, the numbers reflect a constant balance sheet assumption and are based on material currencies (EUR and USD). For comparison reasons, the numbers for 2023 have been adjusted.

NII-at-Risk is the difference in NII between a base scenario and an alternative scenario observed over a 1-year horizon. This is calculated for a 200bps instantaneous increase in interest rates and for a 200bps instantaneous decrease in interest rates. NII-at-Risk includes all expected cash flows, including commercial margins and other spread components, from all interest-rate-sensitive assets, liabilities and off-balance sheet items in the banking book. It reflects a constant/static balance sheet assumption and material currencies (EUR and USD).

On 30 June 2024, the NII-at-Risk was EUR 147 million for the scenario where there is an instantaneous increase in interest rates of 200bps and EUR -46 million for the scenario where there is an instantaneous decrease in interest rates of 200bps. The change in NII-at-Risk is mainly due to a savings model update and a decrease in the net cash position, partially offset by swap resets and outflows of volume from current accounts to time deposits in savings.

EVE-at-Risk is the loss in economic value of equity as a result of various yield curve shocks. This is also calculated for a 200bps instantaneous increase in interest rates and for a 200bps instantaneous decrease in interest rates. The impact is calculated for cash flows from all interest-bearing assets, liabilities and off-balance sheet items in the banking book. A balance sheet run-off is assumed where banking book positions amortise and are not replaced by new business.
The projected cash flows include commercial margins and other spread components and are discounted at the risk-free rate. The scope is limited to material currencies.

The impacts on the scenario increase and decrease of 200bps on EVE-at-Risk was driven by an increased net portfolio long position caused mainly by lower deposit volumes, and fewer payer swaps which were partially offset by lower mortgage positions. This longer position increased the loss in the upward scenario and moved the loss to a gain in the downward scenario.

Foreign exchange risk

	30 June 2024	31 December 2023
Total OCP (long, in EUR million)	170	181
OCP as % total capital	0.6%	0.7%
Sensitivity to 100bps increase in largest non-EUR exposure (USD, in EUR million)	0.7	1.0

ABN AMRO monitors its foreign exchange risk regularly through the banks' aggregated open currency position (OCP), and limits apply at a local as well as aggregate level. USD is the largest non-EUR exposure for assets as well as liabilities. The total OCP decreased mainly due to the lower exposure in USD.

Market risk in the trading book

Market risk in the trading book is the risk of losses in market value due to adverse market movements. The following market risks are inherent in the trading book:

- Interest rate risk arising from adverse changes in interest rate risk curves and/or interest rate volatilities;
- Credit spread risk arising from adverse changes in the term structure of credit spreads and/or from changes in the credit quality of debt securities or CDS reference entities, with an impact on default probabilities;
- Foreign exchange risk arising from adverse changes in FX spot and forward rates and/or FX volatility.

Internal aggregated diversified and undiversified VaR for all trading positions Reviewed

				30 June 2024
(in millions)	Foreign exchange	Interest rate	Total undiversified VaR	Diversified VaR
VaR at last trading day of the period	0.1	5.2	5.3	5.2
Highest VaR	0.4	7.3	7.5	7.3
Lowest VaR		1.3	1.4	1.3
Average VaR	0.1	3.9	4.0	3.9

				31 December 2023
	Foreign exchange	Interest rate	Total undiversified VaR	Diversified VaR
VaR at last trading day of the period	0.1	3.0	3.1	3.1
Highest VaR	0.4	8.2	8.3	8.3
Lowest VaR		1.7	1.8	1.7
Average VaR	0.1	3.9	4.0	3.9

The average 1-day Value at Risk (VaR) was EUR 3.9 million during the first half of 2024, unchanged from the full year ending on 31 December 2023. The market risk of the portfolio was relatively constant, as the highest 1-day VaR in this period was EUR 7.3 million, compared to EUR 8.3 million in 2023.

Market risk RWA

Market risk RWA increased to EUR 2.8 billion (31 December 2023: EUR 2.2 billion), mainly driven by position changes and a new regulatory add-on, partially offset by a decrease in the capital multipliers for VaR and stressed-VaR.

Liquidity risk

Liquidity indicators

Our liquidity risk management framework enables us to manage and measure liquidity risks. A set of liquidity risk indicators and limits help manage the liquidity position within the moderate risk profile. The consolidated 12-month rolling average liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) both remained well above 100% throughout the first half of 2024. The survival period reflects the period that the liquidity position is expected to remain positive in an internally developed (moderate) stress scenario. The scenario has been redeveloped assuming an increased amount of stress in a shorter amount of time. Updated insights and lessons learned from the financial market turmoil in the first half of year of 2023 have been incorporated. This scenario assumes access to wholesale funding markets deteriorates and assumes clients withdraw part of their deposits over a 6-month period. Compared to year-end 2023 the loan-to-deposit ratio decreased to 96% at the end of June 2024 (31 December 2023: 97%). Loans and advances customers increased to EUR 251.5 billion (31 December 2023: EUR 245.9 billion). Loans to professional counterparties and other loans increased, reflecting a reversal of the year-end seasonal effects. Client loans increased mainly due to residential mortgages. Due to customers increased to EUR 260.8 billion (31 December 2023: EUR 254.5 billion). This includes a reversal of year-end developments in professional deposits. Client deposits decreased by EUR 4.8 billion, primarily in current accounts, partially offset by holiday allowances received in Q2 2024.

	30 June 2024	31 December 2023
Available liquidity buffer (in billions)[1]	104.3	109.7
Survival period (moderate stress)[2]	> 6 months	> 6 months
LCR[3]	140%	144%
NSFR[4]	137%	140%
Loan-to-Deposit ratio	96%	97%

[1] The mandatory cash reserve with the central bank has been deducted from the cash and central bank deposits in the liquidity buffer.
[2] The scenario of the survival period has been redeveloped and retrospectively applied as of year-end 2023. Comparative figures have been adjusted accordingly.
[3] Consolidated LCR based on a 12-month rolling average.
[4] Consolidated NSFR reflects a fixed point in time.

Liquidity buffer composition

- The liquidity buffer decreased to EUR 104.3 billion at the end of June 2024 (31 December 2023: EUR 109.7 billion), and consisted mainly of cash at central banks, government bonds and retained notes. This includes the last EUR 3.0 billion repayment of TLTRO borrowings, thereby freeing up retained covered bonds which were used as collateral, and a shift from cash at central banks to bonds.
- ABN AMRO's current green, social and sustainable (ESG) bond holdings amounted to EUR 4.4 billion (31 December 2023: EUR 4.4 billion), reflecting 6% of total bonds in the liquidity buffer. By actively investing in the euro-denominated ESG bond market, ABN AMRO aims to support the growth of this market.

	30 June 2024		31 December 2023	
(in billions, liquidity value)	Liquidity buffer	LCR eligible	Liquidity buffer	LCR eligible
Cash & central bank deposits[1]	35.8	35.8	51.4	51.4
Government bonds	32.2	32.7	26.9	27.5
Supra national & Agency bonds	9.4	9.7	10.1	10.5
Covered bonds	5.5	5.3	5.0	4.7
Retained covered bonds	18.9		16.1	
Other	2.5	2.4	0.2	0.2
Total liquidity buffer	**104.3**	**85.9**	**109.7**	**94.3**
- of which ESG bonds[2]	*4.4*	*4.6*	*4.4*	*4.5*

[1] The mandatory cash reserve with the central bank has been deducted from the cash and central bank deposits in the liquidity buffer.
[2] ESG bonds are bonds whose proceeds are invested in line with the International Capital Market Association Green Bond Principles, the Social Bond Principles or a combination of the two. Inclusion of such bonds in our ESG portfolio is subject to the availability of ESG reporting, a thorough project selection process and sound management of proceeds. To preserve the portfolios' high quality and liquidity, these bonds must also meet the high quality liquid assets criteria of the European Banking Authority.

Funding

Funding instruments

Our wholesale funding strategy targets a moderate risk profile with a stable and diversified funding mix to support the bank's commercial activities and reflect the composition of our loan book. Total funding instruments decreased to EUR 73.6 billion at 30 June 2024 (31 December 2023: EUR 75.3 billion). The EUR 1.0 billion increase in total issued debt reflects a EUR 2.8 billion increase in short-term funding while long-term funding decreased by EUR 1.8 billion. The decrease in other long-term funding to EUR 0.7 billion (31 December 2023: EUR 3.5 billion) mainly reflects the repayment of the last TLTRO tranche of EUR 3.0 billion.

Overview of funding types

(in millions)		30 June 2024		31 December 2023
Total Commercial Paper/Certificates of Deposit		**16,539**		**13,741**
Covered bonds	21,744		23,853	
Secured funding (long term)		**21,744**		**23,853**
Senior preferred	12,211		12,726	
- of which ESG bonds[1]	*2,798*		*2,832*	
Senior non-preferred	16,747		15,907	
- of which ESG bonds[1]	*6,296*		*6,481*	
Unsecured funding (long term)		**28,958**		**28,633**
Total issued debt		**67,241**		**66,227**
Subordinated liabilities		5,608		5,572
Wholesale funding		**72,849**		**71,800**
Other long-term funding[2, 3]		715		3,546
Total funding instruments[4]		**73,564**		**75,346**
- of which matures within one year		*23,784*		*20,481*

1 Our Green Bond Framework comprises a set of criteria for the issuance of green bonds, including how we allocate the issue proceeds from green bonds to eligible assets, and independent assurance on the allocation of proceeds to eligible green assets. Green bonds have been issued since 2015, with a focus on sustainable real estate and renewable energy, and enable investors to invest in, for example, energy efficiency through residential mortgages.
2 Includes funding obtained apart from our long-term programmes and consists mainly of unsecured funding.
3 Funding with the European Union as counterparty (recorded in due to banks) has been included in other long-term funding. Comparative figures have been adjusted accordingly.
4 Includes FX effects, fair value adjustments and interest movements.

Environmental, Social and Governance (ESG) bonds

Total ESG bonds outstanding remained stable at EUR 9.1 billion as at 30 June 2024 (31 December 2023: EUR 9.3 billion), representing 31% of total unsecured long-term funding and 14% of total issued debt. All ESG bonds are green bonds as issued under our Green Bonds Framework, which was last updated in February 2024. The allocation of proceeds to eligible assets at 30 June 2024 is published on the ABN AMRO website.

Maturity calendar

- We target a maturity profile where redemptions of funding instruments are well spread over time.
- The maturity calendar assumes redemption on the earliest possible call date or the legal maturity date. This does not mean that the instruments will be called at the earliest possible call date. Early redemption of subordinated liabilities is subject to approval by the regulator.

30 June 2024

(notional amounts, in billions)	2024[2]	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	≥ 2035	Total
Covered bonds	0.1	0.6	1.6	0.6	0.6	0.4	1.9	3.1	2.3	2.3	0.9	10.8	25.3
Senior preferred	0.1	6.4	3.6	1.5	0.3		0.1	0.2				0.1	12.3
Senior non-preferred		1.9	2.3	2.0	4.2	1.0	1.3		1.8	1.0	2.1	0.1	17.6
Subordinated liabilities		1.4	0.9	1.5	0.8			1.2					5.8
Other long-term funding[1]			0.3	0.2			0.3						0.7
Total long-term funding	**0.2**	**10.4**	**8.8**	**5.8**	**5.9**	**1.4**	**3.5**	**4.5**	**4.0**	**3.3**	**3.0**	**10.9**	**61.7**

31 December 2023

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	≥ 2034	Total
Total long-term funding	6.6	10.2	8.6	4.6	5.9	1.4	3.2	4.4	3.0	3.3	13.9	65.2

1 Includes funding obtained apart from our long-term programmes and consists mainly of unsecured funding.
2 Includes funding that matures in the rest of 2024.

Capital management

Regulatory capital structure

(in millions)	30 June 2024	31 March 2024	31 December 2023
Total equity (EU IFRS)	**24,995**	**25,200**	**24,168**
Final dividend of prior year to be paid out		-770	
Dividend reserve	-627	-324	-770
AT1 capital securities (EU IFRS)	-2,730	-2,733	-1,987
Share buyback reserve		-220	-500
Regulatory and other adjustments	-1,433	-1,201	-907
Common Equity Tier 1	**20,206**	**19,952**	**20,003**
AT1 capital securities (EU IFRS)	2,730	2,733	1,987
Regulatory and other adjustments	-2	-5	-5
Tier 1 capital	**22,934**	**22,680**	**21,985**
Subordinated liabilities (EU IFRS)	5,608	5,556	5,572
Regulatory and other adjustments	-1,531	-1,380	-1,294
Tier 2 capital	**4,077**	**4,176**	**4,279**
Total regulatory capital	**27,011**	**26,856**	**26,264**
Other MREL eligible liabilities[1]	17,912	18,997	17,772
Total MREL eligible liabilities	**44,923**	**45,853**	**44,036**
Total risk-weighted assets	**146,348**	**144,174**	**140,187**
Exposure measure			
Exposure measure	430,460	435,207	412,957
Capital ratios			
Common Equity Tier 1 ratio	13.8%	13.8%	14.3%
Common Equity Tier 1 ratio (Basel IV)[2]	14%	14%	15%
Tier 1 ratio	15.7%	15.7%	15.7%
Total capital ratio	18.5%	18.6%	18.7%
MREL	30.7%	31.8%	31.4%
Leverage ratio	5.3%	5.2%	5.3%

1 Other MREL eligible liabilities consists of subordinated liabilities and senior non-preferred notes that are not included in regulatory capital.
2 Basel IV results are based on fully-loaded figures, rounded to the nearest whole percent, based on ABN AMRO's interpretation of the Basel IV framework and subject to the implementation of Basel IV standards into EU legislation.

Developments impacting capital ratios

On 30 June 2024, the CET1 ratio under Basel III was 13.8% (31 March 2024: 13.8%). In comparison with Q1 2024, the CET1 ratio remained stable as the increase in RWA was offset by the increase in CET1 capital. Total RWA increased by EUR 2.2 billion compared to 31 March 2024, mainly reflecting a rise in credit risk RWA and to a lesser extent market risk RWA. The increase in credit risk RWA was primarily driven by business developments, mainly in Corporate Banking, partly offset by the effect of asset quality improvements. This quarter, the amount of CET1 capital remained robust and increased to EUR 20.2 billion (31 March 2024: EUR 20.0 billion), mainly driven by the Q2 2024 net profit, amounting to EUR 606 million after deduction of AT1 coupons, which was added to CET1 capital excluding a 50% dividend reservation. All capital ratios were in line with the bank's risk appetite and comfortably above regulatory requirements.

On 28 May 2024, ABN AMRO announced the intended acquisition of Hauck Aufhäuser Lampe. ABN AMRO has agreed to pay EUR 672 million, subject to closing adjustments. The overall impact of the intended acquisition on the CET1 ratio was estimated to be approximately 45bps at the time of the announcement. Completion of the transaction is subject to regulatory approvals and is expected in H1 2025.

The maximum distributable amount (MDA) trigger level (excluding AT1 shortfall) increased to 11.2% (31 March 2024: 10.8%). This increase resulted mainly from the Dutch central bank (DNB) increasing the countercyclical capital buffer (CCyB) for Dutch exposures to 2% (from 1%) and was partly offset by a lowering of the O-SII buffer to 1.25% (from 1.50%), both effective as of 31 May 2024. The Basel III CET1 ratio of 13.8% remained well above the MDA trigger level.

Based on our latest views of the Basel IV EU proposal, the fully-loaded Basel IV CET1 ratio was estimated at around 14% on 30 June 2024. This was above the target of 13.5%.

Despite the agreement reached on the implementation of Basel III reforms, the estimated Basel IV CET1 ratio is still subject to remaining uncertainties. These include data limitations, finalisation and publication of EBA guidelines, Regulatory and Implementing Technical Standards, and portfolio developments.

We are continuing the review of our credit risk RWA model and data landscape, which may lead to further model updates and RWA add-ons under both Basel III and Basel IV.

Dividend and share buybacks

Under the dividend policy, the dividend pay-out has been set at 50% of reported net profit, after deduction of AT1 coupon payments and minority interests. Interim dividends will be considered at 40% of the reported H1 net profit, provided profit is expected to be sustainable throughout the year, at the discretion of the bank's Board. Based on this dividend policy and a net profit of EUR 1,253 million (post AT1 and minority interest) for the first half of 2024, the interim dividend has been set at EUR 0.60 per share. This is equivalent to EUR 500 million, based on 833,048,566 of outstanding shares as at 30 June 2024. The ex-dividend date for the interim dividend will be 14 August 2024, the record date will be 15 August 2024, and payment of the interim dividend will be on 11 September 2024. On 27 May 2024, ABN AMRO paid the final 2023 dividend of EUR 0.89 per share, equivalent to EUR 770 million.

The most recent share buyback programme commenced on 14 February 2024 and was completed on 6 May 2024. Under the programme, 32,526,813 depositary receipts and ordinary shares were repurchased. The repurchased ordinary shares and corresponding depository receipts were cancelled on 12 July 2024.

Leverage ratio

The Capital Requirements Regulation (CRR) includes a non-risk-based and binding leverage ratio. The leverage ratio increased to 5.3% as of 30 June 2024 (31 March 2024: 5.2%). This was mainly due to an increase of Tier 1 capital, partly offset by the increase in on-balance sheet exposures. The reported leverage ratio remained well above the 3.0% requirement.

MREL

Based on the eligible liabilities, i.e. own funds, subordinated instruments and senior non-preferred (SNP) notes, the MREL ratio decreased to 30.7% as of 30 June 2024 (31 March 2024: 31.8%). The decrease was mainly driven by the increase in RWA and a decrease in MREL eligible liabilities. The decrease in MREL eligible liabilities mainly resulted from a decrease of EUR 1.2 billion in eligible SNP notes, partly offset by the increase in CET1 capital. On 16 July 2024, the bank issued a EUR 750 million Tier 2 instrument.

The MREL requirement as at 30 June 2024 is 28.8%, of which 25.2% must be met by own funds, subordinated instruments and SNP notes. This includes a combined buffer requirement (CBR) of 5.5%. The MREL ratio of 30.7% is well above the MREL requirements.
The reported MREL ratio excludes EUR 1.5 billion of grandfathered senior preferred liabilities currently eligible for MREL.

Responsibility statement

Pursuant to section 5:25d, paragraph 2(c), of the Dutch Financial Supervision Act (Wet op het financieel toezicht (Wft)), the members of the Executive Board state that to the best of their knowledge:
- The Condensed Consolidated Interim Financial Statements for the six month period ending on 30 June 2024 give a true and fair view of the assets, liabilities, financial position and profit or loss of ABN AMRO Bank N.V. and the companies included in the consolidation; and
- The Interim Report for the six month period ending on 30 June 2024 gives a true and fair view of the information required pursuant to section 5:25d, paragraphs 8 and 9, of the Dutch Financial Supervision Act regarding ABN AMRO Bank N.V. and the companies included in the consolidation.

Amsterdam, 6 August 2024

The Executive Board

Robert Swaak, Chief Executive Officer and Chair
Dan Dorner, Chief Commercial Officer - Corporate Banking and Vice-Chair
Carsten Bittner, Chief Innovation and Technology Officer
Choy van der Hooft-Cheong, Chief Commercial Officer - Wealth Management
Caroline Oosterloo-van 't Hoff, a.i. Chief Risk Officer
Ton van Nimwegen, Chief Operations Officer
Ferdinand Vaandrager, Chief Financial Officer
Annerie Vreugdenhil, Chief Commercial Officer - Personal & Business Banking

Condensed consolidated Interim Financial Statements 2024

Condensed consolidated income statement

(in millions)	Note	First half 2024	First half 2023
Income			
Interest income calculated using the effective interest method		8,665	7,289
Other interest and similar income		193	158
Interest expense calculated using the effective interest method		5,623	4,173
Other interest and similar expense		38	33
Net interest income		**3,198**	**3,242**
Fee and commission income		1,196	1,134
Fee and commission expense		264	245
Net fee and commission income		**931**	**889**
Income from other operating activities		198	169
Expenses from other operating activities		42	57
Net income from other operating activities		**156**	**113**
Net trading income		161	103
Share of result in equity-accounted investments		-34	28
Net gains/(losses) on derecognition of financial assets measured at amortised cost		-44	-8
Operating income	4	**4,368**	**4,366**
Expenses			
Personnel expenses		1,315	1,218
General and administrative expenses		1,125	1,239
Depreciation, amortisation and impairment losses of tangible and intangible assets		80	86
Operating expenses	5	**2,520**	**2,543**
Impairment charges on financial instruments		-1	-55
Total expenses		**2,519**	**2,488**
Profit/(loss) before taxation		**1,849**	**1,877**
Income tax expense	6	534	485
Profit/(loss) for the first half year		**1,316**	**1,393**
Attributable to:			
Owners of the parent company		1,316	1,393
Earnings per share (in EUR)			
Basic earnings per ordinary share (in EUR)[1]		1.48	1.54

[1] Earnings per share consist of profit for the period, excluding results attributable to non-controlling interests and payments to holders of AT1 instruments, divided by the average outstanding and paid-up ordinary shares (30 June 2024: 848,043,676; 30 June 2023: 877,456,566).

Condensed consolidated statement of comprehensive income

(in millions)		First half 2024		First half 2023
Profit/(loss) for the period		**1,316**		**1,393**
Other comprehensive income:				
Items that will not be reclassified to the income statement				
Remeasurement gains/(losses) on defined benefit plans				
Gains/(losses) on liability own credit risk				1
Items that will not be reclassified to the income statement before taxation				**1**
Income tax relating to items that will not be reclassified to the income statement				
Items that will not be reclassified to the income statement after taxation				**1**
Items that may be reclassified to the income statement				
Net gains/(losses) currency translation reserve	20		-29	
Less: Reclassification currency translation reserve through the income statement			6	
Net gains/(losses) currency translation reserve through OCI		20		-35
Net gains/(losses) fair value reserve through OCI		-142		16
Net gains/(losses) cash flow hedge reserve	98		146	
Less: Reclassification cash flow hedge reserve through the income statement	-96		-62	
Net gains/(losses) cash flow hedge reserve through OCI		194		208
Share of other comprehensive income of associates				7
Items that may be reclassified to the income statement before taxation		**72**		**197**
Income tax relating to items that may be reclassified to the income statement		14		58
Items that may be reclassified to the income statement after taxation		**58**		**139**
Total comprehensive income/(expense) for the period after taxation		**1,374**		**1,532**
Attributable to:				
Owners of the parent company		1,374		1,532

Condensed consolidated statement of financial position

(in millions)	Note	30 June 2024	31 December 2023
Assets			
Cash and balances at central banks		38,085	53,656
Financial assets held for trading	7	2,109	1,371
Derivatives	8	4,576	4,403
Financial investments	9	50,326	41,501
Securities financing	10	34,993	21,503
Loans and advances banks	12	3,279	2,324
Residential mortgages	13	146,579	144,875
Consumer loans at amortised cost	13	7,813	8,233
Consumer loans at fair value through P&L	13	610	648
Corporate loans at amortised cost	13	90,105	85,626
Corporate loans at fair value through P&L	13	29	59
Other loans and advances customers	13	6,376	6,494
Equity-accounted investments		251	333
Property and equipment	14	999	978
Goodwill and other intangible assets		138	99
Assets held for sale	15	177	130
Tax assets		303	327
Other assets		6,655	5,351
Total assets		**393,404**	**377,909**
Liabilities			
Financial liabilities held for trading	7	1,410	917
Derivatives	8	2,628	2,856
Securities financing	10	18,523	11,710
Due to banks	16	5,286	5,352
Current accounts	17	90,231	99,948
Demand deposits	17	103,350	100,943
Time deposits	17	65,020	51,728
Other due to customers	17	2,225	1,846
Issued debt	18	67,241	66,227
Subordinated liabilities	18	5,608	5,572
Provisions	19	630	742
Tax liabilities		181	159
Other liabilities		6,075	5,741
Total liabilities		**368,408**	**353,741**
Equity			
Share capital		866	866
Share premium		12,192	12,192
Other reserves (incl. retained earnings/profit for the period)		9,462	9,436
Accumulated other comprehensive income	20	-256	-315
AT1 capital securities		2,730	1,987
Equity attributable to owners of the parent company		**24,993**	**24,165**
Equity attributable to non-controlling interests		3	3
Total equity		**24,995**	**24,168**
Total liabilities and equity		**393,404**	**377,909**
Committed credit facilities	21	50,927	53,968
Guarantees and other commitments	21	6,801	6,289

Condensed consolidated statement of changes in equity

(in millions)	Share capital	Share premium	Other reserves including retained earnings	Accumu-lated other compre-hensive income	Net profit/(loss) attributable to owners of the parent company	AT1 capital securities	Equity attributable to the owners of the parent company	Non-controlling interests	Total equity
Balance at 1 January 2023	**898**	**12,529**	**6,211**	**- 842**	**1,868**	**1,985**	**22,648**	**2**	**22,650**
Total comprehensive income				139	1,393		1,532		1,532
Transfer			1,868		- 1,868				
Dividend			- 580				- 580		- 580
Share buyback[1]			- 500				- 500		- 500
Interest on AT1 capital securities			- 46				- 46		- 46
Other changes in equity[2]			- 11				- 11		- 10
Balance at 30 June 2023	**898**	**12,529**	**6,942**	**- 703**	**1,393**	**1,985**	**23,044**	**3**	**23,047**
Balance at 1 January 2024	**866**	**12,192**	**6,739**	**-315**	**2,697**	**1,987**	**24,165**	**3**	**24,168**
Total comprehensive income				59	1,316		1,374		1,374
Transfer			2,697		-2,697				
Dividend			-744				-744		-744
Increase of capital						743	743		743
Share buyback[1]			-500				-500		-500
Interest on AT1 capital securities			-46				-46		-46
Balance at 30 June 2024	**866**	**12,192**	**8,146**	**- 256**	**1,316**	**2,730**	**24,993**	**3**	**24,995**

1 For more information on the share buyback, please refer to the Capital management chapter.
2 Relates to transaction costs of the share buyback (first half year 2023: EUR 10 million).

Condensed consolidated statement of cash flows

(in millions)	Note	First half 2024	First half 2023
Profit/(loss) for the period		**1,316**	**1,393**
Adjustments on non-cash items included in profit/(loss)			
(Un)realised gains/(losses)		73	1,077
Share of result in equity-accounted investments	4	10	-28
Depreciation, amortisation and impairment losses of tangible and intangible assets	5	80	86
Impairment charges on financial instruments		-1	-55
Income tax expense	6	534	485
Tax movements other than taxes paid & income taxes		92	15
Other non-cash adjustments		545	402
Operating activities			
Changes in:			
- Assets held for trading		-736	-800
- Derivatives - assets		-320	-327
- Securities financing - assets		-12,970	-14,250
- Loans and advances banks		-256	87
- Residential mortgages		-2,416	-223
- Consumer loans		459	303
- Corporate loans		-4,022	-5,523
- Other loans and advances customers		167	1,167
- Other assets		-1,280	-2,439
- Liabilities held for trading		491	707
- Derivatives - liabilities		63	90
- Securities financing - liabilities		6,520	14,056
- Due to banks		-75	-9,514
- Due to customers		6,262	4,702
Net changes in all other operational assets and liabilities		41	2,223
Dividend received from associates and private equity investments		8	7
Income tax paid		-495	-296

continued >

(in millions)	Note	First half 2024	First half 2023
Cash flow from operating activities		**-5,910**	**-6,656**
Investing activities			
Purchases of financial investments		-24,503	-4,798
Proceeds from sales and redemptions of financial investments		15,248	5,148
Acquisition of subsidiaries (net of cash acquired), associates and joint ventures		-4	-10
Divestments of subsidiaries (net of cash sold), associates and joint ventures			6
Purchases of property and equipment		-140	-74
Proceeds from sales of property and equipment		25	37
Purchases of intangible assets		-44	-27
Cash flow from investing activities		**-9,417**	**282**
Financing activities			
Proceeds from the issuance of debt		23,760	32,771
Repayment of issued debt		-22,556	-20,638
Proceeds from subordinated liabilities issued		11	774
Repayment of subordinated liabilities issued		-16	-2,504
Proceeds/(repayment) from other borrowing		743	
Proceeds/(repayment) from capital securities			-10
Purchase of treasury shares		-500	-500
Dividends paid to the owners of the parent company		-744	-580
Interest paid AT1 capital securities		-46	-46
Payment of lease liabilities		-56	-63
Cash flow from financing activities		**597**	**9,206**
Net increase/(decrease) of cash and cash equivalents		**-14,731**	**2,831**
Cash and cash equivalents as at 1 January		55,054	62,608
Effect of exchange rate differences on cash and cash equivalents		16	-17
Cash and cash equivalents as at 30 June		**40,339**	**65,422**
Supplementary disclosure of operating cash flow information			
Interest paid		5,623	4,173
Interest received		8,858	7,448
Dividend received excluding associates		3	3

(in millions)	30 June 2024	30 June 2023
Cash and balances at central banks	38,085	63,315
Loans and advances banks (less than 3 months)[1]	2,253	2,107
Total cash and cash equivalents[1]	**40,339**	**65,422**

[1] Loans and advances banks with an original maturity of 3 months or more is included in loans and advances banks.

Notes to the Condensed consolidated Interim Financial Statements

1 Accounting policies

The Notes to the Condensed Consolidated Interim Financial Statements, including the reviewed sections in the Risk, funding & capital section, are an integral part of these Condensed Consolidated Interim Financial Statements.

Corporate information

ABN AMRO Bank N.V. (referred to as ABN AMRO Bank, ABN AMRO, the bank or the parent company) and its consolidated entities (together referred to as the group) provide financial services in the Netherlands and abroad. ABN AMRO Bank is a public limited liability company, incorporated under Dutch law on 9 April 2009, and registered at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands (Chamber of Commerce number 34334259).

The Condensed Consolidated Interim Financial Statements of ABN AMRO Bank N.V. for the six-month period ending on 30 June 2024 include financial information of ABN AMRO Bank N.V., its controlled entities, interests in associates and joint ventures. The Condensed Consolidated Interim Financial Statements were prepared by the Executive Board and authorised for issue by the Supervisory Board and Executive Board on 6 August 2024.

Basis of preparation

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the European Union (EU).

The Condensed Consolidated Interim Financial Statements do not include all the information and disclosures required in the Annual Financial Statements and should be read in conjunction with ABN AMRO Bank's 2023 Consolidated Annual Financial Statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting policies applied in the Condensed Consolidated Interim Financial Statements are the same as those applied in the 2023 Consolidated Annual Financial Statements of ABN AMRO Bank, except for the amendments explained in the Changes in accounting policies section.

The Condensed Consolidated Interim Financial Statements are prepared under the going concern assumption and presented in euros, which is the functional and presentation currency of ABN AMRO, rounded to the nearest million (unless otherwise stated).

Changes in accounting policies

The International Accounting Standards Board has issued a number of amendments to existing standards (and endorsed by the EU), which became effective for the reporting period beginning 1 January 2024. The standards amended are:

- IAS 1 Presentation of Financial Statements;
- IAS 7 Statement of Cash flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements;
- IFRS 16 Leases: Lease liability in a sale and leaseback.

The impact of these amendments on the consolidated financial statements are insignificant for ABN AMRO and have not resulted in major changes to ABN AMRO's accounting policies.

New standards, amendments and interpretations not yet effective

The International Accounting Standards Board has issued the following two new standards. These new standards will become effective on 1 January 2027 if these standards are endorsed by the EU. ABN AMRO is not early adopting these new standards and amendments.

IFRS 18 Presentation and Disclosure in Financial statements
In April 2024 the IASB issued IFRS 18, which is set to replace IAS 1 Presentation and Disclosures in Financial Statements. The main changes introduced by IFRS 18 relate to three areas:
- Presentation of two new defined subtotals in the statement of profit or loss and consistent classification of income and expenses in categories. Five categories have been identified in the standard - operating, investing, financing, income taxes and discontinued operations.
- Disclosure of information about management-defined performance measures in the notes to the financial statements.
- Enhanced requirement for grouping (aggregation and disaggregation) of information.

These changes are focused on the statement of profit or loss and relate solely to presentation and disclosure requirements. The expected impact of these changes on the consolidated financial statements of ABN AMRO is still being investigated.

IFRS 19 Subsidiaries without Public Accountability
In May 2024 the IASB issued IFRS 19, which specifies disclosure requirements that certain entities are allowed to apply instead of the disclosure requirements in other IFRS accounting standards. Given that ABN AMRO is not an entity that can apply IFRS 19, this new standard does not impact ABN AMRO.

Amendments to existing standards
The International Accounting Standards Board has issued amendments to several standards. These amendments will become effective on or later than 1 January 2025 and are not available for early adoption yet. The standards amended are:
- IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments;
- IAS 21 The Effects of changes in foreign exchange rates: lack of exchangeability.

ABN AMRO is still investigating the impact of these amendments but preliminary results show that no significant impact is expected.

2 Segment reporting
Personal & Business Banking
This client unit serves consumer and business clients with banking and partner offerings, providing the convenience of digital interactions and access to expertise when it matters most.

Wealth Management
The Wealth Management client unit delivers outstanding expertise with tailored value propositions for wealthy clients, focusing on investment advisory, financial planning and real estate financing.

Corporate Banking
This expertise-driven client unit delivers tailored financing, capital structuring and transaction banking solutions for medium sized and large corporate clients and financial institutions. Corporate Banking also offers Entrepreneur & Enterprise as a bank-wide service concept for business and wealthy clients, in close collaboration with Wealth Management.

Group Functions
Group Functions consists of the following support function departments: Finance, Risk Management, Innovation & Technology, Human Resources, Group Audit, Legal & Corporate Office, Brand Marketing & Communications, Strategy & Innovation and a Sustainability Centre of Excellence. Group Functions is not a client unit, but part of the reconciliation. The majority of Group Functions' costs are allocated to the client units.

Segment income statement of the first six months of 2024

(in millions)	Personal & Business Banking	Wealth Management	Corporate Banking	Group Functions	First half 2024 Total
Income					
Net interest income	1,638	482	1,198	-120	3,198
Net fee and commission income	290	312	340	-11	931
Net income from other operating activities	21	10	78	47	156
Net trading income	-1		162		161
Share of result in equity-accounted investments	8	-19	-22	-2	-34
Net gains/(losses) on derecognition of financial assets measured at amortised cost	-8		-31	-5	-44
Operating income	**1,948**	**785**	**1,725**	**-91**	**4,368**
Expenses					
Personnel expenses	247	212	299	558	1,315
General and administrative expenses	215	96	154	659	1,125
Depreciation, amortisation and impairment losses of tangible and intangible assets	2	12	10	56	80
Intersegment revenues/expenses	701	204	356	-1,261	
Operating expenses	**1,165**	**524**	**819**	**12**	**2,520**
Impairment charges on financial instruments	-39	11	28	-1	-1
Total expenses	**1,126**	**535**	**847**	**11**	**2,519**
Profit/(loss) before taxation	**822**	**250**	**879**	**-102**	**1,849**
Income tax expense	213	75	221	24	534
Profit/(loss) for the first half year	**609**	**175**	**658**	**-126**	**1,316**
Attributable to:					
Owners of the parent company	609	175	658	-126	1,316

Segment income statement of the first six months of 2023

(in millions)	Personal & Business Banking	Wealth Management	Corporate Banking	Group Functions	First half 2023 Total
Income					
Net interest income	1,654	513	1,101	-26	3,242
Net fee and commission income	262	296	347	-16	889
Net income from other operating activities	21	5	123	-36	113
Net trading income	-1		104		103
Share of result in equity-accounted investments	8	8	22	-10	28
Net gains/ (losses) on derecognition of financial assets measured at amortised cost			-9	1	-8
Operating income	**1,944**	**821**	**1,688**	**-88**	**4,366**
Expenses					
Personnel expenses	231	203	286	499	1,218
General and administrative expenses	298	105	206	630	1,239
Depreciation, amortisation and impairment losses of tangible and intangible assets	2	17	9	58	86
Intersegment revenues/expenses	693	177	298	-1,168	
Operating expenses	**1,224**	**502**	**798**	**19**	**2,543**
Impairment charges on financial instruments	-55	-13	13		-55
Total expenses	**1,169**	**489**	**811**	**19**	**2,488**
Profit/(loss) before taxation	**776**	**332**	**877**	**-107**	**1,877**
Income tax expense	198	86	203	-3	485
Profit/(loss) for the first half year	**578**	**246**	**673**	**-104**	**1,393**
Attributable to:					
Owners of the parent company	578	246	673	-104	1,393

Personal & Business Banking

Net interest income amounted to EUR 1,638 million in H1 2024 (H1 2023: EUR 1,654 million). Excluding a large incidental in H1 2023, net interest income was nearly flat.

Net fee and commission income increased by EUR 28 million to EUR 290 million in H1 2024 due to higher fee income from credit card services at ICS and payment services, driven by higher transaction volumes and increased package pricing.

Net gains/(losses) on derecognition of financial assets measured at amortised cost amounted to a loss of EUR 8 million in H1 2024 (H1 2023: nil) that was largely related to smaller portfolio sales.

Personnel expenses increased by EUR 16 million to EUR 247 million, driven by salary increases as from 1 July 2023 and restructuring provisions in Q1 2024.

General and administrative expenses decreased by EUR 83 million, totalling EUR 215 million in H1 2024. Excluding large incidentals, the decrease was mainly attributable to a decline in regulatory levies which was partially offset by higher IT costs.

Impairment charges amounted to a release of EUR 39 million, reflecting mainly stage 2 releases.

Wealth Management

Net interest income amounted to EUR 482 million in H1 2024 (H1 2023: EUR 513 million) and showed a decrease due to lower deposit margins that partly resulted from a migration from current accounts to time deposits.

Net fee and commission income increased by EUR 16 million to EUR 312 million in H1 2024, driven by improved asset management fees benefiting from more favourable market conditions.

Share of result in equity-accounted investments decreased by EUR 27 million and amounted to EUR 19 million negative in H1 2024, mainly as a result of a large incidental in Q2 2024.

Personnel expenses grew by EUR 9 million, totalling EUR 212 million in H1 2024, largely due to an increase in the number of FTEs and a CLA increase.

General and administrative expenses decreased by EUR 9 million, totalling EUR 96 million in H1 2024, largely due to lower regulatory levies.

Impairment charges amounted to EUR 11 million (H1 2023: EUR 13 million releases) and mainly represented provision increases in stage 3 individually assessed files.

Corporate Banking

Net interest income amounted to EUR 1,198 million in H1 2024 (H1 2023: EUR 1,101 million). The improvement was mainly driven by higher margins on liabilities and increased income from Clearing.

Net fee and commission income came down by EUR 7 million, totalling EUR 340 million in H1 2024, mainly as a result of one-off fee income in the CB non-core portfolio in H1 2023, partly offset by better results at Clearing, which benefited from higher trading turnover.

Net income from other operating activities totalled EUR 78 million in H1 2024 (H1 2023: EUR 123 million). The decrease was largely attributable to lower hedging results at Global Markets, less favourable developments at Clearing (offset in net trading income) and lower results from equity participations.

Net trading income increased by EUR 58 million to EUR 162 million in H1 2024 due to higher transaction volumes at Global Markets and gains from currency derivatives at Clearing.

Share of result in equity-accounted investments amounted to EUR 22 million negative in H1 2024 (H1 2023: EUR 22 million) as results from equity stakes were less favourable results.

Net gains/(losses) on derecognition of financial assets measured at amortised cost totalled EUR 31 million negative in H1 2024 (H1 2023: EUR 9 million negative), mainly due to higher derecognition losses, especially in Q2 2024.

Personnel expenses were EUR 13 million higher and amounted to EUR 299 million in H1 2024 (H1 2023: EUR 286 million), largely due to an increase in the number of FTEs and a CLA increase.

General and administrative expenses decreased by EUR 52 million to EUR 154 million in H1 2024, mainly due to a decrease in regulatory levies driven by a lower contribution to the Single Resolution Fund, partly offset by higher external staffing costs.

Impairment charges totalled EUR 28 million in H1 2024 (H1 2023: EUR 13 million), primarily due to higher stage 3 additions and lower stage 2 releases.

Group Functions

Net interest income amounted to EUR 120 million negative in H1 2024 (H1 2023: EUR 26 million negative). Excluding a large incidental and interest allocations to client units (with nil impact for the group), the underlying performance was somewhat flat.

Net fee and commission income totalled EUR 11 million negative in H1 2024 (H1 2023: EUR 16 million negative), mainly driven by lower fee expenses at Treasury.

Net income from other operating activities increased by EUR 83 million, totalling EUR 47 million in H1 2024 (H1 2023: EUR 36 million negative), mainly due to higher asset and liability management results at Treasury.

Share of result in equity-accounted investments went up by EUR 8 million to EUR 2 million negative in H1 2024, mainly as a result of better performance by our ABN AMRO Ventures Fund.

Personnel expenses amounted to EUR 558 million in H1 2024 (H1 2023: EUR 499 million). The increase was mainly due to an increase in the number of FTEs and a CLA increase. The additional FTEs were involved in IT, data and regulatory programmes.

General and administrative expenses amounted to EUR 659 million in H1 2024 (H1 2023: EUR 630 million). The increase was mainly driven by higher external staffing costs and higher IT expenditure.

Selected assets and liabilities by segment

					30 June 2024
(in millions)	Personal & Business Banking	Wealth Management	Corporate Banking	Group Functions	Total
Assets					
Financial assets held for trading			2,108		2,109
Derivatives			4,218	357	4,576
Securities financing			10,891	24,103	34,993
Residential mortgages	147,379	5,922		-6,722	146,579
Consumer loans	3,511	4,468	444		8,423
Corporate loans	7,936	5,843	76,083	273	90,134
Other loans and advances customers	52	6	6,169	149	6,376
Other	2,476	2,135	12,150	83,452	100,212
Total assets	**161,354**	**18,375**	**112,064**	**101,611**	**393,404**
Liabilities					
Financial liabilities held for trading			1,410		1,410
Derivatives	7	7	2,254	360	2,628
Securities financing			541	17,983	18,523
Current accounts	39,894	13,067	37,172	99	90,231
Demand deposits	77,222	21,834	4,295		103,350
Time deposits	9,032	29,457	10,592	15,938	65,020
Other due to customers	103		1,999	123	2,225
Other	35,096	-45,990	53,802	42,115	85,022
Total liabilities	**161,354**	**18,375**	**112,064**	**76,616**	**368,408**

					31 December 2023
(in millions)	Personal & Business Banking	Wealth Management	Corporate Banking	Group Functions	Total
Assets					
Financial assets held for trading			1,371		1,371
Derivatives			4,042	360	4,403
Securities financing			8,042	13,461	21,503
Residential mortgages	144,968	5,912		-6,005	144,875
Consumer loans	3,752	4,630	499		8,881
Corporate loans	8,132	5,985	70,960	609	85,685
Other loans and advances customers	52	8	6,285	149	6,494
Other	1,974	3,854	8,354	90,515	104,698
Total assets	**158,878**	**20,389**	**99,552**	**99,089**	**377,909**
Liabilities					
Financial liabilities held for trading			917		917
Derivatives	7	7	2,415	427	2,856
Securities financing			185	11,525	11,710
Current accounts	41,516	16,785	41,573	73	99,948
Demand deposits	74,558	22,411	3,974		100,943
Time deposits	8,239	27,049	10,719	5,722	51,728
Other due to customers	96		1,711	40	1,846
Other	34,462	-45,863	38,058	57,135	83,792
Total liabilities	**158,878**	**20,389**	**99,552**	**74,921**	**353,741**

3 Overview of financial assets and liabilities by measurement base

(in millions)	Amortised cost	Fair value through profit or loss - trading	Fair value through profit or loss - other	Fair value through other comprehensive income	30 June 2024 Total
Financial assets					
Cash and balances at central banks	38,085				38,085
Financial assets held for trading		2,109			2,109
Derivatives		4,218	358		4,576
Financial investments			941	49,385	50,326
Securities financing	34,993				34,993
Loans and advances banks	3,279				3,279
Loans and advances customers	250,873		640		251,513
Other financial assets	5,760				5,760
Total financial assets	**332,991**	**6,327**	**1,939**	**49,385**	**390,642**
Financial liabilities					
Financial liabilities held for trading		1,410			1,410
Derivatives		2,261	367		2,628
Securities financing	18,523				18,523
Due to banks	5,286				5,286
Due to customers	260,826				260,826
Issued debt	67,026		216		67,241
Subordinated liabilities	5,608				5,608
Other financial liabilities	3,133				3,133
Total financial liabilities	**360,402**	**3,671**	**583**		**364,655**

(in millions)	Amortised cost	Fair value through profit or loss - trading	Fair value through profit or loss - other	Fair value through other comprehensive income	31 December 2023 Total
Financial assets					
Cash and balances at central banks	53,656				53,656
Financial assets held for trading		1,371			1,371
Derivatives		4,038	365		4,403
Financial investments			838	40,663	41,501
Securities financing	21,503				21,503
Loans and advances banks	2,324				2,324
Loans and advances customers	245,228		707		245,935
Other financial assets	4,217				4,217
Total financial assets	**326,927**	**5,409**	**1,910**	**40,663**	**374,909**
Financial liabilities					
Financial liabilities held for trading		917			917
Derivatives		2,422	434		2,856
Securities financing	11,710				11,710
Due to banks	5,352				5,352
Due to customers	254,466				254,466
Issued debt	66,005		222		66,227
Subordinated liabilities	5,572				5,572
Other financial liabilities	3,510				3,510
Total financial liabilities	**346,616**	**3,339**	**656**		**350,610**

4 Operating income

(in millions)	First half 2024	First half 2023
Net interest income	3,198	3,242
Net fee and commission income	931	889
Net income from other operating activities	156	113
Net trading income	161	103
Share of result in equity-accounted investments	-34	28
Net gains/(losses) on derecognition of financial assets measured at amortised cost	-44	-8
Total operating income	**4,368**	**4,366**

Fee and commission income

					First half 2024
(in millions)	Personal & Business Banking	Wealth Management	Corporate Banking	Group Functions	Total
Fee and commission income from:					
Securities and custodian services	8	27	291	2	327
Payment services	307	18	75		400
Portfolio management and trust fees	24	276	2		302
Guarantees and commitment fees	18	3	27		48
Insurance and investment fees	19	22			41
Other service fees	25	9	44		78
Total fee and commission income	**400**	**356**	**438**	**3**	**1,196**
Timing fee and commission income					
Recognised at a point in time	182	178	422	2	785
Recognised over time	217	178	15		411
Total fee and commission income	**400**	**356**	**438**	**3**	**1,196**

					First half 2023
(in millions)	Personal & Business Banking	Wealth Management	Corporate Banking	Group Functions	Total
Fee and commission income from:					
Securities and custodian services	7	32	254	1	293
Payment services	291	17	79	1	388
Portfolio management and trust fees	23	257	2		282
Guarantees and commitment fees	12	3	56		70
Insurance and investment fees	18	20			38
Other service fees	17	7	39		63
Total fee and commission income	**367**	**335**	**430**	**2**	**1,134**
Timing fee and commision income					
Recognised at a point in time	168	175	378	2	723
Recognised over time	198	160	52		411
Total fee and commission income	**367**	**335**	**430**	**2**	**1,134**

5 Operating expenses

(in millions)	First half 2024	First half 2023
Personnel expenses	1,315	1,218
General and administrative expenses	1,125	1,239
Depreciation, amortisation and impairment losses of tangible and intangible assets	80	86
Total operating expenses	**2,520**	**2,543**

Personnel expenses

(in millions)	First half 2024	First half 2023
Salaries and wages	939	894
Social security charges	140	124
Expenses relating to Defined post employment benefit plans	3	2
Defined contribution plan expenses	175	164
Other	59	33
Total personnel expenses	**1,315**	**1,218**

6 Income tax expense

(in millions)	First half 2024	First half 2023
Income tax expense	534	485

The estimated tax expense related to Pillar 2 taxes amounts to EUR 3 million.

7 Financial assets and liabilities held for trading

Financial assets and liabilities held for trading relates mainly to client-facilitating activities carried out by the Global Markets business. These contracts are managed on a combined basis and are therefore assessed on a total portfolio basis rather than as stand-alone asset and liability classes.

Financial assets held for trading

(in millions)	30 June 2024	31 December 2023
Trading securities		
Government bonds	819	341
Corporate debt securities	1,275	1,019
Equity securities	2	1
Total trading securities	**2,096**	**1,361**
Other trading assets	13	10
Total financial assets held for trading	**2,109**	**1,371**

Financial liabilities held for trading

(in millions)	30 June 2024	31 December 2023
Bonds	1,378	814
Equity securities	3	7
Total short security positions	**1,382**	**821**
Other liabilities held for trading	28	96
Total financial liabilities held for trading	**1,410**	**917**

8 Derivatives

This comprises derivatives held for trading and derivatives held for risk management purposes. Derivatives held for trading serve to help us facilitate the needs of our clients. Derivatives held for risk management purposes include all derivatives that qualify for hedge accounting and derivatives included in an economic hedge.

								30 June 2024
	Derivatives held for trading			Economic hedges			Hedge accounting	Total derivatives
(in millions)	Interest rate	Currency	Other	Interest rate	Currency	Other	Interest rate	
Exchange traded								
Fair value assets	13	2						15
Fair value liabilities	9							9
Notionals	6,621							6,621
Over-the-counter								
Central counterparties								
Fair value assets								
Fair value liabilities								
Notionals	1,727,792			1,066			184,784	1,913,643
Other bilateral								
Fair value assets	3,561	640	2	36	302		20	4,561
Fair value liabilities	1,719	525	8	65	63		238	2,619
Notionals	63,029	85,430	387	685	34,112		2,550	186,192
Total								
Fair value assets	3,574	642	2	36	302		20	4,576
Fair value liabilities	1,728	525	8	65	63		238	2,628
Notionals	1,797,443	85,430	387	1,751	34,112		187,334	2,106,456

								31 December 2023
	Derivatives held for trading			Economic hedges			Hedge accounting	Total derivatives
(in millions)	Interest rate	Currency	Other	Interest rate	Currency	Other	Interest rate	
Exchange traded								
Fair value assets	4							4
Fair value liabilities	1							1
Notionals	3,273	30						3,303
Over-the-counter								
Central counterparties								
Fair value assets								
Fair value liabilities								
Notionals	1,428,191			1,049			112,795	1,542,035
Other bilateral								
Fair value assets	3,527	505	2	41	271		53	4,399
Fair value liabilities	1,946	470	5	66	82		286	2,855
Notionals	255,738	36,794	286	597	24,873		85,602	403,889
Total								
Fair value assets	3,531	505	2	41	271		53	4,403
Fair value liabilities	1,946	470	5	66	82		286	2,856
Notionals	1,687,201	36,824	286	1,645	24,873		198,398	1,949,227

9 Financial investments

(in millions)	30 June 2024	31 December 2023
Financial investments		
Debt securities held at fair value through other comprehensive income	49,385	40,663
Held at fair value through profit or loss	941	838
Total financial investments	**50,326**	**41,501**

Debt securities held at fair value through other comprehensive income consist mainly of goverment bonds.

Financial investments held at fair value through other comprehensive income (FVOCI)

The fair value of financial investments measured at FVOCI (including gross unrealised gains and losses) is specified in the following table.

(in millions)	30 June 2024	31 December 2023
Interest-earning securities		
Dutch government	2,925	2,642
US Treasury and US government	7,285	6,861
Other OECD government	18,866	15,761
Non-OECD government	171	150
International bonds issued by the European Union	3,258	2,962
European Stability Mechanism	2,333	2,349
Mortgage- and other asset-backed securities	5,681	5,046
Financial institutions	8,851	3,477
Non-financial institutions	14	1,414
Total investments held at fair value through other comprehensive income	**49,385**	**40,663**

10 Securities financing

		30 June 2024			31 December 2023	
(in millions)	Banks	Customers	Total	Banks	Customers	Total
Assets						
Reverse repurchase agreements	3,714	17,062	20,776	3,536	11,473	15,009
Securities borrowing transactions	9,429	4,788	14,217	3,075	3,419	6,494
Total	**13,143**	**21,850**	**34,993**	**6,611**	**14,892**	**21,503**
Liabilities						
Repurchase agreements	1,550	16,280	17,830	319	10,453	10,772
Securities lending transactions	564	130	693	185	753	938
Total	**2,114**	**16,409**	**18,523**	**504**	**11,206**	**11,710**

Securities financing transactions include balances relating to reverse repurchase activities and cash collateral on securities borrowed. ABN AMRO controls the credit risk associated with these activities by monitoring counterparty credit exposure and collateral values on a daily basis and requiring additional collateral to be deposited with ABN AMRO when deemed necessary.

11 Fair value of financial instruments

The internal controls for fair value measurement, the valuation techniques and the inputs used for these valuation techniques are consistent with those set out in the notes to ABN AMRO's 2023 Consolidated Annual Financial Statements (with the exception of behavioural maturities, which are no longer applied for 'due to banks' and 'due to customers' where these have a demand feature).

Fair value is defined as the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

ABN AMRO analyses financial instruments held at fair value in the following three categories:

Level 1 financial instruments, which are valued using unadjusted quoted prices in active markets for identical financial instruments.

Level 2 financial instruments, which are valued using techniques based primarily on observable market data. Instruments in this category are valued using quoted prices for similar instruments or identical instruments in markets that are not considered to be active, or using valuation techniques where all inputs that have a significant effect on the valuation are directly or indirectly based on observable market data.

Level 3 financial instruments, which are valued using a valuation technique where at least one input with a significant effect on the instrument's valuation is not based on observable market data. The effect of fair value adjustments on the instrument's valuation is included in the assessment.

ABN AMRO recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

The following table presents the valuation methods used in determining the fair values of financial instruments carried at fair value.

(in millions)	30 June 2024				31 December 2023			
	Quoted market prices in active markets	Valuation techniques - observable inputs	Valuation techniques - significant unobservable inputs	Total fair value	Quoted market prices in active markets	Valuation techniques - observable inputs	Valuation techniques - significant unobservable inputs	Total fair value
Assets								
Government debt securities	819			819	341			341
Corporate debt securities	750	526		1,275	780	240		1,019
Equity securities	2			2	1			1
Other financial assets held for trading		13		13		10		10
Financial assets held for trading	**1,571**	**538**		**2,109**	**1,121**	**250**		**1,371**
Interest rate derivatives	13	3,579	38	3,629	4	3,606	15	3,625
Foreign exchange contracts	2	941	1	944		765	12	776
Other derivatives		2		2		2		2
Derivatives	**15**	**4,522**	**39**	**4,576**	**4**	**4,372**	**26**	**4,403**
Equity instruments	140	54	746	941	130	52	656	838
Financial investments at fair value through profit or loss	**140**	**54**	**746**	**941**	**130**	**52**	**656**	**838**
Government debt securities	34,523		316	34,839	30,396		330	30,726
Corporate debt securities	8,864	1		8,865	4,890	1		4,891
Other debt securities	5,681			5,681	5,046			5,046
Financial assets held at fair value through other comprehensive income	**49,068**	**1**	**316**	**49,385**	**40,332**	**1**	**330**	**40,663**
Loans and advances at fair value through profit or loss		29	610	640		31	676	707
Total financial assets	**50,794**	**5,145**	**1,711**	**57,650**	**41,587**	**4,706**	**1,689**	**47,982**
Liabilities								
Short positions in government debt securities	758			758	303			303
Corporate debt securities	382	238		621	376	135		511
Equity securities	3			3	7			7
Other financial liabilities held for trading		28		28		96		96
Financial liabilities held for trading	**1,144**	**266**		**1,410**	**686**	**231**		**917**
Interest rate derivatives	9	2,020	3	2,032	1	2,297		2,298
Foreign exchange contracts		588		588		553		553
Other derivatives		8		8		5		5
Derivatives	**9**	**2,616**	**3**	**2,628**	**1**	**2,855**		**2,856**
Issued debt		216		216		222		222
Total financial liabilities	**1,153**	**3,098**	**3**	**4,253**	**687**	**3,308**		**3,994**

Transfers between fair value hierarchies

There were no material transfers between the fair value hierarchies.

Movements in level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening and closing amounts of level 3 financial assets carried at fair value.

	Assets				Liabilities
(in millions)	Derivatives	Financial investments at fair value through profit or loss	Financial assets held at fair value through other comprehensive income	Loans and advances at fair value through profit or loss	Derivatives
Balance at 1 January 2023	**46**	**481**	**358**	**30**	
Change in accounting policy				982	
Purchases		82			
Sales		-1			
Issuance				20	
Redemptions				-80	
Gains/(losses) recorded in profit and loss[1]			-6	-4	
Unrealised gains/(losses)[2]		38	-3	18	
Transfer between levels	35				
Other movements		14		3	
Balance at 30 June 2023	**81**	**613**	**349**	**969**	
Balance at 1 January 2024	**26**	**656**	**330**	**676**	
Purchases		32			
Sales				-31	
Issuance				21	
Redemptions		-2		-88	
Gains/(losses) recorded in profit and loss[1]			-6	-3	
Unrealised gains/(losses)[2]	-2	59	-8	30	
Transfer between levels	15				3
Other movements		1		5	
Balance at 30 June 2024	**39**	**746**	**316**	**610**	**3**

1 Included in other operating income.
2 Unrealised gains/(losses) on derivatives held for trading are included in net trading income, on instruments measured at FVTPL in other operating income and on instruments measured at FVOCI in other comprehensive income.

Level 3 sensitivity information

Interest-earning securities - government bonds

ABN AMRO has a position in a Polish bond, denominated in euros (in Note 9 Financial investments, and part of Other OECD governments), for which the market is relatively illiquid. This bond is valued using a discounted cash flow model. The main inputs are the interest rate curve, liquidity spread and credit spread. The valuation spread is determined using an internal model. The sensitivity analysis is performed using a range of reasonable valuation spreads.

Equity shares - preferred shares

Equities measured at fair value through profit and loss and classified as level 3 mainly comprise private equity investments. Private equity shares are measured at fair value, applying two calculation techniques:

- Using comparable pricing in accordance with the European Private Equity and Venture Capitalist Association (EVCA) guidelines. This valuation technique is based on earnings multiples of comparable listed and unlisted companies. The fair value calculation of an investment is strongly linked to movements on public equity markets;
- Net asset value (NAV) for fund investments and asset-backed investments. This is determined by using audited and unaudited company financial statements and any other information available, publicly or otherwise. As a consequence, the NAV calculation of an investment is strongly linked to movements in the quarterly performance of the company and can be used as an indicator of fair value.

New investments are initially valued at fair value. Subsequently, the fair value technique - either the EVCA technique or NAV calculation - is applied for direct investments.

The sensitivity for using comparable pricing is determined by stressing the earnings multiples in a positive and negative market scenario, whereas sensitivity testing for the NAV calculation based on the quarterly performance cannot be applied.

Derivatives

ABN AMRO applies a credit valuation adjustment (CVA) that reflects counterparty credit risk in the fair value measurement of uncollateralised and partially collateralised OTC derivatives. For counterparties that do not have an observable credit spread, ABN AMRO applies a proxied credit spread extracted from counterparties of comparable credit quality that do have an observable credit spread. ABN AMRO performs a probability of default assessment for each counterparty and allocates an appropriate internal credit risk measure known as a Uniform Counterparty Rating (UCR). This UCR, which is significant to the entire fair value measurement of the derivative contracts included in the following table of level 3 sensitivity information, is generated internally and is therefore an unobservable input.

Loans and advances – Equity release mortgages

ABN AMRO offers equity release mortgages which provide a way to liquidate home equity and are designed for senior homeowners. These loans are valued using a discounted cash flow model for which the assumed prepayment rate is the most relevant input parameter. The prepayment rate is based on mortality rates and observed historical prepayment rates for equity release mortgages. The sensitivity range is based on the observed historical bandwidth in prepayment rates.

Loans and advances - Other

ABN AMRO offers personal loans that feature a waiver on a portion of the outstanding debt upon the decease of clients. The loans are valued using a discounted cash flow model, in which expected future cashflows are discounted against actual interest rates, in combination with an adjustment for expected credit losses. The sensitivity range is based on a bandwidth in expected credit losses.

30 June 2024

	Valuation technique	Unobservable data	Carrying value	Possible alternative assumptions		Unobservable data range		Unobservable data base
(in millions)				Applying minimum	Applying maximum	Applying minimum	Applying maximum	
Equity shares	Private equity valuation	EBITDA multiples	141	-14	14			
Equity shares	Private equity valuation	Net asset value	606	-61	61			
Interest-earning securities - government bonds	Discounted cash flow	Liquidity and credit spread	316	21	-13	12bps	139bps	92bps
Loans and advances - Equity release mortgages	Discounted cash flow	Prepayment rate	418	-6	10	1.8%	3.3%	2.5%
Loans and advances - Other	Discounted cash flow	Credit spread	192	-5	8			
Derivatives held for trading - assets/liabilities (net)	Discounted cash flow	Probability of default	36	-2	7	0.0%	100.0%	6.3%

31 December 2023

	Valuation technique	Unobservable data	Carrying value	Possible alternative assumptions		Unobservable data range		Unobservable data base
(in millions)				Applying minimum	Applying maximum	Applying minimum	Applying maximum	
Equity shares	Private equity valuation	EBITDA multiples	136	-14	14			
Equity shares	Private equity valuation	Net asset value	519	-52	52			
Interest-earning securities - government bonds	Discounted cash flow	Liquidity and credit spread	330	-11	28	4bps	139bps	101bps
Loans and advances - Equity release mortgages	Discounted cash flow	Prepayment rate	398	-9	9	1.9%	3.2%	2.5%
Loans and advances - Other	Discounted cash flow	Liquidity and credit spread	250	-7	11			
Derivatives held for trading - assets/liabilities (net)	Discounted cash flow	Probability of default	26	-3	4	0.0%	100.0%	12.7%

Financial assets and liabilities not carried at fair value

						30 June 2024
	Carrying value				Total fair value	Difference
(in millions)		Quoted market prices in active markets	Valuation techniques -observable inputs	Valuation techniques -significant unobservable inputs		
Assets						
Cash and balances at central banks	38,085	38,085			38,085	
Securities financing	34,993		34,993		34,993	
Loans and advances banks	3,279		3,140	145	3,285	6
Loans and advances customers	250,873		30,245	217,006	247,251	-3,622
Total	**327,231**	**38,085**	**68,378**	**217,151**	**323,615**	**-3,616**
Liabilities						
Securities financing	18,523		18,523		18,523	
Due to banks	5,286		4,275	1,021	5,296	10
Due to customers	260,826		244,033	16,615	260,648	-177
Issued debt	67,026	44,786	22,380		67,166	141
Subordinated liabilities	5,608	1,848	3,944		5,792	184
Total	**357,269**	**46,634**	**293,156**	**17,636**	**357,427**	**158**

						31 December 2023
	Carrying value				Total fair value	Difference
(in millions)		Quoted market prices in active markets	Valuation techniques -observable inputs	Valuation techniques -significant unobservable inputs		
Assets						
Cash and balances at central banks	53,656	53,656			53,656	
Securities financing	21,503		21,503		21,503	
Loans and advances banks	2,324		2,120	208	2,328	4
Loans and advances customers	245,228		29,444	209,884	239,328	-5,900
Total	**322,709**	**53,656**	**53,066**	**210,092**	**316,814**	**-5,896**
Liabilities						
Securities financing	11,710		11,710		11,710	
Due to banks	5,352		2,294	3,126	5,419	68
Due to customers	254,466		237,483	16,739	254,222	-245
Issued debt	66,005	46,178	19,936		66,115	109
Subordinated liabilities	5,572	1,875	3,833		5,708	136
Total	**343,105**	**48,053**	**275,256**	**19,865**	**343,174**	**69**

12 Loans and advances banks

(in millions)	30 June 2024	31 December 2023
Interest-bearing deposits	2,259	1,401
Loans and advances	821	729
Mandatory reserve deposits with central banks	184	181
Other loans and advances banks	17	16
Subtotal	**3,281**	**2,327**
Less: loan impairment allowances	3	3
Total loans and advances banks	**3,279**	**2,324**

Mandatory reserve deposits are held with local central banks in accordance with statutory requirements. Most relevant to the bank are the minimum reserve requirements as determined by the ECB. The ECB prescribes how the minimum reserve amount should be calculated during pre-defined reserve periods. During such periods, the balances are available for use by ABN AMRO. The bank manages and monitors deposits to ensure that the minimum reserve requirements for the period are met.

13 Loans and advances customers

(in millions)	30 June 2024	31 December 2023
Residential mortgages (excluding fair value adjustment)	153,485	151,078
Fair value adjustment from hedge accounting on residential mortgages	-6,722	-6,005
Residential mortgages, gross	**146,764**	**145,073**
Less: loan impairment allowances - residential mortgage loans	184	198
Residential mortgages	**146,579**	**144,875**
Consumer loans at amortised cost, gross	**7,954**	**8,380**
Less: loan impairment allowances - consumer loans	141	147
Consumer loans at amortised cost	**7,813**	**8,233**
Consumer loans at fair value through P&L	**610**	**648**
Corporate loans (excluding fair value adjustment)	83,297	78,387
Fair value adjustment from hedge accounting on corporate loans	76	96
Financial lease receivables	4,071	4,169
Factoring	3,835	4,227
Corporate loans at amortised cost, gross	**91,279**	**86,880**
Less: loan impairment allowances - corporate loans	1,174	1,254
Corporate loans at amortised cost	**90,105**	**85,626**
Corporate loans at fair value through P&L	**29**	**59**
Government and official institutions	283	455
Other loans	6,095	6,043
Other loans and advances customers, gross	**6,378**	**6,497**
Less: loan impairment allowances - other	2	3
Other loans and advances customers	**6,376**	**6,494**
Total loans and advances customers	**251,513**	**245,935**

For information on loan impairment allowances, please refer to the Risk, funding & capital section.

14 Property and equipment

The bank's building at Foppingadreef is being reconstructed to make the building a model for sustainability and circularity. Until 30 June 2024, a total of EUR 145 million was capitalised as part of the asset under construction (2023: EUR 70 million). In the first half of 2024, additional design aspects were added to the original contract.
As at 30 June 2024, the amount of contractual commitments related to the refurbishment came to EUR 375 million (2023: EUR 430 million) subject to price indexation based on the BDB Index. The project is scheduled to be completed in 2027.

15 Assets held for sale

Assets held for sale relate mainly to a joint venture. ABN AMRO has started exclusive negotiations aimed at selling this joint venture within the next 12 months. Therefore, this joint venture is recorded as held for sale and valued at the lower of the carrying amount or fair value less costs to sell. Any impairment as a result of the reclassification has been recorded in share of result in equity accounted investments. This joint venture is part of the Wealth Management segment.

16 Due to banks

This item comprises amounts due to banking institutions, including central banks and multilateral development banks.

(in millions)	30 June 2024	31 December 2023
Current accounts	1,554	1,168
Demand deposits	1	1
Time deposits	3,196	3,731
Cash collateral on securities lent	532	451
Other	2	
Total due to banks	**5,286**	**5,352**

On 26 June 2024, ABN AMRO fully repaid the TLTRO III funding at the amount of EUR 3.0 billion. On 30 June 2024, there was no outstanding TLTRO III funding.

17 Due to customers

This item is comprised of amounts payable to non-banking clients.

(in millions)	30 June 2024	31 December 2023
Current accounts	90,231	99,948
Demand deposits	103,350	100,943
Time deposits	65,020	51,728
Other	2,225	1,846
Total due to customers	**260,826**	**254,466**

18 Issued debt and subordinated liabilities

The following table shows the types of debt certificates issued by ABN AMRO and the amounts outstanding. Changes in these debt instruments involve a continual process of redemption and issuance of long-term and short-term funding.

(in millions)	30 June 2024	31 December 2023
Bonds and notes issued	50,487	52,264
Certificates of deposit and commercial paper	16,539	13,741
Total at amortised cost	**67,026**	**66,005**
Designated at fair value through profit or loss	216	222
Total issued debt	**67,241**	**66,227**
- of which matures within one year	*22,572*	*17,408*

The amounts of debt issued and redeemed during the period are shown in the Condensed consolidated statement of cash flows. Further details of the funding programmes are provided in the Risk, funding & capital section.

Subordinated liabilities

The following table shows outstanding subordinated liabilities issued by ABN AMRO and the amounts outstanding.

(in millions)	30 June 2024	31 December 2023
Subordinated liabilities	5,608	5,572

19 Provisions

(in millions)	30 June 2024	31 December 2023
Legal provisions	145	273
Credit commitments provisions	158	120
Restructuring provision	50	57
Provision for pension commitments	72	76
Other staff provision	134	134
Insurance fund liabilities	5	7
Other provisions	66	75
Total provisions	**630**	**742**

Legal provisions
Euribor-based mortgages
In 2012 two class actions were started whereby the central question was whether ABN AMRO's amendment clauses in the terms and conditions, entitling it to unilaterally adjust the margin charge for Euribor-based mortgage loans, was an unfair contractual clause. In the meantime, ABN AMRO and the foundation Stichting Euribar reached agreement on a settlement for clients with Euribor-Woninghypotheek mortgages. All clients who were eligible for the settlement received a personal offer from ABN AMRO and 81% of this group accepted the proposed settlement. Meanwhile, the other foundation, Stichting Stop de Banken, broke off the negotiations aimed at reaching agreement and proceeded with the class action.

On 11 October 2022, the Court of Appeal in The Hague ruled that the amendment clauses were valid and that ABN AMRO was entitled to exercise its power of amendment. The Court of Appeal also deemed the manner in which ABN AMRO exercised its power of amendment to be within the law. The ruling applies to clients who did not accept the personal settlement offer made to them by the bank in 2020 or 2021. Stichting Stop de Banken subsequently appealed against the ruling at the Supreme Court, but the Supreme Court rejected this appeal on 22 December 2023.

On 20 June 2024 ABN AMRO received a letter from a law firm on behalf of 354 clients in which the right to adjust the surcharge is annulled. The letter claims that the verdict of the High Council in connection to Euribor did not take into account a verdict of the European Court of Justice. In connection with this letter ABN AMRO received on 21 June 2024 four writs of summons of individual cases stating the same as the letter as described above.

At 30 June 2024 a provision is in place for expected remaining cash outflows.

Variable interest rates for consumer loans
On 3 March 2021, the Kifid Appeals Committee confirmed a ruling of the Kifid Disputes Committee about the recalculation of the variable interest charged to a specific client on a revolving credit. In short, Kifid ruled that ABN AMRO should have followed the market rate while establishing the variable interest rate for certain revolving consumer credits.

In light of the Kifid ruling, ABN AMRO reached agreement with the Dutch Consumers' Association (Consumentenbond Claimservice) on 5 September 2021 regarding a compensation scheme for affected clients. In Q3 of 2022, following an August 2022 ruling of the Kifid Appeals Committee, ABN AMRO adjusted the compensation scheme to include interest on interest. ABN AMRO has provisioned around EUR 520 million for the interest to be compensated and the costs incurred in carrying out the scheme. To date, EUR 410 million of this provision has been used, while the remaining provision as at 30 June 2024 was EUR 109 million.

It is unclear what the exact scope and application of the Kifid ruling is and whether the ruling will have a certain knockon effect on other (credit) products with variable interest rates, beyond the range of products covered by the compensation scheme, such as credit products for micro and small enterprises. ABN AMRO cannot give a reliable estimate of the (potentially substantial) financial risk of these contingent liabilities which have not been provided for.

Other provisions

AML remediation programme

ABN AMRO is progressing with the enhancement to its internal processes and systems to effectively contribute to the prevention of financial economic crime. We have internally addressed the AML client file remediations and are awaiting the observations from the supervisor, while additional work continues to increase the effectiveness and sustainability of our measures to meet regulatory requirements. We are in regular dialogue with the Dutch central bank, who is kept informed and continues to monitor progress. As a result of insights from the enhancements of our processes or from observations from the supervisor additional remedial actions by ABN AMRO may occasionally be required in the future. The remaining provision for the AML remediation programme is EUR 1 million.

20 Accumulated other comprehensive income

(in millions)	Remeasurements on post-retirement benefit plans	Currency translation reserve	Fair value reserve	Cash flow hedge reserve	Accumulated share of OCI of associates and joint ventures[1]	Liability own credit risk reserve	Total
Balance at 1 January 2023	**7**	**81**	**26**	**- 946**	**- 7**	**- 3**	**- 842**
Net gains/(losses) arising during the period		- 29	16	146	7	1	142
Less: Net realised gains/(losses) included in income statement		6		- 62			- 56
Net gains/(losses) in equity		**- 35**	**16**	**208**	**7**	**1**	**198**
Related income tax			4	54			58
Balance at 30 June 2023	**7**	**47**	**37**	**- 791**		**- 2**	**- 703**
Balance at 1 January 2024		**37**	**-104**	**-250**	**3**	**-2**	**-315**
Net gains/(losses) arising during the period		20	-142	98			-24
Less: Net realised gains/(losses) included in income statement				-96			-96
Net gains/(losses) in equity		**20**	**-142**	**194**			**73**
Related income tax			-36	50			14
Balance at 30 June 2024		**57**	**- 210**	**- 106**	**3**	**- 2**	**- 256**

[1] The balance at 30 June 2024 represents held for sale of a joint venture.

21 Commitments and contingent liabilities

(in millions)	30 June 2024	31 December 2023
Committed credit facilities	**50,927**	**53,968**
Guarantees and other commitments:		
Guarantees granted	644	558
Irrevocable letters of credit	3,835	3,645
Recourse risks arising from discounted bills	2,322	2,086
Total guarantees and other commitments	**6,801**	**6,289**
Total	**57,728**	**60,257**

Other contingent liabilities

ABN AMRO is involved in a number of legal proceedings in its ordinary course of business in various jurisdictions. Also discussions with regulators take place a.o. about the scope of the remuneration policy, for which the regulators announced their intention on enforcement measures. In presenting the consolidated financial statement, management estimates the outcome of legal, regulatory and arbitration matters, and takes provisions to the income statement when losses with respect to such matters are more likely than not. Provisions are not recognised for matters for which expected cash outflow cannot be reasonably estimated or that are not more likely than not to lead to a cash outflow. Some of these matters may be regarded as a contingency.

Single Resolution Fund contribution

Irrevocable Payment Commitment

The annual Single Resolution Fund (SRF) contribution is a levy introduced by the European Union in 2016. The Single Resolution Board (SRB) allows institutions to use irrevocable payment commitments (IPCs) to pay part of their contribution. ABN AMRO uses this option and accounts for the IPCs as a contingent liability, based on the assessment that until the IPCs are called by the SRB there is no present obligation to pay. Hence, IPCs have not been taken through profit and loss, but are already deducted from own funds for regulatory purposes. In 2024 ABN AMRO was not required to add any IPCs (2023: EUR 41 million). The cumulative amount of IPCs entered into is EUR 207 million. The IPCs are secured by collateral to ensure full and punctual payment of the contribution when called by the SRB. As at 30 June 2024, ABN AMRO has transferred a cumulative amount of EUR 207 million in collateral (31 December 2023: EUR 207 million). The collateral is reported as an asset under 'other loans and advances customers'.

Proceedings against regulator on regulatory levies

ABN AMRO is in discussion with the Single Resolution Board (SRB) about the calculation method applied for annual Single Resolution Fund (SRF) contributions paid in the past. At this time, the outcome of these discussions are still uncertain.

The annual SRF contribution is a levy introduced by the European Union in 2016. The SRB calculates the SRF contribution based on the information annually provided by the credit institutions within the European Banking Union in scope of SRF. The SRB is of the opinion that ABN AMRO has reported variables to calculate the annual SRF contribution incorrectly over the 2016-2022 period. ABN AMRO disagrees with the SRB's point of view and, as from 2016, has repeatedly and extensively communicated its position with regard to the adjusted amount to the SRB. The different points of view held by the SRB and ABN AMRO are due to a differing interpretation of the regulation with regard to the annual SRF contribution.

ABN AMRO received on 11 May 2023 the final decision from the SRB regarding the ex-ante contributions to the SRF. In its final decision, SRB reiterates its arguments and doesn't agree with ABN AMRO's position. The SRB recalculated the contribution of ABN AMRO Hypotheken Groep B.V. ("AAHG") over the years 2016 - 2022. Therefore the total amount of the invoice for the year 2023 is EUR 177 million. This amount consists of both the contribution for the year 2023 (approximately EUR 57 million) and the amount AAHG has to pay extra in contribution for the years 2016 - 2022 (approximately EUR 120 million, included as an 'other asset'). Upon DNB's and SRB's explicit request and in order to comply with the Dutch legislation, which requires the SRF contribution 2023 to be paid within six weeks after the notification of the final decision (under penalty of fines), AAHG paid on 22 June 2023, under protest, the SRF contribution 2023 to the SRB.

AAHG and ABN AMRO challenged the SRB's final decision by filing a petition with the court of Justice of the European Union on 14 July 2023. On 15 November 2023 SRB filed a 'preliminary objection' with the court in which the SRB asserts the inadmissibility of the appeal of AAHG and ABN AMRO. AAHG and ABN AMRO filed a response to this initial defence of SRB on 23 January 2024. The court decided that the assessment of the initial defence of SRB will be suspended until after the assessment of the proceedings on the merits. SRB filed a response to the petition of AAHG and ABN AMRO on 21 May 2024. The court provided AAHG and ABN AMRO the opportunity to comment on this response ultimately on 19 August 2024.

The outcome of this challenge is uncertain, because the SRF regulation is relatively new and there is little to no case law on the subject. ABN AMRO nevertheless considers it more likely than not that such challenge will be successful.

Equity trading in Germany

German authorities are conducting investigations into the involvement of individuals from various banks and other parties in equity trading extending over dividend record dates in Germany, including several forms of tainted dividend arbitrage (i.e. tainted dividend stripping, including cum/ex and cum/cum) for the purpose of obtaining German tax credits or refunds in relation to withholding tax levied on dividend payments, including, in particular, transaction structures that resulted in more than one market participant claiming such credit or refund with respect to the same dividend payment. ABN AMRO's legal predecessor, Fortis Bank (Nederland) N.V., ABN AMRO and several former subsidiaries were directly or indirectly involved in these transactions in the past in various capacities. Criminal investigation proceedings relating to the activities of these entities and individuals involved at the time were instigated.

These proceedings also resulted in search warrants being issued against ABN AMRO. ABN AMRO is cooperating with these investigations, but has no knowledge of the results of any such investigations other than through public sources.

ABN AMRO also frequently receives information requests from German authorities in relation to criminal and other investigations of individuals from other banks and other parties relating to equity trading extending over dividend record dates in Germany. ABN AMRO cooperates and provides the requested information to the extent possible. Although a number of subsidiaries associated with these transactions have been sold by means of a management buy-out, legal risks remain for ABN AMRO, in particular relating to administrative offences and criminal and civil law. All material tax issues with respect to ABN AMRO's tax reclaims relating to cum/ex transactions have been settled with the German tax authorities.

With respect to cum/cum transactions, the German Federal Ministry of Finance released two circular rulings dated 9 July 2021 (published 15 July 2021); these contain a change in interpretation of tax legislation compared to previous circular rulings. While these circular rulings, in ABN AMRO's view, contradict case law of the German Federal Tax Court after the circulars were published, the German Federal Ministry of Finance has not withdrawn or amended the rulings, and the German local tax authorities are therefore expected to recollect dividend withholding tax credited to taxpayers where such credits related to cum/cum strategies. ABN AMRO has received dividend withholding tax refunds that relate to transactions that could be considered to be cum/cum transactions under the new circular rulings. In anticipation of a decision by the German tax authorities, ABN AMRO has, as a precaution, repaid the relevant dividend withholding tax amounts, while retaining its rights to contest any such future decision. Some counterparties of ABN AMRO have initiated civil law claims against ABN AMRO with respect to cum/cum securities lending transactions (some of which are pending before German courts), arguing that ABN AMRO failed to deliver beneficial ownership of the loaned securities to these counterparties and that this resulted in a denial of tax credit entitlement by the relevant German tax authorities. Although ABN AMRO considers it not probable that any such claims will be successful, the possibility that they will succeed cannot be ruled out.

It cannot be excluded that ABN AMRO or subsidiaries will face financial consequences as a result of their involvement in tainted dividend arbitrage transactions, in particular corporate administrative fines, forfeiture orders and civil law claims. It is currently unclear, however, as to how and when the German prosecution authorities' investigations will impact on ABN AMRO and its subsidiaries and if, and to what extent, corporate administrative fines or forfeiture orders will be imposed. It is also uncertain whether tax authorities or third parties will successfully claim amounts from ABN AMRO in secondary tax liability or civil law cases. Therefore, the financial impact cannot currently be reliably estimated and no provision has been recorded in this respect.

Netherlands Public Prosecution Service investigation into Dutch tax matter

The Netherlands Public Prosecution Service (NPPS) is conducting an investigation regarding transactions that ultimately led to a set-off by a third party of dividend withholding tax credits against its corporate tax liabilities in the Netherlands during the period 2009-2013. The NPPS investigation relates to ongoing tax proceedings in the Dutch courts between the third party and the Dutch tax authority regarding the third party's set-off of dividend withholding tax credits against its corporate tax liabilities. The District Court ruled in favour of this third party in 2018. In 2020, the Court of Appeal overturned the ruling of the District Court and ruled in favour of the Netherlands tax authority. An appeal with the Supreme Court was filed against the ruling of the Court of Appeal.

On 19 January 2024, the Supreme Court upheld the third party's grievances against the Court of Appeal's ruling. Consequently, the ruling was set aside and the case was referred back to a different Court of Appeal. This Court of Appeal must now rule on the matter again, thereby taking into account the guiding principles as formulated by the Supreme Court.

The NPPS has informed ABN AMRO that it is a suspect in the investigation, due to its involvement in some of these transactions. The NPPS is gathering information for its investigation and ABN AMRO is cooperating with the investigation. The timing of the completion of the investigation and the outcome are uncertain. The possibility cannot be excluded that ABN AMRO will face financial consequences as a result of the investigation. However, the potential financial impact of the investigation cannot currently be reliably estimated and no provision has been made.

Duty of care matters

A number of proceedings have been initiated against ABN AMRO for alleged breach of its duty of care in transparency related standards. Where applicable, provisions for these matters have been made. There can be no assurance that additional proceedings will not be instigated or that amounts demanded in claims brought to date will not rise. Current proceedings are pending and their outcome, as well as the outcome of any potential proceedings, is uncertain, as is the timing of reaching any finality on these legal claims and proceedings. Although the consequences could be substantial for ABN AMRO and potentially affect its reputation, results of operations, financial condition and prospects, it is not possible to reliably estimate or quantify ABN AMRO's exposure at this time. These uncertainties are likely to continue for some time.

Luxembourg subsidiaries

In February 2018, ABN AMRO sold its Luxembourg subsidiary to BGL BNP Paribas (BGL). BGL is now being sued by a Luxembourg investment fund (the Fund) which alleges that the Luxembourg subsidiary, in its capacity as custodian of a sub-fund of the Fund, should have prevented an investment of USD 10 million from being made. The Fund is claiming restitution of this amount from BGL in proceedings before the District Court of Luxembourg. BGL notified ABN AMRO of this claim in January 2020 and, in June 2020, summoned it to appear in these proceedings in an intervention procedure. In July 2020, the Fund and its Hong Kong subsidiary issued an additional claim against BGL. This claim amounts to USD 23 million and also seems to be in respect of investments relating to the sub-fund of the Fund. Since August 2020, this additional claim has also been part of the intervention procedure between BGL and ABN AMRO. In addition, on 2 April 2021, BGL, as the legal successor of the Luxembourg subsidiary of ABN AMRO, was sued by a Luxembourg investment fund (SIF A) and the liquidator of SIF A. In brief, it is alleged that a sub-fund of SIF A invested in allegedly fictitious loan instruments for a period of time. ABN AMRO Bank (Luxembourg) S.A. acted as the custodian bank for SIF A for a while within this time period. SIF A alleges that it did not perform its duties properly and therefore considers that BGL, as the legal successor of the Luxembourg subsidiary, should be held liable, together with three other defendants, for EUR 4 million in damages. BGL notified ABN AMRO of this claim in May 2021. In brief, BGL is claiming that any sentence that could be pronounced against it in the proceedings against the fund and its liquidator should be borne by ABN AMRO. ABN AMRO rejects the alleged claim from BGL. Finally, on 31 May 2021, BGL, as the legal successor of the Luxembourg subsidiary of ABN AMRO, was sued by an alternative investment fund (AIF SIF). AIF SIF was originally a client of the subsidiary. AIF SIF accuses BGL, in its capacity as the former depositary bank of AIF SIF, of having caused AIF SIF's removal from the list of specialised investment funds by the Luxembourg financial regulator (CSSF). The fund claims damages from BGL in the amount of EUR 126 million. BGL notified ABN AMRO of this claim in October 2019 and July 2021. In brief, BGL is claiming that any sentence that could be pronounced against it in the proceedings against the fund should be borne by ABN AMRO. ABN AMRO rejects the alleged claim from BGL. On 30 June 2023 BGL served a writ of summons against ABN AMRO in which BGL holds ABN AMRO primarily liable for fraudulent concealment and misrepresentation and seeks compensation for its damages. ABN AMRO rejects the alleged claim by BGL. The writ has not (yet) been served before the court in order to give parties a chance to discuss a potential settlement.

Cross-liability

On 6 February 2010, the former ABN AMRO Bank N.V. demerged into two entities: NatWest Markets N.V. (formerly known as RBS N.V.) and ABN AMRO Bank N.V. On the division of an entity by demerger, Dutch law establishes a cross-liability between surviving entities for the benefit of the creditors at the time of the demerger. ABN AMRO's cross-liability amounts to EUR 198 million (31 December 2023: EUR 198 million).

Collective action regarding business credits with variable interest rate

ABN AMRO received a claim from the claim foundation Stichting Massaschade & Consument, alleging that ABN AMRO charged too much interest on certain revolving business credits with a variable interest rate, which had been sold to small and micro enterprises. The claim foundation argues that earlier Kifid rulings on revolving consumer credits with a variable interest rate, in which Kifid ruled that the contractual interest rate must follow the movements of the average market rate, should also apply to these business credits.

On 14 May 2024, ABN AMRO received a writ of summons to commence a collective action. ABN AMRO refutes the allegations of the claim foundation, inter alia, because, according to ABN AMRO, the Kifid rulings on revolving consumer credits with a variable interest rate cannot be applied to business credits and, thus far, the Kifid-approach has not been adopted by the Dutch civil courts. A provision has not been recognised for this matter. The writ of summons does not specify exactly to which products the claim applies or a substantiation of the amount of damages claimed. As a result, it is currently not possible to make a reliable estimate of the financial effects of this claim. ABN AMRO will put up a defence in court. It is expected that the collective action will take several years to complete.

Hauck Aufhäuser Lampe

In May 2024 ABN AMRO announced the acquisition of Hauck Aufhäuser Lampe ("HAL") for an amount of EUR 672 million (subject to adjustment based on audited financials). The acquisition of HAL is expected to contribute around EUR 26 billion in assets under management and EUR 2 billion in loans. This acquisition is subject to regulatory approvals. HAL will be part of the Wealth Management client unit. Closing is expected in H1 2025.

22 Related parties

Parties related to ABN AMRO Bank include NLFI and the Dutch State, which have significant influence, associates, pension funds, joint ventures, the Executive Board, the Supervisory Board, close family members of any person referred to above, entities controlled or significantly influenced by any person referred to above and any other related entities. ABN AMRO has applied the partial exemption for government-related entities as described in IAS 24 paragraphs 25-27.

As part of its business operations, ABN AMRO frequently enters into transactions with related parties. Transactions conducted with the Dutch State are limited to normal banking transactions, taxation and other administrative relationships, with the exception of items specifically disclosed in this Note. Normal banking transactions relate to loans and deposits and are entered into under the same commercial and market terms as those that apply to non-related parties.

Loans and advances to the Executive Board members and their close family members, where applicable, consist mainly of residential mortgages granted under standard personnel conditions.

For further information, please refer to Note 36 Remuneration of Executive Board and Supervisory Board of the Consolidated Annual Financial Statements 2023.

Joint ventures, associates and other

				30 June 2024
(in millions)	**Joint ventures**	**Associates**	**Other**	**Total**
Assets	12	43		55
Liabilities	51	77		128
Guarantees given		20		20
Guarantees received				
Irrevocable facilities		6		6
				First half 2024
Income received	22	1		23
Expenses paid	4	47	184	235

				31 December 2023
(in millions)	Joint ventures	Associates	Other	Total
Assets	29	42		71
Liabilities	4	59		63
Guarantees given		20		20
Irrevocable facilities		2		2
				First half 2023
Income received	19	1		20
Expenses paid	3	47	171	222

The EUR 17 million decrease in assets with joint ventures was mainly attributable to lower loans and receivables held by other financial institutions.

The EUR 47 million increase in liabilities with joint ventures was mainly attributable to higher client deposits held with other financial institutions.

The EUR 18 million increase in liabilities with associates was mainly attributable to higher client deposits held with other financial institutions.

Expenses paid in the column Other reflects pension contributions paid to the ABN AMRO pension fund.

Dutch State

(in millions)	30 June 2024	31 December 2023
Assets		
Financial assets held for trading	564	168
Derivatives		
Financial investments	2,925	2,642
Loans and advances customers	138	69
Other assets		
Liabilities		
Financial liabilities held for trading	277	174
Derivatives		
Due to customers	456	466
	First half 2024	First half 2023
Income statement		
Interest income	30	23
Interest expense	10	10
Net trading income	24	24

On 1 April 2010, ABN AMRO signed an indemnity agreement with the Dutch State (currently represented by NLFI) for a shortfall in capital above a certain amount related to specific assets and liabilities of RFS Holdings B.V. In 2019, Royal Bank of Scotland (RBS) acquired all shares in RFS Holding. However, NLFI has given certain warranties related to its previously owned shares in RFS Holdings and the indemnity agreement continues to exist. RFS Holdings is sufficiently capitalised. Consequently, ABN AMRO has assessed the risk for any shortfall as remote.

Transactions conducted with the Dutch State are limited to normal banking transactions, taxation and other administrative relationships. Normal banking transactions relate to loans and deposits, financial assets held for trading and financial investments, and are entered under the same commercial and market terms as those that apply to non-related parties.

Transactions and balances relating to taxation, levies and fines in the Netherlands are excluded from the table above.

The EUR 0.4 billion increase in financial assets held for trading and EUR 0.1 billion increase in financial liabilities held for trading related mainly to higher amounts of Dutch government bonds as a result of the primary dealership in the Netherlands and client facilitation. Most of these contracts are hedged with short positions in government bonds.

The EUR 0.3 billion increase in financial investments was mainly due to an increase in Dutch government bonds held. This is part of the liquidity buffer and is held for liquidity contingency purposes.

The EUR 0.1 billion increase in loans and advances to customers was attributable to lower cash collateral pledged.

23 Post balance sheet events

ABN AMRO completes acquisition of BUX

On 1 July 2024, ABN AMRO completed the share purchase agreement with BUX Holding B.V. for the acquisition of all shares in BUX B.V. and BUX Technology B.V. (together BUX). BUX is one of Europe's leading neo-brokers, with 500,000 clients and operating across eight markets. The acquisition of BUX brings ABN AMRO advanced financial technology and a user-friendly and intuitive platform that will enhance ABN AMRO's digital offerings. BUX will be part of ABN AMRO's Wealth Management client unit.

Robert Swaak to step down as CEO

On 1 August 2024, ABN AMRO announced that CEO Robert Swaak will not complete his term of office at the bank. In consultation with the Supervisory Board, it has been decided that he will step down in the first half of 2025.

Independent auditor's review report

To: the shareholders and Supervisory Board of ABN AMRO Bank N.V.

Our conclusion

We have reviewed the condensed consolidated interim financial statements included in the accompanying interim report of ABN AMRO Bank N.V. (hereinafter: ABN AMRO or the bank) based in Amsterdam for the period from 1 January 2024 to 30 June 2024.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements of ABN AMRO for the period from 1 January 2024 to 30 June 2024, are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed consolidated interim financial statements comprise:

- The condensed consolidated statement of financial position as at 30 June 2024
- The following consolidated statements for the period from 1 January 2024 to 30 June 2024: the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, and the condensed consolidated statement of cash flows
- The notes comprising of a summary of significant accounting policies and selected explanatory information

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed consolidated interim financial statements section of our report.

We are independent of ABN AMRO in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the Executive Board and the Supervisory Board for the condensed consolidated interim financial statements

The Executive Board is responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of the condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the bank's financial reporting process.

Our responsibilities for the review of the condensed consolidated interim financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:
- Updating our understanding of the bank and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated interim financial statements where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of interim financial information
- Making inquiries of the Executive Board and others within the bank
- Applying analytical procedures with respect to information included in the condensed consolidated interim financial statements
- Obtaining assurance evidence that the condensed consolidated interim financial statements agree with, or reconcile to, the bank's underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether the Executive Board has identified all events that may require adjustment to or disclosure in the condensed consolidated interim financial statements
- Considering whether the condensed consolidated interim financial statements have been prepared in accordance with the applicable financial reporting framework and represent the underlying transactions free from material misstatement

Amsterdam, 6 August 2024

EY Accountants B.V.
Signed by S.D.J. Overbeek - Goeseije

Other information

Note on our methodology

Road transport

Our road transport trucks and vans targets cover 30% of our asset-based-financing lease road transport portfolio. Both sub-sectors encompass vehicles in the Dutch, UK and German portfolios. We measure our financed emissions for trucks in grams of CO_2 associated with each transported tonne of freight per kilometre (gCO_2/tkm) and our financed emissions for vans in grams of CO_2 per vehicle kilometre (gCO_2/vkm), capturing the scope 1 GHG emissions. Due to the difficulty in capturing scope 2 emissions in a scientific benchmark scenario, those are calculated based on electricity consumption and are not yet included in our target. For the base year 2023, the emission intensity associated with our truck portfolio equals 81.5 gCO_2/tkm and our vans portfolio equals 224.7 gCO_2/vkm. Currently, we rely on external emission factors per vehicle type, as well as average distance travelled, to calculate the financed emissions associated with our portfolio. For the calculations of scope 2 emissions, we rely on external data on diesel consumption and conversion to electricity consumption, as well as electricity grid intensity. We have used 2023 portfolio data for these calculations, as this is the most recent data available to us. For our 2030 targets, we have used the International Energy Agency's (IEA) Net Zero Emissions (NZE) roadmap 2023 to set out the benchmark scenario to converge towards. This benchmark scenario represents the global decarbonisation required in the sector towards 2050, aligned with a 1.5°C temperature increase.

Enquiries

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Investor call

A conference call for analysts and investors will be hosted on Wednesday 7 August 2024. To participate in the conference call, we strongly advise analysts and investors to pre-register for the call using the information provided on the ABN AMRO Investor Relations website. More information can be found on our website abnamro.com/ir.

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Information on our website does not form part of this Interim Report, unless expressly stated otherwise.

Disclaimer & cautionary statements

ABN AMRO has included in this document, and from time to time may make certain statements in its public statements, that may constitute “forward-looking statements”. This includes, without limitation, such statements that include the words “expect”, “estimate”, “project”, “anticipate”, “should”, “intend”, “plan”, “probability”, “risk”, “Value-at-Risk (“VaR”)”, “target”, “goal”, “objective”, “will”, “endeavour”, “outlook”, “optimistic”, “prospects” and similar expressions or variations of such expressions. In particular, the document may include forward-looking statements relating but not limited to ABN AMRO’s potential exposures to various types of operational, credit and market risk. Such statements are subject to uncertainties

Forward-looking statements are not historical facts and represent only ABN AMRO’s current views and assumptions regarding future events, many of which are by nature inherently uncertain and beyond our control. Factors that could cause actual results to deviate materially from those anticipated by forward-looking statements include, but are not limited to, macroeconomic, demographic and political conditions and risks, actions taken and policies applied by governments and their agencies, financial regulators and private organisations (including credit rating agencies), market conditions and turbulence in financial and other markets, and the success of ABN AMRO in managing the risks involved in the foregoing.

Any forward-looking statements made by ABN AMRO are current views as at the date they are made. Subject to statutory obligations, ABN AMRO does not intend to publicly update or revise forward-looking statements to reflect events or circumstances after the date the statements were made, and ABN AMRO assumes no obligation to do so.

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