Credit Rating Report
ABN AMRO Bank N.V.

Morningstar DBRS
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Contents

Arnaud Journois
Vice President
European Financial Institution Ratings
+49 69 8088 3526
arnaud.journois@morningstar.com

Elisabeth Rudman
Managing Director
Global Financial Institution Ratings
+44 20 7855 6655
elisabeth.rudman@morningstar.com

Credit Ratings

Issuer	Debt	Credit Rating	Credit Rating Action	Trend
ABN AMRO Bank N.V.	Long-Term Issuer Rating	A (high)	Confirmed June '24	Stable
ABN AMRO Bank N.V.	Short-Term Issuer Rating	R-1 (middle)	Confirmed June '24	Stable
ABN AMRO Bank N.V.	Intrinsic Assessment	A (high)	Maintained June '24	-

Credit Rating Drivers

Factors With Positive Credit Rating Implications

- An upgrade of the credit ratings would arise from a longer track record of improved profitability and improved risk management.

Factors With Negative Credit Rating Implications

- A downgrade of the credit ratings would occur from a sustained deterioration in asset quality or a material weakening of profitability metrics.

Credit Rating Considerations

Franchise Strength (Strong)

- Strong retail and commercial banking franchise in the Dutch market, and a solid private and corporate banking footprint in Northwest Europe.

Earnings Power (Good)

- Sound earnings generation, supported by higher rates, contained risk profile, and cost control.

Risk Profile (Strong/Good)

- Good and stable asset quality following the de-risking of the portfolio and thanks to a resilient mortgage portfolio and benign operating environment. Further progress with regard to the Bank's operational risk compliance.

Funding and Liquidity (Strong/Good)

- Good funding base, supported by a broad retail and private banking base with growth in customer deposits. Liquidity remains robust.

Capitalisation (Strong/Good)

- Solid capitalisation, supported by good access to capital markets and cushions over minimum regulatory requirements.

Financial Data Through 2023	Scorecard Building Block (BB) Assessment	Grids BB Assessment	Combined BB Assessment
Franchise	S	S	S
Earnings	G/M	G	G
Risk	S/G	S/G	S/G
Funding & Liquidity	S/G	S	S/G
Capitalisation	G/M	S	S/G

Overall Assessment	Intrinsic Assessment Range (IAR)	Assigned IA
S/G	['AA (low)', 'A (high)', 'A']	A (high)

Financial Information

			For the Year Ended December 31 (IFRS)				
(In EUR Millions unless otherwise stated)	Q1 2024	Q1 2023	2023	2022	2021	2020	2019
Total Assets	397,647	403,764	377,909	379,581	399,113	395,623	375,054
Gross Loans to Customers	260,048	259,772	253,446	255,288	258,713	251,788	266,687
Income Before Provisions and Taxes (IBPT)	940	736	3,475	2,375	1,797	2,534	3,278
Net Attributable Income	674	523	2,697	1,867	1,231	(45)	2,046
Net Interest Margin	1.7%	1.7%	1.6%	1.3%	1.3%	1.5%	1.7%
Cost / Income ratio	57.6%	66.1%	59.8%	69.4%	75.6%	67.1%	61.2%
LLP / IBPT	0.3%	1.9%	-4.5%	1.6%	-2.6%	90.9%	20.0%
Cost of Risk	0.00%	0.02%	-0.06%	0.01%	-0.02%	0.91%	0.24%
CET1 Ratio	13.80%	15.00%	14.30%	15.20%	16.30%	17.70%	18.10%

Source: Morningstar Inc., Company Documents

Issuer Description

ABN AMRO Bank N.V. (ABN AMRO or the Bank) is a Dutch bank offering universal banking services in the Netherlands, and private and corporate banking services in mainly in Northwest Europe.

Credit Rating Rationale

ABN AMRO's credit ratings reflect the Bank's strong retail and commercial banking franchise in the Netherlands, combined with a solid franchise in private and commercial banking in Northwest Europe, particularly France and Germany, and a global clearing business. The credit ratings also take into account the Bank's sound earnings generation capacity, which has improved following the de-risking undertaken by ABN AMRO, higher interest rates, and a cost base that is under control. In Morningstar DBRS' view, improved earnings generation provide ABN AMRO with the flexibility to absorb a potential deterioration in the cost of risk, which could materialise in the current environment, with inflation and higher interest rates potentially affecting borrowers.

In addition, ABN AMRO's credit ratings incorporate the Bank's solid funding and liquidity profile, which is underpinned by a stable customer deposit base and good access to market funding. Whilst capital ratios have been trending down in recent quarters on the back of regulatory and accounting impacts, Morningstar DBRS expects regulatory capital cushions to remain sound.

Franchise Strength

Scorecard BB Assessment	Grids BB Assessment	Combined BB Assessment
Strong	Strong	Strong

ABN AMRO is a leading Dutch bank with total assets of EUR 397.6 billion at end-Q1 2024. The Bank mainly operates in its domestic market (77% of total credit exposure), where it benefits from a strong retail and commercial banking franchise, reporting a 14% market share in mortgages (19% market share in new mortgage lending in and a 16% share in small and medium-sized enterprise (SME) lending in 2023. ABN AMRO aims to reach a market share of approximately 20% in new mortgage production and SMEs in 2024. In addition, the Bank has a solid private banking footprint in Northwest Europe, mainly Belgium, France, and Germany.

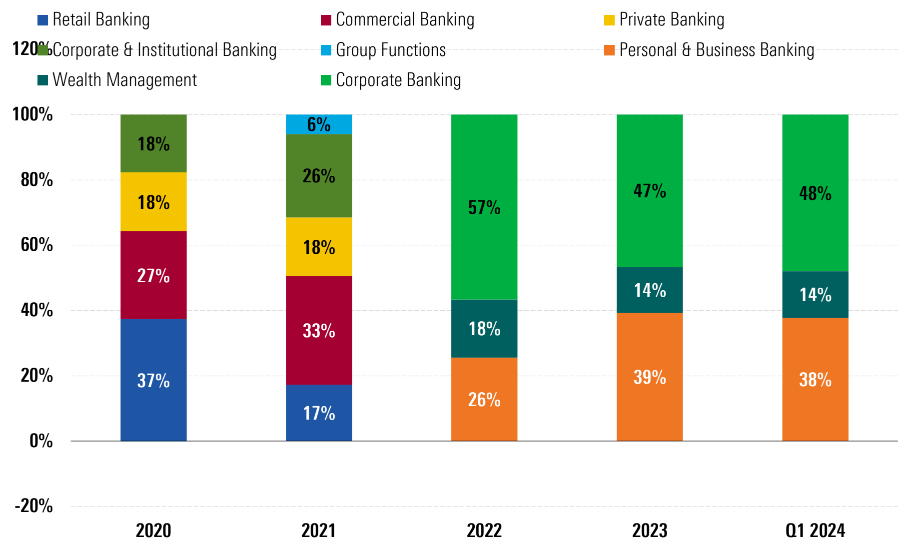
The Bank is the result of the merger of the state-owned portions of the former ABN AMRO Bank N.V. and Fortis Bank (Nederland) N.V. in 2010. The Dutch State, through NL Financial Investments (NLFI), owned less than 50% of ABN AMRO as of end-2023, after reducing its stake in September 2023. In November 2023 and February 2024, the government announced its intention to further reduce its stake through a trading plan and a buyback. Morningstar DBRS expects that the Dutch State will continue to reduce its stake and ultimately exit its investment in ABN AMRO. As such, Morningstar DBRS does not factor any support into ABN AMRO's ratings from the current ownership structure.

ABN has taken steps to reduce the risk in its franchise. In 2023, the Bank exited all non-European Corporate Banking activities, given elevated credit losses in this segment. In Morningstar DBRS' view, the narrowing of the CIB business has led to more stable earnings, albeit somewhat lower compared with historical levels. In addition, ABN AMRO reached a settlement of EUR 480 million with the Dutch Public Prosecution Service (DPPS) in 2021 related to the Bank's compliance with the Dutch Anti-Money Laundering and Counter Terrorism Financing Act (the Act). As of June 2024, the Bank has made further progress strengthening its compliance and internal control framework, but this remains an ongoing process.

In late May 2024, the Group announced it had reached an agreement with Fosun International to acquire Hauck Aufhäuser Lampe (HAL), a leading German private bank. In Morningstar DBRS' view, this will enable the Bank to achieve a leading position in the private banking business in Germany and will support fee and commission income going forward.

The bank has provided guidance for 2024, which includes (1) net interest income of EUR 6.3 billion and (2) a cost base of around EUR 5.3 billion and a cost of risk at the lower end of the 15–20 basis points (bps) through the cycle run rate. Targets for 2026 include a return on equity of around 9%–10%, a cost to income ratio of around 60%, a CET1 Basel IV of 13.5% and a dividend pay-out of 50%.

Exhibit 1 IBPT Breakdown by Business Segment, 2020–Q1 2024



Sources: Company reports, Morningstar DBRS.

Description of Operations

ABN AMRO's organisational structure consists of three business units: Personal & Business Banking, Wealth Management, and Corporate Banking.

Personal & Business Banking (P&B) – Pre-impairment operating profit of EUR 371 million in Q1 2024 (38% of pre-impairment profit in Q1 2024 excluding group functions). This unit serves over 5 million retail clients and more than 365,000 business clients with a turnover below EUR 25 million. The P&B operations are mostly domestic where ABN AMRO is a top-three player and the primary bank for c.20% of the Dutch population. In Q1 2024, the Bank ranked second in new mortgage production and savings in the Dutch market.

Wealth Management (WM) – Pre-impairment operating profit of EUR 140 million in Q1 2024 (14% of pre-impairment profit in Q1 2024 excluding group functions). This unit focuses on investment advisory, financial planning, and real estate financing. WM is serving more than 100,000 high-net-worth individuals in Northwestern Europe with a presence in four countries including the Netherlands, where the Bank is the market leader, and Germany, where it is one of the largest players in private banking.

Corporate Banking (CB) – Pre-impairment operating profit of EUR 472 million in Q1 2024 (48% of Pre-impairment profit in Q1 2024 excluding group functions). The CB unit is focused on delivering tailored financing and capital structuring solutions for more than 8,500 mid- to large-sized corporate clients and financial institutions. It has a presence in 13 countries with a leading market position in the Netherlands and leading market position in clearing globally.

Earnings Power

Scorecard BB Assessment	Grids BB Assessment	Combined BB Assessment
Good/Moderate	Good	Good

In Morningstar DBRS' view, ABN AMRO's earnings capacity is sound, supported by its strong core franchise in the Netherlands and supplemented by its international operations. In recent years, the Group proceeded with the wind-down of noncore activities and recorded charges in relation to weaknesses in anti-money laundering (AML) procedures, which affected its income statement. However, profitability has been gradually improving in the past two years as the Bank benefited from the higher-interest-rate environment, cost containment, and a cost of risk under control.

In 2023, ABN AMRO reported a net profit of EUR 2.7 billion, up 44% from EUR 1,867 million a year earlier. Results were driven by higher revenues, boosted by a strong increase in net interest income (NII) on the back of higher rates, lower operating expenses, and provision releases. As a result, the Bank reported a return on equity (ROE) of 12.2% compared with 8.7% in 2022, well above the 9%–10% target for 2026. This continued in Q1 2024, with the Bank reporting a EUR 674 million net profit, up 29% year-over-year (YOY) with an ROE at 11.6%.

In 2023, total revenues were EUR 8.4 billion, up EUR 7,841 million or 9.9% YOY, thanks to higher NII which benefitted from higher interest rates and resilient fee and commission income, supported by an increase in Corporate Banking and Wealth Management, on the back of higher assets under management. In Q1 2024, revenues were up 3% at EUR 2.2 billion, driven by NII and fee income on the back of good performance in all business units. Morningstar DBRS expects revenues to be sustained as deposit repricing should start affecting NII, which, in turn, should be offset by higher fees and commissions on the back of increased business activity.

Cost control has been a key focus for ABN AMRO, as the Bank has sought to mitigate elevated investments in its internal control procedures. In 2023, operating expenses stood at EUR 5.2 billion, down from EUR 5.4 billion in 2022 and in line with the Bank's guidance, thanks to the cost savings initiatives put in place since 2020. As a result, the Bank reported a cost income of 60.7% in 2023 compared with 69.2% in 2022. This continued in Q1 2024, with the cost base further down by 11% YOY and the cost-to-income ratio reaching 57.2%. For the full-year 2024, the Bank expects costs to remain under control, with a guidance of EUR 5.3 billion.

Exhibit 2 Profitability Evolution, 2020–23; Q1 2023–Q1 2024

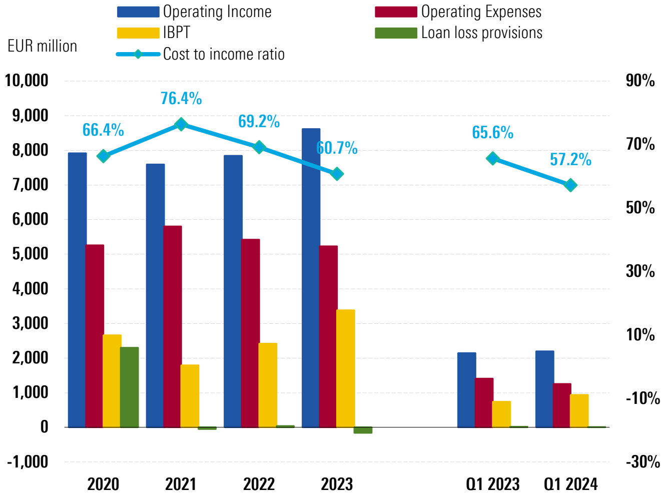
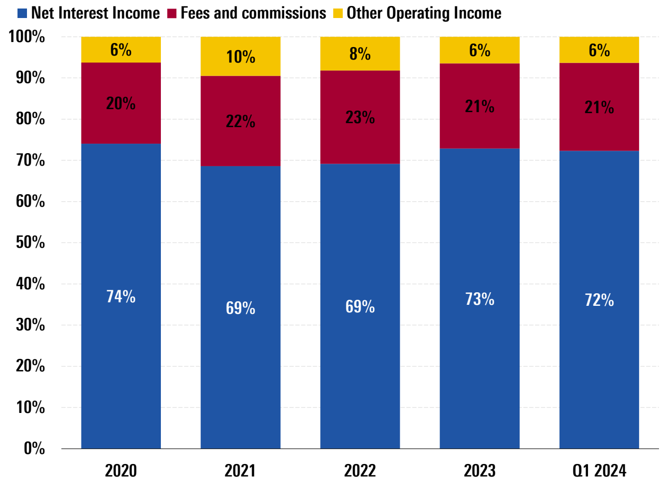


Exhibit 3 Breakdown of Operating Income, 2020–Q1 2024



Sources: Company reports, Morningstar DBRS.

ABN reported net releases of provisions for the year, with a negative cost of risk of 5 bps compared with a very low 3 bps in 2022. This was also the case for Q1 2024, with the cost of risk standing at -1 bp. For the full-year 2024, the Bank expects COR to remain well below the through-the-cycle average of 15–20 bps, despite the downside risk associated with the current economic uncertainties.

Risk Profile

Scorecard BB Assessment	Grids BB Assessment	Combined BB Assessment
Strong/Good	Strong/Good	Strong/Good

Morningstar DBRS views ABN AMRO's risk profile as good, mainly reflecting the benign Dutch operating environment, strong risk management, and the de-risking that took place in the Bank's CIB loan portfolio. In Morningstar DBRS' view, these provide ABN AMRO with a strong starting point for any potential deterioration the Bank might face in the current challenging environment, characterised by tighter financial conditions and weaker economic dynamics.

Credit Risk

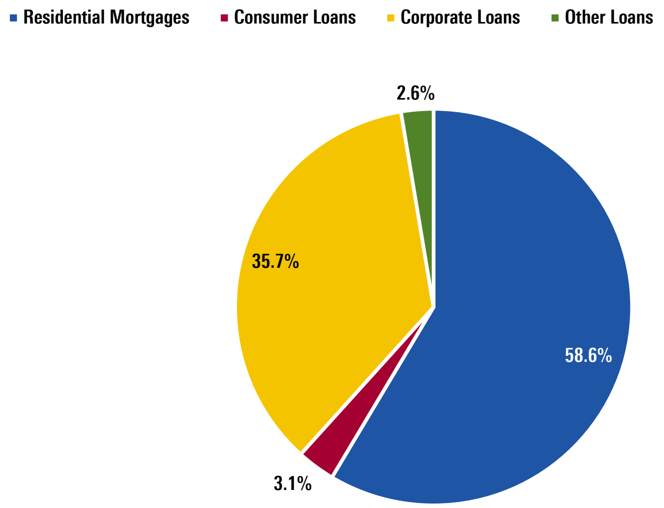
At end-March 2024, total gross loans totalled EUR 259.3 billion, with residential mortgages accounting for 58.6%. The Group is mostly domestic, with some degree of international exposure. The impact of high interest rates on asset quality in the mortgage segment has remained limited. Generally, residential mortgages are adequately collateralized with a conservative average loan-to-value ratio (LTV) of 57% as of end-Q1 2024, providing a significant cushion for potential house price declines. Furthermore, credit risk is mitigated by long fixed-rate periods for mortgage loans, low unemployment, and the recourse to borrowers in case of bankruptcy. According to the Bank's estimates, a 20% decline in house prices would lead to an additional 14% of mortgages loans crossing the 100% LTV threshold.

Consumer loans, which are highly sensitive to economic growth, accounted for only 3.1% of the total at end-March 2024. While some pressure could arise from inflation, the unemployment rate in the Netherlands is likely to remain low, even as the economy weakens, which is a key mitigating factor in Morningstar DBRS' view.

Corporate loans, which accounted for 35.7% of the total as of Q1 2024, are well diversified by economic sector. Following the exit of more volatile business segments such as natural resources, trade commodity finance, and global transportation & logistics, the corporate book is now mostly geared toward more stable sectors.

Commercial real estate (CRE), a sector not only affected by higher interest rates, but also by structural changes especially in the retail and office segment, accounted for 5.8% of total loans at end-Q1 2024. The portfolio has been conservatively managed with 94% of CRE exposure having an LTV below 70% and consists primarily of investment loans that are relatively well diversified by asset type.

Exhibit 4 Gross Loans, end-Q1 2024 (EUR 259.4 billion)



Sources: Company reports, Morningstar DBRS.

Asset Quality Trends

The Bank's asset quality metrics have been gradually improving since end-2020 and stabilised at 1.9% at end-March 2024 (1.9% at end-2023; 2.0% at end-2022). Stage 2 loans slightly declined to 8.1% in Q1 2024 from 8.7% at end-2023. Going forward, Morningstar DBRS expects some pressure on asset quality mainly because of the delayed impact of high inflation, high interest rates, and the subdued economic environment. In Morningstar DBRS' view, asset quality risks are likely to remain at manageable levels.

Exhibit 5 Stage 3 and Gross Loans per subsegment, end-Q1 2024

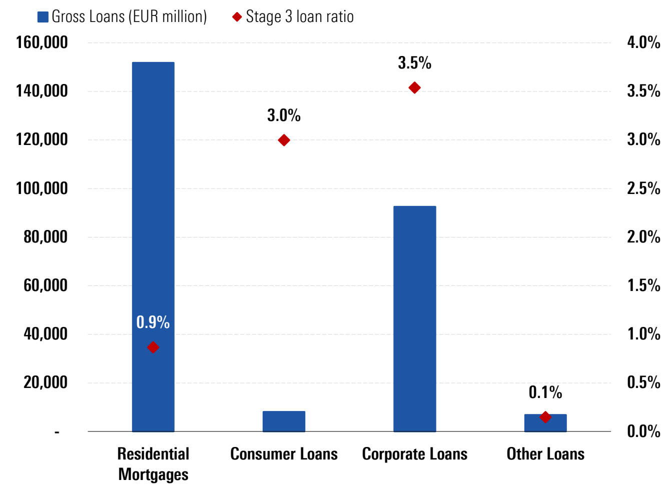
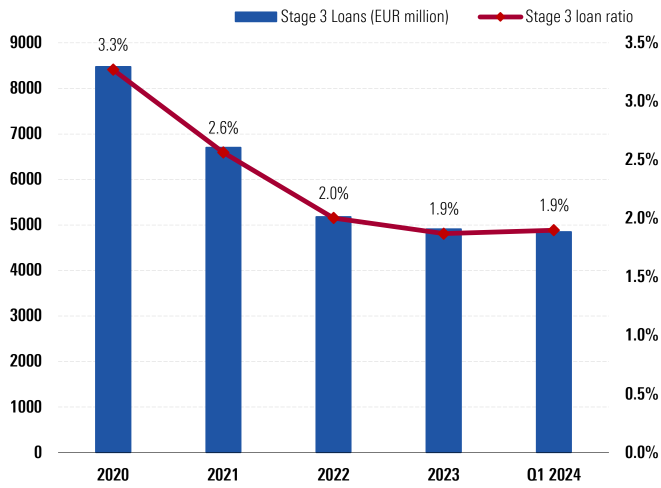


Exhibit 6: Evolution of Stage 3 Loans and Ratio, 2020–Q1 2024



Sources: Company reports, Morningstar DBRS.

Market Risk

The main market risk stems from interest rate risk on net present value of banking book, while the Bank has relatively limited trading book activities. As per the Bank's calculations, a decrease in rates by 200 bps would decrease NII by EUR 201 million in the first year. In 2023, the highest daily value-at-risk (VaR) in ABN AMRO's trading book was EUR 8.3 million for undiversified VaR and EUR 8.3 million for the diversified VaR.

Operational Risk

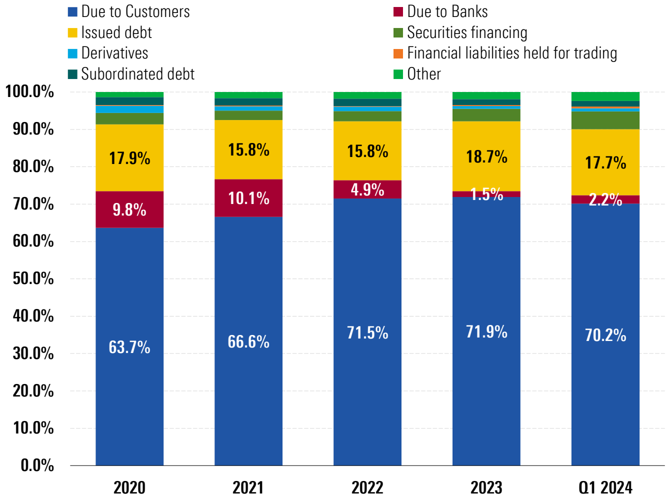
Operational risk related to AML procedures has been a focus of Dutch regulators for some time. The Bank had to pay EUR 480 million in 2021 (EUR 300 million fine and EUR 180 million disgorgement) in relation to requirements under the Act on the prevention of money laundering and financing of terrorism. Since then, the Bank invested significant resources into its compliance processes, and, following a period of remediation, is on track towards a higher degree of automation going forward.

Funding and Liquidity

Scorecard BB Assessment	Grids BB Assessment	Combined BB Assessment
Strong/Good	Strong	Strong/Good

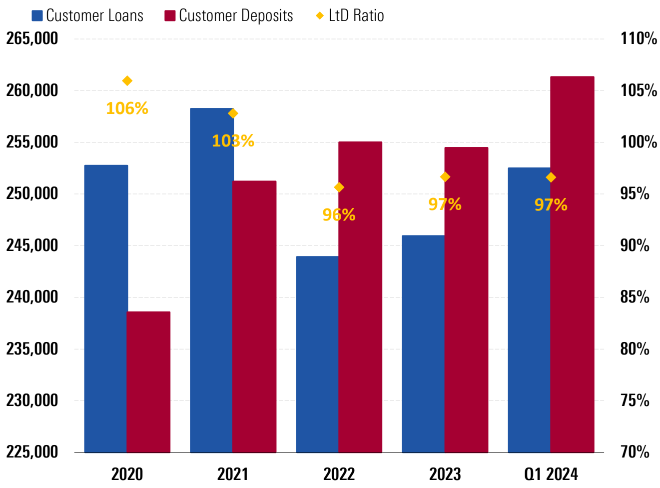
Morningstar DBRS views ABN AMRO's funding profile as solid, supported by a sound customer deposit base and diversified funding sources. Customer deposits, which accounted for 70% of total nonequity funding at end-Q1 2024, increased by 2.7% compared with end-2023. However, around 50% of total deposits are insured, which is lower than its peers, and reflects a relatively large share of deposits from corporates and private banking, which could be less sticky than retail deposits. The Group reported a sound loan-to-deposit ratio (LTD) of 97% at end-March 2024.

Exhibit 6 Funding Mix, 2020–Q1 2024



Sources: Morningstar DBRS, company reports.

Exhibit 7 Loan to Deposit Ratio, 2020–Q1 2024



Sources: Morningstar DBRS, company reports.

Morningstar DBRS considers ABN AMRO's wholesale funding well-diversified in terms of funding mix and maturity profile, and the Bank maintained good access to capital markets. The Bank has repaid the vast majority of the TLTRO III outstanding at end-March 2024, with an additional EUR 3 billion maturing in 2024. As a result, because the Bank accounted for only over 2% of total funding at end-March 2024 compared with around 5% at end-2022 and 10% at end-2021. Debt and subordinated liabilities outstanding were EUR 71.4 billion or around 19% of total funding at end-March 2024. As of Q1 2024, around EUR 15 billion of long- and short-term debt matures within 12 months.

Another factor supporting the credit ratings is the Bank's solid liquidity position, with MREL ratios exceeding requirements. In Morningstar DBRS' view, ABN AMRO's liquidity position is solid. At end-March 2024, the Group's liquidity buffer stood at EUR 104.9 billion, equivalent to 6.2 times (x) the short-term wholesale maturities. In addition, the 12-month rolling average liquidity coverage ratio (LCR) of 144% and net stable funding ratio (NSFR) of 134% were well above the minimum regulatory ratios.

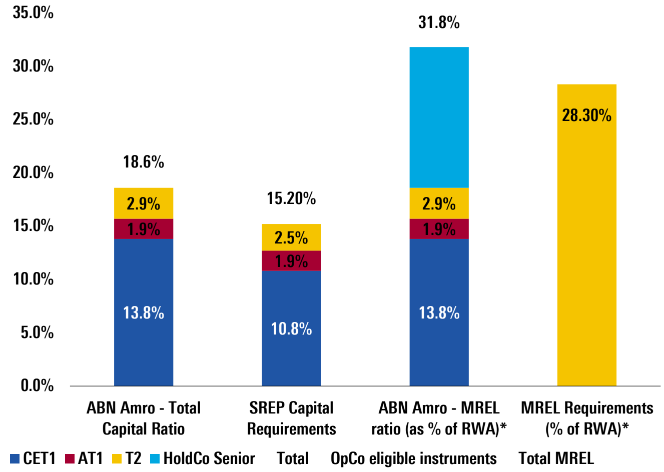
Capitalisation

Scorecard BB Assessment	Grids BB Assessment	Combined BB Assessment
Good/Moderate	Strong	Strong/Good

In Morningstar DBRS' view, ABN AMRO's capitalisation is adequate, supported by a good internal capital generation capacity and continued access to capital markets. However, whilst capital cushions remain comfortable, they have been trending down in recent quarters because of regulatory headwinds such as the first-time adoption of IFRS 17 and the increase in the countercyclical capital buffer (CCyB) requirement. The Bank reported a CET1 of 13.8% at end-March 2024 down from 14.3% at end-2023, mainly because of an increase in risk-weighted assets (RWAs) reflecting higher credit risk RWAs, as well as capital deductions, which offset internal capital generation. The Group has maintained shareholder return with a dividend pay-out of 50%, in line with the 2026 targets.

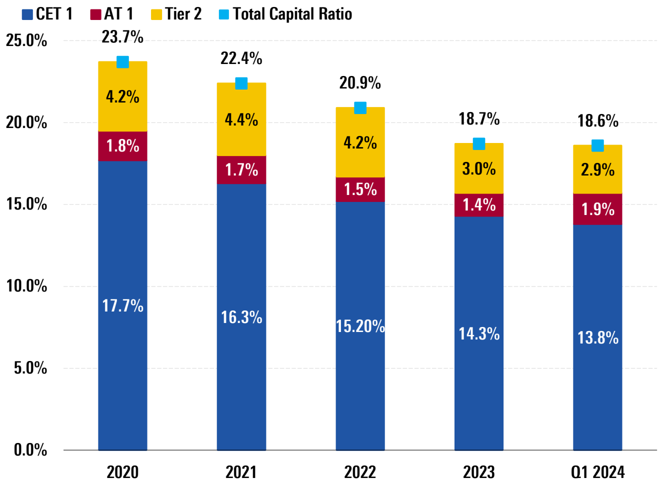
As a result, the Bank maintained adequate buffers over SREP requirements, which now include a CET1 ratio of 10.8%, which comprises a minimum Pillar 1 Capital Requirement of 4.5%, a Pillar 2 Capital Requirement (P2R) of 1.27%, a Capital Conservation Buffer of 2.5%, a OSII Buffer (Other Systemically Important Institutions) of 1.5%, and a CCyB of 0.98%. At the end of May 2024, the Dutch CCyB will increase to 2%, whereas the OSII will decline to 1.25%. The SREP requirement for Total Capital ratio is 18.6%.

Exhibit 8 Capital Ratios vs. Requirements, end-Q1 2024



Sources: Morningstar DBRS, company reports.

Exhibit 9 Capital Ratios, 2020–Q1 2024



Sources: Morningstar DBRS, company reports.

Environmental, Social, and Governance Checklist

ABN AMRO Bank N.V.
ESG Checklist

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		**Overall:**	N	N
	Emissions, Effluents, and Waste	Do we consider that the costs or risks for the issuer or its clients result, or could result, in changes to an issuer's financial, operational, and/or reputational standing?	N	N
	Carbon and GHG Costs	Does the issuer face increased regulatory pressure relating to the carbon impact of its or its clients' operations resulting in additional costs and/or will such costs increase over time affecting the long-term credit profile?	N	N
	Climate and Weather Risks	In the near term, will climate change and adverse weather events potentially disrupt issuer or client operations, causing a negative financial impact?	N	N
		In the long term, will the issuer's or client's business activities and infrastructure be materially affected financially under key IPCC climate scenarios up to a 2°C rise in temperature by 2050?	N	N
		Climate and Weather Risks	N	N
	Passed-through Environmental credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by environmental factors (see respective ESG checklist for such issuer)?	N	N
Social		**Overall:**	N	N
	Social Impact of Products and Services	Do we consider that the social impact of the issuer's products and services pose a financial or regulatory risk to the issuer?	N	N
	Human Capital and Human Rights	Is the issuer exposed to staffing risks, such as the scarcity of skilled labour, uncompetitive wages, or frequent labour relations conflicts, that could result in a material financial or operational impact?	N	N
		Do violations of rights create a potential liability that could can negatively affect the issuer's financial wellbeing or reputation?	N	N
		Human Capital and Human Rights	N	N
	Product Governance	Does failure in delivering quality products and services cause damage to customers and expose the issuer to financial and legal liability?	N	N
	Data Privacy and Security	Has misuse or negligence in maintaining private client or stakeholder data resulted, or could it result, in financial penalties or client attrition to the issuer?	N	N
	Community Relations	Does engagement, or lack of engagement, with local communities pose a financial or reputational risk to the issuer?	N	N
	Access to Basic Services	Does a failure to provide or protect with respect to essential products or services have the potential to result in any significant negative financial impact on the issuer?	N	N
	Passed-through Social credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by social factors (see respective ESG checklist for such issuer)?	N	N
Governance		**Overall:**	N	N
	Bribery, Corruption, and Political Risks	Do alleged or actual illicit payments pose a financial or reputational risk to the issuer?	N	N
		Are there any political risks that could affect the issuer's financial position or its reputation?	N	N
		Bribery, Corruption, and Political Risks	N	N
	Business Ethics	Do general professional ethics pose a financial or reputational risk to the issuer?	N	N
	Corporate / Transaction Governance	Does the issuer's corporate structure allow for appropriate board and audit independence?	N	N
		Have there been significant governance failures that could negatively affect the issuer's financial wellbeing or reputation?	N	N
		Does the board and/or management have a formal framework to assess climate-related financial risks to the issuer?	N	N
		Corporate / Transaction Governance	N	N
	Passed-through Governance credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by governance factors (see respective ESG checklist for such issuer)?	N	N
		Consolidated ESG Criteria Output:	N	N

* A Relevant Effect means that the impact of the applicable ESG risk factor has not changed the rating or rating trend on the issuer.
A Significant Effect means that the impact of the applicable ESG risk factor has changed the rating or trend on the issuer.

ESG Considerations

Environmental
Morningstar DBRS does not view the environmental factor as affecting the credit ratings or trend of the Bank. Morningstar DBRS notes that climate risk is incorporated into ABN AMRO's overall risk management policies. ABN AMRO has conducted climate heat mapping exercises across its wholesale and retail portfolios to assess its exposure to climate and environmental risks. The Bank is part of the Net-Zero Alliance and has signed up for the TCFD disclosures, which have been taken over by the IFRS Foundation.

The ECB climate risk stress-test's results were published on July 8, 2022. While they did not provide detailed indications on the geographies potentially affected under the selected scenarios, participating European banks were told they need to enhance their climate risk stress-testing framework. In the meantime, Morningstar DBRS notes the results were integrated into two SREP elements in a qualitative manner: (1) business model assessment, and (2) internal governance and risk management.

Social
The social factor does not affect the credit rating or trend assigned to ABN AMRO. ABN AMRO is a highly digital bank, making it vulnerable to cybersecurity attacks or data privacy breaches. However, Morningstar DBRS notes that, while ABN AMRO has not reported any significant data breaches or cybersecurity attacks, this could have significant reputational and financial consequences for the Bank.

Governance
The governance factor does not affect the credit rating or trend assigned to ABN AMRO. While the Group has not reported any recent corporate governance failures, Morningstar DBRS notes that ABN AMRO was fined by the Dutch Authorities in 2021 for a total EUR 480 million as a result of serious weaknesses in the Bank's AML framework between 2014 and 2020. While the settlement was substantial, it did not have an impact on the Bank's capital or franchise. In response to the shortcomings identified, ABN AMRO implemented an AML remediation program in close cooperation with the Dutch Central Bank (DNB), which was completed in 2023.

A potential governance risk is related to the Russian invasion of Ukraine. EU banks need to ensure that they are blocking and identifying any potential illicit payments from sanctioned individuals and/or businesses, and any noncompliance with the sanctions imposed could lead to fines and reputational consequences over time.

ABN has a two-tier board structure, consisting of an executive board and a supervisory board. The supervisory board consists of seven independent members, and the audit, risk and capital, remuneration, and nomination committees are all composed of supervisory board members and report directly to the supervisory board.

IA Framework

ABN AMRO Bank N.V.

	1		2	3	4	5
Financial Data Through 2023	Scorecard Indicator	Scorecard Indicator Data	Scorecard Indicator Assessment	Scorecard Building Block (BB) Assessment	Grids BB Assessment	Combined BB Assessment
Franchise	Adjusted Assets	362	S	**S**	**S**	**S**
	Sovereign Rating Category	20	VS			
Earnings	Return on Equity	8.71%	S/G	**G/M**	**G**	**G**
	Return on Assets	0.56%	G			
	IBPT/Avg.Assets	0.78%	G/M			
Risk	Net NPLs/Net Loans	1.38%	G	**S/G**	**S/G**	**S/G**
	Provisions/IBPT	3.04%	VS/S			
Funding & Liquidity	Sovereign-Adjusted Funding Ratio	100.6%	S/G	**S/G**	**S**	**S/G**
Capitalisation	Sovereign-Adjusted Capital Ratio	15.33%	S	**G/M**	**S**	**S/G**
	NPL/[Equity + Loan Loss Reserves]	22.19%	G			
	5-Year Accumulated Net Income/Total Assets	2.18%	G/M			

6	7			8
Overall Assessment	Intrinsic Assessment Range (IAR)			Assigned IA
S/G	AA (low)	A (high)	A	**A (high)**

Notes: (1) based on financial data as of FY2023. (2) For more information see *Global Methodology for Rating Banks and Banking Organizations* published on 4 June 2024. (3) IAR and IA refer to bank level rating.

Company Financials

Annual Financial Information

			For the Year Ended December 31 (IFRS)				
	Q1 2024	Q1 2023	2023	2022	2021	2020	2019
Balance Sheet (EUR Millions)							
Cash & Cash Equivalents*	49,145	69,221	55,980	63,847	69,666	63,583	32,569
Investments in Financial Assets	80,287	68,739	43,987	37,604	51,666	61,105	57,490
Gross Loans to Customers	260,048	259,772	253,446	255,288	258,713	251,788	266,687
Loan Loss Reserves	(1,542)	(1,642)	(1,602)	(2,025)	(2,415)	(3,466)	(2,426)
Net Lending to Customers	258,506	258,130	251,844	253,263	256,298	248,322	264,261
Total Assets	397,647	403,764	377,909	379,581	399,113	395,623	375,054
Deposits from Customers	261,329	261,944	254,465	255,014	251,218	238,570	234,991
Debt & Capital Lease Obligations	71,411	65,150	72,225	63,962	67,722	75,337	85,579
Total Liabilities	372,445	381,036	353,740	356,766	377,114	374,633	353,583
Total Equity	25,202	22,728	24,169	22,815	21,999	20,990	21,471
Income Statement (EUR Millions)							
Net Interest Income	1,589	1,619	6,279	5,422	5,210	5,865	6,470
Non Interest Income	651	547	2,307	2,218	2,130	1,801	1,949
Equity Method Results	(23)	3	41	107	23	29	37
Total Operating Income	2,217	2,169	8,627	7,747	7,363	7,695	8,456
Total Operating Expenses	1,277	1,434	5,156	5,374	5,568	5,161	5,174
Income Before Provisions and Taxes (IBPT)	940	736	3,475	2,375	1,797	2,534	3,278
Loan Loss Provisions	3	14	(158)	39	(46)	2,303	657
Irregular Income/Expenses	NA	NA	89	(40)	5	(125)	(59)
Net Attributable Income	674	523	2,697	1,867	1,231	(45)	2,046
Growth (%) - YoY Change							
Net Interest Income	-1.85%	23.49%	15.81%	4.07%	-11.17%	-9.35%	-1.87%
Total Operating Income	2.21%	10.21%	11.36%	5.22%	-4.31%	-9.00%	-6.24%
Total Operating Expenses	-10.95%	-3.82%	-4.06%	-3.48%	7.89%	-0.25%	1.63%
IBPT	27.72%	54.95%	46.32%	32.16%	-29.08%	-22.70%	-16.46%
Net Attributable Income	28.87%	77.29%	44.46%	51.67%	-2835.56%	-102.20%	-11.47%
Gross Loans & Advances	0.11%	-1.10%	-0.72%	-1.32%	2.75%	-5.59%	-1.21%
Deposits from Customers	-0.23%	-0.01%	-0.22%	1.51%	5.30%	1.52%	-0.48%
Earnings (%)							
Net Interest Margin	1.66%	1.67%	1.62%	1.35%	1.30%	1.47%	1.69%
Non-Interest Income / Total Revenue	29.36%	25.22%	26.74%	28.63%	28.93%	23.40%	23.05%
Cost / Income ratio	57.60%	66.11%	59.77%	69.37%	75.62%	67.07%	61.19%
LLP / IBPT	0.32%	1.90%	-4.55%	1.64%	-2.56%	90.88%	20.04%
Return on Avg Assets (ROAA)	0.70%	0.53%	0.69%	0.46%	0.30%	-0.01%	0.53%
Return on Avg Equity (ROAE)	10.92%	9.19%	11.59%	8.31%	5.72%	-0.21%	9.58%
IBPT over Avg RWAs	2.64%	2.26%	2.59%	1.89%	1.61%	2.27%	3.06%
Internal Capital Generation	10.92%	-2.04%	6.79%	4.57%	2.75%	-0.21%	3.42%
Risk Profile (%)							
Cost of Risk	0.00%	0.02%	-0.06%	0.01%	-0.02%	0.91%	0.24%
Gross NPLs over Gross Loans	1.86%	1.89%	1.86%	2.03%	2.59%	3.37%	2.53%
NPL Coverage Ratio	31.82%	33.44%	34.03%	39.13%	36.04%	40.90%	35.99%
Net NPLs over Net Loans	1.28%	1.19%	1.23%	1.24%	1.67%	2.02%	1.63%
NPLs to Equity and Loan Loss Reserves Ratio	18.12%	20.15%	18.27%	20.84%	27.45%	34.65%	28.20%
Funding & Liquidity (%)							
Net Loan to Deposit Ratio	98.92%	98.54%	98.97%	99.31%	102.02%	104.09%	112.46%
Liquidity Coverage Ratio	144%	143%	144%	143%	168%	149%	134%
Net Stable Funding Ratio	137%	136%	140%	133%	138%	NA	NA
Capitalization (%)							
CET1 Ratio	13.80%	15.00%	14.30%	15.20%	16.30%	17.70%	18.10%
Tier1 Ratio	15.70%	16.50%	15.70%	16.70%	18.00%	19.50%	19.90%
Total Capital Ratio	18.60%	19.40%	18.70%	20.90%	22.40%	23.70%	26.50%
Leverage Ratio	5.20%	5.00%	5.30%	5.20%	5.90%	5.80%	4.50%
Dividend Payout Ratio	0.0%	122.2%	41.4%	45.0%	51.9%	NA	64.3%

Source: Morningstar Inc., Company Documents

*Includes Loans to Banks

Credit Rating Methodology

The applicable methodologies are the *Global Methodology for Rating Banks and Banking Organisations* (4 June 2024) and *Morningstar DBRS Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings* (23 January 2024).

Credit Ratings

Issuer	Debt Rated	Credit Rating Action	Credit Rating	Trend
ABN AMRO Bank N.V.	Long-Term Issuer Rating	Confirmed	A (high)	Stable
ABN AMRO Bank N.V.	Short-Term Issuer Rating	Confirmed	R-1 (middle)	Stable
ABN AMRO Bank N.V.	Long-Term Senior Debt	Confirmed	A (high)	Stable
ABN AMRO Bank N.V.	Short-Term Debt	Confirmed	R-1 (middle)	Stable
ABN AMRO Bank N.V.	Long-Term Deposits	Confirmed	A (high)	Stable
ABN AMRO Bank N.V.	Short-Term Deposits	Confirmed	R-1 (middle)	Stable
ABN AMRO Bank N.V.	Dated Subordinated Debt	Confirmed	A (low)	Stable
ABN AMRO Bank N.V.	Long Term Critical Obligations Rating	Confirmed	AA	Stable
ABN AMRO Bank N.V.	Short Term Critical Obligations Rating	Confirmed	R-1 (high)	Stable

Credit Ratings History

Issuer	Debt Rated	Current	2023	2022	2021	2020
ABN AMRO Bank N.V.	Long-Term Issuer Rating	A (high)	A (high)	A (high)	A (high)	A (high)
ABN AMRO Bank N.V.	Short-Term Issuer Rating	R-1 (middle)	R-1 (middle)	R-1 (middle)	R-1 (middle)	R-1 (middle)
ABN AMRO Bank N.V.	Long-Term Senior Debt	A (high)	A (high)	A (high)	A (high)	A (high)
ABN AMRO Bank N.V.	Short-Term Debt	R-1 (middle)	R-1 (middle)	R-1 (middle)	R-1 (middle)	R-1 (middle)
ABN AMRO Bank N.V.	Long-Term Deposits	A (high)	A (high)	A (high)	A (high)	A (high)
ABN AMRO Bank N.V.	Short-Term Deposits	R-1 (middle)	R-1 (middle)	R-1 (middle)	R-1 (middle)	R-1 (middle)
ABN AMRO Bank N.V.	Dated Subordinated Debt	A (low)	A (low)	A (low)	A (low)	A (low)
ABN AMRO Bank N.V.	Long Term Critical Obligations Rating	AA	AA	AA	AA	AA
ABN AMRO Bank N.V.	Short Term Critical Obligations Rating	R-1 (high)	R-1 (high)	R-1 (high)	R-1 (high)	R-1 (high)

Previous Actions

- Morningstar DBRS Confirms ABN AMRO Bank's Long-Term Issuer Rating at A (high), Trend Remains Stable, June 10, 2024
- Morningstar DBRS Confirms ABN AMRO Bank's Long-Term Issuer Rating at A (high), Trend Remains Stable, June 12, 2023
- Morningstar DBRS Confirms ABN AMRO Bank's Long-Term Issuer Rating at A (high), Trend Remains Stable, June 10, 2022
- Morningstar DBRS Confirms ABN AMRO's Long-Term Issuer Rating at A (high), Stable Trend, June 16, 2021
- Morningstar DBRS Confirms ABN AMRO's Long-Term Issuer Rating at A (high), Stable Trend, June 25, 2020

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- Deterioration in Cost of Risk Yet to Materialise at European Banks, September 19, 2023.
- EU Banks Proved Resilient in the 2023 EBA Stress Test, August 7, 2023.
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Previous Report

- ABN AMRO Bank N.V.: Rating Report, July 17, 2023
- ABN AMRO Bank N.V.: Rating Report, July 18, 2022
- ABN AMRO Bank N.V.: Rating Report, July 14, 2021
- ABN AMRO Bank N.V.: Rating Report, July 9, 2020

European Bank Ratios & Definitions

- Bank Ratio Definitions, 14 March 2022

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