

7 June 2024



**ABN AMRO BANK N.V.**

**REGISTRATION DOCUMENT**

constituting part of any base prospectus of the Issuer consisting of separate documents within the meaning of Article 8(6) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**")

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## 1. RISK FACTORS

Set out below are all material risk factors which could affect the future financial performance of the Issuer and thereby potentially affect the Issuer's ability to fulfil its obligations in respect of securities issued or guaranteed by it. The Issuer has described the risks relating to its operations of which it is aware and that it considers to be material. Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's business, financial position, results of operations and prospects.

Additional risks not currently known to the Issuer or that the Issuer now views as immaterial may also have a material adverse effect on the Issuer's future business, results of operations and financial position.

Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the section headed "*4. Selected Definitions and Abbreviations*".

Throughout this section the Issuer is used as a reference to the Issuer and its consolidated subsidiaries and other group companies.

### (a) Risks related to the Issuer's financial situation

#### 1. *Lack of liquidity is a risk to the Issuer's business and its ability to access sources of liquidity.*

Liquidity risk is the risk that actual (and potential) payments or collateral posting and other obligations cannot be met on a timely basis. The Issuer discerns two types of liquidity risk. Funding liquidity risk is the risk of not being able to meet both expected and unexpected current and future cash outflows and collateral needs without affecting either daily operations or the financial position of the Issuer. Market liquidity risk is the risk that the Issuer cannot sell an asset without significantly affecting the market price due to (i) insufficient market depth (insufficient supply and demand), (ii) market disruption, (iii) changes in the applicable haircuts and market value or (iv) uncertainty about the time required to realise the liquidity value of the assets. Also, the speed with which interest rates may change can cause economic concerns and market volatility hampering liquidity. See also the risk factor "*2. Volatility in, and the position of, financial markets, liquidity disruptions or market dislocations can adversely affect the Issuer's banking and funding activities*" below for other factors that also may affect Issuer's business and its ability to access sources of liquidity.

The Issuer relies on customer deposits to meet a considerable portion of its funding. As at 31 December 2023, approximately 29% of the Issuer's funding related to demand deposits. However, such deposits are subject to fluctuation due to certain factors, such as a loss of confidence, increasing competitive pressures, alternative investment opportunities or the encouraged or mandated repatriation of deposits by foreign wholesale or central bank depositors, which could result in a significant outflow of deposits within a short period of time which may be accelerated by the role of social media as experienced in the demise of Credit Suisse in Switzerland and certain medium-sized banks in the United States in 2023. An inability to grow, or any material decrease in, the Issuer's deposits could, particularly if accompanied by one of the other factors described above, have a material adverse effect on the Issuer's ability to satisfy its liquidity needs.

In addition to the use of deposits, the Issuer also relies on the issuance of long-term and short-term funding. As at 31 December 2023, approximately 19% of the Issuer's funding related to issued debt and subordinated liabilities. In periods of liquidity stress the Issuer may need to seek funds from alternative sources and/or potentially at higher costs of funding than has previously been the case which may materially adversely affect the Issuer's liquidity and financial position.

#### 2. *Conditions in the global financial markets and economy may materially adversely affect the Issuer's financial position, business and results of operations.*

The Issuer's results of operations in the past have been, and in the future may continue to be, materially affected by many factors of a global nature, including political, economic and market conditions; changes in consumer spending; investment and saving habits; monetary and interest rate policies of the European Central Bank ("**ECB**") and other central banks; the availability and cost of capital; the liquidity of global markets; the level and volatility of financial instruments such

as equity prices, commodity prices and interest rates; currency values and other market indices; technological changes and events; the availability and cost of credit; inflation or deflation; the stability and solvency of states, financial institutions and other companies; investor sentiment and confidence in the financial markets; or a combination of these or other factors. These factors have in the past resulted in, or may in the future result in, a reduced demand for and/or increased supply of financial products and services, a deterioration in asset quality of the Issuer and increases in loan impairment charges and other losses. Moreover, a market downturn or a worsening of the Dutch, European or global economies may materially and adversely affect the value of the Issuer's assets, the ability of its clients to meet financial obligations and could cause the Issuer's loan impairment charges to rise, increase the Issuer's funding costs, reduce the Issuer's fee and commission income and/or interest income or cause the Issuer to incur further mark-to-market losses, leading to additional collateral requirements for the Issuer, which could have a material adverse effect on the Issuer's business, financial position and results of operations. Furthermore, factors such as political events and trends, geopolitical tensions, terrorism, armed conflicts (including the conflict in the Middle East, the Russia/Ukraine conflict, the subsequent tensions between NATO members and Russia, the US elections scheduled for November 2024 and related consequences, amongst others, for geopolitical stability, food and energy supply and prices and other scarcity and supply chain issues, and cross-border financial transactions, including as a result of economic sanctions), volatility and strength of the capital markets, pandemics and epidemics or other health emergencies all impact the business and economic environment in which the Issuer operates.

Deterioration of the economic environment, including as a result of an increase in unemployment rates and/or decreases in house prices, threaten the quality of the Issuer's loan portfolio, in particular for retail clients. There is also a possibility that the Issuer may have insufficient access to, or incur higher costs associated with, funding alternatives, which could have a material adverse effect on the Issuer's business and financial position.

3. ***Volatility in, and the position of, financial markets, liquidity disruptions or market dislocations can adversely affect the Issuer's banking and funding activities.***

Recently, global securities and other financial markets have experienced extreme volatility and disruptions, including unpredictable market movements and diminished liquidity and credit availability. These market conditions can cause a reduction in the value of assets or collateral held by the Issuer, a decline in the profitability of certain assets, an increase in unrealized losses in the Issuer's various (asset) portfolios, a reduction in unrealized gains in the Issuer's various (asset) portfolios, volatility in the composition of the Issuer's balance sheet or in the demand for some of the Issuer's banking services and products and may impede the Issuer's timely or cost-efficient access to funding on the capital markets.

In addition, under volatile market conditions, funding transactions, as well as hedging and other risk management strategies may not be as effective at mitigating trading risks as they would be under more normal market conditions. Although the Issuer uses common financial derivative measures, balance sheet steering and interest rate management as part of its risk management strategy, it may not be able to manage its exposures adequately through the use of such strategies as a result of modeling, sensitivity analysis or other risk assessment method failures or as a result of appropriate derivative products not being available.

Severe market events have historically been difficult to predict, and could lead to the Issuer realizing significant losses if extreme market events were to persist for an extended period of time. Therefore market volatility, liquidity disruptions, or dislocations could have a material adverse effect on the Issuer's banking and funding activities.

4. ***The Issuer is subject to significant counterparty risk exposure and exposure to systemic risks which may have a material adverse effect on the Issuer's results of operations and financial position.***

The Issuer's businesses are subject to general credit and country risks, including credit risks of borrowers and other counterparties. Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Issuer's businesses. Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties include borrowers (under loans), the issuers

whose securities the Issuer holds, customers, trading counterparties, counterparties under swaps and credit and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries. These parties may default on their obligations to the Issuer due to bankruptcy, lack of liquidity, downturns in the economy, financial markets or real estate values, financial distress among clients because of the rising cost of living, operational failure, failure to sufficiently hedge interest rate changes or other reasons. Further, collateral posted may prove insufficient or inadequate. This is particularly predominant in businesses and operations of the Issuer that rely on sufficient collateral, such as in relation to its securities financing operations, asset-based financing business, clearing activities or trade and commodity finance credit portfolio.

The Issuer also has outsourcing arrangements with a number of third parties, notably in respect of IT, and certain services operations, such as cash centers, cash transportation, mortgage servicing, servicing of ATMs, and back office activities, for example in human resources operations. Accordingly, the Issuer is at risk of these third parties not delivering on their contractual obligations. There can be no guarantee that the suppliers selected by the Issuer will be able to provide the functions for which they have been contracted, either as a result of them failing to have the relevant capabilities, products or services, or due to inadequate service levels set by, or ineffective monitoring by, the Issuer.

The Issuer invests, as a part of discretionary portfolio management, client monies in third party financial instruments and investment funds which it does not control or it may advise the clients to do so. If these instruments or funds do not deliver adequate performance, the Issuer could face reputational damage, and, in the case of significant underperformance or fraud, clients may seek to be compensated by the Issuer or terminate their business relationship with the Issuer.

The Issuer may see adverse changes in the credit quality of its borrowers and counterparties, for example, as a result of their inability to refinance their indebtedness, with increasing delinquencies, defaults and insolvencies across a range of sectors (such as the personal, banking and financial institution sectors) and in a number of geographies.

Also, developments in the field of ESG could adversely impact the risk profiles of the Issuer's clients and counterparties. For example, the transition to sustainability may impact the profitability and creditworthiness of the Issuer's borrowers and counterparties, as a result of *inter alia* a potential carbon tax or higher energy prices. This may lead to further impairment charges, higher costs and additional write-downs and losses for the Issuer, which may have a material adverse effect on the Issuer's business, financial position and results of operations as well its reputation.

The financial and/or commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships between the institutions. As a result, concerns about, or a default, or threatened default by one institution could affect the banking system and lead to significant market-wide liquidity problems and financial losses at many financial institutions. It may even lead to further defaults of other financial institutions, which is referred to as "systemic risk". A systemic risk event may also adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, to which the Issuer is exposed. Despite regulatory focus on reducing interconnectedness, the systemic risk of the global financial industry is still at an elevated level. High sovereign indebtedness, low capital levels at many banks and the high interconnectivity between the largest banks and certain economies are important factors that contribute to this systemic risk. A default by, or even concerns about a default by, one or more financial services institutions could lead to significant systemic liquidity problems, or losses or defaults by other financial institutions may lead to material losses for the Issuer and may have a material adverse effect on the Issuer's results of operations and financial position.

5. ***The Issuer's operations and assets are located primarily in The Netherlands. Deterioration of the Dutch economic environment could have a material adverse effect on the Issuer's results of operations and financial position.***

As of 31 December 2023, approximately 87% of the Issuer's total operating income was generated in The Netherlands and a majority of its aggregate credit exposure (as measured by 'Exposure at Default') is also located in The Netherlands (approximately 75% as of 31 December 2023). Accordingly, the Issuer is largely dependent upon the prevailing economic, political and social

conditions in The Netherlands, particularly those which impact the mortgage market and small and medium business enterprises. Accordingly, deterioration of the economic environment in The Netherlands could have a material adverse effect on the Issuer's results of operations and financial position. Any efforts by the Issuer to diversify, limit or hedge its portfolio against concentration risks may not be successful or sufficient and any concentration risk could increase potential losses in its portfolio; this risk is mainly manifested through business and credit risk.

Finally, while the Issuer's operations and assets are located primarily in The Netherlands, it does have a number of branches, offices, business and operations located internationally, as well as clients who operate in other jurisdictions, which exposes the Issuer to country risks in those jurisdictions. See also the risk factor "20. *The Issuer is exposed to risks relating to its existing and future international presence.*" for other risks relating to the Issuer's presence outside of The Netherlands which could have a negative effect on the Issuer's results of operations and financial position.

6. ***Reductions or potential reductions in the Issuer's credit ratings or outlook thereof could have a significant impact on its borrowing ability and liquidity management through reduced funding capacity and collateral triggers, and on the access to capital and money markets as well as adversely affect the Issuer's business and financial position.***

Rating agencies assess the creditworthiness of the Issuer and its operating environment and assign a rating to the Issuer and some of the financial instruments it has issued. This information is available to investors, clients and counterparties of the Issuer. There can be no assurance that a credit rating agency will not downgrade, change the outlook on or withdraw any such credit rating.

In addition, rating agencies may change their methodology from time to time, which may also result in a downgrade or a change in the outlook on any such credit rating.

Any actual or potential downgrade in, change in outlook or withdrawal of the Issuer's credit ratings may increase its borrowing costs, require the Issuer to replace funding lost due to such actions (e.g., customer deposits), limit the Issuer's access to capital and money markets (because investing in the Issuer in such case will likely be considered less attractive) and trigger additional collateral requirements in derivatives contracts and other secured funding arrangements. In addition, any such action could, among other things, limit the Issuer's opportunities to operate in certain business lines and adversely affect certain other business activities.

As a result, any actual or potential downgrade in, change in outlook on or withdrawal of the Issuer's credit ratings could have a material adverse effect on the Issuer's business, prospects, financial position, borrowing costs, ability to raise funding and capital and competitive position.

7. ***Changes in interest rates and foreign exchange rates may materially and adversely affect the Issuer's financial position, business and results of operations***

Fluctuations in interest rates and foreign exchange rates influence the Issuer's performance. The results of the Issuer's banking operations are affected by the Issuer's management of interest rate and foreign exchange rate sensitivity. Interest rate sensitivity refers to the relationship between changes in market interest rates and changes in net interest income. If the yield on the Issuer's interest-earning assets (including corresponding hedges) does not increase at the same time or to the same extent as its cost of funds (including corresponding hedges), or if its cost of funds does not decline at the same time or to the same extent as the decrease in yield on its interest-earning assets, the Issuer's net interest income and net interest margin may be adversely impacted. Interest rate, margin and spread changes, to the extent not hedged, may lead to mismatches in funding costs and interest income. Any of these events could have a material adverse effect on the Issuer's results of operations, business and financial position.

The Issuer's business and performance are affected by prevailing interest rates and the shape of the interest rate curve. Interest rates may fluctuate and are volatile by nature. Managing the interest rate risk relies on passing on changes in market rates to clients, which cannot be assumed. Also, a flatter than usual interest rate curve may negatively impact the Issuer's interest rate margins. It cannot be predicted what interest rates will be and what the interest rate curves will look like in the future.

Furthermore, prolonged periods of high or low inflation and/or deflation could affect client behaviour and their financial position and may thereby impact the Issuer's financial position and results of operations. Also, the inability of the Issuer to pass on the rise of interest rates to depositors may cause competitive pressure and result in an outflow of funding. This risk could be higher in prolonged periods of high inflation.

The main sources of interest rate risk for the Issuer is the maturity mismatch between assets and liabilities as well as client behavior. The Issuer provides mortgages and commercial loans with fixed interest terms. These assets are partly funded by non-maturing deposits and wholesale funding with a shorter average interest maturity than assets. In addition, client behavior determines the maturity profile of some of the Issuer's products. The Issuer uses a risk management framework with risk limits and a combination of macro and micro hedges to manage interest rate sensitivity in its banking book and keep it in line with the bank's strategy and risk appetite.

In addition, the Issuer publishes its consolidated quarterly and annual financial statements in euros. Fluctuations in the foreign exchange rates used to translate other currencies into euros affect the Issuer's reported consolidated financial position and results of operations from period to period. The Issuer also attracts its capital and funding mostly in euros, but also in a variety of other currencies. To the extent the non-euro funding is not used to provide loans in the same currency, not hedged or not adequately hedged this causes exposure to foreign exchange rate risk, which could have a material adverse effect on the Issuer's financial position and results of operations.

8. ***The Issuer is subject to changes in financial reporting standards or policies, including as a result of choices made by the Issuer, which could materially adversely affect Issuer's reported results of operations and financial position and may have a corresponding material adverse impact on capital ratios.***

The Issuer's consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union, which is periodically revised or expanded. Accordingly, from time to time the Issuer is required to adopt new or revised accounting standards issued by recognised bodies, including the International Accounting Standards Board ("IASB"). It is possible that future accounting standards which the Issuer is required to adopt could change the current accounting treatment that applies to its consolidated financial statements and that such changes could have a material adverse effect on Issuer's results of operations and financial position and may have a corresponding material adverse effect on capital ratios. Further changes in financial reporting standards or policies, including as a result of choices made by the Issuer, could have a material adverse effect on the Issuer's reported results of operations and financial position and may have a corresponding material adverse effect on capital ratios.

9. ***The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgements and estimates that may change over time or may ultimately not turn out to be accurate.***

The value of certain financial instruments, such as (i) financial instruments classified as 'held-for-trading' or 'designated as at fair value through income', and (ii) financial assets classified as 'available-for-sale' recorded at fair value is determined using financial models incorporating assumptions, judgements and estimates that may change over time or may ultimately not turn out to be accurate. Generally, to establish the fair value of these instruments, the Issuer relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable market data.

In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to changes in market conditions. In such circumstances, the Issuer's internal valuation models require the Issuer to make assumptions, judgements and estimates to establish fair value. Given the nature of these instruments, these internal valuation models are complex, and the assumptions, judgements and estimates the Issuer is required to make often relate to matters that are inherently uncertain, such as expected cash flows, the ability of borrowers to service debt, residential and commercial property price appreciation and depreciation, and relative levels of defaults and deficiencies. Such assumptions, judgements and estimates may need to be updated in the face of changing facts, trends and market conditions. The resulting change in the fair values of the financial

instruments has had and may have a material adverse effect on the Issuer's results of operations and financial position.

10. ***The outbreak of communicable diseases around the world may materially and adversely affect the Issuer's business, financial position and results of operations.***

The outbreak of communicable diseases, pandemics and epidemics or health emergencies all impact the business and economic environment in which the Issuer operates. Certain of these risks are often experienced globally as well as in specific geographic regions where the Issuer does business. For example, the Corona (Covid-19) pandemic disrupted various markets and had a profound impact on people, society and on the economies affected by the outbreak. This also impacted the operational and financial performance of the Issuer and the annual financial statements for 2022 and 2023 as incorporated by reference into this Registration Document (including in relation to expected credit losses on loans and advances, fair valuation of financial instruments and impairments of goodwill and investments). There can also be no assurances that a potential tightening of liquidity conditions in the future as a result of, for example, further deterioration of public finances of certain European countries will not lead to new funding uncertainty, resulting in increased volatility and widening credit spreads. Any of the foregoing factors could have a material adverse effect on the Issuer's business, financial position, results of operations and capital ratios.

(b) **Risks related to the Issuer's business activities and industry**

11. ***The Issuer may be subject to increases in allowances for loan losses.***

The Issuer's banking businesses establish provisions for loan losses, which are reflected in the impairment charges on financial instruments on the Issuer's income statement, in order to maintain the Issuer's allowance for loan losses at a level that is deemed to be appropriate by management based upon an assessment of prior loss experiences, the volume and type of lending being conducted by the Issuer, industry standards, past due loans, economic conditions and forecasts and other factors related to the collectability of the Issuer's loan portfolio. For 2023, the impairment charges on financial instruments amounted to a release of EUR 158 million, attributable to a reduction of management overlays. Although management uses a best estimate approach to determine the allowances for loan losses, that determination is subject to significant judgment which, along with the underlying risk management models and methods could be inaccurate and the Issuer may have to increase its allowances for loan losses in the future as a result of increases in non-performing assets or for other reasons. For example, the deteriorating macroeconomic conditions, rising interest rates, declines in house prices and an increase of mortgage losses may substantially increase non-performing assets. Any increase in the allowances for loan losses, any loan losses in excess of the previously determined provisions with respect thereto or increases in the estimate of the risk of loss inherent in the portfolio of non-impaired loans could have an adverse effect on the Issuer's results of operations, profitability and financial position.

12. ***As a result of capital and/or liquidity requirements, the Issuer may not be able to manage its capital and liquidity effectively, which may adversely affect its business performance.***

Effective management of the Issuer's capital and/or liquidity is critical to its ability to operate its businesses, to grow organically and to pursue its strategy. The Issuer is required by regulators in The Netherlands, the ECB and regulators in other jurisdictions in which it undertakes regulated activities, to maintain adequate capital resources and liquidity, as such regulator may deem appropriate. The maintenance of adequate capital and liquidity is also necessary for the Issuer's financial flexibility in the face of turbulence and uncertainty in the global economy.

CRR imposes a minimum own funds requirement (Pillar 1). In addition, competent supervisory authorities as a result of the common procedures and methodologies for the supervisory review and evaluation process ("SREP") may require additional own funds to be maintained by a bank relating to elements of risks which are not fully covered by the Pillar 1 minimum own funds requirements ("P1R") (Pillar 2). A bank can be subject to (i) P1R (as referred to above), (ii) a combined buffer requirement ("CBR") and (iii) additional own funds requirements as a result of the SREP. In July 2016, the ECB confirmed that SREP will comprise two elements: Pillar 2 requirements (which are binding and breach of which can have direct legal consequences for banks) ("P2R") and Pillar 2



guidance (with which banks are expected to comply but breach of which does not automatically trigger any legal action) ("**P2G**"). Furthermore, CRD imposes a minimum CBR on top of P1R and any P2R applicable to the Issuer. In addition, the European Single Resolution Board (the "**SRB**") determines a minimum requirement for own funds and eligible liabilities ("**MREL**") which the Issuer must meet at all times to be available to the SRB for write-down, write-off or conversion to equity in order to absorb losses and recapitalise the Issuer in the event of resolution action being taken. See also risk factor "30. *Resolution regimes may lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*".

CRR includes a non-risk-based leverage ratio. The leverage ratio requirements were amended by CRR2, introducing, amongst others, a binding leverage ratio requirement of at least 3%. An additional leverage ratio buffer has also been applied to global systemically important institutions ("**G-SIIs**") since 1 January 2023. Although the Issuer does not currently qualify as a G-SII, there can be no assurance that relevant EU or Dutch policymakers or regulators will not extend the leverage ratio buffer requirement to non-G-SIIs in the future. If the Issuer were to become subject to higher leverage ratio requirements, the Issuer may be required to raise additional regulatory capital to meet the required leverage ratio. See the section "*Risk, funding & capital*" of the Issuer's Annual Report 2023 and the quarterly report titled "Quarterly Report First quarter 2024", which have been incorporated by reference into this Registration Document, for information on the Issuer's leverage ratio as at 31 December 2023 respectively 31 March 2024. See also risk factor "27. *The financial services industry is subject to intensive and complex regulations. Major changes in laws and regulations as well as enforcement action could adversely affect the Issuer's business, financial position and results of operations*" for other factors, such as changes in laws and regulations the Issuer is subject to, which may result in additional capital and/or liquidity requirements for the Issuer.

Any future changes may also require the Issuer to raise additional regulatory capital and MREL or hold additional liquidity buffers, for example as a result of different interpretations of or methods or models for calculating risk exposure amount, or because the Issuer does not comply with ratios and levels, or instruments and collateral requirements that currently qualify as capital and MREL or capital risk mitigating techniques no longer do so in the future. If the Issuer is unable to raise the requisite regulatory capital, it may be required to further reduce the amount of its risk exposure amount or business levels, restrict certain activities or engage in the disposition of core and other non-core businesses, which may not occur on a timely basis or at prices which would otherwise be attractive to the Issuer. In addition, if the Issuer is not able to meet the applicable CBR, this could have an adverse effect on the market's trust in the long term viability of the Issuer, which could, for example, result in liquidity outflows that could ultimately have an adverse effect on the going concern viability of the Issuer. See also the risk factor "30. *Resolution regimes may lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*".

As a result of stricter liquidity requirements or higher liquidity buffers, the Issuer may be required to optimise its funding composition which may result in higher funding costs for the Issuer, and in having to maintain buffers of liquid assets which may result in lower returns than less liquid assets. Furthermore, if the Issuer is unable to adequately manage its liquidity position, this may prevent it from meeting its short-term financial obligations.

The variety of capital and liquidity requirements of supervisory authorities in different jurisdictions may prevent the Issuer from managing its capital and liquidity positions in a centralised manner, which may impact the efficiency of its capital and liquidity management. Also, if internal processes are not sufficiently robust, this may result in higher than strictly necessary required capital and liquidity levels and increased costs.

The above changes and any other changes that limit the Issuer's ability to manage effectively its balance sheet, liquidity position and capital resources going forward (including, for example, reductions in profits and retained earnings as a result of write-downs or otherwise, increases in risk exposure amount, delays in the disposal of certain assets or the inability to syndicate loans as a result of market conditions or otherwise) or to access funding sources could have a material adverse impact on its financial position, regulatory capital position and liquidity provision.

13. ***Certain elements of the business model of full service banks such as the Issuer may in the mid- to longer-term become difficult to sustain.***

The Issuer is subject to a large volume of regulations that require support by a complex and expensive IT infrastructure. In addition, the Issuer is subject to high capital and liquidity requirements for generally modest-margin services. A combination of more stringent capital requirements and more onerous risk weighting, increased competition, more regulation generally, disruptive technological advances, pressure on margins, and other factors may affect the profitability of the Issuer.

If the Issuer does not manage to respond quickly and adequately to any reduced viability of parts of its business model, for example by entering new or growing existing successful business lines, then the Issuer's business might shrink and become less profitable. Full service banks may disappear with their services being taken over by businesses that are able to operate with fewer risks, a smaller infrastructure, with lower capital and with less regulation. It is possible also that certain elements of the business model of full service banks will not prove viable over time as a result of which full service banks will focus on a part of their current value chain only which may affect the profitability of the Issuer. The discontinuance of providing lending activities and other services could take time and also result in losses.

14. ***The Issuer operates in markets that are highly competitive. If the Issuer is unable to perform effectively, its business and results of operations will be adversely affected.***

There is substantial competition for the types of banking and other products and services that the Issuer provides in the regions in which the Issuer conducts large portions of its business, especially in The Netherlands. The competition for some of these products and services consists of traditional large banks, smaller banks, insurance companies, niche financial companies, non-financial companies that offer credit and savings products (such as car lease companies), as well as new entrants and parties that develop new business models, such as payment service providers, new mobile payment systems, mobile wallets, crowd funding, crypto-assets, central bank digital currency (CBDC) and other financial technology (fintech) initiatives. In other international markets, the Issuer faces competition from the leading domestic and international institutions active in the relevant national and international markets.

A different form of competition comes from technology firms and other new entrants, which are not subject to the same regulatory controls imposed on banks (including the costs associated therewith) and have already entered parts of the traditional banking value chain. Commoditisation of mass market segments as a result of new technology results in fiercer competition and pressure on margins. For example, the entry into force of PSD2 increased the number of new entrants into the payments market, which affects competition and increases the variety of payment services available (including the provision of third party access to parties other than banks).

Furthermore, the Issuer faces and may continue to face competition from competitors with respect to attracting capital or funding from its retail, private and corporate clients and/or investors, in particular, if the Issuer is not able to pass on the market interest rate increases to depositors. Competition may cause increases in funding costs which may not be recoverable from borrowers and therefore result in declining margins which could materially and adversely affect the Issuer's profitability and financial performance and position.

A recent study conducted by the Netherlands Authority for Consumers and Markets ("**ACM**") into the functioning of the Dutch savings market concluded, that in its view lack of competition between banks is a major cause of the low savings rates for consumers in the Netherlands. The ACM made several recommendations to the Dutch legislature for boosting competition on the savings market, including lowering switching barriers for consumers, in its draft report published in May 2024. The draft report is available for public consultation and the ACM will take opinions from interested parties into consideration when drawing up the final report. It is currently unclear, however, what recommendations the ACM's final report will contain, if the Dutch legislature will adopt such recommendations and what impact such recommendations will have on the Company.

More generally, competitive pressures could result in increased pricing pressures on a number of the Issuer's products and services, higher capital or funding costs or could result in loss of market share and may harm the Issuer's ability to maintain or increase profitability.

15. ***The Issuer depends on the accuracy and completeness of information about customers and counterparties and itself. The Issuer's business operations require meticulous data, documentation, recordkeeping and archiving.***

In deciding whether to extend credit or enter into other transactions with customers and counterparties, the Issuer may rely on information furnished to the Issuer by or on behalf of the customers and counterparties, including financial statements and other financial information. The Issuer also may rely on the audit report covering those financial statements. The Issuer's financial position and results of operations could be materially and adversely affected by relying on such information or on financial statements that do not comply with generally accepted accounting principles or that are materially misleading. If information about clients and counterparties turns out to be materially inaccurate, incomplete or misleading, this could lead to fines or regulatory action, violation of rules and regulations, engagement in incorrect commercial transactions.

The Issuer is also responsible for performing know your customer checks to prevent tax evasion or avoidance. However, it may not be apparent to the Issuer whether a client is engaged in tax evasion, because of the complex structure of many of these transactions. Tax evasion or avoidance by the client may be attributed to the Issuer even though it has not actively assisted clients in tax evasion or avoidance if the Issuer fails to adequately satisfy its know your customer obligations. Failure to manage tax risks could lead to reputational damage or regulatory fines and penalties.

Also, the Issuer has a monitoring duty in relation to transactions outstanding, including on client positions being either in-the-money or out-of-the-money, or the amount having been borrowed by clients being lower or higher than the value of property or security or the corresponding derivative. Monitoring a large number of different products, including discontinued products that are still outstanding, is complex and it could become more difficult or even impossible if the Issuer should fail to properly document transactions or archive documentation. The risk is further exacerbated by the increased use of technology and modern media for interacting with clients. Employees may take client orders in violation of policies, including taking orders over a mobile telephone line which conversations are not recorded or it may prove impossible or very difficult to find the relevant discussion from among a large number of recordings.

The Issuer's business operations require meticulous data, documentation, recordkeeping and archiving. Incomplete documentation, documentation not properly executed by counterparties, inadequate recordkeeping or archiving, and/or the loss of documentation could materially adversely affect the Issuer's business operations in a number of ways. In addition, if legal acts or transactions are not properly documented or the paperwork is inadequately stored, this could lead to failure to comply with legal and regulatory requirements on administrative and other record keeping requirements, delays in accessing data required to comply with regulatory requests and requirements, inability to and for making the right commercial decisions and could have an impact on providing information or evidence in regulatory and other investigations, procedures or litigation in which the Issuer may be involved.

Management requires adequate information and data about the Issuer, its clients and counterparties and about the state of financial markets and market data to run credit and RWA models, in order to make appropriate and informed commercial and strategic decisions. If management data on the Issuer's credit portfolios is inadequate or incorrect, this could lead to the Issuer exceeding its concentration risk guidelines and incurring more risk than would be prudent or than is permitted pursuant to applicable rules and regulations. Similarly, if, as happened in certain instances regarding savings mortgages sold, changes in the products the Issuer offers are not properly processed a mismatch may occur between the amount due at maturity and the amount saved by the client. This may lead to claims for compensation against the Issuer and could have a material adverse effect on the Issuer's business, results of operations and reputation.

16. ***The Issuer is subject to operational risks that could adversely affect its business.***

The Issuer is exposed to many types of operational risk, being the risk of loss resulting from inadequate or failed internal processes, and systems, or from external events. Categories of risks identified by the Issuer as operational risks are: client, product and business practices, execution, delivery and process management, technology and infrastructure failures, malicious damage (terrorism), disasters and public safety and employee practices and workplace safety. This includes the risk of internal and external fraud, crime, cybercrime or other types of misconduct by employees or third parties, unauthorized transactions by employees and operational errors, including clerical or record keeping errors or errors resulting from faulty computer, information technology or telecommunications systems, all of which could have a material adverse effect on the Issuer's business, reputation, results of operations, financial position and prospects. In the area of payments, the Issuer is continuously subject to cybercrime fraud, including phishing and malware. The Issuer believes that there is a growing threat of attacks on information technology systems from individuals and groups via the internet, including the IT systems of the Issuer that contain client and Issuer information and transactions processed through these systems. The rapid development and improvement of artificial intelligence (AI) technology expands and sophisticates both internal and external operational risks. Internal risks arise from the Issuer's use of AI but also because of vendors applying AI to products and services used by the Issuer. External risks stem from malevolent parties using AI technologies such as voice cloning, targeted phishing attacks and hacking to harm the Issuer or its clients. While not all these risks are new, AI models will enable criminals to deliver better quality with far less effort.

*Complex IT infrastructure*

Operating the IT landscape is a core part of the Issuer's activities. The Issuer's current IT infrastructure is complex. This results in data quality issues, high maintenance cost and necessitates manual actions in day-to-day processes, but more importantly reduces the agility for responding quickly to market trends and new innovations, which could have a material adverse effect on the Issuer's business and reputation.

*Disruptions of the Issuer's operating systems*

The Issuer may also be subject to disruptions of the Issuer's operating systems, arising from events that are wholly or partially beyond the Issuer's control (including, for example, computer viruses, DDoS attacks, hacks, data leaks or electrical or telecommunication outages), which may give rise to losses in service to customers and to loss or liability to the Issuer, including potentially large costs to both rectify the issue and possibly reimburse losses to the client, and could have a material adverse effect on the Issuer's results of operations, financial position and prospects. The Issuer is further exposed to the risk that external vendors may be unable to fulfill their contractual obligations to the Issuer, and to the risk that their business continuity and data security systems prove to be inadequate, which could have a material adverse effect on the Issuer's financial position and reputation.

*Data quality*

Also, the quality of data available to management may, at times, be insufficient or the data might not be available in a timely fashion. This may cause management to make improper decisions which in turn could influence the Issuer's results of operations or financial position adversely. Furthermore, the Issuer faces the risk that the design of the Issuer's controls and procedures prove to be inadequate or are circumvented. Technological efficiency and automation is an important factor for the control environment of the Issuer. Inadequate technology in the control environment may, for example, lead to delayed or late detection or reporting, or no detection or reporting at all, of errors, fraud, incidents, risks or the materialization thereof, which may lead to losses, fines, claims, regulatory action and reputational damage for the Issuer.

*Reliance on third party service providers*

The Issuer also makes use of IT applications hosted by and stores data, such as for example the Issuer's HR data, with third party service providers. Such third party service providers are outsourcing some of their work too, making it more challenging to get a clear overview of the

quality of all outsourced activities. ABN AMRO relies on third parties in connection with its IT and market infrastructure such as Equens, Euroclear, SWIFT and exchanges. Failure of these third party service providers could lead to interruptions in the business operations of ABN AMRO and of services offered or information provided to clients. Such failures could also prevent ABN AMRO from serving clients' needs in a timely manner. For example, for many if not most of its own and its clients' payments, the Issuer relies on SWIFT. Any disruption due to the failure by third party service providers could have a material adverse effect on the Issuer's financial position, business and reputation.

Subject to strict rules, critical client data is stored in applications of third parties and some third party providers have access to, or are given, privacy sensitive client or employee information. The Issuer is subject to regulations that control the flow of information such as privacy laws and the passing on of price sensitive information. As a result, information about the Issuer, its clients or its employees that is made intentionally, unintentionally or unlawfully public by employees, contractors, third party suppliers, or personnel seconded to the Issuer, including employees of third party suppliers, or by cyber attacks on third party suppliers, could lead to regulatory sanctions, breaches of privacy rules, undertakings and other legal and contractual obligations, possibly resulting in claims against the Issuer and a loss of trust in the Issuer. In addition, leaked information may be used against the interests of the Issuer, its clients or its employees, including in litigation and arbitration proceedings. Any such risks materializing could have a material adverse effect on the Issuer's financial position, business and reputation.

The Issuer's business relies heavily on such IT systems (including the IT systems used by the external vendors of the Issuer) and is therefore particularly exposed to operational risks relating to such systems. Any such risks materializing may significantly adversely affect the Issuer's financial position and reputation.

17. ***The Issuer's risk management methods may leave the Issuer exposed to unidentified, unanticipated or incorrectly quantified risks, which could lead to material losses or material increases in liabilities (tail risk).***

Although the Issuer uses various models, duration analysis, scenario analysis and sensitivity analysis as well as other risk assessment methods, there remains a risk that such risk management techniques and strategies may not be fully effective in mitigating the Issuer's risk exposure in all economic market environments or against all types of risk, including risks that the Issuer fails to identify or anticipate. Some of the Issuer's tools and metrics for managing risk are based upon the use of observed historical market behavior. The Issuer applies statistical and other tools to these observations to arrive at quantifications of risk exposures. These tools and metrics may fail to predict future risk exposures. The Issuer's losses, thus, could be significantly greater than the Issuer's measures would indicate. In addition, the Issuer's quantified modelling may not take all risks into account. The Issuer's more qualitative approaches to managing risks takes into account a broader set of risks, but is less precise than quantified modelling and could prove insufficient. Unanticipated or incorrectly quantified risk exposures could result in material losses in the Issuer's banking businesses.

18. ***The financial services industry is increasingly subject to ESG laws and regulations. Failure to comply with these laws or regulations or to meet ESG targets could adversely affect the Issuer's business, financial position and results of operations as well as its reputation. ESG risks may have a potential impact on risk profile of the Issuer's clients and counterparties, which may have an adverse effect on the Issuer's business, financial position and results of operations as well its reputation.***

Increasingly, governments and regulators are intensifying focus on environmental, social and governance ("ESG") laws and regulations and are adopting ESG strategies. Significant ESG related laws and regulations for EU banks were recently introduced and further laws and regulations are expected. The timing and full impact of these new laws and regulations cannot be determined yet and are beyond the Issuer's control. For further information on these ESG related laws and regulations the Issuer is or will become subject to, see chapter "*The Issuer – 6.3 Regulation*".

The implementation of new ESG regulation is a continuous process and will require periodic reassessments. This could significantly impact the manner in which the Issuer operates and could adversely affect the Issuer's business, financial position and results of operations, as well as its reputation and may expose the Issuer to greenwashing risk. For example, changes in government policies, societal expectations and investor preferences could present the Issuer with a material business risk in, for example, carbon-intensive sectors in the medium and long term.

Stakeholders (such as customers, employees, investors, regulators, rating agencies and environmental or social organisations) are increasingly expecting banks to transition to sustainability and meet its ESG objectives or even refrain from financing businesses which have not fully transitioned to meet their sustainability goals.

For example, Friends of the Earth Netherlands (*Milieudefensie*), a Dutch environmental organisation, sent a letter to ABN AMRO in January 2022 in which it requested ABN AMRO to prepare a climate plan. ABN AMRO published its climate plan in December 2022. No assurance can be given that the Issuer will meet its ESG objectives or that stakeholder expectations will be met. The Issuer may need significant time to adapt, validate and audit its processes and systems to facilitate the sourcing of data to determine the extent to which the Issuer and its clients' activities are sustainable. Any failure, delays or errors in implementing or complying with ESG laws and regulations, objectives and disclosure requirements could lead to fines and other regulatory measures or other legal actions or litigation (such as the risk of environmental litigation from Friends of the Earth Netherlands (*Milieudefensie*) against financial institutions such as the Issuer), all potentially restricting the Issuer's business. Non-compliance with ESG laws and regulations, objectives and disclosure requirements could also cause negative publicity, have a material adverse effect on the Issuer's reputation and may impact the Issuer's perceived sustainability.

Developments in the field of ESG could also adversely impact the risk profiles of the Issuer's clients and counterparties, which may have an adverse effect on the Issuer's business, financial position and results of operations as well its reputation. For example, as a result of natural disasters, draughts, a potential carbon tax or higher energy prices a client's creditworthiness may substantially deteriorate or the value of a counterparty's collateral may substantially decrease. This could lead to, for example, higher impairment charges, higher costs and additional write-downs and losses for the Issuer.

19. ***The Issuer's clearing business may be subject to regulatory actions and fines or may incur losses that could materially and adversely affect the Issuer's results of operations, prospects, liquidity, capital requirements and financial position as well as materially and adversely affect the Issuer's reputation.***

The Issuer's subsidiary ABN AMRO Clearing Bank N.V. ("**ABN AMRO Clearing**") is a global clearing firm and plays a leading role as a systemically relevant participant in the financial market infrastructure on various exchanges, trading venues and on the over-the-counter markets.

In accordance with applicable rules, ABN AMRO Clearing contributes to the default fund of the central counterparties ("**CCPs**") of which it is a clearing member. The default fund can be used in case of default by another clearing member of such a CCP. ABN AMRO Clearing may be requested to provide additional contributions to a CCP default fund in the event that this default fund is not sufficient to cover the default of another clearing member. Furthermore, ABN AMRO Clearing is exposed to counterparty risk in respect of each CCP to which ABN AMRO Clearing is a clearing member. A default by various other clearing members or a CCP itself could impact market circumstances and may therefore also materially and adversely affect the value of collateral held by ABN AMRO Clearing. Any default or other failure by a clearing member or a CCP could materially affect ABN AMRO Clearing's results of operations, prospects and financial position and thereby the Issuer's results of operations, prospects and financial position.

ABN AMRO Clearing's business operates on the basis of extensive and complex IT systems. If these systems fail to operate properly, resulting in for example trades not being settled or not being settled in a timely manner or over-the-counter transactions not being concluded in time, it could result in substantial losses for ABN AMRO Clearing as well as a potential loss of opportunity for its clients. ABN AMRO Clearing has in the past incurred and risks incurring in the future regulatory fines related to failures in the proper operation of IT systems, regardless of whether

these were caused by failure of an ABN AMRO Clearing system or a third party system. As a result, the Issuer could also suffer reputational damage.

ABN AMRO Clearing offers its clients global execution services. Any breaches by clients or by ABN AMRO Clearing itself of applicable laws, rules and regulations, including market abuse prohibitions and regulatory reporting obligations may result in regulatory actions taken against or fines being imposed on ABN AMRO Clearing. ABN AMRO Clearing has in the past incurred and risks incurring in the future regulatory fines in this regard. Furthermore, if a client fails to perform its obligations under any contract entered into in the name of ABN AMRO Clearing, ABN AMRO Clearing may be held liable. ABN AMRO Clearing may fail to effectively perform pre-trade and post-trade controls, to exercise timely risk-monitoring and transaction surveillance or to employ a kill-switch device or to perform regulatory reporting obligations. This risk is particularly relevant in respect of clients who employ their own trading or order systems instead of ABN AMRO Clearing's infrastructure. Although ABN AMRO Clearing may have recourse to its clients for any of such breaches or non-performance, there remains a risk that ABN AMRO Clearing is not able to fully recover amounts paid. Client conduct may therefore have a material adverse effect on ABN AMRO Clearing's, and thereby the Issuer's, reputation, results of operations and financial position.

Although ABN AMRO Clearing uses internal risk management methods and models for calculating its exposure to its clients, it could incur losses if the risk management methods and models used turn to be inadequate.

ABN AMRO Clearing seeks to mitigate its exposure to clients through the maintenance of collateral, including for client positions that ABN AMRO Clearing finances. Often, collateral consists of cash or financial instruments, the value of which may fluctuate in very short periods of time. Therefore, ABN AMRO Clearing applies a haircut, the level of which is dependent on the volatility and liquidity of the underlying collateral. A change in the value of the collateral will be absorbed by the haircut but may nonetheless result in ABN AMRO Clearing holding insufficient collateral. ABN AMRO Clearing can accordingly be exposed to credit risk on its clients. Furthermore, if a client's collateral becomes insufficient, ABN AMRO Clearing may not be able to immediately take remedial action, which may result in increased damages. If ABN AMRO Clearing does take remedial action, especially in the case of large sudden price movements, it may face a claim from its client. If a client goes bankrupt or becomes insolvent, ABN AMRO Clearing may become involved in disputes and litigation with the client's bankruptcy administrator or may become involved in regulatory investigations. This could increase ABN AMRO Clearing's operational and litigation costs and may result in losses which can materially and adversely affect ABN AMRO Clearing's, and thereby the Issuer's, reputation, financial position and results of operations.

Under CRD competent supervisory authorities may, as a result of the SREP, require additional capital and liquidity to be maintained by ABN AMRO Clearing relating to elements of risks which are not or not fully covered by the Pillar 1 minimum own funds and CBR.

The analysis of whether a clearing member has become party to one or more financial instruments as a result of the client clearing transactions is complex and is further complicated by the pace of change in the market around the global clearing processes. This involves among other things the assessment of recognition of derivatives as well as the possible subsequent derecognition or offsetting of positions. Any changes to the accounting treatment of exchange traded derivatives could have a material impact on ABN AMRO Clearing's balance sheet, profitability and financial position and could, as a consequence, have an impact on the Issuer.

20. ***The Issuer is exposed to risks relating to its existing and future international presence.***

The Issuer is exposed to risks relating to its existing international presence as it has a number of subsidiaries, branches, (representation) offices, businesses and operations located outside The Netherlands and clients which operate internationally. For example, this could expose the Issuer to sanctions risk (such as the current sanctions on trade with Russia). A materialisation of these risks relating to the Issuer's international presence or the Issuer's internationally operating clients may materially and adversely affect the Issuer's reputation and may limit the Issuer's ability to pursue its international presence in regions where it currently operates or where it may wish to operate in the future and accordingly have a material and adverse effect on the Issuer's business, results of

operations and financial position. See also the risk factor "5. *The Issuer's operations and assets are located primarily in The Netherlands. Deterioration of the Dutch economic environment could have a material adverse effect on the Issuer's results of operations and financial position.*" for other risks relating to the Issuer's presence in and outside The Netherlands which could have a material adverse impact on the Issuer's results of operations and financial position.

If the Issuer is unable to upstream capital and liquidity, including from local deposits, or has to fund itself locally, this might give rise to inefficiencies and increased costs. Furthermore, local registration or license requirements can vary for different types of investors and services. As long as ABN AMRO is not locally registered or has not obtained a licence, restrictions might apply with respect to marketing activities. ABN AMRO risks incurring regulatory fines if it breaches any local requirements and such breach may have a material and adverse impact on the Issuer's reputation.

21. ***Due to public pressure and perceived infringements of privacy law, the Issuer may be precluded as a practical matter from implementing business models based on analysis and use of client generated data.***

Due to public pressure and perceived infringements of privacy law, the Issuer may be precluded as a practical matter from implementing business models based on analysis and use of client generated data. In recent years, financial institutions, including the Issuer, have attempted to introduce and explore the potential for introduction of new business models in which client behaviour is analyzed – often if not always on an anonymous basis – to allow commercial use of this data by the financial institution or by third parties on a free or paid basis. Clients whose data the Issuer analyses and uses may deem the Issuer to be infringing requirements and such complaints could lead to broader calls opposing the implementation of this type of new business model, which may cause harm to the Issuer's reputation. If the Issuer were to be precluded from developing and implementing new business models based on the use and analysis of client data, this could have a material and adverse effect on its business operations and competitiveness with a material and adverse effect on the Issuer's business, results of operations and financial position.

22. ***If the Issuer is unable to successfully implement its strategy, or if its strategy does not yield the anticipated benefits, or if the Issuer is unable to successfully pursue targeted business opportunities, this could have a material and adverse effect on the Issuer's business, revenues, results of operations, financial position and prospects.***

The Issuer aims to achieve its strategy on the basis of three pillars: customer experience, sustainability and a future-proof bank. The strategy and targets of the Issuer (such as the almost fully completed wind-down of the former Corporate & Institutional Banking ("CIB") non-core portfolio) are based on assumptions and expectations, including but not limited to macro-economic developments, interest rates, revenue, expenses and cost of risk, that may not prove valid. Also, the benefits and impact of the Issuer's strategy and targets could fall short of what the Issuer envisages. The Issuer may, in addition, not succeed in achieving its targets, because of insufficient management attention, incorrect decisions or choices, inefficiencies or other reasons.

The Issuer may spend substantial time, money and other resources developing new products and services or improving offerings. If these products, services or improved offerings are not successful or not as innovative as envisaged, the Issuer may miss a potential market opportunity and not be able to offset the costs of such initiatives, which may have a materially adverse effect on the Issuer's income, revenue and/or cost base.

If the Issuer's strategy is not implemented successfully, or if the Issuer's strategy does not yield the anticipated benefits or if the Issuer is unable to successfully launch new products or services, improve offerings or pursue other business opportunities in time or at all, this could have a material and adverse effect on the Issuer's business, revenues, results of operations, financial position and prospects.

23. ***The Issuer can be forced, upon a change of control over the Issuer or NN Group N.V., to buy shares it does not yet own in Dutch insurance business ABN AMRO Verzekeringen. If this risk were to materialise, the Issuer could be forced to pay a currently unknown purchase price that would likely be material, the Issuer would be required to consolidate ABN AMRO Verzekeringen into its financial statements, which may have material adverse consequences for the Issuer's***



***results of operations, financial position and capital and liquidity ratios, and any potential losses incurred by ABN AMRO Verzekeringen would from then on be entirely for the account of the Issuer.***

The Issuer holds a non-controlling 49% interest in ABN AMRO Verzekeringen. NN Group N.V. ("NN") holds the remaining 51% interest in this joint venture. Upon a change of control in the Issuer or in NN, NN has the right to request that the Issuer buys its shares in ABN AMRO Verzekeringen at a price to be determined pursuant to a mechanism provided for in the relevant shareholders' agreement.

The purchase price that the Issuer would have to pay for NN's 51% interest cannot currently be determined, but it is likely to be material. As a result of the forced acquisition of the NN interest, the Issuer would hold 100% of ABN AMRO Verzekeringen. This would require the Issuer to consolidate ABN AMRO Verzekeringen into its financial statements, which could adversely affect the Issuer's financial position and results of operations, for example as a result of lower capital and liquidity ratios. In such event, if ABN AMRO Verzekeringen were to suffer significant losses, for example because of unexpected large claims in relation to insurance mis-selling or otherwise, the Issuer might be forced to recapitalise ABN AMRO Verzekeringen, which could have a material adverse effect on the Issuer's business, financial position and its results of operations. Because it would then own 100%, the amounts involved would be remarkably higher as would have been the case if it still held 49%. See also the risk factor "28. *The Issuer is exposed to regulatory scrutiny and potentially significant claims for violation of the duty of care owed by it to clients and third parties*" for other risks relating to ABN AMRO Verzekeringen that may have a material adverse effect on the Issuer. Currently, ABN AMRO Verzekeringen benefits from certain know-how and product development provided by NN. If NN decides to sell its shares to the Issuer, it might no longer provide this type of technical assistance. Finally, if NN were to leave the joint venture, certain key personnel might decide to leave ABN AMRO Verzekeringen as well, which could have a material adverse effect on the Issuer's business and results of operations.

(c) **Legal and regulatory risk**

24. ***The regulatory environment to which the Issuer is subject is complex, gives rise to significant legal and compliance costs and non-compliance could result in monetary and reputational damages, all of which could have a material adverse effect on the Issuer's business, financial position and results of operations.***

The financial services industry continues to be the focus of significant regulatory scrutiny in many of the countries in which the Issuer operates. This has led to a more intensive approach to supervision and oversight, increased expectations, enhanced requirements and enforcement, and an increasing frequency and amount of data requests and visits from competent supervisory authorities. This has in general led to more regulatory investigations and enforcement actions as well as an increase in the number of fines. The Issuer will also need to continue monitoring compliance of products and services that the Issuer no longer offers, which may be more complex than for products and services that are currently offered. If the Issuer is unable to obtain, retain and commit sufficient resources for regulatory compliance, this could lead to delays and errors, and may force it to choose between prioritising compliance matters over administrative support for business activities, or may ultimately force the Issuer to cease the offering of certain products or services.

For further information on legal and regulatory laws and regulation the Issuer is subject to, see chapter "*The Issuer — 6.3 Regulation*" and see also the risk factor "27. *The financial services industry is subject to intensive and complex regulations. Major changes in laws and regulations as well as enforcement action could adversely affect the Issuer's business, financial position and results of operations*".

Any delays, challenges or errors in implementing regulatory compliance could lead to substantial monetary damages and fines, loss of significant assets, public reprimands, a material adverse effect on the Issuer's reputation, regulatory measures in the form of cease and desists orders, fines, increased regulatory compliance requirements or other potential regulatory restrictions on the Issuer's business, enforced suspension of operations and in extreme cases, withdrawal of licences or authorisations to operate particular businesses, or criminal prosecution in certain circumstances.

In addition to non-compliance by the Issuer itself, the Issuer has in the past suffered and may in the future suffer negative consequences of non-compliance by its clients that have direct access to its systems. The Issuer may also suffer negative consequences of clients operating businesses or schemes in violation of applicable rules and regulations whose activities the Issuer could be held to monitor and, where applicable, to denounce or to interrupt. The Issuer may be required to make greater expenditures and devote additional resources and management time to addressing these liabilities and requirements, which could have a material adverse effect on the Issuer's business, financial position and results of operations.

Regulatory changes and any other present or future changes that could limit the Issuer's ability to manage effectively its balance sheet, liquidity position and capital resources (including, for example, reductions in profits and retained earnings, increases in risk-weighted assets, delays in the disposal of certain assets or the inability to provide loans as a result of market conditions), to access funding sources or access funding sources at a higher cost could have a material effect on its business, financial position and results of operations.

The factors mentioned above could have a material adverse effect on the Issuer's business, financial position, own funds, capital requirements and results of operations.

25. ***The rules on anti-money-laundering, anti-bribery, tax, anti-corruption and international sanctions are complex and failure to comply could lead to fines or harm the Issuer's reputation and could disrupt the Issuer's business and result in a material adverse effect on the Issuer's business, financial position and results of operations.***

Combating money laundering, bribery and terrorist financing, tax evasion and corruption and the enforcement of compliance with economic sanctions has been a major focus of government policy relating to financial institutions in recent years (most notably for the Issuer's operations in the United States, the European Union and Asia). The applicable rules are complex and the Issuer may violate anti-money laundering ("AML") and counter terrorism financing rules and regulations for failure to properly identify and verify the identification of clients (including whether such client is subject to sanctions), determine a client's source of funds or the reason for the banking relationship.

In April 2021, ABN AMRO accepted a settlement with the Netherlands Public Prosecution Service ("NPPS") for shortcomings in the bank's anti-money laundering activities (the "**AML Settlement**"). During the investigation, the NPPS found serious shortcomings in ABN AMRO processes to combat money laundering, such as the client acceptance, transaction monitoring and client exit processes, in The Netherlands in the period from 2014-2020. As a result, in certain instances, clients were able to abuse ABN AMRO accounts. As part of the AML Settlement, the bank agreed to pay EUR 480 million. Please see the settlement agreement and the statement of facts and conclusions of the NPPS for more information in the section entitled "*Documents Incorporated by Reference*". ABN AMRO was informed that an individual filed a complaint against the AML settlement between the NPPS and ABN AMRO and that the complaint has been denied by the court of appeals.

In response to the shortcomings discussed above and in order to address increasingly strict regulations and continuously evolving forms of financial crime, ABN AMRO decided to centralise the execution of all AML activities, bolstering AML capabilities and enabling further specialisation and knowledge sharing across the bank. ABN AMRO set up a bank-wide AML programme and made substantial additional resources available for investments in staff, systems and processes. The Dutch Central Bank is informed about the progress of the remediation programme and is closely monitoring the progress. ABN AMRO is currently validating the AML client file remediation while also continuing to increase the effectiveness of its measures and to achieve an adequate and sustainable level that meets regulatory requirements.

Even though the entering into the settlement agreement has resolved the criminal investigation against the Issuer by the NPPS for the period from 2014 up to and including the date of the settlement agreement, certain residual risks still remain. Other regulatory authorities might start their own investigations into the matter or other parties (such as investors) may bring claims against the Issuer (for example for compensation of alleged damages) as a result of the events that occurred. For example, ABN AMRO received letters from a class action group in which it was informed that certain professional investors have suffered losses. These claims are unsubstantiated

and unclear. It cannot be excluded that proceedings will be brought against ABN AMRO. If litigation will commence and if ABN AMRO will be held liable for damages, this could have a significant material adverse effect on ABN AMRO.

The extra-territorial reach of U.S. and EU regulations in respect of economic sanctions requires the Issuer to establish effective controls and procedures in order to prevent violations of United States and EU sanctions against designated countries, individuals, entities and others. The Issuer's operations and the products and services it offers bring it within the scope of these sanctions regimes. The imposition of any further sanctions could have a material adverse effect on Issuer's operations and the products and services it offers in relation to affected regions.

Failure by the Issuer to implement and maintain adequate programmes to combat money laundering, bribery and terrorist financing, tax evasion and corruption or to ensure economic sanctions compliance could lead to fines or harm the Issuer's reputation and could disrupt the Issuer's business and result in a material adverse effect on the Issuer's business, financial position, results of operations and prospects. See the chapter "*The Issuer – 6.4 Legal and arbitration proceedings – Dutch public prosecutor investigation*".

With respect to certain countries and territories, such as Iran, North Korea, Syria, Russia, the Crimean peninsula and the Donetsk and Luhansk regions in Ukraine, amongst others, the U.S. State Department, the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**"), the U.S. Commerce Department and the European Union have issued restrictive measures and trade embargoes which together form a complex set of economic restrictions. A financial institution, such as the Issuer, found to have engaged in specified activities involving targeted countries, regimes, organizations or individuals could become subject to various types of monetary penalties or sanctions, including (but not limited to) denial of U.S. bank loans, restrictions or a prohibition on its ability to open or maintain correspondent or payable-through accounts with U.S. financial institutions, and the blocking of its property within U.S. jurisdictions.

26. ***Failure by the Issuer to retain and attract qualified employees and senior management due to, amongst others, restrictions on employee compensation and the tight labour market may adversely affect the Issuer's business and performance.***

The Issuer relies upon the knowledge and talent of its employees to successfully conduct its operations. The Issuer's success has depended, and will continue to depend, in substantial part upon its ability to attract and retain highly skilled and technically qualified managers and employees. There is significant competition for qualified managers and employees from within the Issuer's industry as well as from businesses outside the Issuer's industry. A loss of senior management or other key personnel to the Issuer's competitors or otherwise could have a material adverse effect on its results of operations, financial position and cash flows in future periods.

Employees are one of the Issuer's most important resources and competition for qualified employees is intense. In order to attract and retain qualified employees, the Issuer seeks to compensate such employees at market levels, which may prove difficult as a result of the share ownership of the government and the restrictions contained in the Relationship Agreement between the Issuer and NL Financial Investments ("**NLFI**").

Under European and Dutch law, remuneration of employees active in the financial sector is restricted, for example, by certain bonus caps for employees of a Dutch financial institution. Furthermore, Dutch law includes certain prohibitions on any variable remuneration (effectively a bonus prohibition) for certain employees of Dutch financial institutions that have received a form of state aid (such as the Issuer). As a result of this prohibition, members of the Executive Board as well as certain categories of senior management are not permitted to receive any variable remuneration or increases in the base salary other than increases reflecting collective adjustments, such as increases based on collective labour agreements.

The financial industry may encounter additional restrictions on employee compensation, or employee compensation may be made subject to special taxation, which could have an adverse effect on the Issuer's ability to hire or retain the most qualified employees and senior management in the future. Furthermore, regulations or taxations on employee compensation may become more restrictive for the Issuer and other Dutch financial institutions than for some of its competitors in

other jurisdictions or markets, which could have an additional adverse effect on the Issuer's ability to hire or retain the most qualified employees and senior management in the jurisdictions or markets where it operates or intends to operate. Any such failure to hire or retain the most qualified employees and senior management may adversely affect the Issuer's business and performance.

27. ***The financial services industry is subject to intensive and complex regulations. Major changes in laws and regulations as well as enforcement action could adversely affect the Issuer's business, financial position and results of operations.***

In pursuit of a broad reform and restructuring of financial services regulation, national and supra-national legislatures and supervisory authorities, predominantly in Europe and in the United States but also elsewhere, continue to introduce and implement a wide range of, often complex, proposals that could result in major changes to the way the Issuer's global operations are regulated and could have adverse consequences for its business, business model, financial position, capital position (including capital and MREL, leverage, liquidity coverage and net stable funding ratios), results of operations, reputation and prospects. The Issuer notes that the legislation and any changes thereto as set out below could materially impact the profitability of the Issuer's businesses, the Issuer's models, the Issuer's capital position, the value of its assets or the collateral available for its loans, require changes to business practices, increase its regulatory reporting and transparency obligations, or force the Issuer to discontinue businesses or change its legal entity structure, capital and funding structure, and expose the Issuer to additional costs, taxes, liabilities, enforcement actions and reputational risk and are likely to have a material impact on the Issuer. Also, any delays, challenges or errors in implementing the legislation set out below could lead to substantial monetary damages and fines, public reprimands, a material adverse effect on the Issuer's reputation, regulatory measures in the form of cease and desists orders, fines, increased regulatory compliance requirements or other potential regulatory restrictions on the Issuer's business, enforced suspension of operations and in extreme cases, withdrawal of licences or authorisations to operate particular businesses, or criminal prosecution in certain circumstances.

- Regulatory capital requirements proposed by the Basel Committee on Banking Supervision (the "**Basel Committee**") have been implemented in the EU through the Capital Requirements Directive (2013/36/EU) known as "**CRD**" and the Capital Requirements Regulation ((EU) No 575/2013) known as "**CRR**". Regulatory capital requirements are subject to ongoing change, and are expected to become more stringent. Further changes to the regulatory capital requirements may have a material adverse effect on the Issuer's financial position.
- At the end of 2015, the ECB started a targeted review of internal models ("**TRIM**") to assess whether the internal models used by EU banks complied with regulatory requirements, and whether they were reliable and comparable. The ECB's TRIM reviewed credit and market risk models applied for calculating risk weighted assets ("**RWA**"). In addition, the European Banking Authority's ("**EBA**") review of the internal ratings-based ("**IRB**") approach provides more detailed requirements on the Issuer's application of the IRB approach for credit risk RWA. The ECB's TRIM review ended in 2021 and ABN AMRO's main capital ratios are in line with the new rules under Basel IV. However, several uncertainties remain, including data limitations, finalisation of Basel IV, management actions and other portfolio developments which may have a material adverse effect on the Issuer's financial position. For example, as reported in the Issuer's first quarter 2024 report, the Issuer's RWA increased to EUR 144.2 billion reflecting, *inter alia*, a rise in credit risk RWA. The Issuer cannot exclude that further RWA add-ons or RWA model changes may be necessary.
- The revised EU Directive on Markets in Financial Instruments (2014/65/EU, the "**MiFID II Directive**") and the accompanying regulation "**MiFIR**" (Regulation 600/2014) (together, "**MiFID II**") replaced and extended prior European rules on markets in financial instruments, giving more extensive powers to supervisory authorities, increasing market infrastructure and reporting requirements, requiring more robust investor protection, increasing both equity and non-equity market transparency, introducing a harmonised position-limits regime for commodity derivatives and introducing the possibility to impose higher fines in case of infringement of its requirements. MiFID II may have a material adverse effect on the Issuer's business and financial position.

- Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**") applies to 'contributors' to, 'administrators' of, and 'users' of 'benchmarks' in the EU. The Benchmarks Regulation, among other things: (a) requires EU benchmark administrators to be authorized or registered and to comply with requirements relating to the administration of benchmarks; (b) prohibits the use in the EU of benchmarks provided by EU administrators unless the relevant administrator is authorized or registered in accordance with the Benchmarks Regulation; and (c) prohibits the use in the EU of benchmarks provided by non-EU administrators unless the relevant administrator(s) and benchmark are included in the register of benchmarks and administrators maintained by the European Securities and Markets Authority ("**ESMA**") in accordance with the Benchmarks Regulation. The requirements and prohibitions under the Benchmarks Regulation may have a material adverse effect on the Issuer's financial position.
- The payment services directive (Directive 2015/2366/EU, "**PSD2**") which imposes requirements on the Issuer with respect to payment services in the European Economic Area (the "**EEA**") and was intended, amongst other things, to support the emergence of new players and the development of innovative mobile and internet payments in Europe. PSD2 entered into force on 13 January 2018. The Dutch implementing legislation entered into force on 19 February 2019, save for those elements relating to EBA regulatory technical standards (2018/389) in respect of, *inter alia*, strong customer authentication, which entered into force on 14 September 2019. PSD2 may have a material adverse effect on the Issuer's business.
- In the United States, the ongoing implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which covers a broad range of regulations and requirements for financial services firms including an evolving framework of regulations and requirements for OTC derivative transactions, markets and participants. The ongoing implementation of the Dodd-Frank Act may have a material adverse effect on the Issuer's business and financial position.
- Based on sections 1471-1474 of the United States Code and Treasury Regulations thereunder (commonly known as the Foreign Account Tax Compliance Act, or "**FATCA**"), a 30% withholding tax may be imposed on U.S. source payments to a non-U.S. (foreign) financial institution. This may have a material adverse effect on the Issuer's business and financial position.
- Various international and EU initiatives on automatic exchange of information (such as the OECD Common Reporting Standard, and the amended EU Directive on Administrative Cooperation), which have had and will continue to have considerable impact on client on-boarding and administrative processes of the Issuer.
- Changes in tax laws and regulations, including as a result of various international and EU initiatives. For example, in December 2021, the OECD issued model rules for a new global minimum tax framework on ensuring a level of taxation at a rate of 15% for multinational enterprises with consolidated revenue of at least EUR 750 million (Pillar 2). Several jurisdictions announced the intention to bring these into effect. In December 2022, EU Member States agreed to an EU Directive implementing Pillar 2, as further implemented in The Netherlands in the Minimum tax act 2024 (*Wet minimumbelasting 2024*) as a result of which the Issuer may be subject to Pillar 2 taxation for fiscal years starting on or after 31 December 2023. While the overarching framework has been published, domestic legislation and detailed guidance to assess the full implications in various jurisdictions is still pending to date.
- Restrictions applicable to the Dutch principal residence mortgage loan market for individuals, including a maximum loan amount for government-guaranteed mortgage loans (*Nationale Hypotheekgarantie*, "**NHG**"), a reduction of the maximum permissible amount of a mortgage loan relative to the value of the property and a reduction on tax deductibility of new mortgages loans, could put downward pressure on the total outstanding volume of mortgages in The Netherlands. This could decrease the size of the Issuer's mortgage portfolio, may have an effect on house prices, which may result in an

increase of defaults, prepayments and repayments and may have a material adverse effect on the Issuer's business and financial position.

- The regulation on minimum loss coverage for non-performing exposures ("**NPE**") complementing Regulation (EU) No 575/2013 relating to own funds (Regulation (EU) 2019/630, the "**NPE Regulation**"), introducing provisions requiring a deduction from own funds where NPEs are not sufficiently covered by provisions or other adjustments, effectively creating a prudential backstop for NPEs. In May 2020 the EBA published final guidelines on loan origination and monitoring (which have largely applied since June 2021), requiring institutions to develop robust and prudent standards to ensure newly originated loans are assessed properly, and aim to ensure that institutions' practices are aligned with consumer protection rules and respect fair treatment of customers. The NPE Regulation or any changes thereto, may result in the Issuer having to recognise additional provisions or capital reductions which may have a material adverse effect on its financial position.
- The imposition of a minimum average risk weight for IRB banks' exposures to natural persons secured by mortgages on residential property located in The Netherlands announced by DNB ("**DNB RWA Floor**"). The intention of the DNB RWA Floor is to enhance the resilience of Dutch banks to a potential severe downturn in the housing market against the background of sustained price increases in real estate over the past few years. This may have a material adverse effect on the Issuer's financial position. The measure effectively came into force as of 1 January 2022 and expired on 31 December 2022, but DNB can decide whether or not to extend the measure, each time for a period of two years. DNB has decided to extend the measure until 1 December 2024 and has indicated its intention to extend with another two years until 1 December 2026.
- On 27 May, the ECB published a working paper proposing an approach to the design of a macroprudential buffer for banks' climate transition risk. The paper proposes a calibration methodology for a macroprudential capital buffer which allows to address the build-up of climate-related systemic risks in the banking sector. The proposed calibration methodology assigns different systemic risk buffer requirements to banks in different buckets, ranging from 0% to 2%, depending on each bank's exposure to the estimated climate risks. If adopted in its current form, an additional systemic risk buffer may impact Issuer's own funds requirements and have material adverse effect on the Issuer's financial position.
- In July 2020, the European Union Court of Justice ruled that certain legal grounds for the transfer of personal data outside Europe are invalid or require supplementary measures (Schrems II). As a result of this ruling, the Issuer needs to assess the risks and monitor more actively its data transfers outside Europe. Furthermore, the Issuer may need to take extra measures regarding non-EU vendors, or in some cases stop the data transfer.
- On 18 April 2023, the European Commission adopted a proposal to adjust and further strengthen the EU's existing bank crisis management and deposit insurance ("**CMDI**") framework, with a focus on medium-sized and smaller banks. The package implies the review of the BRRD and SRM Regulation (each as defined below) frameworks as well as a separate legislative proposal to amend the DGS Directive (as defined below), all of which aim at further preserving financial stability, protecting taxpayers and depositors, and supporting the real economy and its competitiveness. However, there is still uncertainty whether the proposed adjustments to the CMDI framework will be adopted in its current form. Therefore, the exact impact of these adjustments and the potential effects on the Issuer cannot be assessed yet.
- On 16 January 2023, the digital operational resilience act ("**DORA**"), consisting of Regulation (EU) 2022/2554 and Directive (EU) 2022/2556 entered into force. Aimed at harmonising national rules around operational resilience and cybersecurity regulation across the EU, DORA establishes uniform requirements for the security of network and information systems of companies and organisations operating in the financial sector as well as critical third parties which provide services related to information communication technologies (ICT), such as cloud platforms or data analytics services. Financial entities

in scope of DORA (such as the Issuer) must be fully compliant from 16 January 2025. This comes with an accumulation of change and cost pressure on the Issuer. No assurance can be given that the Issuer will be fully compliant within the required time frame.

- Sustainable finance regulations having a big impact on banks, such as Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the Sustainable Finance Disclosure Regulation, "**SFDR**"), introducing various disclosure related requirements for ABN AMRO at an entity, service and product level. The majority of the new disclosure obligations took effect on 10 March 2021 and the remaining requirements came into effect on 1 January 2023. Complying with sustainable finance regulations such as SFDR requires new infrastructures and leads to more costs and resources.

The mortgage lending rules and restrictions or changes to mortgage interest relief, applicable to the principal residence mortgage market, may have a particular impact on the Issuer's principal residence mortgage business. These measures might have a material adverse effect on the sale of the Issuer's principal residence mortgage products and therefore on the aggregate loan portfolio of the Issuer, on the interest margins that it is able to earn on new and existing principal residence mortgages, as well as on the ability of its clients to pay amounts due in time and in full. See also the risk factor "*6. The Issuer's operations and assets are located primarily in The Netherlands. Deterioration of the economic environment could have a material adverse effect on the Issuer's results of operations and financial position*" above which sets out the Issuer's dependency upon the prevailing economic, political and social conditions in The Netherlands, particularly those which impact the mortgage market.

The tax regime applicable to the Issuer is to an extent based on the Issuer's interpretations of such laws and regulations. The Issuer cannot guarantee that such interpretations will not be questioned by the relevant authorities. There has in recent years been an increased interest by governments, political parties, the media and the public in the tax affairs of companies. This increased interest may also apply to the Issuer's tax policy or the tax affairs of the Issuer's clients. In addition, changes as to what is perceived by governments or by the public to be appropriate, ethical or sustainable behaviour in relation to tax may lead to a situation where the Issuer's tax policy is in line with all applicable tax laws, rules and regulations, but nevertheless comes under public scrutiny. These two developments could lead to reputational damage and damage to the Issuer's brand.

Furthermore, as part of the Supervisory Review and Evaluation Process ("**SREP**"), the ECB and DNB may perform an analysis of the Issuer's business model, strategy, governance, models and capital and liquidity position and form a view on their viability and sustainability. If necessary, they may take measures to address any problems and concerns. Such measures may include the requirement to make changes to the business plan and strategy, or require the Issuer to reduce risks that are inherent in certain products by requiring changes to the offering of these products or improvements of the governance and control arrangements, including around product development and maintenance. They may also include measures to reduce risks inherent to the Issuer's systems by requiring improvements of its systems, imposing restrictions or prohibitions on distributions or interest payments to shareholders, members or holders of Additional Tier 1 capital instruments or requiring the Issuer to account for more RWA or raise additional regulatory capital and eligible liabilities for MREL. Such measures may adversely impact the Issuer's capital position, MREL position, business and may force the Issuer to make substantial investments to meet the above requirements.

For further information on laws and regulation the Issuer is subject to, see chapter "*The Issuer – 6.3 Regulation*". The timing and full impact of new laws and regulations, including the initiatives described above, cannot be determined yet and are beyond the Issuer's control. The introduction of these and other new rules and requirements could significantly impact the manner in which the Issuer operates, particularly in situations where regulatory legislation can interfere with or even set aside national private law. New requirements may adversely affect the Issuer's business, capital and risk management strategies and may result in the Issuer deciding to modify its legal entity structure, capital and funding structures and business mix or exit certain business activities altogether or determine not to expand in certain business areas despite their otherwise attractive potential.

European regulations such as MiFID II and US regulations such as U.S. Commodity Futures Exchange Commission and U.S. Securities and Exchange Commission rules, have increased the burden of compliance on the Issuer. The extraterritorial scope of some of the regulations brings additional layers of complexity, as the Issuer can become subject to rules and regulations of national jurisdictions whilst it is not directly part of the national markets of such jurisdictions. This may have a material adverse effect on the business, financial position and results of operations of the Issuer.

Significant regulatory fines may be imposed on the Issuer should the Issuer fail to comply with applicable regulations. The cost of regulatory fines and defence against current and future regulatory actions may be significant. There may also be adverse publicity associated with regulatory fines or action that could negatively affect customer views of the Issuer, regardless of whether the allegations are valid or whether the Issuer is ultimately found liable. Therefore, such regulatory fines or actions may have a material adverse effect on the business, financial position and results of operations of the Issuer.

28. ***The Issuer is exposed to regulatory scrutiny and potentially significant claims for violation of the duty of care owed by it to clients and third parties.***

Due to their position in society (*maatschappelijke functie*) and specific expertise, financial institutions in The Netherlands (such as the Issuer) owe a special duty of care (*bijzondere zorgplicht*). Financial institutions must also comply with duty of care rules in Dutch law, which includes provisions on client classification, disclosure requirements and know-your-customer obligations. Pursuant to the General Banking Conditions (*Algemene Bankvoorwaarden*) used by Dutch banks, a bank must always act in accordance with its duty of care, irrespective of whether the service or product is sold to a professional client or a non-professional client. Violation of the duty of care by the Issuer could lead to potentially significant claims, which could have a material adverse impact on the Issuer's business, financial position and reputation.

Where in the past the duty of care was held to apply predominantly to clients, the application of this standard has on the basis of case law been extended more broadly for the benefit of third parties that suffer damages inflicted by clients of the financial institution. In these cases, courts held, for example, that in certain circumstances financial institutions may be expected to monitor activities of their clients, denouncing or even halting any suspected illegal activity. Accordingly, there can be no assurance that additional proceedings will not be brought. Such litigation may have a material adverse effect on the Issuer's business, financial position and reputation.

Clients in the future could increasingly use "execution only" services instead of paying for advice and such shift could lead to injudicious client losses and decisions which they may seek to recover from the Issuer on the basis of duty of care principles, which could have a material adverse impact on the Issuer's business and financial position.

A number of proceedings have been initiated against the Issuer and other Dutch banks for violation of its duty of care and a larger number of claims are threatened. Also, a number of class action groups are actively soliciting plaintiffs for mass litigation proceedings. Accordingly, there can be no assurance that additional proceedings will not be brought. Current proceedings are still pending and their outcome is uncertain, as is the timing of reaching any finality on these legal claims and proceedings. As a result, although the consequences could be substantial for the Issuer, with a potentially material adverse effect on the Issuer's reputation, results of operations, financial position and prospects, it is not possible to reliably estimate or quantify the Issuer's exposure at this time.

For example, ABN AMRO Levensverzekering N.V. ("**ABN AMRO Levensverzekering**"), a subsidiary of Nationale-Nederlanden ABN AMRO Verzekeringen Holding B.V. ("**ABN AMRO Verzekeringen**") in which the Issuer has a 49% interest, is exposed to claims from customers concerning unit-linked insurance contracts. ABN AMRO Levensverzekering entered into settlements with certain consumer and investor interest groups on standardized charges for individual, privately held unit-linked insurance products purchased in the past. ABN AMRO Levensverzekering has taken provisions for these settlements and remains a well-capitalised life insurance company. The public debate around insurance mis-selling (*woekerpolissen*) is however still ongoing and possible future claims and related costs may affect the capital position of ABN



AMRO Levensverzekering and consequently may have a material adverse impact on the financial position of the Issuer. The Issuer has received complaints and faces, and may in the future face additional, exposure and claims for its role in distributing these products. A number of proceedings with the Dutch financial institute for out of court settlement of financial disputes "Kifid" (*Klachteninstituut Financiële Dienstverlening*) is pending against the Issuer and the insurers. A negative outcome of these proceedings could have a material adverse effect on the Issuer's business and reputation. On 15 February 2022, ABN AMRO announced that it had reached agreement on the sale of ABN AMRO Levensverzekering to NN Group N.V. The sale of ABN AMRO Levensverzekering closed in 2022. With the completion of this transaction, ABN AMRO Verzekeringen continues as a non-life insurer and intermediary. See also the risk factor "23. *The Issuer can be forced, upon a change of control over the Issuer or NN Group N.V., to buy shares it does not yet own in Dutch insurance business ABN AMRO Verzekeringen. If this risk were to materialise, the Issuer could be forced to pay a currently unknown purchase price that would likely be material, the Issuer would be required to consolidate ABN AMRO Verzekeringen into its financial statements, which may have material adverse consequences for the Issuer's capital and liquidity ratios, and any potential losses incurred by ABN AMRO Verzekeringen would from then on be entirely for the account of the Issuer*" for other risks relating to ABN AMRO Verzekeringen that may have a material adverse effect on the Issuer.

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, as further described in "*The Issuer — 6.4 Legal and arbitration proceedings — Variable interest rate complaints for consumer loans*". On 10 August 2022, the Kifid Appeals Committee ruled that, in addition to recalculating variable interest rate charges for the relevant period, the effects of compounding interest must also be taken into account. It ruled that the amount of interest that the relevant consumer paid was too much and should be seen as a prepayment of principal of the relevant consumer credit. It is currently unclear, however, whether these rulings will have a certain knock on effect on other (credit) products with variable interest rates, beyond the range of products covered by the present compensation scheme, such as credit products for micro and small enterprises. See also "*The Issuer — 6.4 Legal and arbitration proceedings*" for further information.

The developments described above are complex and could have substantial consequences for the Issuer, including an increase in claims by customers and increased costs and resources. Also, it cannot be excluded that additional sector-wide measures will be imposed by supervisory authorities or the legislator which can have a material adverse effect on the Issuer's business, financial position and results of operations.

29. ***The Issuer is subject to legal risk, which may have an adverse impact on the Issuer's business, financial position and results of operations.***

In the ordinary course of business the Issuer is involved in a number of legal proceedings. Furthermore, in The Netherlands, the number and size of claims that are the subject of litigation, regulatory proceedings and other adversarial (legal) proceedings against financial institutions (such as the Issuer) are increasing. The Issuer's business is subject to the risk of litigation by customers, borrowers, employees, shareholders or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. It is inherently difficult to predict or quantify the outcome of many of the litigations, regulatory proceedings and other adversarial proceedings involving the Issuer and its businesses. The cost to defend current and future actions may be significant. There may also be adverse publicity associated with litigation that could decrease customer acceptance of the Issuer's services, regardless of whether the allegations are valid or whether the Issuer is ultimately found liable. Examples are the failure or perceived failure to comply with legal and regulatory rules, laws, regulations and other requirements, principles, guidelines (including but not limited to guidelines addressing possible ecological, social and ethical risks) or codes of conduct (including but not limited to the code of conduct on sustainability) by the Issuer, its customers, or other third parties linked to the Issuer, anti-money laundering, bribery or anti-corruption measures, anti-terrorist financing procedures, tax evasion or avoidance by

clients, the quality and transparency of products sold to clients, the manner in which the Issuer protects its legitimate interest upon a client default or a margin obligation arising or the conduct of its employees. See also the risk factor "28. *The Issuer is exposed to regulatory scrutiny and potentially significant claims for violation of the duty of care owed by it to clients and third parties*" and the risk factor "32. *The Issuer is subject to reputational risk*" which set out similar (legal and regulatory) risks that may have a material adverse impact on the Issuer. As a result, litigation may adversely affect the Issuer's business. See "*The Issuer — 6.4 Legal and arbitration proceedings*" for further information in respect of legal proceedings of the Issuer.

In presenting the consolidated annual financial statements, the Issuer's management may make estimates regarding the outcome of legal, regulatory and arbitration matters and takes a charge to income when losses with respect to such matters are probable and can be reasonably estimated. If the provisions made turn out not to be sufficient or if provisions cannot be made because the related losses cannot be reasonably estimated, the Issuer is at risk of incurring losses that have not or not sufficiently been provided for. Such losses may occur potentially years after the event that caused them. Changes in estimates may have a material adverse effect on the Issuer's business, financial position and results of operations.

30. ***Resolution regimes may lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding.***

The Special Measures Financial Institutions Act, (*Wet bijzondere maatregelen financiële ondernemingen*, the "**Dutch Intervention Act**"), the Directive providing for the establishment of a European-wide framework for the recovery and resolution of credit institutions and investment firms (2014/59/EU as amended, "**BRRD**") and Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended, the "**SRM Regulation**") set out the intervention and resolution framework applicable to the Issuer.

The SRM Regulation establishes a single European resolution board (the "**Resolution Board**") having resolution powers over the institutions that are subject to the SRM Regulation, thus replacing or exceeding the powers of the national resolution authorities within the euro area. The Resolution Board will determine, after consultation with competent authorities, a MREL applicable to the Issuer. MREL is designed to be available to the resolution authorities for write down, write off or conversion to equity in order to absorb losses and recapitalise a failing institution in the event of resolution action being taken, and before more senior-ranking creditors suffer losses. The amount of MREL the Issuer is required to maintain over time will be based on the expected required capacity to resolve and, if appropriate, recapitalise the Issuer in the event of its failure. The Resolution Board may also use the powers of early intervention as set forth in the SRM Regulation, including the power to require an institution to contact potential purchasers in order to prepare for resolution of the institution. The Resolution Board has the authority to exercise the specific resolution powers pursuant to the SRM Regulation similar to those of the national authorities under the BRRD.

#### *Recovery and resolution plans*

As required by the BRRD, the Issuer is required to draw up and maintain a recovery plan. In addition, the Resolution Board is required to prepare a resolution plan for the Issuer setting out resolution actions it may take if the Issuer would fail or would be likely to fail. Although ABN AMRO Bank N.V. is the Group's designated resolution entity, the Resolution Board has required from the Issuer and may further require from the Issuer to issue MREL at various levels within the Group, resulting in higher capital and funding costs for the Issuer, and as a result adversely affect the Issuer's profits. If the Issuer were to experience difficulties in (timely) raising MREL eligible liabilities, it may have to implement measures in response (e.g. reducing its lending or investments in other operations) which could have a material adverse effect on the Issuer's business, financial position and results of operations.

### *Early intervention*

If the Issuer does not comply with or, due to a rapidly deteriorating financial position, would be likely not to comply with certain triggers, including capital or liquidity requirements in the near future, the supervisory authorities will have the power to impose early intervention measures. A rapidly deteriorating financial position could, for example, occur in the case of a deterioration of the Issuer's liquidity situation or an increasing level of leverage and non-performing loans. Intervention measures include the power to require changes to the legal or operational structure of the Issuer, the power to make changes to the Issuer's business strategy, and the power to require the Issuer's Executive Board to convene a general meeting of shareholders, set the agenda and require certain decisions to be considered for adoption by the general meeting. Furthermore, if these early intervention measures are not considered sufficient, the competent authority may replace management or install a temporary administrator. In case of resolution of the Issuer, a special manager may also be appointed who will be granted management authority over the Issuer instead of its existing Executive Board members, in order to implement the measures decided on by the competent authority.

### *Non-viability and resolution measures*

If the Issuer were to reach a point of non-viability, the Competent Authority could take pre-resolution measures. These measures include the write-down and cancellation of shares, and the write-down or conversion into shares or other instruments of ownership of capital instruments (the "**Write Down and Conversion Power**").

Furthermore, BRRD and the SRM Regulation provide resolution authorities with powers to implement resolution measures with respect to banks which meet the conditions for resolution, which may include (without limitation) the sale of the bank's business, the separation of assets, taking control of the bank and exercise all rights and powers conferred upon shareholders and the bank's management body, remove or replace the management body and senior management of the bank, capital instruments and eligible liabilities absorbing losses through the write-down or conversion into equity of such instruments (the "**Bail-in Tool**"), the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments and discontinuing the listing and admission to trading of financial instruments. The Bail-in Tool comprises a more general power for resolution authorities to write-down the claims of unsecured creditors of a failing bank and to convert unsecured debt claims to equity. The Bail-in Tool covers eligible liabilities issued by the institution subject to resolution measures, but certain defined instruments are excluded from the scope, such as covered bonds.

The application of resolution measures may lead to additional measures. For example, in connection with the nationalisation of SNS Reaal N.V. pursuant to the Dutch Intervention Act, a one-off resolution levy for all banks was introduced by the Minister of Finance.

When applying the resolution tools and exercising the resolution powers, including the preparation and implementation thereof, the resolution authorities can exercise their powers irrespective of any restriction on, or requirement for consent for, transfer of the financial instruments, rights, assets or liabilities in question that might otherwise apply.

The Dutch Intervention Act, BRRD and the SRM Regulation may increase the Issuer's cost of funding and thereby could have a material adverse impact on the Issuer's funding ability, financial position and results of operations. In case of a capital shortfall, the Issuer would first be required to carry out all possible capital raising measures by private means, including the write-down or conversion of junior debt into equity (which may include subordinated notes and/or senior non-preferred notes issued by the Issuer), before one is eligible for any kind of restructuring State aid.

31. ***The Issuer is subject to stress tests and other regulatory enquiries, the outcome which could materially and adversely affect the Issuer's reputation, financing costs and trigger enforcement action by supervisory authorities. Stress tests could also bring to the surface information which may result in additional regulatory requirements or measures being imposed or taken which***

***could have a material adverse effect on the Issuer's business, results of operations, profitability or reputation.***

The banking sector, which includes the Issuer, is subject to periodic stress testing and other regulatory enquiries to examine the resilience of banks to adverse market developments, including climate and cyber risks. Such stress tests are initiated and coordinated by the EBA or the ECB. Stress tests and the announcements of their results by supervisory authorities can destabilise the banking or the financial services sector and lead to a loss of trust with regard to individual banks or the financial services sector as a whole. The outcome of stress tests could materially and adversely affect the Issuer's reputation, financing costs and trigger enforcement action by supervisory authorities. The outcome of stress tests could also result in the Issuer having to meet higher capital and liquidity requirements, which could have a material adverse effect on the Issuer's business, results of operations, profitability or reputation.

In addition, stress tests could divulge certain information that would not otherwise have surfaced or which until then, the Issuer had not considered to be material and worthy of taking remedial action on. This could lead to certain measures or capital and funding requirements by supervisory authorities being imposed or taken, which could have a material adverse effect on the Issuer's business, results of operations, profitability or reputation.

32. ***The Issuer is subject to reputational risk.***

Reputational risk exists in many forms in all of the Issuer's activities. Examples are the failure or perceived failure to comply with legal and regulatory rules, laws, regulations and other requirements, principles, guidelines (including but not limited to guidelines addressing possible ecological, social and ethical risks) or codes of conduct (including but not limited to the code of conduct on sustainability) by the Issuer, its customers, or other third parties linked to the Issuer, anti-money laundering, bribery or anti-corruption measures, anti-terrorist financing procedures, tax evasion or avoidance by clients, the quality and transparency of products sold to clients, the manner in which the Issuer protects its legitimate interest upon a client default or a margin obligation arising or the conduct of its employees. The Issuer's reputation could also be harmed as a result of negative external publicity over which the Issuer has no or minimal control (such as social media). Reputational damage to the Issuer may cause loss of business, liquidity and clients which could, as a consequence, adversely affect the Issuer's results of operations, prospects and financial position. See also the risk factor "1. *Lack of liquidity is a risk to the Issuer's business and its ability to access sources of liquidity.*"

## 2. INTRODUCTION

This document constitutes a registration document (as supplemented from time to time, "**Registration Document**") for the purposes of the Prospectus Regulation and has been prepared for the purpose of giving information with respect to ABN AMRO Bank N.V. (the "**Issuer**") which, according to the particular nature of the Issuer and the securities which it may apply to have admitted to trading on a regulated market situated or operating within such a Member State, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Registration Document and declares that, to the best of its knowledge, the information contained in this Registration Document is in accordance with the facts and the Registration Document makes no omission likely to affect its import.

This Registration Document has been approved by The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, "**AFM**") as the competent authority in the Issuer's home Member State pursuant to the Prospectus Regulation.

Together with any securities note for non-equity securities, as supplemented or replaced from time to time (each a "**Securities Note**") of the Issuer, in each case, this Registration Document forms part of any base prospectus of the Issuer consisting of separate documents within the meaning of Article 8(6) of the Prospectus Regulation in respect of the relevant securities (this Registration Document together with the respective Securities Note, in each case the "**Base Prospectus**").

The AFM has only approved this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document.

This Registration Document (save as described below) is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents incorporated by Reference*").

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Registration Document, and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

This Registration Document should not be considered as a recommendation by the Issuer that any recipient of this Registration Document should purchase securities of the Issuer. Each investor contemplating purchasing any securities should make its own independent investigation of the financial position and affairs, and its own appraisal of the creditworthiness, of the Issuer. This Registration Document does not constitute an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any securities.

The delivery of this Registration Document will not in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Registration Document has been most recently amended or supplemented. Investors will need to make their own investigations and financial calculations on the basis of the financial information incorporated by reference herein in order to make an informed assessment of the future assets and liabilities, financial position, profit and losses and prospects of the Issuer and when deciding whether or not to purchase any financial instruments issued by the Issuer. The Issuer has no obligation to update this Registration Document, except when required by and in accordance with the Prospectus Regulation.

This Registration Document does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Registration Document and the offer or sale of securities may be restricted by law in certain jurisdictions. The Issuer does not represent that this Registration Document may be lawfully distributed, or that any securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any securities or distribution of this Registration Document in any jurisdiction where action for that purpose is required. Accordingly, no

securities may be offered or sold, directly or indirectly, and neither this Registration Document nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Registration Document or any securities of the Issuer may come must inform themselves about, and observe, any such restrictions on the distribution of this Registration Document and the offering and sale of such securities.

All references in this document to "**EUR**", "**euro**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended, references to "**Sterling**" and "**£**" refer to pounds sterling and references to "**U.S. Dollars**", "**USD**" and "**\$**" refer to United States dollars.

### 3. DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued on or prior to the date hereof shall be deemed to be incorporated in, and to form part of, this Registration Document:

- (a) the articles of association of the Issuer which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/68k3wJyMxthHBhRpdT9i8a/8906d736755b19e824f9484b25d542b1/20200428\\_DT\\_NL\\_ENG\\_Statuten\\_ABN\\_AMRO\\_Bank\\_N.V\\_.pdf](https://assets.ctfassets.net/1u811bvgvthc/68k3wJyMxthHBhRpdT9i8a/8906d736755b19e824f9484b25d542b1/20200428_DT_NL_ENG_Statuten_ABN_AMRO_Bank_N.V_.pdf);
- (b) ABN AMRO Bank N.V.'s publicly available audited annual financial statements for the financial year ended 31 December 2022, as set out on pages 236 to 319 in relation to the consolidated financial statements 2022, including the notes to the consolidated financial statements as set out on pages 242 to 319, the company annual financial statements on pages 320 to 337, including the notes to the company annual financial statements on pages 324 to 337, pages 56 to 176 (certain information in the Risk, funding & capital report), and the auditors' report thereon on pages 351 to 358, all as included in ABN AMRO Bank N.V.'s Annual Report 2022 which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/3tn2c2U6QjiBj1IWRNX9cl/c2dde83a535488509bbf0c37726fa407/ABN\\_AMRO\\_Integrated\\_Annual\\_Report\\_2022.pdf](https://assets.ctfassets.net/1u811bvgvthc/3tn2c2U6QjiBj1IWRNX9cl/c2dde83a535488509bbf0c37726fa407/ABN_AMRO_Integrated_Annual_Report_2022.pdf);
- (c) the Section "ABN AMRO shares" on page 47, the Section "Strategy and value creation" of the Strategy and value creation report on pages 18 to 23, the Section "Our financial performance" of the Strategy and value creation report on pages 44 to 47, the Section "Additional financial performance" of the Strategy and value creation report on pages 48 to 51, the Section "Outlook" of the Strategy and value creation report on pages 53 to 54, the Section "Risk, funding & capital" on pages 56 to 176 (excluding the specific sub-paragraph "Interview with our Chief Risk Officer" on pages 62 to 63), the Section "Leadership & governance structure" on pages 179 to 191, the Section "Report of the Supervisory Board" on pages 194 to 203, the Section "General Meeting and shareholder structure" on pages 205 to 207, the Section "Remuneration report" on pages 209 to 223, the Section "Legal structure" on page 230, the Section "Responsibility statement" on page 234, the Section "Our approach to reporting" on pages 339 to 340, the Section "Definitions" on pages 343 to 346, the Section "Regulatory developments" on pages 349 to 350, the Section "Other information" on pages 362 to 363 and the Section "Cautionary statements" on page 364, all as included in ABN AMRO Bank N.V.'s Annual Report 2022;
- (d) the publicly available abbreviations and definitions of important terms relating to ABN AMRO Bank N.V.'s Annual Report 2022 which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/2a67TV6xXCk1B5mDJ2M9aA/31df4cd56c04718c1e9c6d6ef765354d/ABN\\_AMRO\\_Abbreviations\\_and\\_definitions\\_of\\_important\\_terms\\_2022.pdf](https://assets.ctfassets.net/1u811bvgvthc/2a67TV6xXCk1B5mDJ2M9aA/31df4cd56c04718c1e9c6d6ef765354d/ABN_AMRO_Abbreviations_and_definitions_of_important_terms_2022.pdf);
- (e) ABN AMRO Bank N.V.'s publicly available audited annual financial statements for the financial year ended 31 December 2023, as set out on pages 311 to 315 in relation to the consolidated financial statements 2023, including the notes to the consolidated financial statements as set out on pages 316 to 395, the company annual financial statements on pages 397 to 399, including the notes to the company annual financial statements on pages 400 to 413, pages 53 to 159 (certain information in the Risk, funding & capital report), and the auditor's report thereon on pages 430 to 438, all as included in ABN AMRO Bank N.V.'s Annual Report 2023 which can be obtained from [https://downloads.ctfassets.net/1u811bvgvthc/1ct3rr0164d6Vt5YuVrWqe/e700292b6cdec93acb5d782976efaf0e/ABN\\_AMRO\\_Integrated\\_Annual\\_Report\\_2023.pdf](https://downloads.ctfassets.net/1u811bvgvthc/1ct3rr0164d6Vt5YuVrWqe/e700292b6cdec93acb5d782976efaf0e/ABN_AMRO_Integrated_Annual_Report_2023.pdf);
- (f) the Section "Our strategy" of the Strategy, value creation & performance report on pages 19 to 24, the Section "Our financial performance" of the Strategy, value creation & performance report on pages 42 to 45, the Section "ABN AMRO share price performance and dividend" of the Strategy, value creation & performance report on page 45, the Section "Listing information and substantial holdings" of the Strategy, value creation & performance report on page 45, the Section "Additional financial performance" of the Strategy, value creation & performance report on pages 46 to 49, the Section "Economic outlook for 2024" of the Strategy, value creation & performance report on pages 50 to 51, the Section "Risk, funding & capital" on pages 53 to 159 (excluding the specific sub-paragraph "Interview with our Chief Risk Officer" on pages 54 to 55), the Section "Leadership and governance structure" on pages 161 to 173, the Section "Report of the Supervisory Board" on pages 177 to 187, the Section "General Meeting and shareholder structure" on pages 188 to 191, the Section "Remuneration report" on pages 192 to 209, the Section "Legal structure" on pages

215 to 216, the Section "*Sustainability statements*" on pages 218 to 308, the Section "*Responsibility statement*" on page 309, the Section "*How we prepared this report*" on pages 415 to 416, the Section "*Definitions*" on pages 421 to 426, the Section "*Overview of regulatory developments*" on pages 428 to 429, the Section "*Major subsidiaries and participating interests*" on pages 442 to 443 and the Section "*Cautionary statements*" on page 444, all as included in ABN AMRO Bank N.V.'s Annual Report 2023;

- (g) the publicly available abbreviations and definitions of important terms relating to ABN AMRO Bank N.V.'s Annual Report 2023 which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/7fTs5yAfFgOZSTM8X96R3F/546847bfbc5bb94f9b0ac36ad0eab2e3/ABN\\_AMRO\\_Abbreviations\\_and\\_definitions\\_of\\_important\\_terms\\_2023.pdf](https://assets.ctfassets.net/1u811bvgvthc/7fTs5yAfFgOZSTM8X96R3F/546847bfbc5bb94f9b0ac36ad0eab2e3/ABN_AMRO_Abbreviations_and_definitions_of_important_terms_2023.pdf);
- (h) the quarterly report titled "*Quarterly Report First quarter 2024*" dated 15 May 2024, excluding the chapter titled "*Enquiries*", which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/3YrH2cMIxtRb4fObHhZQeC/18e38e0f00f70353d2c3e0d77993d6fb/ABN\\_AMRO\\_Bank\\_-\\_Quarterly\\_Report\\_first\\_quarter\\_2024.pdf](https://assets.ctfassets.net/1u811bvgvthc/3YrH2cMIxtRb4fObHhZQeC/18e38e0f00f70353d2c3e0d77993d6fb/ABN_AMRO_Bank_-_Quarterly_Report_first_quarter_2024.pdf);
- (i) the settlement agreement between The State of The Netherlands (Netherlands Public Prosecution Service) and ABN AMRO, dated 19 April 2021, which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/KHfRcg2uOIGlfU7fri1YM/a7a0837ac3c3019b822b656b112c3300/Settlement\\_Agreement\\_ABN\\_AMRO\\_Guardian.pdf](https://assets.ctfassets.net/1u811bvgvthc/KHfRcg2uOIGlfU7fri1YM/a7a0837ac3c3019b822b656b112c3300/Settlement_Agreement_ABN_AMRO_Guardian.pdf); and
- (j) the statement of facts and conclusions of the Netherlands Public Prosecution Service, dated 19 April 2021, which can be obtained from [https://assets.ctfassets.net/1u811bvgvthc/4eUXF7eCnLthKp95RNnMnz/645730a7cd044da33ef4ad1545470f12/Statement\\_of\\_Facts\\_-\\_ABN\\_AMRO\\_Guardian.pdf](https://assets.ctfassets.net/1u811bvgvthc/4eUXF7eCnLthKp95RNnMnz/645730a7cd044da33ef4ad1545470f12/Statement_of_Facts_-_ABN_AMRO_Guardian.pdf),

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

All figures in the documents incorporated by reference herein have not been audited, unless stated otherwise. These figures are internal figures of the Issuer.

The information on the websites to which a hyperlink has been included in this Registration Document (other than the hyperlinks contained in this section "*Documents Incorporated by Reference*") does not form part of this Registration Document and has not been scrutinised or approved by the AFM.

Any information contained in any of the documents specified above which is not incorporated by reference in this Registration Document is either not relevant to investors or is covered elsewhere in this Registration Document. Any statements on the Issuer's competitive position included in this Registration Document (including in a document which is incorporated by reference herein) and where no external source is identified are based on the Issuer's internal assessment of generally available information.

The Issuer will provide, without charge, to each person to whom a copy of this Registration Document has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference. Requests for such documents should be directed to the Issuer (at its registered office at: Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands, by telephone: +31 20 6282282 or by e-mail: [investorrelations@nl.abnamro.com](mailto:investorrelations@nl.abnamro.com)). Copies of documents incorporated by reference in this Registration Document can also be obtained from <https://www.abnamro.com/ir>.



#### 4. SELECTED DEFINITIONS AND ABBREVIATIONS

##### Definitions

In this Registration Document, unless the context otherwise requires:

"**AAHG**" refers to ABN AMRO Hypotheken Groep B.V.

"**ABN AMRO**" or the "**Group**" refers to ABN AMRO Bank N.V. and its consolidated subsidiaries.

"**ABN AMRO Bank**" or the "**Issuer**" refers to ABN AMRO Bank N.V. incorporated on 9 April 2009 (formerly known as "ABN AMRO II N.V.>").

"**ABN AMRO Bank Standalone**" refers to ABN AMRO Bank N.V. in the period between the Legal Demerger on 6 February 2010 and the Legal Merger on 1 July 2010, which contained the businesses of ABN AMRO Holding acquired by the Dutch State.

"**ABN AMRO Clearing**" refers to ABN AMRO Clearing Bank N.V.

"**ABN AMRO Group**" refers to ABN AMRO Group N.V., a legal predecessor of ABN AMRO Bank N.V. before the Group Legal Merger took effect on 29 June 2019.

"**ABN AMRO Holding**" refers to ABN AMRO Holding N.V. and its consolidated subsidiaries which was acquired by the Consortium and renamed RBS Holdings N.V. upon the Legal Separation. "**RBS Holdings N.V.**" is part of The Royal Bank of Scotland Group plc.

"**ABN AMRO Levensverzekering**" refers to ABN AMRO Levensverzekering N.V.

"**ABN AMRO Verzekeringen**" refers to Nationale-Nederlanden ABN AMRO Verzekeringen Holding B.V.

"**AIF**" refers to alternative investment fund.

"**AIFM Directive**" refers to Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers.

"**AFM**" refers to the Dutch *Stichting Autoriteit Financiële Markten*.

"**Ageas**" refers to ageas SA/NV (formerly known as "Fortis SA/NV") and ageas N.V. (formerly known as "Fortis N.V.") together.

"**Agent**" refers to any agent under this Program appointed by the Issuer from time to time.

"**Alfam**" refers to Alfam Holding N.V.

"**Bail-In Tool**" refers to the power provided to resolution authorities by the BRRD and the European regulation establishing uniform rules and a uniform procedure for the resolution of banks and certain investment firms in the framework of the Single Resolution Mechanism (Regulation 806/2014) to ensure that capital instruments and eligible liabilities absorb losses when the issuing institution meets the conditions for resolution, through the write-down or conversion of equity of such instruments.

"**Banque Neuflyze OBC**" refers to Banque Neuflyze OBC S.A.

"**Basel Committee**" refers to the Basel Committee on Banking Supervision.

"**Basel III Final Recommendations**" refers to the proposals of the Basel Committee set out in its paper released on 16 December 2010 (revised in June 2011) and press release of 13 January 2011.

"**Basel IV**" refers to the final Basel III standards published by the Basel Committee.

"**Bethmann**" refers to Bethmann Bank.

"**CCPs**" refers to central counterparties.

"**CFTC**" refers to the U.S. Commodity Futures Exchange Commission.

"**CIB**" refers to Corporate & Institutional Banking.

"**CLA**" refers to the collective labour agreement 2020-2021 between ABN AMRO and representatives of its employees.

"**Competent Authority**" means the European Central Bank, the Dutch Central Bank (*De Nederlandsche Bank N.V.*) or other authority having primary responsibility for the prudential oversight and supervision of the Issuer and/or the relevant Resolution Authority (if applicable), as determined by the Issuer.

"**Consortium**" refers to The Royal Bank of Scotland Group plc, Ageas and Banco Santander S.A. which jointly acquired ABN AMRO Holding on 17 October 2007 through RFS Holdings B.V. ("**RFS Holdings**").

"**Council**" refers to the Council of the European Union.

"**CRD**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (as amended from time to time, including by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019).

"**CRR**" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (as amended from time to time, including by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019).

"**DFC**" refers to Detecting Financial Crime.

"**DNB**" refers to The Dutch Central Bank (*De Nederlandsche Bank N.V.*).

"**Dodd-Frank Act**" refers to the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"**Dutch Intervention Act**" refers to the Special Measures Financial Institutions Act (*Wet bijzondere maatregelen financiële ondernemingen*).

"**Dutch State**" refers to the State of The Netherlands.

"**EBA**" refers to the European Banking Authority.

"**EC**" refers to the European Commission.

"**ECL**" refers to expected credit loss model.

"**EC Remedy**" refers to the divestment of the EC Remedy Businesses by ABN AMRO Bank Standalone in order to satisfy the conditions imposed by the European Commission for approval of the integration of FBN with ABN AMRO Bank Standalone through the Legal Merger.

"**EC Remedy Businesses**" refers to New HBU II N.V. and IFN Finance BV.

"**ECB**" refers to the European Central Bank.

"**EMIR**" refers to the European Market Infrastructure Regulation EU 648/2012.

"**Executive Board**" refers to ABN AMRO's executive board.

"**FATCA**" refers to sections 1471-1474 of the United States Internal Revenue Code of 1986 enacted by the United States as part of the HIRE Act in March 2010 (commonly referred to as Foreign Account Tax Compliance Act).

"**FBN**" refers to the legal entity Fortis Bank (Nederland) N.V., previously named "Fortis Bank Nederland (Holding) N.V.", which merged with ABN AMRO Bank Standalone pursuant to the Legal Merger.

"**FFI**" refers to a non-U.S. financial institution.

"**FFI Agreement**" refers to an agreement concluded between the FFI and the IRS, under which an FFI agrees to comply with certain reporting, client due diligence and withholding requirements.

"**Finance**" refers to Finance, an area of Group Functions.

"**Fitch**" refers to Fitch Ratings Ireland Limited.

"**Former ABN AMRO Group**" refers to the former group of ABN AMRO headed by ABN AMRO Holding N.V. as acquired on 17 October 2007 by the Consortium through RFS Holdings.

"**GMSA**" refers to the Global Master Services Agreement dated August 31, 2005 between ABN AMRO Bank and IBM.

"**Group Audit**" refers to Group Audit, an area of Group Functions.

"**Group Legal Merger**" means the legal merger between ABN AMRO Bank N.V. and ABN AMRO Group N.V. which became effective on 29 June 2019.

"**IASB**" refers to International Accounting Standards Board.

"**IBM**" refers to International Business Machines Corporation.

"**ICAAP**" refers to internal capital adequacy assessment process.

"**ICS**" refers to International Card Services B.V.

"**IFRS**" refers to International Financial Reporting Standards.

"**IFRS-EU**" refers to International Financial Reporting Standards as adopted by the European Union.

"**IGA**" refers to an Inter-governmental Agreement between the local Government in a so called IGA jurisdiction and the U.S. to facilitate the implementation of FATCA.

"**ILAAP**" refers to Internal Liquidity Adequacy Assessment Process.

"**Interchange Fees Regulation**" refers to Regulation (EU) 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions.

"**IPO**" refers to an initial public offering.

"**IRS**" refers to the United States Internal Revenue Service.

"**LECL**" refers to Individual Lifetime ECL.

"**Legal Demerger**" refers to the legal demerger effectuated on 6 February 2010 in accordance with the demerger proposal filed with the Amsterdam Chamber of Commerce on 30 September 2009, thereby demerging the majority of the Dutch State acquired businesses formerly held by NatWest Markets N.V. into ABN AMRO Bank Standalone.

"**Legal Merger**" refers to the legal merger effectuated on 1 July 2010 between ABN AMRO Bank Standalone and FBN. ABN AMRO Bank Standalone was the surviving entity and FBN was the disappearing entity.

"**Legal Separation**" refers to the transfer on 1 April 2010 of the shares of ABN AMRO Bank Standalone from ABN AMRO Holding to the former ABN AMRO Group N.V.

"**MiFID**" refers to the Markets in Financial Instruments Directive 2004/39/EC.

"**MiFID II**" refers to the Markets in Financial Instruments II Directive (2014/65/EU) and the Markets in Financial Instruments Regulation (Regulation 600/2014) (as amended).

"**MoneYou**" refers to MoneYou B.V.

"**Moody's**" refers to Moody's France SAS.

"**MMFR**" refers to Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds.

"**MMFs**" refers to money market funds.

"**Neuflize Vie**" refers to Neuflize Vie S.A.

"**NLFI**" refers to *Stichting administratiekantoor beheer financiële instellingen* (trade name NL Financial Investments).

"**OTC**" refers to over-the-counter.

"**PRIIPs Regulation**" refers to Regulation (EU) No 1286/2014 (as amended).

"**Prospectus Regulation**" refers to Regulation (EU) 2017/1129 (as amended).

"**PSD2**" refers to Directive 2015/2366/EU (as amended).

"**NatWest Markets N.V.**" refers to NatWest Markets N.V., formerly known as ABN AMRO Bank N.V. prior to the Legal Demerger.

"**REA**" refers to risk exposure amount.

"**Risk Management**" refers to Risk Management, an area of Group Functions.

"**RWA**" refers to risk weighted assets.

"**SFDR**" refers to Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector.

"**S&P**" refers to S&P Global Ratings Europe Limited.

"**SMEs**" refers to small and medium enterprises.

"**SR**" refers to the Single Rulebook, a pillar of the EU banking union.

"**SREP**" refers to the supervisory review and evaluation process.

"**SRM**" refers to the Single Resolution Mechanism, a pillar of the EU banking union.

"**SRM Regulation**" refers to Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (as amended).

"**Supervisory Board**" refers to ABN AMRO's supervisory board.

"**UCITS**" refers to Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

"**U.S. person**" refers to a "U.S. person" as defined in Regulation S.

"**Wft**" refers to the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and its subordinate and implementing decrees and regulations.

## Abbreviations

AIRB	Advanced Internal Ratings-Based
ALM	Asset & Liability Management
AMA	Advanced Measurement Approach
bp	Basis point
CET1	Common Equity Tier 1
CVA	Credit Value Adjustment
EBA	European Banking Authority
EU	European Union
FTEs	Full-time equivalents (a measurement of number of staff)
GAAP	General Accepted Accounting Principles
IAS	International Accounting Standards
IMA	Internal Models Approach
IT	Information Technology
NHG	<i>Nationale Hypotheek Garantie</i> (Dutch State guaranteed mortgages)
RARORAC	Risk-Adjusted Return on Risk-Adjusted Capital
REA	Risk Exposure Amount
SA	Standardized Approach
SREP	Supervisory Review and Evaluation Process
UCITS	Undertakings for Collective Investment in Transferable Securities (directives)

## 5. PRESENTATION OF FINANCIAL INFORMATION

The financial results of ABN AMRO as at and for the year ended 31 December 2023 are reported on a consolidated basis in the annual financial statements of ABN AMRO Bank N.V. (the "**2023 Consolidated Annual Financial Statements**"). The discussion and analysis in "7. *Operating and Financial Review*" of ABN AMRO's results of operations for the year ended 31 December 2023 as compared to the year ended 31 December 2022 are based on reported results which are derived from the 2023 Consolidated Annual Financial Statements.

The financial results of ABN AMRO as at and for the year ended 31 December 2022 are reported on a consolidated basis in the annual financial statements of ABN AMRO Bank N.V. (the "**2022 Consolidated Annual Financial Statements**"). The discussion and analysis in "7. *Operating and Financial Review*" of ABN AMRO's results of operations for the year ended 31 December 2022 as compared to the year ended 31 December 2021 are based on reported results which are derived from the 2022 Consolidated Annual Financial Statements.

Pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of July 19, 2002 and related regulations, effective January 1, 2005, the Issuer has adopted IFRS as endorsed by the European Union ("**IFRS-EU**"). The 2023 Consolidated Annual Financial Statements and the 2022 Consolidated Annual Financial Statements have been prepared in accordance with IFRS-EU (see "7. *Operating and Financial Review – 7.1 Summary of Financial Information Policies*"). IFRS-EU differs in certain significant respects from U.S. GAAP. No financial statements or financial information included herein have been prepared or presented in accordance with U.S. GAAP or the accounting rules and regulations adopted by the SEC ("**SEC Rules and Regulations**"). As a result, the financial information included herein may differ substantially from financial information prepared in accordance with U.S. GAAP and the SEC Rules and Regulations. It is not practicable for the Issuer to prepare its financial statements in accordance with U.S. GAAP and the SEC Rules and Regulations or to prepare any reconciliation of its consolidated annual financial statements and related footnotes. In making an investment decision, investors must rely upon their own examination of the Issuer's financial position, operation and cash flows, the terms of the offering and the financial information presented herein. Potential investors are urged to consult their own professional advisors for an understanding of the differences between IFRS-EU and U.S. GAAP, and of how those differences might affect the financial information presented herein. Please refer to "7. *Operating and Financial Review – 7.1 Summary of Financial Information Policies*" for a more detailed discussion of the financial information included and incorporated by reference in this Registration Document.

The financial information set forth in a number of tables in this Registration Document has been rounded to the nearest whole number. Accordingly, in certain instances, the sum of the numbers in a column may not conform exactly to the total figure given for that column.

## 6. THE ISSUER

ABN AMRO is a full-service bank that provides individuals, businesses, institutions and others with banking services and products, such as loans, mortgages, payments, savings, advice and asset management. ABN AMRO's focus is on The Netherlands and the rest of Northwest Europe, with over 20,000 employees worldwide. ABN AMRO has almost fully completed the wind-down of its non-core Corporate & Institutional Banking activities outside Europe, except for Clearing (as further discussed below). ABN AMRO aims to be a personal bank in the digital age and aims to serve clients where it has scale in The Netherlands and Northwest Europe.

### 6.1 History and recent developments

The formation of ABN AMRO is the result of various legal and operational separations, combinations, and restructurings arising from the acquisition of ABN AMRO Holding N.V. by the Consortium in October 2007. In October 2008, the Dutch State acquired FBN. In December 2008, the Dutch State directly acquired FBN's interest in RFS Holdings B.V., comprising Dutch commercial clients, Dutch consumer clients and Dutch and international private clients of the Former ABN AMRO Group.

As a result of the Legal Demerger and Legal Separation, ABN AMRO Bank was formally separated from the Former ABN AMRO Group and transferred to ABN AMRO Group by 1 April 2010. Effective 1 July 2010, FBN and ABN AMRO Bank merged to form the new ABN AMRO Bank, at the time a wholly-owned subsidiary of the former ABN AMRO Group.

On 20 November 2015 the former ABN AMRO Group was listed and trading in the depositary receipts for ordinary shares commenced.

In February 2019, ABN AMRO announced its intention to simplify its group structure by executing a legal merger between ABN AMRO Bank and ABN AMRO Group (the "**Group Legal Merger**"). The Group Legal Merger was completed on 28 June 2019 and became effective on 29 June 2019. As a result of the Group Legal Merger, ABN AMRO Group has ceased to exist.

In August 2020, ABN AMRO announced the outcome of its review of the Corporate & Institutional Banking (CIB) business (part of the client unit Corporate Banking, as discussed below in chapter 6.2.3 ("*Business description – Corporate Banking*"). Going forward CIB will focus on clients in Northwest Europe and Clearing and will exit all non-European CIB activities (except for Clearing). Trade & Commodity Finance activities will be discontinued completely. As a result, CIB has been split into core and non-core activities. The CIB non-core activities wind-down has been almost fully completed.

In January 2022, ABN AMRO simplified its organizational setup and replaced its previous four business lines (Retail Banking, Private Banking, Commercial Banking and Corporate & Institutional Banking) with three client segment focused units: Personal & Business Banking, Wealth Management and Corporate Banking, as further discussed below (see chapter 6.2 ("*Business description*") below). The Executive Committee ceased to exist in favour of a single eight-member Executive Board, simplifying ABN AMRO's top management structure.

### 6.2 Business description

ABN AMRO is organised into Group Functions and three client units: Personal & Business Banking, Wealth Management and Corporate Banking (as described below).

Aligned with these three client units ABN AMRO is organised into seven product units. These product units serve all clients of ABN AMRO, regardless of which client unit a client is in.

#### 6.2.1 Personal & Business Banking

##### *Business scope and clients*

Personal & Business Banking is the client unit focusing on serving our consumer clients with assets up to EUR 500,000 and business clients with revenue up to EUR 25 million and medical professionals. The focus of this client unit is on translating its clients' needs to digital and standardised solutions, but also on giving expert advice when needed. Personal & Business Banking is split into three client segments: Consumer Clients, Affluent Clients and Business Clients & Ecosystems. Furthermore, it is responsible for developing

digital tools and services for the whole bank. The various client units are subsequently responsible for implementing these digital solutions. Personal & Business Banking is aligned with the product units Transactions Banking and Home Financing.

### ***Main subsidiaries***

The Personal & Business Banking client unit of ABN AMRO is supported by the following main subsidiaries (this list is not exhaustive):

#### *ABN AMRO Hypotheken Groep*

ABN AMRO Hypotheken Groep B.V. ("**AAHG**") offers all ABN AMRO labelled residential mortgage products, including Florius brands.

#### *Alfam*

Alfam Holding N.V. ("**Alfam**") provides consumer loans under various labels, including Defam, GreenLoans and ABN AMRO.

#### *International Card Services*

International Card Services B.V. ("**ICS**") issues, promotes, manages and processes various credit cards in partnership with companies, including credit card transactions and offers other financial services, such as revolving credit facilities.

#### *ABN AMRO Verzekeringen*

Nationale-Nederlanden ABN AMRO Verzekeringen Holding B.V. ("**ABN AMRO Verzekeringen**") is an associate of ABN AMRO Bank (49%). NN Group N.V. holds the remaining 51% in this joint venture. ABN AMRO Verzekeringen offers insurance products and services under the ABN AMRO brand.

#### *New10*

New10 provides SMEs in The Netherlands with standard loans through a fully digital product offering.

## **6.2.2 Wealth Management**

### ***Business scope and clients***

Wealth Management is the client unit focusing on clients with more than EUR 500,000 in assets under management that need expertise in the areas of financial planning, investment and other specialised solutions. Wealth Management focuses on clients in The Netherlands, Belgium, France and Germany. In The Netherlands it uses the ABN AMRO Mees Pierson brand. In Belgium, France and Germany the brands used are ABN AMRO Private Banking Belgium, Neuflyze OBC and Bethmann Bank. Wealth Management is aligned with the product unit Wealth Products.

### ***Main subsidiaries***

The Wealth Management client unit of ABN AMRO is supported in France and Germany by the following main subsidiaries and branches (this list is not exhaustive):

#### *Paris branch*

In 2023, Banque Neuflyze OBC S.A. merged with the ABN AMRO Paris branch. As a result of the merger, Banque Neuflyze OBC S.A. is no longer a main subsidiary of ABN AMRO Bank N.V. However, wealth management services will continue to be offered under the brand name Neuflyze OBC, offering a private banking model based on an integrated approach to private and commercial wealth, articulated around dedicated advisory and product offers.



### *Neuflize Vie*

Neuflize Vie S.A. is a joint venture of the Issuer (60%) and AXA (40%). It was created to offer life insurance products to high net-worth and ultra-high net-worth individuals and has developed customised solutions.

### *Frankfurt branch*

The ABN AMRO Frankfurt branch offers private banking and private wealth management-related services, covering all major regions in Germany under the Bethmann Bank label. The branch's Entrepreneur & Enterprise concept offers entrepreneurs and their businesses an integrated approach to their banking affairs.

## **6.2.3 Corporate Banking**

### ***Business scope and clients***

Corporate Banking is the client unit providing services to large corporate clients in The Netherlands and Northwest Europe, focusing on specific client needs with specialised products and solutions using as much standardisation as possible. This client unit focuses on two segments: Commercial Clients and Corporate & Institutional Clients. Commercial Clients serves corporate clients with revenues between EUR 25 million and EUR 100 million and focuses primarily on Dutch clients. Corporate & Institutional Clients serves corporate and institutional clients in specific sectors in The Netherlands as well as Northwest Europe, with a revenue of EUR 100 million or more. CIB non-core, as discussed above, (see "*The Issuer – 6.1 History and recent developments*" above), is also part of the Corporate Banking client unit. Corporate Banking is aligned with the product units Financing Solutions, Markets, Clearing and Asset Based Finance.

### ***Main subsidiaries***

The Corporate Banking client unit of ABN AMRO is supported by the following main subsidiaries (this list is not exhaustive):

#### *ABN AMRO Clearing Bank*

ABN AMRO Clearing Bank N.V. is a global leader in derivatives and equity clearing. It is one of the few players currently offering global market access and clearing services on more than 85 of the world's leading exchanges and operates from several locations across the globe.

#### *ABN AMRO Asset Based Finance N.V.*

ABN AMRO Asset Based Finance N.V. provides asset-based solutions (working capital solutions, equipment leases, equipment loans and vendor lease services) to its customers in The Netherlands, France, Germany and the United Kingdom.

#### *ABN AMRO Groenbank B.V.*

ABN AMRO Groenbank B.V. provides financing for sustainable and green investments based on the 'Green Scheme', a facility through which the Dutch government encourages sustainable investments.

#### *ABN AMRO – ODDO BHF B.V.*

The joint venture ABN AMRO – ODDO BHF B.V. provides equity brokerage services and focuses on the Benelux region. Both ABN AMRO and ODDO BHF have an equal share in this strategic partnership.

## **6.2.4 Group Functions**

Group Functions is organised into the following main departments: Innovation & Technology, Finance, Risk Management, Group Audit, Strategy & Innovation, Legal & Corporate Office, Brand, Marketing & Communications and HR. The majority of Group Functions' costs are allocated to the relevant businesses.

### ***Innovation & Technology***

Innovation & Technology supports ABN AMRO by facilitating innovation, managing ABN AMRO's programs (such as product rationalisation, and driving consistency and consolidation across customer

processes), and providing services in the areas of technology, information security, data, back-office processing, facilities management and procurement. Innovation & Technology has a group-wide scope in both The Netherlands and internationally. Its key deliverable is the IT transformation, which focuses on automation (by implementing the DevOps way of working), optimising the workforce (by right-sourcing and up-skilling) and reducing complexity by adopting cloud services. Detecting Financial Crime (DFC) is also part of Innovation & Technology and assesses new and existing clients (client due diligence) and detects unusual transactions (transaction monitoring). DFC focuses on areas such as money laundering, bribery and corruption, tax integrity, terrorist financing and sanctions.

### ***Finance***

Finance aims to help keeping ABN AMRO on track to achieve the goals defined in its long-term strategy. It is the primary supplier of management and reporting information to ABN AMRO's internal and external stakeholders. Finance aims to have an important role in the financial planning process and to play an independent role in delivering management information and ensuring financially sound business cases and decisions. Finance aims to provide a strong financial control environment and to ensure compliance with relevant accounting standards and requirements set by the regulatory authorities. It consists of the following main departments: Financial Accounting, Controlling, Investor Relations, Asset & Liability Management, Treasury and Tax.

### ***Risk Management***

Risk management aims to secure a sound risk/reward ratio by maintaining a bank-wide, moderate risk profile as part of ABN AMRO's long-term strategy. This risk profile is managed on the basis of an integrated risk management framework. All identified risk events are assessed and mapped according to risk types, sub-risk types and overarching risks in order to provide a single, integrated view of the risk profile of ABN AMRO and its various businesses. Risk Management aims to take careful account of this integrated risk profile and aims to balance actions so as to ensure that the moderate risk profile is maintained. The main risk types are credit risk, market risk in the banking book, market risk in the trading book, liquidity risk, business risk and operational (non-financial) risks. Underlying these main risk types are various sub-risk types. Risk appetite statements are set both for the main and the sub-risk types. These six main risk types aim to cover all possible events that directly impact the franchise value of ABN AMRO which includes its financial value but also its 'goodwill', i.e. the value of ABN AMRO's reputation.

Included in the Risk Management function is Compliance. The Compliance function is a bank-wide integrated function that maintains oversight of the countries in which ABN AMRO operates. Compliance aims to protect ABN AMRO, its clients and its employees against compliance risks and behavioural risks which can be defined as the risk of failure to comply with legislation and regulations, self-regulatory organisation standards, values and principles, and codes of conduct, or generally accepted market standards applicable to ABN AMRO's services and activities, the risk that actions, decisions and behaviour by ABN AMRO or its employees will lead to detrimental or poor outcomes for clients, employees, society or ABN AMRO itself, and the risk that ABN AMRO fails to maintain high standards of ethical behaviour and integrity.

### ***Group Audit, Strategy & Innovation, Legal & Corporate Office, Brand, Marketing & Communications and HR***

Group Audit aims to provide independent oversight and control, on behalf of ABN AMRO's senior and executive management, of the core processes, policies and procedures that are designed to ensure ABN AMRO complies with both the letter and spirit of general and industry-specific legislation and regulations. Group Audit is part of the third line of defence and in this way, it aims to help protect ABN AMRO's reputation. Strategy & Innovation focuses on innovation, strategy and the implementation of various strategic initiatives and activities, including acquisitions and divestments, and strategic programmes for ABN AMRO and its stakeholders. Additionally, it formulates ABN AMRO's overall sustainability strategies and ensures that sustainable banking is embedded in ABN AMRO's business practices. Legal aims to be the exclusive and independent legal services provider for ABN AMRO and part of the second line of defence. It supports the business units (as 'risk owners') in performing their duties and responsibilities within the framework of the first line of defence. The Corporate Office supports the Supervisory Board, Executive Board, Executive Committee and employee council and advises them on executing their activities and responsibilities. In addition, it plays a central role in overseeing ABN AMRO's group governance. Brand, Marketing & Communications aims to position ABN AMRO as a

sustainable organisation with a clear purpose and to improve ABN AMRO's reputation through a dialogue with its stakeholders. It also aims to prevent reputational damage and to manage and improve ABN AMRO's reputation, brand name and brand value in The Netherlands and abroad in a consistent manner. HR is also part of Group Functions.

Group Functions is supported by the following main subsidiaries (this list is not exhaustive):

*ABN AMRO Funding USA LLC*

ABN AMRO Funding USA LLC is active in the US market, issuing ABN AMRO's US dollar Commercial Paper funding for clients operating in the US and for clients with US dollar loans.

*ABN AMRO Captive N.V.*

ABN AMRO Captive N.V. is a captive reinsurance company.

*Transactie Monitoring Nederland B.V.*

Transactie Monitoring Nederland B.V. is a participating interest of ABN AMRO Bank (30%). Other major Dutch banks hold the remaining shares.

### **6.3 Regulation**

#### ***Regulation and supervision in the European Union***

The European Union has been working on a broad range of measures aimed at bringing more stability and transparency to the European financial sector. Major developments include the implementation of Basel III and IV, CRD and CRR, the creation of a banking union, the European Market Infrastructure Regulation (EMIR), the revised Markets in Financial Instruments Directive and Markets in Financial Instruments Regulation (together, MiFID II), the Bank Recovery and Resolution Directive (BRRD), a renewed Deposit Guarantee Scheme Directive (DGS), the Packaged Retail Investment Products (PRIIPs) Regulation, the Mortgage Credit Directive, the Payment Services Directive (PSD2), the General Data Protection Regulation (GDPR) and the EU banking reform package adopted in April 2019 (the "**EU Banking Reforms**").

New proposals are continuously being introduced at global, European and national levels. Regulations are becoming more stringent and supervision stricter. Implementing the new laws and regulations may be costly and could have an impact on ABN AMRO's business. ABN AMRO continues to allocate a significant amount of resources to prepare for these changes.

#### ***Solvency Supervision***

ABN AMRO is subject to an evolving regulatory landscape with respect to the supervision of its solvency and capital adequacy.

#### ***Capital adequacy framework (Basel III)***

In December 2010, the Basel Committee issued two prudential framework documents ("*Basel III: A global regulatory framework for more resilient credit institutions and banking systems*" and "*Basel III: International framework for liquidity risk measurement, standards and monitoring*") which comprise the Basel III capital and liquidity reform package ("**Basel III**"). The Basel III documents were revised in June 2011 and further post-crisis regulatory reforms were endorsed by the Basel Committee in December 2017.

The Basel III framework was transposed into EU law by the CRR and CRD IV. The CRR and CRD IV have been amended, following adoption of a comprehensive reform package first announced by the European Commission in November 2016, by:

- Directive 2019/878 (EU) amending CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures ("**CRD V**"). EU Member States were required to transpose CRD V by 28 December 2020; and

- Regulation (EU) 2019/876 amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements ("**CRR II**"). CRR II largely applied in the EU from 28 June 2021.

#### *Basel IV*

In the first quarter of 2016 the Basel Committee published a consultative paper proposing changes to the IRB approaches. The Basel Committee proposed, amongst other things, to remove the option to use the IRB approaches for certain exposure classes, to introduce the probability of default ("**PD**") and the loss given default ("**LGD**") floors for exposure classes that are still permitted under IRB approach, a greater use of supervisory Credit Conversion Factors (CCF) and constraints on exposure at default (EAD) estimation processes. In its final standards, the Basel Committee has (i) removed the option to use the advanced IRB (A-IRB) approach for certain asset classes, (ii) adopted "input" floors (for metrics such as PD and LGD) to ensure a minimum level of conservatism in model parameters for asset classes where the IRB approaches remain available and (iii) provided greater specification of parameter estimation practices to reduce RWA (REA) variability. Furthermore, in January 2017 the EBA published its guidelines on the application of the definition of default under the CRR which guidelines apply to the IRB approach and the standardized approach for credit risk (the "**EBA Definition of Default Guidelines**"). The EBA Definition of Default Guidelines have become effective as of 1 January 2021 and have an impact on total default exposure, RWAs, impairments and all related credit quality indicators.

In April 2016, the Basel Committee issued a consultative document on the revision to the Basel III leverage ratio framework. Among the areas subject to proposed revision in this consultative document were the change in the calculation of derivative exposures and the credit conversion factors for off-balance sheet items. In April 2017 the Basel Committee published its final guidance on the definitions of two measures of asset quality "non-performing exposures" and "forbearance". The Basel Committee's definitions of both terms are built on commonalities in the existing definitions and harmonise the quantitative and qualitative criteria used for asset categorization. In its final standards (as described below), the Basel Committee indicated that the leverage ratio buffer requirement on 1 January 2022 (which, following deferral, came into effect on 1 January 2023) would be based on the FSB's 2020 list of G-SIBs (based on year end-2019 data).

On 7 December 2017, the Basel Committee published final standards informally known as Basel IV, which will be implemented in the EU through amendments to CRD V and CRR II. The reforms to be introduced by Basel IV include the introduction of capital floors based on standardized approaches and revisions to the standardized approaches for credit risk, operational risk, market risk and the revision of the credit valuation adjustment framework for treatment of counterparty credit risk.

Basel IV requires banks using internal models for RWA (REA) calculation to floor their RWAs at 72.5% of the revised standardized RWAs. The output floor is to be implemented over a phase-in period of five years.

On 27 October 2021, the European Commission published legislative proposals to implement the requirements of Basel IV in the EU (the "**EU Banking Package 2021**"). The EU Banking Package 2021 contains (among other things) proposals for:

- a regulation amending CRR II as regards requirements for credit risk, credit valuation adjustment (CVA) risk, operational risk, market risk and the output floor ("**CRR III**"); and
- a directive amending CRD V as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks ("**CRD VI**") (see below).

In December 2023, the European Parliament and the Council agreed on a final version of the proposed regulations. The legal texts have been published on the Council and European Parliament websites and provide full transparency about the agreed new rules. In the meantime, EBA has started its consultations on key technical standards as detailed in EBA's roadmap on Basel III implementation. EBA's roadmap sets out its policy work under the banking package, and is intended as a reference for industry and other stakeholders in their own implementation efforts.

The Council and the European Parliament confirmed that CRR III will start applying on 1 January 2025. CRD VI will need to be adopted and relevant measures shall be published by Member States within 18 months from the date of its entry into force and applied from the following day.

Despite the agreement reached on the implementation of Basel IV, 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.

#### *Capital requirements*

Basel III (as implemented in the EU) is structured around three "pillars":

- Pillar 1 sets out minimum regulatory capital requirements, namely the minimum amount of capital banks must hold against credit, operational and market risks.
- Pillar 2 sets out the key principles for supervisory review of an institution's risk management framework and, ultimately, its capital adequacy. It also sets out specific oversight responsibilities for the board and senior management, thus reinforcing principles of internal control and other corporate governance practices. Pillar 2 requires each institution to conduct an internal capital adequacy assessment process ("ICAAP").
- Pillar 3 aims to bolster market discipline through enhanced disclosure by banks.

#### *ABN AMRO current compliance with the Basel III capital adequacy framework*

##### *Basel III Pillar 1*

The Pillar 1 capital requirement is the absolute minimum amount of capital required of a bank to cover the three major risk types that a bank faces: credit risk, operational risk and market risk as determined in the Basel III, Pillar 1 framework.

For credit risk the advanced internal rating-based (AIRB) approach is used to calculate approximately 90% of the RWA (REA). For the portfolios not reported under AIRB ABN AMRO applies the standardised approach to calculate RWA (REA).

ABN AMRO has implemented the Internal Models Approach ("IMA") for calculating market risk capital for the trading book and submitted the application for IMA to the regulator for approval. ABN AMRO obtained formal approval from the regulator for the use of the IMA approach for calculating regulatory capital in February 2016.

Since the start of 2017, ABN AMRO has used its internal Advanced Measurement Approach ("AMA") model for calculating regulatory capital. This AMA model is also used to calculate economic capital for operational risks. The bank applies a 99.95% confidence level to calculate the operational risk economic capital, whereas a 99.9% confidence level is applied to calculate regulatory operational risk capital. The bank does not use insurance or other risk transfer mechanisms for calculating the operational risk capital.

##### *Basel III Pillar 2*

ABN AMRO's capital requirement under Pillar 2 is based on internal models for economic capital and the view of the regulator, as expressed in the ICAAP and Supervisory Review and Evaluation Process (SREP). The economic capital models were integrated in 2011 to ensure suitability for the merged bank. Economic capital requirements are monitored monthly and reported in quarterly capital adequacy assessments reports and in the yearly ICAAP statement. ABN AMRO also delivers an Internal Liquidity Adequacy Assessment Process ("ILAAP") report to the regulator on an annual basis.

In addition to regulatory capital, ABN AMRO also calculates economic capital (EC) and uses it as the key metric for internal risk measurement and management. Economic capital is the amount of capital ABN AMRO needs to hold to achieve a sufficient level of protection against large unexpected losses that could result from extreme market conditions. Economic capital is used for risk aggregation to determine the required capital, for capital allocation, part of ex-post performance measurement (RARORAC) in combination with risk adjusted return on equity and risk appetite setting, e.g. industry concentration risk limits. Economic capital figures are also used at the transactional level in loan pricing tools in combination

with regulatory capital. These tools serve as a decision-making mechanism for assessing the attractiveness of a new transaction, in terms of risk-adjusted return on capital. Economic capital is based on internal assessments and requirements. For the calculation of economic capital, ABN AMRO has internal models. With these models economic capital is calculated on a 99.95% confidence level and a one-year time horizon.

Stress testing is an important management instrument used by ABN AMRO. The main objective of stress testing is to ensure that ABN AMRO operates within its moderate risk appetite, to increase risk awareness throughout ABN AMRO and to safeguard business continuity by means of proactive management and the review of potential future scenarios. ABN AMRO applies stress testing on a regular basis to assess the effect of potential plausible but unlikely events and developments on ABN AMRO. These events may be systemic (e.g. multi-year macro-economic stress) or ABN AMRO-specific. Bank-wide stress testing, as applied by ABN AMRO, takes into account all material risks ABN AMRO is exposed to. The following types of stress tests are executed:

- Sensitivity analysis to identify the sensitivity between specific risk drivers and ABN AMRO's financials;
- Scenario analysis to gain insight into potential scenarios that are considered relevant; and
- Reverse stress testing to gain insight into events that would break ABN AMRO's minimum capital and liquidity ratios, results of which are used in contingency planning.

ABN AMRO's Scenario & Stress Test Committee (which is a sub-committee of the Group Risk Committee) and the Executive Committee are extensively involved in bank-wide stress testing. They discuss and decide on scenario development, impact determination and management actions. As part of the overall risk management framework, ABN AMRO performs internal stress tests to assess the capital and liquidity adequacy based on internally developed stress testing scenarios and identified risk factors. In the stress scenario, it has been assumed that the economy is hit by several shocks simultaneously. The scenario variables include, amongst others, GDP, unemployment rate, property prices, interest rates, inflation and equity prices.

Based on the latest stress test results no additional capital actions were required. The stress test results have been incorporated into capital planning by taking into account the minimum capital levels under stress. Besides bank-wide stress testing, ABN AMRO performs stress testing by focusing on specific portfolios or business lines. Furthermore, ABN AMRO participates in *ad hoc* stress test exercises as requested by regulatory bodies, such as DNB and EBA.

### *Basel III Pillar 3*

ABN AMRO reports on its Pillar 3 disclosures in a separate report.

### **Banking Union**

The EU banking union consists of three pillars governed by the rules of the Single Rulebook ("**SR**"): the Single Supervisory Mechanism ("**SSM**"), the Single Resolution Mechanism ("**SRM**") and the European Deposit Insurance Guarantee Scheme ("**EDIGS**").

- *Single Supervisory Mechanism*

Under the SSM, the ECB has become the primary supervisor for the prudential supervision of credit institutions in participating Member States that qualify as "significant credit institutions" as of 4 November 2014. The SSM provides that the ECB carries out its tasks within a single supervisory mechanism comprised of the ECB and national competent authorities. The ECB and relevant competent authorities have formed joint supervisory teams ("**JST**") for the supervision of each significant bank or significant banking group within the Euro area.

As ABN AMRO qualifies as a significant group under the SSM and the SSM Framework Regulation, with effect from 4 November 2014, the day-to-day supervision of ABN AMRO is carried out by a JST. The ECB and national competent authorities are subject to a duty of cooperation in good faith, and an obligation to exchange information. Where appropriate, and without prejudice to the responsibility and accountability of the ECB for the tasks conferred on it by the SSM, national competent authorities shall be responsible for

assisting the ECB. In view of the assumption of these supervisory tasks, in 2014 the ECB (together with the national competent authorities) carried out a comprehensive assessment, including a balance sheet assessment, as well as a related asset quality review and stress tests, of the banks in respect of which it took on responsibility for formal supervision. The ECB supervises ABN AMRO's compliance with prudential requirements, including (i) its own funds requirements, LCR, NSFR and the leverage ratio and the reporting and public disclosure of information on these matters, as set out in the CRR and (ii) the requirement to have in place robust governance arrangements, including fit and proper requirements for the persons responsible for the management of the bank, remuneration policies and practices and effective internal capital adequacy assessment processes, as set out in the Wft. The ECB is also the competent authority which assesses notifications of the acquisition of qualifying holdings in banks and has the power to grant a declaration of no objection for such holdings.

On 19 December 2023, the ECB published its supervisory priorities for the years 2024-2026. Supervised institutions will primarily be asked to strengthen their resilience to immediate macro-financial and geopolitical shocks (Priority 1), as well as accelerate the effective remediation of shortcomings in governance and the management of climate-related and environmental risks (Priority 2) and make further progress in their digital transformation and building robust operational resilience frameworks (Priority 3).

- *Single Resolution Mechanism*

On 19 August 2014, the SRM Regulation, which introduced the SRM, entered into force. The SRM provides for a single resolution framework, a single resolution board ("**Resolution Board**") and a single resolution fund ("**Resolution Fund**").

The primary geographic scope of the SRM is the euro area and SRM applies to the Issuer as a primary recovery and resolution code complementing the Dutch implementation measures relating to the BRRD. The Resolution Board has resolution powers over the institutions that are subject to the SRM, thus replacing or exceeding the powers of the national authorities. The Resolution Board shall draw up and adopt a resolution plan for the entities subject to its powers, including the Issuer. It shall also determine, after consultation with competent authorities, a minimum requirement for own funds and eligible liabilities subject to write-down and conversion powers which the Issuer will be required to meet at all times. The Resolution Board may also use the powers of early intervention as set forth in the SRM Regulation, including the power to require an institution to contact potential purchasers in order to prepare for resolution of the institution. The Resolution Board has the authority to exercise the specific resolution powers pursuant to the SRM similar to those of the national authorities under the BRRD. The resolution tools available to the Resolution Board include the sale of business tool, the bridge institution tool, the asset separation tool and the Bail-in Tool as further specified in the SRM. The use of one or more of these tools is included in the resolution plan adopted by the Resolution Board.

Pursuant to the SRM, the Bail-in Tool may be applied to recapitalise an institution to restore its ability to comply with the licensing conditions and to sustain market confidence in the institution or to convert claims or debts to equity or reduce their principal amount. The Bail-in Tool covers bonds and notes issued by the institution subject to resolution measures, but certain defined instruments are excluded from the scope, such as covered bonds.

The Issuer will only be eligible for contribution to loss absorption by the Resolution Fund after a resolution action is taken if shareholders or the holders of relevant capital instruments and other eligible liabilities have made a contribution (by means of a write-down, conversion or otherwise) to loss absorption and recapitalization equal to an amount not less than 8% of the total liabilities (including own funds and measured at the time of the resolution action). On 27 June 2019, Regulation (EU) 2019/877 amending the SRM Regulation entered into force. See for further information on the Resolution Fund "*7. Operating and Financial Review - 7.2 Key factors affecting results of operations*".

- *Single Rule Book*

The key pillars of the SR are the rules on stronger prudential requirements of CRD (as discussed above), the deposit guarantee scheme and a framework for bank recovery and resolution.

- *CRD / CRR*

CRD and CRR transposed the Basel III Final Recommendations into the EU legal framework. CRD and CRR applied from 1 January 2014 and have set, *inter alia*, stronger prudential requirements for banks. The rules are intended to make EU banks more solid and strengthen their capacity to adequately manage the risks linked to their activities and absorb losses they may incur in doing business. Furthermore, these new rules will strengthen the requirements regarding banks' corporate governance arrangements and processes, for example regarding diversity within management and rules on bonuses. The Issuer expects the European Banking Authority (EBA) to continue to introduce technical standards, guidelines and recommendations, further defining EU banks' obligations. In addition, in June 2019, the European Commission adopted the EU Banking Reforms which are wide-ranging and cover multiple areas, including the Pillar 2 framework, a binding 3% leverage ratio, the introduction of a binding detailed NSFR, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of "non-preferred" senior debt, the MREL framework, the integration of the TLAC standard into EU legislation (see below under "FSB Standard for Total Loss-Absorbing Capacity") and the transposition of the fundamental review of the trading book (FRTB) conclusions into EU legislation. See also the risk factor "27. *The financial services industry is subject to intensive and complex regulations. Major changes in laws and regulations as well as enforcement action could adversely affect the Issuer's business, financial position and results of operations*" for the risks relating to, amongst others, changes in law and regulation which may have a material adverse impact on the Issuer.

- *EU Deposit Guarantee Scheme Directive and euro-wide deposit insurance scheme (EDIS)*

On 15 April 2014, the European Parliament adopted the EU Deposit Guarantee Scheme Directive (the "**DGS Directive**") which was published in the Official Journal of the EU on 12 June 2014. The DGS Directive was generally required to be transposed into national law by 3 July 2015. In The Netherlands a decree implementing the DGS Directive was adopted by the Dutch Minister of Finance on 26 November 2015. The DGS continues to guarantee repayment of certain client deposits up to EUR 100,000 held at European banks in the event of bankruptcy or resolution. The funding of the DGS has been amended from an ex-post funded system to a partially ex-ante funded system. This means that participating financial institutions will have to contribute to the scheme on a periodic basis rather than facing charges only when an actual insolvency event occurs requiring them to compensate the clients of the affected financial institutions. The new ex-ante funding system was required to be transposed into national law by 3 July 2015, however the requirement for the relevant deposit guarantee schemes to have available means at the target level of 0.8% of the amount of covered deposits held with its members, including the Issuer, must be achieved by 3 July 2024. Contributions are based on the covered deposits of the bank and risk based contributions. The Netherlands may also impose minimum contributions. The ex-ante funding system has increased the Issuer's expenses in connection with the DGS. In addition, if the available financial means of the relevant DGS is insufficient to repay depositors when deposits become unavailable, an additional contribution may be required, which will in principle not exceed 0.5% of the covered deposits held with the Issuer per calendar year. Additional requirements of the DGS Directive include a broadening of the scope of clients for whom the deposit guarantee will be available (in addition to consumer deposits, deposits of businesses will be included, whereas prior to such change only companies who published abridged annual accounts fall within its scope), information requirements to customers and the shortening of the period for making payments under the DGS Directive from 20 working days (until 31 December 2018) to 7 working days (from 1 January 2024). Based on national legislation (*Besluit Bijzondere Prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft*) the information requirements (i.e. pre-contractual information and the provision of information at least once a year on deposits that are covered by the DGS) apply as of 1 January 2015.

On 24 November 2015, the European Commission proposed a European deposit insurance scheme (EDIS) for bank deposits. The EDIS proposal builds on the system of national deposit guarantee schemes regulated by the DGS Directive, but provides a stronger and more uniform degree of insurance cover in the euro area. In June 2022, the Eurogroup did not agree to a more comprehensive work plan to complete the Banking Union by including



EDIS. Instead, the Eurogroup invited the European Commission to table more targeted legislative proposals for reforming the EU framework for bank crisis management and national deposit insurance.

On 18 April 2023, the European Commission adopted a proposal to adjust and further strengthen the EU's existing bank crisis management and deposit insurance (CMDI) framework, with a focus on medium-sized and smaller banks. The proposal facilitates the use of deposit guarantee schemes in crisis situations to shield depositors (natural persons, businesses, public entities, etc.) from bearing losses, where this is necessary to avoid contagion to other banks and negative effects on the community and the economy. The level of coverage of €100,000 per depositor and bank, as set out in the DGS Directive, remains for all eligible EU depositors. However, the proposal further harmonises the standards of depositor protection across the EU. The new framework extends depositor protection to public entities (i.e. hospitals, schools, municipalities), as well as client money deposited in certain types of client funds (i.e. by investment companies, payment institutions, e-money institutions). The proposal further includes additional measures to harmonise the protection of temporary high balances on bank accounts in excess of €100,000 linked to specific life events (such as inheritance or insurance indemnities).

- *Bank Recovery and Resolution Directive*

On 12 June 2014, the BRRD was published in the Official Journal of the European Union. EU Member States were required to adopt and publish the laws, regulations and administrative provisions necessary to implement the BRRD by 31 December 2014 and to apply their implementing measures from 1 January 2015, with the Bail-in Tool for other eligible liabilities to apply from 1 January 2016, at the latest. The measures set out in the BRRD (including the Bail-in Tool) have been implemented in national law with effect from 26 November 2015. It was amended on 7 June 2019 with effect from 27 June 2019 by a further directive as part of the EU Banking Reforms (as defined above) in order to implement, amongst other things, the Financial Stability Board's total loss absorbing capacity (TLAC) standard by adapting the existing regime relating to MREL.

The BRRD sets out a common European recovery and resolution framework which is composed of three pillars: preparation (by requiring banks to draw up recovery plans and resolution authorities to draw up resolution plans), early intervention powers and resolution powers. The aim of the BRRD is to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses. It also provides for a national, prefunded resolution fund that each Member State will have to establish and build up. All banks will have to pay into these funds, and contributions will be higher for banks that take more risks.

On 23 November 2016, the European Commission published the EU Banking Reforms which make certain amendments to, amongst others, the BRRD. See also the risk factor 27. "*The financial services industry is subject to intensive and complex regulations. Major changes in laws and regulations as well as enforcement action could adversely affect the Issuer's business, financial position, results of operations*" for the risks relating to, amongst others, changes in law and regulation which may have a material adverse impact on the Issuer.

On 27 December 2017, the directive (EU) 2017/2399 on the ranking of unsecured debt instruments in insolvency hierarchy (Bank Creditor Hierarchy) which amended the BRRD was published. The directive changes the insolvency hierarchy and introduces a new statutory category of unsecured "non-preferred" senior debt for banks. This category ranks just below the ordinary senior debt and other senior liabilities for the purposes of resolution, but will still rank as part of the senior unsecured debt category (only as a "non-preferred" senior debt). The directive does not affect the existing stock of bank debt and would only apply to debt when designated as such by the issuing bank. A bill implementing the requirement for senior non-preferred debt in The Netherlands came into force in December 2018.

On 7 June 2019, the BRRD was amended with effect from 27 June 2019 by a further directive (2019/879/EU, or BRRD Directive II) as part of the EU Banking Reforms in order to implement, amongst other things, the Financial Stability Board's total loss absorbing capacity (TLAC) standard by adapting the existing regime relating to MREL, which was implemented into Dutch law on 21 December 2021.

On 18 April 2023, the European Commission adopted a proposal to adjust and further strengthen the EU's existing bank crisis management and deposit insurance (CMDI) framework. According to the European Commission, the amendments included in the CMDI package cover a range of policy aspects and constitute a coherent response to identified problems, among which

- expanding the scope of resolution by reviewing the public interest assessment, when this achieves the objectives of the framework, e.g. protecting financial stability, taxpayer money and depositor confidence better than national insolvency proceedings;
- strengthening the funding in resolution by complementing the internal loss absorbing capacity of institutions;
- amending the ranking of claims in insolvency and ensuring a general depositor preference with a single-tier depositor preference, with the aim of enabling the use of DGS funds in measures other than payout of covered deposits;
- ensuring a timely triggering of resolution; and
- improving depositor protection (e.g. targeted improvements of the DGS Directive's provisions on scope of protection and cross-border cooperation, harmonisation of national options, and improvement of transparency on financial robustness of DGSs).

In order for the European Commission's proposal to become EU law, the draft legislation will need to follow the ordinary legislative procedure.

#### *Recovery and resolution plans*

As required by the BRRD, the Issuer is required to draw up and maintain a recovery plan. This plan must provide for a wide range of measures that could be taken by the Issuer for restoring its financial position in case it significantly deteriorated. The Issuer must submit the plan to the Competent Authority for review and update the plan annually or after changes in the legal or organisational structure, business or financial situation that could have a material effect on the recovery plan. Keeping the recovery plan up-to-date will continue to require monetary and management resources.

The resolution authorities responsible for a resolution in relation to the Issuer draw up the Issuer's resolution plan providing for resolution actions it may take if the Issuer would fail or would be likely to fail. In drawing up the Issuer's resolution plan, the resolution authorities will identify any material impediments to the Issuer's resolvability. Where necessary, the resolution authorities may require the Issuer to remove such impediments. This may lead to mandatory legal restructuring of the Issuer, which could lead to high transaction costs, or could make the Issuer's business operations or its funding mix become less optimally composed or more expensive. The resolution authority may also determine, after consultation with competent authorities, a minimum requirement for own funds and eligible liabilities (MREL) calculated as a percentage of total liabilities and own funds and taking into account the resolvability, risk profile, systemic importance and other characteristics of the bank, subject to write-down and conversion powers which the Issuer will be required to meet at all times. This may result in higher capital and funding costs for the Issuer, and as a result adversely affect the Issuer's profits and its ability to pay dividends. See also the risk factor "30. *Resolution regimes may lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*" for the risks relating to the resolution regimes which may have a material adverse impact on the Issuer.

### *Early intervention*

If the Issuer does not comply with or, due to a rapidly deteriorating financial position, would be likely not to comply with certain triggers, including capital or liquidity requirements in the near future, the resolution authorities have the power to impose early intervention measures. A rapidly deteriorating financial position could, for example, occur in the case of a deterioration of the Issuer's liquidity situation, increasing level of leverage and non-performing loans. Intervention measures include the power to require changes to the legal or operational structure of the Issuer, the power to make changes to the Issuer's business strategy, and the power to require the Issuer's Executive Board to convene a general meeting of shareholders, set the agenda and require certain decisions to be considered for adoption by the general meeting. Furthermore, if these early intervention measures are not considered sufficient, the resolution authority may replace management or install a temporary administrator. A special manager may also be appointed who will be granted management authority over the Issuer instead of its existing executive board members, in order to implement the measures decided on by the resolution authority.

### *Resolution measures*

If the Issuer were to reach a point of non-viability, the resolution authorities could take pre-resolution measures. These measures include the write-down and cancellation of shares, and the write-down or conversion into shares or other instruments of ownership of capital instruments.

Furthermore, BRRD and SRM provide resolution authorities with powers to implement resolution measures with respect to banks which meet the conditions for resolution, which may include (without limitation) the sale of the bank's business, the separation of assets, taking control of the bank and exercise all rights and powers conferred upon shareholders and the bank's management body, remove or replace the management body and senior management of the bank, the Bail-in Tool, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments and discontinuing the listing and admission to trading of financial instruments. The Bail-in Tool comprises a more general power for resolution authorities to write-down the claims of unsecured creditors of a failing bank and to convert unsecured debt claims to equity.

Subject to certain exceptions, as soon as any of these proposed proceedings have been initiated by the relevant resolution authority, as applicable, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank for this purpose.

When applying the resolution tools and exercising the resolution powers, including the preparation and implementation thereof, the resolution authorities are not subject to (i) requirements to obtain approval or consent from any person either public or private, including but not limited to the holders of shares or debt instruments, or from any other creditors, and (ii) procedural requirements to notify any person including any requirement to publish any notice or prospectus or to file or register any document with any other authority, that would otherwise apply by virtue of applicable law, contract, or otherwise. In particular, the resolution authorities can exercise their powers irrespective of any restriction on, or requirement for consent for, transfer of the financial instruments, rights, assets or liabilities in question that might otherwise apply. As detailed above, under the heading - *Single Resolution Mechanism*, the Resolution Board has taken on many of the powers and responsibilities assigned to resolution authorities in the BRRD.

### ***MiFID II***

In April 2004, the Markets in Financial Instruments Directive 2004/39/EC ("**MiFID**") came into force. MiFID regulated the provision of investment services and investment activities and replaced the Investment Services Directive 1993/22/EEC, which established the single European passport for investment firms. MiFID provided a harmonized regime for investment services and investment activities and aimed to increase competition and reinforce investor protection. It streamlined supervision on the basis of home country control and enhanced the transparency of markets. Furthermore, MiFID harmonized conduct of business rules, including best execution, conflict of interest, customer order handling rules and rules on inducements. MiFID abolished the concentration rule, creating a more competitive regime between order execution venues. It furthermore imposed market transparency rules on investment firms, regulated markets and multilateral trading systems for both pre- and post-trading for, *inter alia*, equities.

On 15 May 2014 the European Parliament and the Council formally adopted updated rules for investment firms and markets in financial instruments. The rules consist of a Directive ("**MiFID II Directive**") and a

Regulation with direct force in the EU ("**MiFIR**") (together, "**MiFID II**"). Most rules of the MiFID II Directive began to apply from 3 January 2018, on which date the predecessor MiFID was repealed. MiFID II covers matters such as market infrastructure, investor protection and supervisory powers. MiFID II increased equity market transparency and established a principle of transparency for non-equity instruments such as bonds and derivatives. MiFID II introduced trading controls for algorithmic trading activities. MiFID II provided for strengthened supervisory powers and a harmonised position limits regime for certain commodity derivatives to improve transparency, support orderly pricing and prevent market abuse. MiFID II's purpose also included measures intended to achieve stronger investor protection by introducing additional or enhanced organisational requirements and operating conditions for investment firms, such as on product governance, conflicts of interest and reporting to clients. A harmonised regime for granting access to EU markets for firms from third countries is based on an equivalence assessment of third country jurisdictions by the European Commission. As MiFID II significantly extended not only the scope but also the detail of existing (MiFID) regulations, the Issuer reviewed its then-existing activities and, where it deemed necessary, adjusted the manner in which it operates. ABN AMRO has also provided more information to its clients, such as about the costs and charges involved in providing investment services.

On 25 November 2021, the European Commission made a proposal for an amendment of MiFID II. The proposal has now been adopted and the final acts (Directive 2024/790 and Regulation 2024/791) were published in the Official Journal on 8 March 2024. The amendment of MiFIR focusses on enhancing market data transparency, removing obstacles to the emergence of a consolidated tape, optimising the trading obligations and prohibiting receiving payment for order flow. Consolidated tape is a continuous electronic live data stream providing price and volume data per financial instrument. The amendment of the MiFID II Directive aims at improving transparency on markets in financial instruments and strengthens the obligation to execute orders on the most favourable terms to the client. The Commission has been empowered to adopt further regulatory technical standards (to be developed by ESMA) with regard to the criteria to be taken into account in establishing and assessing the effectiveness of the order execution policy. The amending Regulation and Directive entered into force on 28 March 2024. While the new Regulation is directly applicable in all EU member states, the new Directive will have to be implemented by EU member states by 29 September 2025.

### ***EMIR***

Regulation (EU) 648/2012 of 4 July 2012, the European Market Infrastructure Regulation ("**EMIR**"), on over-the-counter ("**OTC**") derivatives, central counterparties and trade repositories entered into force on 16 August 2012. EMIR has been amended several times since then, and several regulatory technical standards supplementing EMIR have been adopted by the European Commission. EMIR introduced requirements intended to improve transparency and reduce the risks associated with the derivatives market. EMIR also establishes common organisational, conduct of business and prudential standards for central counterparties ("**CCPs**") and trade repositories. The main obligations relevant for ABN AMRO under EMIR are (i) central clearing for certain classes of OTC derivatives, (ii) the application of risk mitigation techniques for non-centrally cleared OTC derivatives and (iii) reporting of both exchange traded and OTC derivatives transactions. EMIR applies directly to any entity (financial as well as non-financial) established in the EU that has entered into a derivative contract, and applies indirectly to non-EU counterparties trading with EU parties.

For non-centrally cleared OTC derivatives, ABN AMRO needs to comply with certain operational risk management requirements, including timely confirmation, portfolio reconciliation, record keeping and the increased exchange of collateral. The implementation of EMIR increased ABN AMRO's reporting requirements on outstanding and new derivative contracts. ABN AMRO is obliged to report both exchange traded and OTC derivative transactions to an authorised or recognised trade repository or (where no trade repository is available to record the details of a derivative contract) to ESMA.

In February 2022, the European Commission issued a targeted consultation on a review of the central clearing framework in the EU. The aim of the consultation was to seek feedback on possible measures, legislative and/or non-legislative, to improve the competitiveness of EU CCPs and clearing activities as well as to ensure that their risks are appropriately managed and supervised. The input received to the consultation has contributed to an assessment of the current CCP supervisory framework, as provided for under Article 85(7) EMIR.

In December 2022, the European Commission published a proposal for a Regulation amending, amongst others, EMIR as regards measures to mitigate excessive exposures to third-country central counterparties

and improve the efficiency of Union clearing markets ("**EMIR 3**"). According to the European Commission, since 2017 concerns have been repeatedly expressed about the ongoing risks to EU financial stability arising from the excessive concentration of clearing in some third-country CCPs. Therefore, the European Commission's proposal aims to make the equivalence framework in EMIR more proportionate. Furthermore, the proposal seeks to improve the competitiveness of EU CCPs and of EU clearing activities, thereby increasing liquidity at EU CCPs with the aim to reduce the risks posed to the EU financial stability by excessive exposures to third-country CCPs. In this respect, the proposal requires market participants subject to a clearing obligation to hold active accounts at EU CCPs, where those market participants trade clearing products that have been identified by ESMA as of substantial systemic importance for the EU's financial stability in excess of certain specified thresholds.

On 14 February 2024, the Council of the European Union released the final text of EMIR 3, which is expected to be published in the Official Journal pending formal approval from the European Parliament. The final text of EMIR 3 is complemented by a proposal for a Directive introducing a limited number of changes to CRD, the Investment Firms Directive (2019/2034, "**IFD**") and the UCITS Directive (2009/65/EU) as regards the treatment of concentration risk towards CCPs and the counterparty risk on centrally cleared derivative transactions. The European Commission believes that these amendments are necessary to ensure that the objectives of EMIR 3 are achieved as well as to assure coherence.

### ***Packaged Retail and Insurance-based Investment Products***

Packaged Retail and Insurance-based Investment Products ("**PRIIPs**") are investment products offered to retail clients in 'packaged' form, which are exposed to investment risks irrespective of whether the products in question are securities, insurance or banking-based. Investors do not invest directly in the underlying investment products; instead, the provider of the investment product combines, includes or groups together different assets in the packaged product.

Regulation (EU) No. 1286/2014 (the "**PRIIPs Regulation**") requires a key information document ("**KID**") to be provided when offering PRIIPs to certain clients. This document must include information on the features, risks and costs of the PRIIPs product. The PRIIPs Regulation covers, among other products, insurance-based investment products, structured investment products and collective investment schemes. The PRIIPs Regulation entered into force on 29 December 2014 and has applied directly in all Member States from 1 January 2018.

In the context of the EU strategy for retail investors, the PRIIPS Regulation has been under review by the European Commission. On 24 May 2023, the European Commission proposed a legislative package which included a proposed amendment to the PRIIPS Regulation, and further included proposed amendments to the European Insurance Distribution Directive (2016/97/EU, "**IDD**"), Solvency II (see also below under *Supervision of insurance activities*), the European Alternative Investment Fund Managers Directive (2011/61/EU, the "**AIFM Directive**") and MiFID II. The object of the package is to foster retail investor information transparency, by focusing on clarity in communication and the prevention of misleading marketing, and ensure that investment decisions are best for investors. The objective is to enhance trust and confidence, which would increase the participation of retail investors to the financing of the economy. The proposals also intend to mitigate potential conflicts of interest of advisers.

### ***Mortgage Credit Directive***

The European Parliament has adopted mortgage lending rules: the Mortgage Credit Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property adopted on 4 February 2014 (the "**Mortgage Credit Directive**"). The Mortgage Credit Directive aims to afford high level consumer protection throughout the EEA in respect of relevant credit agreements. In summary, the directive applies to credit agreements secured on residential property or otherwise relating to residential property. The main provisions of the directive include consumer information requirements. In the pre-contractual phase, certain standardized information must be included in any advertising for credit agreements detailing information on the interest rate or indicating figures relating to costs. In addition, banks are required to ensure that consumers are provided with personalised information needed to compare mortgage products available in the market. The directive obligates banks to conduct a documented creditworthiness assessment before granting the loan. The directive also imposes requirements on early repayment. Consumers must have the right to discharge fully or partially their obligations under a credit agreement prior to its expiry. In such cases, the consumer shall be entitled to a reduction in the total cost of the credit, such reduction consisting of the interest and the costs for the remaining duration of the contract. The directive also establishes rights

for consumers where a creditor's rights under a credit agreement are assigned to a third party. The requirements referred to above may adversely impact the Issuer's business model. The rules pursuant to the Mortgage Credit Directive (as implemented in Dutch law) entered into force on 14 July 2016.

### ***PSD2, Interchange Fees Regulation and Cross-border Payments Regulation***

On 24 July 2013, the European Commission adopted a new legislative package in the field of the EU payments framework. The package included a proposal for a revised Payment Services Directive ("**PSD2**") and a Regulation on Interchange Fees for Card-Based Payment Transactions ("**Interchange Fees Regulation**").

The PSD2 has been finalised and published as a consolidating new Directive (2015/2366) in the Official Journal of the European Union on 23 December 2015. The PSD2 has replaced the previous Payment Services Directive (2007/64/EC) as from 13 January 2018. The main objectives of PSD2 are to (i) contribute to a more integrated and efficient European payments market, (ii) improve the level playing field (including new players), (iii) make payments safer and more secure, (iv) improve consumer protection, and (v) encourage lower prices for payments.

The Interchange Fees Regulation was published in the Official Journal of the European Union on 19 May 2015, with most provisions applying since 8 June 2015. The main objective of the Interchange Fees Regulation is to create a level playing field by removing barriers between national payment markets and allowing new entrants to enter the market, driving down the fees that retailers pay their banks and ultimately allowing consumers to benefit from lower retail prices.

Key elements of the PSD2 that could continue to impact ABN AMRO are: (i) access to payment accounts by other parties than the bank where the customer holds an account (Third Party Access), and (ii) security requirements. Third Party Access as described in the PSD2 may force the Issuer to make substantial investments and expose it to more or intensified competition and can be a threat as parties other than banks focus on the customer-engagement components of the value chain and leave the commoditized transactional components to banks which could lead to disintermediation.

Key elements of the Interchange Fees Regulation that are likely to impact ABN AMRO on an ongoing basis are caps on the amount of interchange fees that can be charged and related transparency requirements, which limit the profits that can be derived from transaction fees on cards issued by banks and increases their cost base.

In September 2020, in the context of its Digital Finance Strategy and Retail Payments Strategy the European Commission announced the launch of a comprehensive review of the application and impact of the PSD2 to assess whether the legislation remains fit for purpose. Parallel to the evaluation of the PSD2, the Digital Finance Strategy announced the European Commission's ambition to propose legislation on a broader 'open finance' framework. The aim of such a framework is to allow customer data beyond the scope of the PSD2 to be shared and re-used by financial service providers for creating new and improved services, subject to customer agreement as well as the effective application of data protection rules and security safeguards.

On 10 May 2022, the European Commission launched specific consultations on the review of the PSD2 and on open finance, following which the European Commission published its report on the application and impact of the PSD2 on 2 February 2023. On 28 June 2023, the European Commission put forward proposals to bring payments and the wider financial sector into the digital age. One proposal amends and modernises the current PSD2 which will become PSD3 and establishes, in addition, a Payment Services Regulation (PSR). This proposal could result in the imposition of additional compliance obligations and resulting costs and reduced profitability for the Issuer. The other legislative proposal of the European Commission concerns a framework for financial data access. This framework will establish clear rights and obligations to manage sharing of customer data in the financial sector beyond payment accounts. This is intended to lead to more innovative financial products and services for users and stimulate competition in the financial sector.

The second cross-border payments regulation (Regulation 2021/1230/EU on cross-border payments in the EU ("**CBPR2**"), which replaces the first cross-border payments regulation (Regulation 924/2009/EU), requires, *inter alia*, the Issuer to equalise the charges for the majority of EEA currency cross-border payments in the EEA with their domestic equivalents which may have an adverse effect on the profitability

of the Issuer. CPBR2 has direct effect in The Netherlands. The provisions of CBPR2 have been in force since 19 August 2021.

Additionally, on 19 March 2024, a new regulation amending the SEPA Regulation (Regulation 260/2012) was published in the Official Journal, and it entered into force on 8 April 2024. It requires banks to make instant payments in euro available to customers if they provide non-instant credit transfers in euro. Banks must also provide a service to check for consistency between the account number (IBAN) and the name of the payment beneficiary and, before the payer authorises the transaction, notify the payer about any inconsistency which could be indicative of fraud. The new rules aim to ensure that instant payments in euro are affordable, secure, and processed without hindrance across the EU. Fees for instant payments in euro shall not be higher than fees for non-instant euro credit transfers. This could reduce profitability, give rise to additional compliance costs in preparing to send and receive instant payments in euro, and implementing mechanisms for the service of matching the name and IBAN of payment beneficiaries.

### ***Data Protection Regulation***

In 2012 the European Commission presented its proposal to reform the general EU legal framework on the protection of personal data. The main policy objectives in this reform are to: (i) modernise the EU legal system for the protection of personal data, in particular to meet the challenges resulting from globalisation and the use of new technologies, (ii) strengthen individuals' rights and at the same time reduce administrative formalities to ensure a free flow of personal data within the EU and beyond, (iii) improve the clarity and coherence of the EU rules for personal data protection and achieve consistent and effective implementation of the privacy rules and application of the fundamental right to the protection of personal data in all areas of the EU's activities. The European Commission intended to achieve this by substituting the current EU Data Protection Directive of 1995 for a new EU general data protection regulation that will apply directly and uniformly throughout the European Union. This reform has a major impact on the private sector and provides for significant fines, with fines that could amount to 4% of the worldwide turnover of a company or EUR 20 million, whichever one is higher. The Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "**GDPR**") was adopted on 27 April 2016 and applied from 25 May 2018. The GDPR, despite being a regulation and not a directive, allows member states to further enact local legislation on a number of aspects. This means that local implementation legislation may be enacted throughout Europe. In The Netherlands, the rules pursuant to the GDPR entered into force on 25 May 2018. In addition, on 10 January 2017 the European Commission published a draft regulation concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (the "**E-Privacy Regulation**"). The E-Privacy Regulation affects in principle only the telecommunications sector, however all other sectors are affected by it to the extent they make use of electronic communication means such as e-mail or telephone, or cookies or other similar techniques for commercial purposes. The fines for infringing the E-Privacy Regulation are the same as those of the GDPR. The text is not yet final and the impact on the industry still needs to be determined. The European Commission, the European Parliament and Council will first need to enter into the tripartite negotiations on the final text. The E-Privacy Regulation was intended to come in effect on 25 May 2018 (the date as from which the GDPR applies), but has not come into effect yet.

### ***The proposed financial transactions tax ("FTT")***

On 14 February 2013, the European Commission published a proposal (the "**European Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The European Commission's proposal has a very broad scope and could, if introduced, apply to certain dealings in the notes issued by the Issuer (including secondary market transactions) in certain circumstances.

Under the European Commission's proposal, FTT could apply in certain circumstances to persons both inside and outside of the participating Member States. Generally, it would apply to certain dealings in notes issued by the Issuer where at least one party is a financial institution established in a participating Member State, and at least one party is established in a participating Member State. A financial institution may be or be deemed to be "established" in a participating Member State in a broad range of circumstances,

including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. In June 2023, the European Commission stated that the prospects of reaching an agreement on the FTT in the future were 'limited' adding there was 'little expectation that any proposal would be agreed in the short term.'

Prospective holders of notes issued by the Issuer are advised to seek their own professional advice in relation to the FTT.

### ***Securities Financing Transaction Regulation***

On 12 January 2016, the Securities Financing Transaction Regulation (Regulation (EU) 2015/2365) came into force. The regulation has established EU rules for the reporting of details of securities financing transactions (SFTs) to trade repositories, for information on SFTs and total return swaps to be disclosed to investors in collective investment companies, and for minimum transparency conditions to be met by the parties involved in collateral reuse.

### ***Supervision of insurance activities***

As from 1 January 2016, the insurance companies in ABN AMRO must comply with a new solvency framework and prudential regime commonly referred to as "**Solvency II**". Solvency II consists of a European Directive (2009/138/EC) as implemented in Dutch law as per 1 January 2016, a European Regulation ((EU) 2015/35) and a number of technical standards and guidelines issued by EIOPA. Solvency II completely overhauled the solvency framework and prudential regime applicable to insurers and required them to make adaptations in many areas to comply with this new regime.

Solvency II consists of three pillars. The first pillar is made up of quantitative requirements, most importantly introducing a risk-based solvency capital requirement calculated on the basis of a market value consistent balance sheet and taking into account the actual risks run by the insurer and their interconnectedness. Only own funds that meet strict requirements are eligible to meet the solvency capital requirement. The second pillar complements the first with qualitative requirements regarding the governance of insurers. Rules in this pillar most importantly relate to the internal organisation of insurers including rules on key functions, risk management and the internal control of insurers. In the area of risk management the requirement of an own risk and solvency assessment (ORSA) was introduced requiring insurers to undertake a self-assessment of their risks, corresponding solvency requirements, and adequacy of own funds. The third pillar introduced a greater level of transparency, requiring extensive reporting to supervisory authorities and a solvency and financial position report to be made public.

Insurers are also subject to conduct of business rules that are very similar to those applicable to banks. Insurers are furthermore subject to the PRIIPs Regulation (for insurance-based investment products), EMIR and the European Insurance Distribution Directive (IDD) (as implemented in Dutch law). If insurers offer mortgage credit, they are also subject to the rules on mortgage lending. Anyone acquiring a qualifying holding in an insurer must comply with rules on structural supervision as is the case with respect to banks.

As is the case with respect to banks, Dutch insurers are subject to certain rules on recovery and resolution. On 1 January 2019, a new recovery and resolution regime came into force for Dutch insurers pursuant to the Act on recovery and resolution of insurance undertakings (*Wet herstel en afwikkeling van verzekeraars*, the "**Insurance Recovery and Resolution Act**"). The Insurance Recovery and Resolution Act sets out, *inter alia*, the resolution instruments that are available to DNB when the insurer meets the conditions for resolution, which may include (without limitation) the sale of the insurer's business, the separation of assets, bail-in and temporarily transferring (part) of an insurance undertaking to a semi-public entity. On 1 January 2024, an act amending the Insurance Recovery and Resolution Act entered into force. The amendments are not major but still important for an effective recovery and resolution of insurers. Some of the changes cover the same topics as those implemented by the amended BRRD framework for banks and investment firms (through the BRRD Directive II, 2019/879/EU), such as direct powers of DNB to dismiss some or all of the directors of a failing institution. In the explanatory notes to the draft bill, the Dutch legislator indicated that it aimed to have the EU recovery and resolution framework for insurers (see below) aligned with the Dutch framework.



On 22 September 2021, the European Commission published a proposed directive on the recovery and resolution of insurance and reinsurance undertakings (the "**Insurance Recovery and Resolution Directive**"). The proposed Insurance Recovery and Resolution Directive is similar to the BRRD, i.e. the directive applicable to the recovery and resolution of banks in Europe. If adopted in its current form, it would provide for a variety of planning and preventative measures to minimise the likelihood of insurance undertakings requiring public financial support, and for the initiation of resolution procedures for insurance undertakings that are failing or likely to fail, where there is no prospect that private sector alternatives or supervisory measures can avert failure. The European Parliament and the Council reached a provisional agreement on 14 December 2023.

### ***Insurance brokerage***

On 23 February 2016 the IDD came into force and replaced Directive 2002/92/EC (the "**Insurance Mediation Directive**"). The Insurance Mediation Directive regulated brokers and other intermediaries selling insurance products. In contrast to the Insurance Mediation Directive, the scope of the IDD is extended to include all sellers of insurance products, focusing especially on market integration, fair competition between distributors of insurance products and policyholder protection. The Netherlands legislation implementing the IDD became effective on 1 October 2018.

Key features of the IDD are, among other things, mandatory disclosure requirements obliging insurance intermediaries to disclose to their customers the nature of remuneration they receive, including any contingent commissions, and in case the remuneration is directly payable by the customer the amount of the remuneration, or if the full amount of remuneration cannot be calculated, the basis of its calculation. Insurers carrying out direct sales are required to comply with information and disclosure requirements and certain conduct of business rules, including a general obligation to act honestly, fairly and professionally in accordance with customers' best interests.

The IDD is to be amended through an omnibus directive which was proposed by the European Commission in May 2023, the object of which is to foster retail customer information transparency and ensure that customers can make informed decisions.

### ***UCITS Directive/AIFM Directive/CBDF Rules/MMFR***

Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("**UCITS Directive**") establishes a framework for the regulation and supervision of UCITS investment funds, allowing the cross-border offer of investment funds for retail investors regulated at EU level. Directive 2009/65/EC is the fourth version of UCITS legislation, replacing UCITS Directive 85/611/EEC. The UCITS Directive came into force on 7 December 2009 and was implemented in the Wft on 9 July 2011. Following its review of the application and scope of the AIFM Directive (see below), the European Commission considered that a number of issues highlighted in the AIFM Directive review were equally relevant for the activities of UCITS. Consequently, the European Commission's November 2021 legislative proposal aimed to address these issues by amending the AIFM Directive and the UCITS Directive to better align their requirements.

Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFM Directive**"), together with the supplementing Regulation 231/2013 of 19 December 2012, establishes a framework for the regulation and supervision of the alternative investment fund ("**AIF**") industry, including hedge funds and private equity funds, but essentially covering all non-UCITS investment funds. The AIFM Directive lays down the rules for the authorisation, ongoing operation and transparency of managers of alternative investment funds (AIFMs) which manage and/or market alternative investment funds (AIFs) in the European Union. The AIFM Directive came into force on 21 July 2011 and was implemented in the Wft on 22 July 2013. Following its review of the application and scope of the AIFM Directive, the European Commission published a proposal to amend the AIFM Directive on 25 November 2021 as regards delegation arrangements, liquidity risk management, supervisory reporting, provision of depositary and custody services and loan origination by AIFs ("**AIFMD II**"). The AIFMD II final text was published in the Official Journal on 26 March 2024 and Member States are required to implement its provisions into local law by 16 April 2026.

Special types of AIFs are long-term investment funds. Regulation (EU) 2015/760 of 29 April 2015 on European long-term investment funds (ELTIFs) lays down uniform rules on the authorisation, investment

policies and operating conditions of EU AIFs or compartments of EU AIFs that are marketed in the EU as ELTIFs.

Regulation (EU) 2019/1156 on facilitating cross-border distribution of collective investment undertakings and Directive 2019/1160 amending the UCITS Directive and the AIFM Directive with regard to cross-border distribution of collective investment undertakings (the "**CBDF Rules**") introduced new rules relating to the cross-border marketing and distribution of (amongst others) AIFs and UCITS within the EU. Most provisions of the Regulation became effective on 2 August 2021, while the Directive was implemented in The Netherlands on 29 October 2021 and became effective on 6 November 2021.

When directly or indirectly offering units or shares of AIFs or UCITS to, or placing such units or shares with, investors, banks and investment firms must ascertain whether the units or shares are being marketed in accordance with the Wft and relevant European law.

On 20 July 2017, Regulation (EU) 2017/1131 on Money Market Funds ("**MMFR**") came into force. The MMFR has introduced rules aimed at making money market funds ("**MMFs**") more resilient to crises and at the same time securing their financing role for the economy, which rules apply from 21 July 2018. MMFs are either UCITS or AIFs that invest in short-term financial instruments and have specific objectives. The MMFR aims to make MMFs safer and provide for more transparency, investor information and investor protection by requiring MMFs to diversify their asset portfolios, invest in high-quality assets, follow strict liquidity and concentration requirements and have sound stress testing processes in place.

### ***Anti-money laundering***

Pursuant to Directive (EU) 2015/849 (the "**4<sup>th</sup> Money Laundering Directive**"), EU Member States are required to establish a regime to provide (amongst other things) for financial institutions and certain other types of persons to implement systems, controls, policies and procedures intended to combat money laundering and terrorist financing. Such measures must include the application of risk-based customer due diligence procedures. The 4<sup>th</sup> Money Laundering Directive has been transposed in The Netherlands through particularly the Dutch Anti-Money Laundering Act (*Wet ter voorkoming van witwassen en financieren van terrorisme*, "**Wwft**"). Amendments have been implemented in respect of (amongst other things) the introduction of a central data retrieval system to which banks should be connected for the purpose of sharing account information with certain governmental bodies (including tax authorities and the Dutch Financial Intelligence Unit), and requirements on national registers of beneficial ownership information of legal entities and express trusts and similar legal arrangements.

On 20 July 2021, the European Commission presented a package of legislative proposals to strengthen the EU's money laundering and terrorist financing (AML/CFT) rules, which was intended to harmonise such rules across the EU. The package consisted of four legislative proposals:

- A Regulation establishing a new EU AML/CFT Authority; ("**AMLA**")
- A Regulation on AML/CFT, containing directly-applicable rules, including in the areas of customer due diligence and beneficial ownership;
- A new Directive on AML/CFT, replacing the existing 4<sup>th</sup> Money Laundering Directive (as amended), containing provisions that will be transposed into national law, such as rules on national supervisors and Financial Intelligence Units in Member States; and
- A revision of the 2015 Regulation on Transfers of Funds (Regulation (EU) 2015/847) to provide for the traceability of transfers of crypto-assets.

On 18 January 2024 the European Parliament and the Council reached a provisional agreement on the new Directive and the new Regulation on AML/CFT. On 13 December 2023, provisional agreement had been reached on the new Regulation establishing a new EU AML/CFT Authority. On 22 February 2024, the decision was taken that the seat of the AMLA will be Frankfurt (Germany).

The current planning is for the new AMLA to start carrying out direct supervision in 2026.

Furthermore, on 21 October 2022, the Dutch Minister of Finance submitted a bill (*Wet plan van aanpak witwassen*) with amendments to the Wwft, for discussion in parliament. The bill comprises four main amendments, the most important being the creation of a legal provision allowing banks to jointly monitor

their retail clients' transactions involving more than EUR 100. In addition, institutions in scope of the Wwft will be required to share data on high-risk customers. There will also be a ban for traders on cash payments for goods of over EUR 3,000. The bill is the subject of a public debate on the privacy of retail clients. It is uncertain what the outcome of the public and political discussions will be and how this will affect the bill.

## *Sustainable finance*

### *General*

The development of sustainable finance regulations has received considerable attention recently. New regulations have been published, existing regulations have been amended and various supervisors and regulators have included sustainable finance in their workplans.

### *EU Taxonomy Regulation*

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**"), adopted by the European Parliament in June 2020, establishes a framework that provides for the adoption of criteria for determining whether an economic activity qualifies as environmentally sustainable. The EU Taxonomy Regulation is an essential step of the European Commission action plan on financing sustainable growth in the efforts to channel investments into sustainable activities. The detailed criteria for environmentally sustainable economic activities that contribute to one or more of the six environmental objectives identified by the EU Taxonomy Regulation will be introduced through the adoption of delegated legislation made under the EU Taxonomy Regulation. The first delegated act (Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021) on environmentally sustainable economic activities for climate change mitigation and climate change adaptation objectives has applied from 1 January 2022. This delegated act has been supplemented on 1 January 2023 by the complementary delegated act on climate change mitigation and climate change adaptation objectives covering the natural gas and nuclear energy sectors (Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022). On 21 November 2023, the taxonomy environmental delegated act (Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023) and amendments to the taxonomy disclosures delegated act and to the taxonomy climate delegated act (Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023) as approved in principle on 27 June 2023, were published in the Official Journal. The amendments include, among others, a new set of EU taxonomy criteria for economic activities making a substantial contribution to one or more of the non-climate environmental objectives and entered into force on 1 January 2024.

From 1 January 2022, the EU Taxonomy Regulation also requires undertakings that are subject to an obligation to publish non-financial/sustainability information in accordance with the NFRD, as replaced by the CSRD (each as defined below) to publicly disclose the proportion of their turnover derived from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the EU Taxonomy Regulation; and the proportion of their capital expenditure and the proportion of their operating expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the EU Taxonomy Regulation. The content and presentation of this information is set out in a delegated act (Commission Delegated Regulation (EU) 2021/2178), and the level of detail will increase over time on a staggered basis.

### *ECB guide on climate-related and environmental risks*

In November 2020, the ECB published a guide on climate-related and environmental risks for banks. The guide explains how the ECB expects banks to prudently manage climate-related and environmental risks when formulating and implementing their business strategy, governance and risk management frameworks and how they disclose such risks transparently.

In November 2021, the ECB published an assessment of how banks are adjusting their practices to manage climate-related and environmental risks, in line with the expectations set out in the November 2020 ECB guide on climate and environmental risks. The ECB found that, overall, 90% of banks' practices are only partially or not at all in line with ECB supervisory expectations. The ECB sent individual feedback letters to banks, calling on them to address any identified shortcomings.

The ECB has stated that it will continue its supervisory dialogue with significant banks such as ABN AMRO in relation to the expectations set out in the guide and will gradually integrate climate and environmental risk into its SREP methodology.

During 2022, the ECB conducted a thematic review of climate-related and environmental risks as part of the ECB Banking Supervision roadmap. The objective of the thematic overview was to assess the evolution of the soundness, effectiveness and comprehensiveness of banks' climate-related and environmental risk management practices, as well as banks' ability to steer their climate-related and environmental risk strategies and risk profiles. The ECB concluded that banks have overall improved their capabilities since 2021, but still need more sophisticated methodologies and granular information. The ECB has stated that its findings on climate and environmental risks are expected to feed into the SREP from a qualitative point of view. The ECB has set institution-specific deadlines for achieving full alignment with its expectations by the end of 2024, including the following milestones: (i) by March 2023 having adequately categorized climate and environmental risks and conducted a full assessment of their impact on bank's activities, (ii) by the end of 2023 having included climate and environmental risks in governance, strategy and risk management and (iii) by the end of 2024 having met all remaining supervisory expectations (including on capital adequacy and stress testing). In line with the ECB's expectations, the process of climate and environmental risk scenario analysis was adapted by ABN AMRO and formalized in its sustainability risk policy framework and enterprise risk management framework in 2022.

The ECB has also included the acceleration of the effective remediation of shortcomings in governance and the management of climate-related and environmental risks in its supervisory priorities for 2024-2026 as priority. In January 2024, the ECB published a report on its assessment of bank portfolio alignment with climate transition goals. They found that around 70% of significant institutions are subject to elevated reputational and litigation risk because they have committed publicly to the Paris Agreement on climate change but their credit portfolios are still measurably misaligned with its goals.

#### *ECB climate stress tests and potential climate capital requirements*

In September 2021, the ECB published the results of its economy-wide climate change stress test.

In January 2022, the ECB launched a supervisory climate risk stress test to assess how prepared banks are for dealing with financial and economic shocks stemming from climate risk in which ABN AMRO took part. The exercise was aimed at identifying vulnerabilities and industry best practices, and assessed the challenges faced by banks due to increasing climate risks. Even though the exercise was of a regulatory nature, it did not have any capital or SREP implications. The results and lessons learned from the ECB Climate Stress Test are expected to be integrated into a more robust framework to improve methodology, internal scenario development and data collection, and are expected to be used further in ABN AMRO's ICAAP.

On 27 May, the ECB published a working paper proposing an approach to the design of a macroprudential buffer for banks' climate transition risk. The paper proposes a calibration methodology for a macroprudential capital buffer which allows to address the build-up of climate-related systemic risks in the banking sector. The proposed calibration methodology assigns different systemic risk buffer requirements to banks in different buckets, ranging from 0% to 2%, depending on each bank's exposure to the estimated climate risks.

#### *European Commission proposals for reforms to Capital Requirements Regulation and Capital Requirements Directive*

The EU Banking Package 2021 (see above under *Solvency supervision - Basel IV*) includes proposals for banks to systematically identify, disclose and manage sustainability risks (environmental, social and governance or ESG risks) as part of their risk management practices. At present, the EU Banking Package 2021 does not include proposals to adjust banks' capital requirements to account for sustainability risks. In order for the European Commission's proposals to become law, the draft legislation will need to follow the ordinary legislative procedure.

#### *Draft Guidelines on the management of ESG Risks*

On 18 January 2024, the EBA launched a public consultation on draft Guidelines on the management of ESG risks. The guidelines aim to address the EBA's mandate under CRD VI to specify:

- a) minimum standards and reference methodologies for the identification, measurement, management and monitoring of ESG risks (including the incorporation of material effects of ESG risks into institutions' ICAAP and ILAAP under both the economic and regulatory perspectives);
- b) the content of plans to address ESG risk to be prepared by the management; and
- c) qualitative and quantitative criteria for the assessment of the impact of ESG risks on the risk profile and solvency of institutions in the short, medium and long term.

The EBA intends to address a final part of its mandate - specifying criteria for the ESG-related scenarios to be used by institutions for their stress-testing, including the parameters and assumptions to be used, specific risks and time horizons - with a parallel update of its guidelines on institutions' stress testing and/or in the development of any other relevant guidelines. The consultation ran to 18 April 2024 and the EBA aims to finalise the guidelines by the end of 2024.

#### *Sustainable Finance Disclosure Regulation*

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the Sustainable Finance Disclosure Regulation, "**SFDR**") introduces various disclosure related requirements for ABN AMRO at an entity, service and product level. The majority of the new disclosure obligations took effect on 10 March 2021 and the remaining requirements came into effect on 1 January 2023. The SFDR aims to create transparency on the integration of sustainability risks and how adverse sustainability impacts should be taken into account in investment processes, as well as on the provision of sustainability-related information on financial products. The disclosure requirements focus mainly on contractual and website disclosures, and on disclosures in periodic reports and marketing communications.

#### *Developments regarding the Non-Financial Reporting Directive and Corporate Sustainability Reporting Directive*

In 2014, Directive 2014/95/EU on the disclosure of non-financial and diversity information (the Non-Financial Reporting Directive, "**NFRD**") was adopted. The NFRD lays down the rules on disclosure of non-financial and diversity information by large companies such as ABN AMRO. A supplement to the NFRD on the reporting of climate-related information was published in 2019 as part of the European Commission action plan on financing sustainable growth. Recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) also set out requirements on this topic. To be able to report on these matters in its Annual Report, ABN AMRO is robustly embedding climate into its strategy, business model, governance, policies, risk management and key performance indicators.

As noted above, undertakings that are required to publish non-financial information under the NFRD are also required to publicly disclose information regarding their alignment to the EU Taxonomy Regulation in their non-financial information.

On 5 January 2023, the Corporate Sustainability Reporting Directive ("**CSRD**") entered into force, and the first set of European Sustainability Reporting Standards (ESRS) were adopted on 31 July 2023. The CSRD amends the existing reporting requirements of the NFRD and introduces more detailed reporting requirements on a company's risks and opportunities arising from social and environmental issues, as well as on the impact of the company's activities on people and the environment. In addition to the more detailed disclosure requirements, the CSRD requires companies to obtain assurance on the sustainability information they report. The new legislation applies to all large EU companies, certain non-EU companies and certain companies with securities listed in the EU, but application will take place in four stages. The first stage applies to companies already subject to NFRD (i.e. large public-interest companies with more than 500 employees), such as ABN AMRO. This means that ABN AMRO will have to apply the CSRD for the first time in its 2024 annual report.

#### *MiFID II ESG*

Following publication of the European Commission action plan on financing sustainable growth, Commission Delegated Regulation (EU) 2021/1253 of 21 April 2021 introduces amendments to Delegated Regulation (EU) 2017/565 (the MiFID II delegated regulation) to integrate sustainability factors, risk and

preferences into certain organisational requirements and operating conditions for investment firms. Furthermore, Commission Delegated Directive (EU) 2021/1269 of 21 April 2021 introduced amendments to Delegated Directive (EU) 2017/593 (the MiFID II delegated directive) to integrate sustainability factors into the product governance obligations. Commission Delegated Regulation (EU) 2021/1253 entered into force in 2022. Commission Delegated Directive (EU) 2021/1269 has been implemented in Dutch law in 2022.

### *EU Green Bond Regulation*

Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 (the "**EU Green Bond Regulation**") establishing an EU voluntary high-quality standard for European Union green bonds has been published in the Official Journal and will apply from 21 December 2024. The EU Green Bond Regulation introduces requirements for issuers of bonds that wish to use the designation 'European green bond' or 'EuGB' as well as optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds. Requirements for European green bonds amongst others include that proceeds need to be allocated to economic activities for bonds that are aligned with the EU Taxonomy Regulation as well as certain pre- and post-issuance reporting obligations.

### *Pillar 3 ESG Disclosures*

Article 449a CRR requires large institutions with securities traded on a regulated market of any EU Member State to disclose prudential information on environmental, social and governance risks, including physical risks and transition risks, as defined in the report referred to in Article 98(8) CRD. Article 434a CRR mandates the EBA to develop draft implementing technical standards (ITS) specifying uniform formats and associated instructions for the disclosure of this information.

The implementing technical standard (ITS) on Pillar 3 disclosures on ESG risks was adopted by the European Commission in November 2022 with a first reporting date in 2023 (reference date: 31 December 2022). The ESG Pillar 3 requires credit institutions such as ABN AMRO to disclose the following information:

- Climate risks: how climate change may exacerbate other risks within banks' balance sheets;
- Mitigating actions: what mitigating actions banks have in place to address those risks, including financing activities that reduce carbon emissions; and
- Green Asset ratio and Banking Book Taxonomy Alignment ratio: to understand how banks are financing activities that will meet the publicly agreed Paris agreement objectives of climate change mitigation and adaptation based on the EU taxonomy of green activities.

The EBA ESG Pillar 3 requirements features (i) a set of 10 quantitative templates that request banks to disclose climate-related risks and actions to mitigate them, together with exposure to green assets and (ii) qualitative information on their ESG strategies, governance and risk management arrangements with regard to ESG risk. The EBA ESG Pillar 3 requirements will become binding following a phased-in approach, with a transitional period for certain disclosures until 2025 (reference date: 31 December 2024).

### *Corporate Sustainability Due Diligence Directive*

In February 2023, the European Commission published its proposal for a Directive on corporate sustainability due diligence which, if adopted, would require large companies to carry out due diligence to identify and address adverse human rights and environmental impacts of their operations, subsidiaries and value chains, and to produce climate plans. A text was provisionally agreed by the European Parliament and the Council on 14 December 2023 and a subsequent compromise text was endorsed on 15 March 2024. EU and non-EU financial institutions (including banks) conducting enough business to fall within the scope of the CSDDD were only required to conduct due diligence on the upstream elements of their value chain and were exempt from having to ensure that loans or investments are not linked to human rights abuses. Discussions have continued as to the timing and shape of the financial sector's full inclusion in the due diligence obligations. The final text has been approved by the European Parliament on 24 April 2024 and endorsed by the European Council on 23 May 2024. Member States have two years to transpose the CSDDD into national law.

## **Regulation and supervision in The Netherlands**

### ***General***

The Dutch regulatory system applicable to ABN AMRO is a comprehensive system based on the provisions of the Wft which came into effect on 1 January 2007. The Wft sets out rules regarding prudential supervision (by DNB) and supervision of conduct (by the AFM). Prudential supervision focuses on the solidity of financial undertakings and contributes to the stability of the financial sector. Supervision of conduct focuses on orderly and transparent financial market processes, clear relations between market participants and due care in the treatment of clients (including supervision of the securities and investment businesses).

### ***Prudential Supervision***

The ECB is formally the competent authority responsible for the supervision of the Issuer's compliance with the prudential requirements including (i) the own funds requirements, securitisation, large exposure limits, liquidity coverage ratio and net stable funding requirements, the leverage ratio and the supervisory reporting and public disclosure of information on those matters and (ii) the requirement to have in place robust governance arrangements, including the fit and proper requirements for the persons responsible for the management of the Issuer, remuneration policies and practices and effective internal capital adequacy assessment processes (ICAAP), and for the carrying out of supervisory reviews and stress tests to determine whether a sound management and coverage of risks are ensured by the Issuer's arrangements, strategies, processes and mechanisms as well as for the carrying out of supervisory tasks in relation to recovery plans and early intervention. The ECB is also the competent authority to assess notifications of the acquisition of qualifying holdings in banks and to grant a declaration of no objection for such holdings.

### ***Supervision by DNB***

DNB is required to assist the ECB with the preparation and implementation of any acts relating to the supervisory tasks of the ECB and must follow instructions given by the ECB in that respect. In addition, DNB has remained the competent authority in respect of prudential requirements not having a basis in EU law such as the requirements in respect of customer due diligence and the liquidity requirements other than the liquidity coverage ratio and net stable funding requirements provided for by the CRR. DNB has also remained the competent authority under other supervisory laws and regulations relevant to ABN AMRO's business, such as anti-money laundering legislation.

As part of the Supervisory Review and Evaluation Process ("**SREP**") ECB and DNB may perform an analysis of the Issuer's business model and strategy, and form a view on its viability and sustainability. If necessary, they may take measures to address any problems and concerns. Such measures may include the requirement to make changes to the business plan and strategy, or require the Issuer to reduce risks that are inherent in certain products by requiring changes to the offering of these products or improvements of the governance and control arrangements around product development and maintenance. They may also include measures to reduce risks inherent to the Issuer's systems by requiring improvements of its systems or require the Issuer to account for more RWA or raise additional regulatory capital and eligible liabilities for MREL. Such measures may adversely impact the Issuer's capital position, MREL position, business and may force the Issuer to make substantial investments to meet the above requirements.

### ***Dutch Intervention Act***

In anticipation of the European Commission proposal for a crisis management framework, the Dutch Intervention Act entered into force in June 2012 (with retrospective effect to January 2012). The Dutch Intervention Act provides a framework ensuring timely and orderly resolution of financial institutions in the event of serious problems, without the necessity to enter into bankruptcy proceedings. It grants substantial powers to DNB and the Dutch Minister of Finance, enabling them to deal with ailing Dutch banks prior to insolvency.

The national framework for intervention with respect to banks by DNB has been replaced by the law implementing the resolution framework set out in the BRRD (as defined above). However, part of the powers granted to the Dutch Minister of Finance under the Dutch Intervention Act remain. The Dutch Minister of Finance may take measures or expropriate assets and liabilities of, claims against or securities issued by or with the consent of a financial firm (*financiële onderneming*) or its parent, in each case if it

has its corporate seat in The Netherlands, if in the Minister of Finance's opinion the stability of the financial system is in serious and immediate danger as a result of the situation in which the firm finds itself.

#### ***Financial Markets Amendment Act 2024***

A consultation document for the Financial Markets Amendment Act 2024 was published on 29 April 2022. One of the changes relates to the introduction of the obligation for insurers to subject themselves to disciplinary rules (*tuchtrecht*) in order to safeguard, and where necessary to improve, generally accepted standards in the insurance branche. Other changes relate to tightening measures and amendments to the Act on the Supervision of Trust Officer (*Wet toezicht trustkantoren 2018 (Wtt 2018)*), expanding the bonus prohibition in the case of state aid and amendments regarding prudential supervision on insurers in order to enhance the protection of policy holders. It is not clear yet when the Financial Markets Amendment Act 2024 is expected to enter into force.

#### ***Mortgage Lending Rules***

In The Netherlands, additional restrictions apply to the principal residence mortgage loan market for individuals. The maximum loan amount for NHG is currently capped at EUR 435,000. This cap is related to the average value of houses. In addition, the Dutch government has further restricted the maximum permissible amount of a mortgage loan to 100% (or up to 106%, if the amount above 100% is used for sustainability matters) of the value of the property as from 1 January 2018. The lowering of this loan-to-value rate is expected to put further downward pressure on the total outstanding volume of mortgages in The Netherlands which could decrease the size of the Issuer's mortgage portfolio.

In The Netherlands, subject to a number of conditions, mortgage loan interest payments used to be fully deductible from the income of the borrower for income tax purposes. However, as from 1 January 2013, to be eligible for tax deductibility, new mortgage loans must be redeemed fully (100%) during the term of the loan based on an annuity or linear scheme. Existing mortgage loans are not impacted. However, for all mortgage loans, new and existing, the highest tax rate against which the mortgage interest may be deducted for income tax purposes is 36.97% in 2024. Changes to the deductibility of interest payments may, amongst other things, have an effect on house prices, which may result in an increase of defaults, prepayments and repayments of mortgage loans.

#### ***Ban on referral fees***

On 1 January 2013, the Dutch government introduced a ban on referral fees relating to specific complex financial products, such as mortgages, life insurance and pension insurance. The goals are to increase transparency for consumers and ensure that the interests of consumers and their advisors are aligned. Financial advisors are required to provide transparency related to costs, terms of service and relations with relevant third parties and referral fees are prohibited for these products.

A similar ban on referral fees came into effect into effect as of 1 January 2014 in relation to certain investment services, including, but not limited to, (i) individual portfolio management, (ii) investment advice and (iii) execution-only services, all in relation to financial instruments. The prohibition affects for instance inducement fees which used to be paid by investment funds to distributors. Under the new rules, only the client itself is allowed to pay commissions to the investment services provider. ABN AMRO has in response introduced new investment products in The Netherlands, which include advisory fees for investment advisory services and fees for execution only services. As of 1 January 2014, all clients who use these services must pay these fees. As of 1 January 2014, the majority of the funds held in discretionary portfolio management do not involve inducements or distribution fees. For the remaining minority of clients (primarily where clients wish to continue their investments in particular funds), ABN AMRO passes on amounts received to the individual clients.

#### ***Remuneration restriction, ban on bonuses***

The Dutch government introduced rules in 2012 restricting the payment of bonuses by financial institutions that receive State support. The rules target both companies that will receive state support in the future as well as companies that have received state support in the past. The rules include a ban on performance-related variable remuneration (i.e. bonuses) as well as restrictions on other parts of the remuneration paid to managing directors and/or to persons determining the day-to-day policy of the financial institution. The rules also apply to institutions that do not receive state aid directly but are part of a state-aided group.



### ***Conduct of business supervision***

The Wft provides a comprehensive framework for the conduct of securities trading in or from The Netherlands. The body responsible for carrying out conduct of business supervision in The Netherlands is the AFM.

Conduct-of-business supervision focuses on ensuring orderly and transparent financial market processes, proper relationships between market participants and the exercise of due care by financial undertakings in dealing with clients.

### ***Dutch bank tax***

As of 1 October 2012, the Dutch government introduced a bank tax (*bankenbelasting*) for all entities that are authorised to conduct banking activities in The Netherlands. The tax is based on the amount of the total liabilities on the balance sheet of the relevant bank as at the end of such bank's preceding financial year, with exemptions for equity, for deposits that are covered by the Deposit Guarantee Scheme and for certain liabilities relating to the insurance business. For 2024 the levy on short-term funding liabilities is 0.058% and the levy on long-term funding liabilities is 0.029%.

Due to the introduction of the bank tax, ABN AMRO incurred a EUR 97 million surcharge in 2022 and a EUR 95 million surcharge in 2023, increasing expenses and the cost/income ratio. This measure will lead to costs in subsequent years.

### **Regulation in the rest of the world**

ABN AMRO's operations elsewhere in the world are subject to regulation and control by local supervisory authorities, and its offices, branches and subsidiaries in such jurisdictions are subject to certain reserve, reporting and control and other requirements imposed by the relevant central banks and regulatory authorities.

### ***Dodd-Frank Act***

The Dodd-Frank Act covers a broad spectrum of issues ranging from systemic supervision and enhanced prudential standards, to changes in the regulation of investment advisers and OTC derivatives markets, to measures aimed at improving consumer protection. Most of the impact on ABN AMRO's businesses results from the rules on OTC derivatives that are primarily used in the Markets business. For example, various provisions, such as mandatory clearing of swaps, trade execution through swap execution facilities, reporting of OTC derivatives, and mandatory margining of uncleared OTC derivatives, apply to the Issuer when transacting with U.S. persons (or in the case of mandatory margining requirements, U.S. persons that are registered swap dealers or security-based swap dealers). Other provisions apply only if ABN AMRO is required to register as a swap or security-based swap entity with the applicable U.S. regulator.

The U.S. Commodity Futures Exchange Commission ("**CFTC**") and the SEC are required under the Dodd-Frank Act to issue regulations to implement the OTC derivatives provisions of the Dodd-Frank Act, including regulations relating to the supervision and regulation of swap dealers and major swap participants. At this point, most of these regulations have been finalised and implemented. Based on its current activity in U.S.-regulated derivatives markets, ABN AMRO has not registered as a swap dealer with the CFTC or as a security-based swap dealer with the SEC. ABN AMRO is monitoring legal developments and U.S. OTC derivatives volumes to determine whether it needs to register with either the CFTC as a swap dealer or the SEC as a security-based swap dealer.

### ***FATCA***

FATCA was enacted by U.S. authorities in March 2010. The objective of FATCA is to increase the ability to detect U.S. persons evading tax by holding accounts with non-U.S. (foreign) financial institutions ("**FFI**"). Based on sections 1471-1474 of the Code and Treasury Regulations thereunder, FATCA imposes a 30% withholding tax on U.S. source payments to an FFI, unless the FFI either concludes an agreement with the United States Internal Revenue Service (the "**IRS**"), under which an FFI agrees to comply with certain reporting, client due diligence and withholding requirements (an "**FFI Agreement**") or is based in certain so-called IGA jurisdictions, where the local government has concluded an inter-governmental agreement with the U.S. to facilitate the implementation of FATCA (an "**IGA**"). On 18 December 2013,

the U.S. and The Netherlands entered into an IGA. All jurisdictions in which the Issuer operates have substantially concluded an IGA with the U.S.

ABN AMRO intends to remain FATCA compliant, and expects FATCA to continue having an impact on client on-boarding processes, client administration and reporting systems. In addition, clients may receive requests to provide additional or updated information and documentation.

### ***Information exchange and reporting***

There are various international and EU initiatives on automatic exchange of information for tax purposes (such as the OECD Common Reporting Standard and the amended EU Directive on Administrative Cooperation). These initiatives call on jurisdictions to obtain information from financial institutions such as ABN AMRO. The information so obtained will be automatically exchanged with other jurisdictions. These initiatives have had and will continue to have considerable impact on client on-boarding and administrative processes of ABN AMRO. Increasingly, countries in which ABN AMRO operates request ABN AMRO to report information in greater detail than had been required, including information related to deposits held, and dividends and interests received, by clients. The manner and detail of reporting requirements differs from country to country. Accordingly, an increasing number of requests are made to ABN AMRO and entering into relationships with new clients is becoming more complex. Therefore, ABN AMRO may be required to make significant investments in money and time in order to be able to continue to operate in all countries where it operates.

### ***Sanctions***

Sanctions are political instruments in the foreign and security policy of countries and international organisations (such as the United Nations and EU). Sanctions regimes imposed by governments, including those imposed by the European Union, US, including the Office of Foreign Assets Control, or other countries or international bodies prohibit ABN AMRO and its clients from engaging in trade or financial transactions with certain countries, businesses, organizations and individuals. These legislative, regulatory and other measures include anti-terrorism measures, international sanctions, blockades, embargoes, blacklists and boycotts imposed by, amongst others, the EU, the United States and the United Kingdom, but also by individual countries. Violation of sanction regimes may have material implications such as criminal penalties, administrative fines and the prohibition to do business in the country that proclaimed the sanctions.

See also, *inter alia*, the following risk factors which describe the different regulatory risks the Issuer is subject to: "24. *The regulatory environment to which the Issuer is subject is complex and gives rise to significant legal and financial compliance costs and management time, and non-compliance could result in monetary and reputational damages, all of which could have an adverse effect on the Issuer's business, financial position and results of operations*", "27. *The financial services industry is subject to intensive and complex regulations. Major changes in laws and regulations as well as enforcement action could adversely affect the Issuer's business, financial position and results of operations*", "12. *As a result of capital and/or liquidity requirements, the Issuer may not be able to manage its capital and liquidity effectively, which may adversely affect its business performance*", "30. *Resolution regimes may lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding*" and "31. *The Issuer is subject to stress tests and other regulatory enquiries, the outcome which could materially and adversely affect the Issuer's reputation, financing costs and trigger enforcement action by supervisory authorities. Stress tests could also bring to the surface information which may result in additional regulatory requirements or measures being imposed or taken which could have a material adverse effect on the Issuer's business, results of operations, profitability or reputation.*".

## **6.4 Legal and arbitration proceedings**

ABN AMRO is involved in a number of governmental, legal and arbitration proceedings in the ordinary course of its business in a number of jurisdictions, including those set out in this section. Save as set out below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which ABN AMRO or the Issuer is aware) during the 12 months preceding the date of this Registration Document which may have, or have had in the recent past, significant effects on the financial position or profitability of ABN AMRO, the Issuer and/or its subsidiaries.

### ***Madoff fraud***

ABN AMRO, certain of its subsidiaries and some of their client funds had exposure to funds that suffered losses (in some cases, significant losses) as a result of the Madoff fraud. The provision of custodial services resulted in several legal claims, including by the Bernard L. Madoff Investment Securities trustee in bankruptcy (Irving Picard) and the liquidators of certain funds, who are pursuing legal action in an attempt to recover payments made as a result of the fraud and/or to compensate their alleged losses. ABN AMRO and certain ABN AMRO subsidiaries are defendants in these proceedings. Even though these proceedings have been ongoing for several years, they are still in a preliminary stage. Hence, it is not possible to estimate the total amount of ABN AMRO's potential liability, if any.

### ***Adjustment of margin charge on mortgage loans with floating interest rates***

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. At 31 December 2023 a provision is in place for expected remaining cash outflows.

### ***Variable interest rate complaints 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 the third quarter 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 291 million of this provision has been used, while the remaining provision as at 31 December 2023 was EUR 229 million.

It is unclear what the exact scope and application of the Kifid ruling is and whether the ruling will have a certain knock on 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.

### ***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. ABN AMRO has refuted the allegations of the claim foundation.

On 14 May 2024, ABN AMRO received a writ of summons to commence a collective action. The writ of summons does not specify a substantiated amount of damages claimed. ABN AMRO continues to refute

the allegations of the claim foundation and a provision has not been recognized for this matter. However, if the court proceedings result in liability of ABN AMRO, this could have a significant adverse effect on the financial position and results of operations of ABN AMRO.

### ***Imtech***

The Imtech Group was declared bankrupt in August 2015. ABN AMRO was one of the banks that extended financing to this group and participated in the second rights offering of October 2014. By letter of 20 January 2018, Stichting Imtechclaim and Imtech Shareholders Action Group B.V. held ING, Rabobank, Commerzbank and ABN AMRO liable for alleged misstatements in the prospectuses and for alleged *actio pauliana* (fraudulent preference). By letters dated 28 March 2018 and 10 June 2022, the Vereniging van Effectenbezitters ("**VEB**") held parties, including ABN AMRO, liable for damage allegedly suffered by the Imtech investors. On 10 August 2018, ABN AMRO received formal notification from Imtech's trustees that they were seeking to nullify a large number of transactions and claim various damages. The letter aimed to interrupt limitation periods in view of the possible claims against a group of financiers of Imtech, including ABN AMRO. On 23 October 2023, Imtech's trustees and the group of financiers reached a settlement. The settlement entails a payment of approximately EUR 25 million by the financiers of Imtech to the bankruptcy estate of Imtech, and the withdrawal of the claims of the trustees. The settlement agreement has been entered into without acknowledging any liability. The bankruptcy court judges appointed in the Imtech bankruptcy have approved the settlement. On 12 March 2024, the trustees and VEB have reached settlements with the former directors and supervisory board members, their insurers and with KPMG, Imtech's accountant. Part of the settlement agreements between the trustees and the VEB is a release from the VEB from its claims based on prospectus liability, including its claims against the underwriting banks (including ABN AMRO).

### ***Eurostar Diamond Traders***

On 18 October 2018, Eurostar Diamond Traders N.V. ("**EDT**") filed a civil law complaint against ABN AMRO in the Antwerp Court, claiming a provisional amount of EUR 673 million. The amount claimed included an unsubstantiated claim for damages of EUR 600 million on the ground that ABN AMRO and Standard Chartered Bank allegedly deliberately caused EDT's demise. Damages of USD 73 million were also claimed for the alleged sale of unsuitable derivatives. EDT and Eurostar Diamond Traders International N.V., EDT's parent company, were both declared bankrupt in a final decision in 2020. EDT's trustees have continued the proceedings against ABN AMRO but have dropped material parts of the original claims and have lowered the claim amount to a provisional amount of EUR 1. The former directors of EDT do not agree with this. In a recent judgement of the District Court of Antwerp, the claims of the trustees and the former directors have been dismissed. The former directors of EDT have appealed the judgement in the first instance. The trustees did not file an appeal. A hearing is scheduled for September 2024.

### ***Cum/ex transactions 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, or may initiate in the future, civil law claims against ABN AMRO with respect to cum/cum securities lending transactions (some of which are pending before German courts), arguing, amongst other things, 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 anti-money laundering activities***

In April 2021, ABN AMRO accepted a settlement with the NPPS for shortcomings in the Issuer's AML activities. During the investigation, the NPPS found serious shortcomings in ABN AMRO processes to combat money laundering, such as the client acceptance, transaction monitoring and client exit processes, in The Netherlands in the period from 2014-2020. As a result, in certain instances, clients were able to abuse ABN AMRO accounts. As part of the AML settlement, the Issuer agreed to pay EUR 480 million. Please see the settlement agreement and the statement of facts and conclusions of the NPPS for more information in the section entitled "*Documents Incorporated by Reference*". ABN AMRO was informed that an individual filed a complaint against the AML settlement between the NPPS and ABN AMRO and that the complaint has been denied by the court of appeals in The Netherlands.

In response to the shortcomings discussed above and in order to address increasingly strict regulations and continuously evolving forms of financial crime, ABN AMRO decided to centralise the execution of all AML activities in October of 2018, bolstering AML capabilities and enabling further specialisation and knowledge sharing across the bank. ABN AMRO set up a bank-wide AML programme and made substantial additional resources available for investments in staff, systems and processes. This remediation programme has been coordinated with the Dutch Central Bank, which is closely monitoring progress. ABN AMRO is currently validating the AML client file remediation while also continuing to increase the effectiveness of its measures and to achieve an adequate and sustainable level that meets regulatory requirements. See also the risk factor "25. *The rules on anti-money-laundering, anti-bribery, tax, anti-corruption and international sanctions are complex and failure to comply could lead to fines or harm the Issuer's reputation and could disrupt the Issuer's business and result in a material adverse effect on the Issuer's business, financial position and results of operations.*".

#### ***Netherlands Public Prosecution Service investigation into Dutch tax matter***

The 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.

#### ***Discussion with regulator on regulatory levies***

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

The SRB calculates the SRF contribution based on the information provided annually by the credit institutions within the European Banking Union in scope of SRF. The SRB is of the opinion that ABN AMRO incorrectly reported variables to calculate the annual SRF contribution 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 SRB and ABN AMRO have different points of view on the interpretation of the regulation with regard to the annual SRF contribution.

On 11 May 2023, ABN AMRO received the final decision from the SRB regarding the ex-ante contributions to the SRF. In its final decision, the SRB reiterated its arguments and did not agree with ABN AMRO's position. The SRB has recalculated the contribution of AAHG over the years 2016 - 2022, resulting in the invoice for the year 2023 amounting to EUR 177 million. This amount consists of both the contribution for the year 2023 (approximately EUR 57 million) and the amount AAHG is required to pay in additional contributions 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 Dutch legislation, which requires the SRF contribution for 2023 to be paid within six weeks after the notification of the final decision (under penalty of fines), AAHG paid, under protest, the SRF contribution for 2023 to the SRB on 22 June 2023.

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, the SRB filed a 'preliminary objection' with the court in which the SRB asserted the inadmissibility of the appeal of AAHG and ABN AMRO. AAHG and ABN AMRO filed a response to this initial defence of the SRB on 23 January 2024. The court decided that the assessment of the initial defence will be suspended until after the assessment of the proceedings on the merits. The SRB filed a response to the petition of AAHG and ABN AMRO on 21 May 2024. The court is now to decide how to proceed with the case.

The outcome of AAHG's and ABN AMRO's 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 its challenge will be successful. Therefore, no provision has been recognised.

#### ***Claims by BGL BNP Paribas***

In February 2018, ABN AMRO sold its Luxembourg subsidiary to BGL BNP Paribas ("**BGL**"). On 31 May 2021, BGL, as the legal successor of the Luxembourg subsidiary, was sued by an alternative investment fund ("**AIF SIF**"). AIF SIF was originally a client of the subsidiary, which acted as its depositary bank. This deposit agreement was later terminated by BGL. 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), by not issuing a confirmation letter in the context of the audit for the financial year ending on 31 December 2018. BGL did not issue the confirmation letter, because AIF SIF did not provide the required information and documentation. This prevented AIF SIF from contracting a depositary agreement with a different depositary bank following the termination of the depositary agreement by BGL. 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. Prior to the sale of the Luxembourg subsidiary, the subsidiary did issue a confirmation letter to AIF SIF in the context of the audit for the financial year ending on 31 December 2016. In brief, BGL is of the opinion that the subsidiary should not have issued this confirmation letter in the context of the audit for the financial year ending on 31 December 2016, because AIF SIF did not provide the required information and documentation. BGL alleges that ABN AMRO fraudulently concealed these alleged deficiencies and thus incurs liability on the basis of the Luxembourg Civil Code and the relevant share purchase agreement. As a result, BGL is claiming that any verdict against it in the proceedings against the fund should be borne by ABN AMRO. ABN AMRO sent BGL a letter in September 2021 rejecting the alleged claim by 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.

## **6.5 Material Agreements**

The following agreement has been entered into by ABN AMRO other than in the ordinary course of business and is material to ABN AMRO's business operations as of the date of this Registration Document.

### ***Kyndryl Global Master Services Agreement***

On August 31, 2005, ABN AMRO Bank entered into a Global Master Services Agreement ("**GMSA**") with International Business Machines Corporation ("**IBM**") whereby ABN AMRO Bank outsourced the operational part of its core information and communication technology to IBM. In 2010, this global outsource agreement was renewed, integrating the joint IT services requirements of both ABN AMRO and Fortis Bank Nederland (Holding) N.V. As of 1 January 2015, ABN AMRO Bank and IBM renewed the GMSA for another 10 years, resulting in a restructuring of the services and a rationalisation of the cost base. The GMSA provides for a phased reduction of the annual charges. IBM agreed to this, subject to ABN AMRO Bank staying within agreed volume boundaries. Changes requested by ABN AMRO Bank may have an impact on the reduction of the charges. The parties may, on request of ABN AMRO Bank, enter into negotiations on a possible extension of the GMSA upon expiry. ABN AMRO Bank also has the right to unilaterally extend the GMSA for a period of one year. In November 2021, IBM announced that it completed the separation of its managed infrastructure services business, after which Kyndryl Nederland B.V. ("**Kyndryl**") became ABN AMRO Bank's counterparty under the GMSA.

The services that Kyndryl delivers are of vital importance to the products ABN AMRO Bank delivers to its clients, both in The Netherlands and internationally. The IT landscape includes all IT related hardware, software, processes and professionals necessary for ABN AMRO Bank to deliver its services to its clients. Kyndryl's services can be divided into four areas: (1) data centre services, (2) end user services, (3) service management integration, and (4) related project services.

## **6.6 Recent developments**

### ***Acquisition of Hauck Aufhäuser Lampe ("HAL")***

On 28 May 2024, ABN AMRO announced that it has agreed to purchase HAL from Fosun International for a consideration based on HAL's shareholders equity as of the closing date. ABN AMRO will pay EUR 672 million at closing, which will be adjusted after closing based on audited financial statements. With the acquisition of HAL, Bethmann Bank – ABN AMRO's private banking arm in Germany – will become one of the largest providers of banking services for wealthy private clients, family businesses and institutional clients in Germany with combined Assets under Management of around EUR 70 billion. The acquisition of HAL is expected to contribute around EUR 26 billion in Assets under Management and EUR 2 billion in loans. Based on the capital position as reported in Q1 2024, the overall impact of the acquisition on ABN AMRO's CET1 ratio is expected to be approximately 45 bps based on Q1 2024 results and following carve-out of the fund administration business. The transaction remains subject to relevant regulatory approvals and is expected to complete in Q1 2025.

### ***Sale of Neuflyze Vie***

On 17 May 2024, ABN AMRO announced that it, through its French private bank branch Neuflyze OBC, has entered into exclusive negotiations with BNP Paribas Cardif to form a strategic partnership in life

insurance in France. This partnership will lead to a distribution agreement and the sale of all shares in Neuflyze Vie to BNP Paribas Cardif, the insurance subsidiary of the BNP Paribas Group. The transaction would be subject to the approval of the competent regulatory and competition authorities as well as to applicable procedures concerning the employees involved.

### ***ABN AMRO EUR 500 million share buyback programme***

On 14 February 2024, ABN AMRO announced the start of a share buyback programme under which it plans to repurchase depositary receipts and ordinary shares of ABN AMRO Bank N.V. for a maximum total value of EUR 500 million and for a number of shares not exceeding the authority granted by the general meeting of shareholders on 19 April 2023 (10% of the issued shares). The share buyback programme commenced on 15 February 2024 and was completed on 6 May 2024. NLFI as shareholder participated on a pro-rata basis in accordance with its intended state of 40% in ABN AMRO as announced on 30 November 2023 (see Chapter 6.7.2. ("*Control*") below).

### ***Trading plan NLFI***

On 30 November 2023, NLFI announced its intention to sell depositary receipts for shares in ABN AMRO through a pre-arranged trading plan. The maximum number of depositary receipts that can be sold over the duration of the trading plan would reduce NLFI's stake in ABN AMRO from 49.5% to approximately 40%. The Relationship Agreement entitles NLFI to sell any number of depositary receipts, whether or not in the open market, in accordance with the orderly market arrangements as set out in the Relationship Agreement.

## **6.7 Shareholder and Control**

### **6.7.1 Shareholder**

On the date of this Registration Document, all shares in the capital of ABN AMRO Bank are held by two foundations: NLFI and Stichting Administratiekantoor Continuïteit ABN AMRO Bank ("**STAK AAB**"). Both foundations have issued depositary receipts for shares in ABN AMRO Bank. Only STAK AAB's depositary receipts are issued with the cooperation of ABN AMRO Bank and traded on Euronext Amsterdam.

As per 31 December 2023, STAK AAB held 53.4% of the shares in the issued capital of ABN AMRO Bank. The Dutch State holds an interest in ABN AMRO Bank through NLFI. As per 31 December 2023, NLFI held a stake of 48.7% in ABN AMRO Bank, of which 46.6% was directly held via ordinary shares and 2.1% was indirectly held via depositary receipts issued by STAK AAB. NLFI has waived, in its capacity of holder of depositary receipts issued by STAK AAB only, for as long as NLFI holds the depositary receipts, any meeting and voting rights attached to the depositary receipts other than the right to vote on the underlying shares of the depositary receipts held by NLFI in the shareholders meeting of ABN AMRO Bank in accordance with the general terms of administration (*administratievoorwaarden*) of STAK AAB. On 30 November 2023, NLFI announced its intention to sell depositary receipts for shares in ABN AMRO through a pre-arranged trading plan. The maximum number of depositary receipts that can be sold over the duration of the trading plan would reduce NLFI's stake in ABN AMRO to approximately 40%.

Material or principal decisions of NLFI require the prior approval of the Dutch Minister of Finance, who can also give binding voting instructions with respect to such decisions. NLFI is not permitted to dispose of or encumber the shares, except pursuant to an authorization from and on behalf of the Dutch Minister of Finance.

NLFI entered into a relationship agreement with the former ABN AMRO Group with respect to their mutual relationship after the IPO (the "**Relationship Agreement**"). Upon the IPO, the Relationship Agreement replaced an earlier memorandum of understanding between NLFI and the former ABN AMRO Group. In view of the Group Legal Merger, the Relationship Agreement was amended by NLFI and ABN AMRO Bank (as legal successor of ABN AMRO Group) with effect from 29 June 2019. The Relationship Agreement will terminate if and when NLFI (directly or indirectly) holds less than 10% of ABN AMRO Bank's (as legal successor of ABN AMRO Group after the Group Legal Merger) issued share capital, except for a limited number of clauses, which will not terminate under any circumstances.

STAK AAB is independent from ABN AMRO and is a holder of shares in ABN AMRO Bank's issued share capital. STAK AAB has acquired such shares for the purpose of administration (*ten titel van beheer*) in exchange for depositary receipts. This structure can serve as a defence measure. The STAK AAB also



aims to promote the exchange of information between ABN AMRO Bank on the one hand and holders of depositary receipts and shareholders on the other hand, for example, by organising a meeting of depositary receipt holders prior to ABN AMRO Bank's General Meeting. STAK AAB will also report on its activities periodically, at least once a year. This report was published by STAK AAB for the first time in 2016. In addition, further sell-downs of NLFI's shareholding in ABN AMRO Bank will take place through STAK AAB (and in the form of depositary receipts).

## 6.7.2 Control

Until 29 September 2011, the Dutch State had direct control over ABN AMRO. On 29 September 2011, all shares in the capital of ABN AMRO Group (as legal predecessor of ABN AMRO Bank N.V. prior to the Group Legal Merger) held by the Dutch State were transferred to NLFI, as described above. The Dutch State is not involved in the day-to-day management of ABN AMRO.

The depositary receipts for the shares in the capital of ABN AMRO Group (as legal predecessor of ABN AMRO Bank N.V. prior to the Group Legal Merger) have been issued without its cooperation. As a matter of Dutch law, the Dutch State, as the holder of the depositary receipts, will not have certain statutory rights applicable had the depositary receipts been issued with the cooperation of ABN AMRO Group (as legal predecessor of ABN AMRO Bank N.V. prior to the Group Legal Merger), including the general right to attend and speak at shareholders' meetings. This is in keeping with the intended commercial, non-political management of the shares. The general terms of administration (*administratievoorwaarden*) provide for the exchangeability of the depositary receipts into ordinary shares in anticipation of the exit of the Dutch States as a shareholder of ABN AMRO Group (or ABN AMRO Bank as its legal successor after the Group Legal Merger).

In August 2013, the Dutch Minister of Finance sent a letter to Parliament, stating, amongst others that an IPO was the most realistic exit strategy for ABN AMRO and that the final decision would depend on four prerequisites: (a) stability of the financial sector, (b) readiness of the market, (c) readiness of ABN AMRO and (d) the intention to recover as much as possible of the total investments of the Dutch State. On 1 July 2015 Dutch Parliament approved the Dutch Government's decision to return ABN AMRO to the private market. On 20 November 2015 the former ABN AMRO Group was listed and trading in the depositary receipts for ordinary shares commenced.

On 17 November 2016, NLFI, on behalf of the Dutch state, agreed to sell additional depositary receipts representing shares in the former ABN AMRO Group. Following the settlement, the stake of NLFI declined from 77% to 70%.

On 28 June 2017, NLFI, on behalf of the Dutch state, agreed to sell additional depositary receipts representing shares in the former ABN AMRO Group. Following the settlement, the stake of NLFI declined from 70% to 63%.

On 15 September 2017, additional depositary receipts representing ordinary shares in the former ABN AMRO Group were sold. Following the settlement, the stake of the Dutch State further declined from 63% to 56%.

On 21 December 2017, NLFI announced that it has transferred approximately 59.7 million ordinary shares in the former ABN AMRO Group to STAK AAG in exchange for an equal amount of depositary receipts for ordinary shares in ABN AMRO. As a result of the transfer, NLFI continues to hold a stake of 56.3% in the former ABN AMRO Group, of which 49.9% is directly held via ordinary shares and 6.4% indirectly via depositary receipts issued by STAK AAG. The remaining 43.7% is held by institutional and retail investors in the form of depositary receipts.

On 29 June 2019, the Group Legal Merger between ABN AMRO Bank and ABN AMRO Group became effective. As a result, all shares in ABN AMRO Group became shares in ABN AMRO Bank and each depositary receipt subsequently represents one share in ABN AMRO Bank.

The Minister of Finance remains responsible for selling the shares held by NLFI. NLFI's objects therefore exclude disposing of and encumbering the shares, except pursuant to authorization from the Minister of Finance. One of NLFI's objects is to advise the Minister of Finance on the Dutch State's sale of the shares.

In addition, pursuant to the articles of association of NLFI, the Minister of Finance establishes the conditions for administration and custody of the shares. Any principal and material decisions of NLFI

require the prior approval of the Minister of Finance. The Minister of Finance is able to provide binding voting instructions with respect to material and principal decisions.

NLFI, as a majority shareholder, has participated in the EUR 500 million share buyback programme which completed on 12 May 2022 on a pro-rata basis and maintained its holding at 56.3%.

NLFI, as a majority shareholder, has participated in the EUR 500 million share buyback programme which completed on 11 April 2023 on a pro-rata basis and maintained its holding at 56.3%.

On 10 February 2023, NLFI announced its intention to sell depositary receipts for shares in ABN AMRO through a pre-arranged trading plan, which trading plan terminated on 9 October 2023. The number of depositary receipts sold over the duration of the trading plan reduced NLFI's stake in ABN AMRO to 49.5%. The Relationship Agreement entitles NLFI to sell any number of depositary receipts, whether or not in the open market, in accordance with the orderly market arrangements as set out in the Relationship Agreement.

On 30 November 2023, NLFI announced its intention to sell depositary receipts for shares in ABN AMRO through a further pre-arranged trading plan. The maximum number of depositary receipts that can be sold over the duration of the trading plan would reduce NLFI's stake in ABN AMRO from 49.5% to approximately 40%.

## 6.8 Management and Governance

ABN AMRO Bank is a public company with limited liability incorporated on 9 April 2009 under the laws of The Netherlands. The company has a two-tier board governance consisting of a Supervisory Board and an Executive Board.

### 6.8.1 Supervisory Board of ABN AMRO Bank

#### *Responsibilities of the Supervisory Board*

ABN AMRO's supervisory board (the "**Supervisory Board**") supervises ABN AMRO's executive board (the "**Executive Board**"), as well as ABN AMRO's general course of affairs and its business. In addition, it is charged with assisting and advising management. In performing their duties, the members of the Supervisory Board are guided by the interests and continuity of ABN AMRO and its enterprise and take into account the relevant interests of ABN AMRO's stakeholders. Specific powers are vested with the Supervisory Board, including the approval of certain resolutions of the Executive Board.

In accordance with the best practice provisions of the Dutch Corporate Governance Code, Supervisory Board members at ABN AMRO are appointed for a maximum of three four-year terms. The current tenures of the members of the Supervisory Board will terminate in accordance with the retirement and reappointment schedule prepared by the Board.

#### **Composition of the Supervisory Board**

The following persons are appointed as members of the Supervisory Board (an overview indication of their principal activities outside of ABN AMRO is included)<sup>1</sup>:

<b>Name</b>	<b>Appointment date</b>	<b>Positions held</b>	<b>Principal affiliations outside ABN AMRO which are significant with respect to ABN AMRO</b>
Tom de Swaan <i>Chairman</i>	12 July 2018 and reappointed on 20 April 2022	<i>Last executive position:</i> Chief Executive Officer ad interim Zurich Insurance Group. Ltd	<i>Supervisory positions:</i> Member of the Supervisory Board of the Holland Festival Foundation (Netherlands)  <i>Other positions:</i>

<sup>1</sup> Except for their principal functions in ABN AMRO or its subsidiaries, directors' other functions within ABN AMRO or its subsidiaries have not been included.

			<p>Chairman of the Board of the National Opera &amp; Ballet Fund Foundation (Netherlands)  Member of the International Advisory Board of Akbank;  Chairman of the Management Board of the Foundation Funds Netherlands Cancer Institute;  Member of the Advisory Board of the Stichting tot Instandhouding van de Diergaarde van het Koninklijk Zoölogisch Genootschap Natura Artis Magistra;  Board member of Stichting Liszt Concours (The Netherlands);  Member of the Board of The International Centre for Missing &amp; Exploited Children;  Chair of the Board of the Liberal Jewish Community of Amsterdam;  Member of the Board of Stichting Gan Hasjalom;  Member of the Committee of Recommendation of Stichting Het Stenen Archief</p>
Arjen Dorland	18 May 2016 and reappointed on 24 April 2024	<p><i>Last executive position:</i>  Executive Vice President of Technical and Competitive IT, Royal Dutch Shell</p>	<p><i>Supervisory positions:</i>  Chairman of the combined Supervisory Council of Stichting Naturalis Biodiversity Center and Stichting Japanmuseum Sieboldhuis;  Vice-Chairman of the Supervisory Board of Essent N.V.;  Chairman of the Supervisory Council of Haaglanden Medisch Centrum;  Member of the Supervisory Board of Bovemij N.V. and N.V. Schadeverzekering-Maatschappij Bovemij</p>
Michiel Lap	24 April 2019 and reappointed on 19 April 2023	<p><i>Last executive position:</i>  Partner and Head of Northwest Europe, Goldman Sachs</p>	<p><i>Supervisory positions:</i>  Vice-Chairman and member of the Supervisory Board of Arcadis N.V.;  Non-executive member of the Board of Rijn Capital B.V.;  Member of Supervisory Board Stichting Het Nederlands Kanker Instituut-Antoni van Leeuwenhoek Ziekenhuis</p> <p><i>Supervisory positions:</i></p>

Laetitia Griffith	17 December 2019 and reappointed on 24 April 2024	<i>Last executive position:</i> Member of Parliament, House of Representatives of The Netherlands	<p>Member of the Supervisory Board of Benno Leeser Holding B.V.;</p> <p>Chair of the Supervisory Board of The Dutch Film Fund;</p> <p>Member of the Supervisory Board of TenneT TSO GmbH;</p> <p>Member of the Supervisory Board of Coca-Cola Europacific Partners Nederland B.V.;</p> <p>Chair of the Supervisory Board of Stichting Metropole Orkest;</p> <p>Chair of the Supervisory Council of Stichting Save the Children Nederland;</p> <p>Member of the Supervisory Council of the Kadaster</p> <p><i>Other positions:</i></p> <p>Chair of the Board of Stichting Nederlandse Vioolconcoursen;</p> <p>Member of the Board of Stichting Assurances KLM;</p> <p>Member of the Electoral Council (<i>Kiesraad</i>);</p> <p>Member of the Board of Koninklijke Verzamelingen</p>
Mariken Tannemaat	15 December 2020	<i>Last executive position:</i> Chief Innovation Officer at Robeco N.V.	<p><i>Supervisory positions:</i></p> <p>Vice-Chair of the Supervisory Board of CM.com N.V.;</p> <p>Member of the Supervisory Board of CM Payments B.V.;</p> <p>Member of the Supervisory Board of VLC &amp; Partners B.V.;</p> <p>Non-executive director of Prudential Assurance Company Limited;</p> <p>Non-executive director of Investment Funds Direct Limited</p> <p><i>Other positions:</i></p> <p>Advisor to the Board of Erasmus Enterprise B.V.</p>
Sarah Russell	20 April 2022	<i>Last executive position:</i> Chief Executive Officer of Aegon Asset Management and member of the management board of Aegon N.V.	<p><i>Supervisory positions:</i></p> <p>Member of the Supervisory Board of APG Groep N.V.;</p> <p>Member of the Supervisory Board of APG Asset Management N.V.;</p> <p>Member of the Supervisory Board of The Currency Exchange Fund N.V.</p>

Femke de Vries	29 June 2023	<i>Last executive position:</i> Managing Partner at &samhoud consultancy	<i>Supervisory positions:</i> Member of the Supervisory Board of BNG Bank N.V.  <i>Other positions:</i> Chair of the Advisory Board of Authority for Nuclear Safety and Radiation Protection; Member of the Advisory Board of Human Environment and Transport Inspectorate (ILT); Professor by special appointment in Supervision of the University of Groningen; Regular author of expert contribution to the Dutch financial daily gazette ( <i>Financieele Dagblad</i> ); Independent consultant
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On 24 April 2024, ABN AMRO held the annual general meeting which approved the re-appointment of Laetitia Griffith and Arjen Dorland as members of the Supervisory Board of ABN AMRO for a period of four years.

#### ***Activities of the Supervisory Board***

The Supervisory Board of ABN AMRO has five committees:

##### *Audit Committee*

The Audit Committee is responsible for the direct supervision of all matters relating to financial and sustainability reporting and controlling. In doing so, it is responsible for supervising (and advising the complete Supervisory Board on) , among other things, (i) matters concerning accounting policies, (ii) internal control, financial and sustainability reporting functions, (iii) internal and external audit, (iv) risk assessment of issues that can influence financial and sustainability reporting and (v) relevant regulatory compliance. The Audit Committee consists of Sarah Russell (Chair), Arjen Dorland and Michiel Lap.

##### *Risk & Capital Committee*

The Risk & Capital Committee is responsible for supervising (and advising the complete Supervisory Board on), among other things, (i) risk management and risk control, (ii) compliance, (iii) capital allocation and liquidity requirements, (iv) the bank's risk appetite, (v) regulatory compliance (including codes of conduct and internal procedures), (vi) risk awareness within the bank, (vii) the integration of sustainability risks, climate related risk and environmental risk in the risk management framework, (viii) sound remuneration policies and practices in light of risk, capital, liquidity and expected earnings, (ix) proposing corrective and/or disciplinary measures against members of the Executive Board in the event of breach of applicable laws and regulations, and (x) periodic review of the Bank's actual risk profile. The Risk & Capital Committee consists of Sarah Russell, Mariken Tannemaat and Femke de Vries.

##### *Remuneration Committee*

The Remuneration Committee is responsible for supervising (and advising the complete Supervisory Board on), amongst other things, (i) remuneration policies and their execution for members of the Executive Board, the Supervisory Board and selected members of senior management and (ii) reporting on the execution of ABN AMRO's remuneration policies in a remuneration report. The committee is composed of Arjen Dorland (Chair), Laetitia Griffith, Tom de Swaan and Mariken Tannemaat.

##### *Selection & Nomination Committee*

The Selection & Nomination Committee is responsible for supervising (and advising the complete Supervisory Board on), amongst other things, (i) the selection, appointments and reappointments regarding the Supervisory Board and the Executive Board, (ii) succession plans of the Supervisory Board and the Executive Board, (iii) the knowledge, skills, experience, performance, size, composition and profile of both boards and (iv) the performance of the members of both boards. The committee is composed of Tom de Swaan (Chair), Arjen Dorland, Laetitia Griffith and Michiel Lap.

#### *Supervisory Sustainability Committee*

The Supervisory Sustainability Committee is responsible for supervising (and advising the complete Supervisory Board on), amongst other things, (i) the sustainability aspects in ABN AMRO's strategy and policies, (ii) ABN AMRO's impact on people and the environment, but also how these matters impact ABN AMRO, (iii) ABN AMRO's climate strategy and related climate action plan, (iv) the oversight, support and challenging of actions being taken by the Executive Board to run the Bank as a sustainable business, (v) the formulation of the corporate culture and values and their execution in the organization, including the strategy and policies on responsible business conduct, (vi) sustainability key performance indicators, and (vii) the positioning of the Bank with respect to national and international best practices in the field of environmental, social and governance. The Supervisory Sustainability Committee is composed of Femke de Vries (chair), Laetitia Griffith, Michiel Lap and Mariken Tannemaat.

### **6.8.2 Executive Board of ABN AMRO Bank**

#### *Responsibilities of the Executive Board*

The members of the Executive Board collectively manage ABN AMRO and are responsible for its strategy, structure and performance. In carrying out their duties, the members of the Executive Board are guided by the interests and continuity of ABN AMRO and its businesses taking into due consideration the interests of all of ABN AMRO's stakeholders, such as its clients and employees, its shareholders and society at large. The Executive Board is accountable for the performance of its duties to the Supervisory Board and the general meeting of shareholders. The Executive Board has installed a number of committees that are responsible for decision-making on certain subjects and advising the Executive Board on certain matters.

Executive Board members are appointed for a period of three years and may be reappointed for a term of three years at a time.

#### *Composition of the Executive Board*

The following persons are appointed as members of the Executive Board, together with an indication of their principal activities outside of ABN AMRO<sup>2</sup>:

<b>Name</b>	<b>Date of Appointment</b>	<b>Principal activities performed outside ABN AMRO which are significant with respect to ABN AMRO</b>
Robert Swaak, <i>Chief Executive Officer and Chair of the Executive Board</i>	22 April 2020 and reappointed on 24 April 2024	<p><i>Supervisory positions:</i> Chair of the Supervisory Council of Stichting Paleis Het Loo</p> <p><i>Other positions:</i> Member of the Board of the Dutch Banking Association; Member of the Board of the American-European Community Association (Netherlands) (<i>Stichting Amerika-Europese Gemeenschap (Nederland)</i>); Member of the Advisory Board IRCC (Integrated Reporting and Connectivity Council) of the IFRS Foundation;</p>

<sup>2</sup> Except for their principal functions in ABN AMRO Bank or its subsidiaries, directors' other functions within ABN AMRO Bank or its subsidiaries have not been included.

<b>Name</b>	<b>Date of Appointment</b>	<b>Principal activities performed outside ABN AMRO which are significant with respect to ABN AMRO</b>
		Member of the Board of Stichting Nationaal Fonds 4/5 mei
Ferdinand Vaandrager, <i>Chief Financial Officer</i>	16 November 2023	<i>Supervisory positions:</i> None  <i>Other positions:</i> None
Dan Dorner, <i>Chief Commercial Officer Corporate Banking</i>	24 November 2021	<i>Supervisory positions:</i> Member of the Advisory Board of Euronext N.V.  <i>Other positions:</i> Member of the Daily- and General Board of VNO-NCW
Choy van der Hooft-Cheong, <i>Chief Commercial Officer Wealth Management</i>	24 November 2021	<i>Supervisory positions:</i> None  <i>Other positions:</i> Founder and board member of Stichting Children's Khazana Foundation; Chair of the statutory board of Stichting Talent naar de Top
Annerie Vreugdenhil, <i>Chief Commercial Officer Personal &amp; Business Banking</i>	1 March 2022	<i>Supervisory positions:</i> Member of the Supervisory Board of Stadsherstel Amsterdam N.V.; Non-executive member of the Board of EPI Company SE  <i>Other positions:</i> Member of the Management Board of the Dutch Banking Association
Carsten Bittner, <i>Chief Innovation &amp; Technology Officer</i>	1 January 2023	<i>Supervisory positions:</i> None  <i>Other positions:</i> None
Ton van Nimwegen, <i>Chief Operations Officer</i>	1 December 2023	<i>Supervisory positions:</i> None  <i>Other positions:</i> Chair of the Board of Trustees of the International School of Amsterdam
Caroline Oosterloo, <i>interim Chief Risk Officer</i>	24 April 2024	<i>Supervisory positions:</i> Member of the Supervisory Board and Chair of the Risk Committee of Nederlandse Waterschaps Bank N.V.  <i>Other positions:</i> None

On 29 August 2023, Tanja Cuppen announced that she will not be available for another term and that she will step down as member of the Executive Board after the close of ABN AMRO's annual general meeting in 2024. On 24 April 2024, ABN AMRO held the annual general meeting which approved the appointment

of Caroline Oosterloo as interim Chief Risk Officer as well as the re-appointment of Robert Swaak as Chief Executive Officer for a period of four years.

**Conflict of interest and address information**

There are no actual or potential conflicts of interest between the duties to ABN AMRO Bank of the members of the Executive Board and the Supervisory Board set out above and their private interests and/or duties. These members may obtain financial services of ABN AMRO Bank. Internal rules are in place for the situation in which a conflict of interest should arise.

The business address of the members of the Executive Board and the Supervisory Board is Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands.



## 7. OPERATING AND FINANCIAL REVIEW

*The following discussion and analysis of ABN AMRO's results of operations and financial position relates to the 2023 Consolidated Annual Financial Statements and the 2022 Consolidated Annual Financial Statements. For further information, please see "Summary of Financial Information Policies".*

*The discussion and analysis set forth below should be read, subject to the cautionary statements noted in "Risk Factors", in conjunction with the 2023 Consolidated Annual Financial Statements, the 2022 Consolidated Annual Financial Statements and the related notes incorporated by reference in this Registration Document and other financial information included elsewhere in this Registration Document. Some of the information in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in the forward-looking statements contained below or elsewhere in this Registration Document.*

*The 2023 Consolidated Annual Financial Statements and the 2022 Consolidated Annual Financial Statements are presented in euros, which is the functional and presentation currency of ABN AMRO, rounded to the nearest million (unless otherwise noted). Certain figures in this section may not add up exactly due to rounding. In addition, certain percentages in this section have been calculated using rounded figures.*

### **7.1 Summary of Financial Information Policies**

#### **Consolidated Annual Financial Statements**

The 2023 Consolidated Annual Financial Statements and the 2022 Consolidated Annual Financial Statements are prepared on a historical cost basis, except for derivative financial instruments, financial assets and liabilities held for trading or designated as measured at fair value through profit or loss, financial instruments not held in a "hold to collect" business model, debt instruments that do not meet the solely payments of principal and interest ("SPPI") test, and equity investments in associates or joint ventures for which the venture capital exemption is applied, all of which are measured at fair value through profit or loss. The carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. Associates and joint ventures are accounted for using the equity method.

The 2023 Consolidated Annual Financial Statements and the 2022 Consolidated Annual Financial Statements are prepared on the going concern basis.

The International Accounting Standards Board issued several amendments to existing standards (and endorsed by the EU), which became effective for the reporting period beginning 1 January 2023. The standards amended are:

- IAS 1 Disclosure of accounting policies;
- IAS 8 Definition of accounting estimate;
- IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules.

The impact of these amendments on the consolidated financial statements are insignificant, except for the impact of the International Tax Reform. The IAS 12 amendments relate to the introduction of a temporary exception and targeted disclosure requirement, in response to the International Tax Reform from the Organisation for Economic Co-operation and Development (OECD). The Pillar Two EU legislation aims to ensure a minimum tax of 15% is paid on profits globally. Given that this does not materially impact ABN AMRO, we will not disclose the impact on the current tax expense, if any. Furthermore, ABN AMRO applied the exemption related to the recognition and disclosure of deferred tax liabilities in accordance with Pillar Two EU legislation in 2023.

## **Changes in accounting policies in 2023**

The accounting policies applied in the 2023 Consolidated Annual Financial Statements are the same as those applied in the 2022 Consolidated Annual Financial Statements, except for the following EU-endorsed standard that was adopted:

### **IFRS 17 – Insurance Contracts**

As from 1 January 2023, ABN AMRO has adopted IFRS 17 Insurance Contracts. IFRS 17 replaces IFRS 4 and includes comprehensive new requirements for the recognition and measurement, presentation and disclosure of insurance contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

ABN AMRO has completed the assessment of the impacts of adopting IFRS 17. ABN AMRO offers a limited number of banking products with significant embedded insurance risk. None of these products were materially impacted, except for equity release mortgages and consumer loans with a death waiver.

Prior to the application of IFRS 17, ABN AMRO unbundled the loan component from the insurance contract for equity release mortgages, which was permitted in accordance with IFRS 4. The loan component was measured at amortised cost in accordance with IFRS 9, while the insurance component, the No Negative Equity Guarantee (NNEG), was measured as an insurance contract in accordance with IFRS 4.

Following the application of IFRS 17, unbundling of the loan component from the insurance contract is no longer permitted. For these type of loan contracts, the issuer of such loans can opt to apply either IFRS 9 or IFRS 17. ABN AMRO's policy is to apply IFRS 9 to such loans. Since ABN AMRO has chosen to apply IFRS 9 to the equity release mortgages, these loans in their entirety, i.e. including the NNEG feature, do not meet the SPPI criterion. They are therefore measured in their entirety at fair value through profit or loss as of 1 January 2023.

The impact on the opening equity is a negative of EUR 164 million in respect of equity release mortgages. This is the result of the reclassification of equity release mortgages from residential mortgages – at a value of EUR 792 million – to consumer loans at fair value through profit or loss – at a fair value of EUR 628 million – as at 1 January 2023.

ABN AMRO has consumer loans with death waivers in its subsidiary ALFAM. These loans have been analysed and it was concluded that the amortised cost value is not significantly different from the fair value. Therefore, there was no impact on the opening equity balance. An amount of EUR 323 million was reclassified from consumer loans at amortised cost to consumer loans at fair value through profit or loss.

ABN AMRO chooses not to restate prior periods in line with the transitional provisions of IFRS 9 as amended by IFRS 17. As a result, the comparative figures have not been adjusted and the impact is recognised in the opening balance at 1 January 2023.

## **Changes in accounting policies in 2022**

The accounting policies applied in the 2022 Consolidated Annual Financial Statements are the same as those applied in the 2021 Consolidated Annual Financial Statements, except for the following EU-endorsed standard that was adopted:

### **IFRS 17 – Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions apply. IFRS 17 introduces new accounting requirements for banking products with insurance features that may affect the determination of which instruments or which components thereof will be in the scope of IFRS 9 or IFRS 17.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. ABN AMRO did not apply for an early application of IFRS 17.

ABN AMRO has completed the assessment of the impacts of adopting IFRS 17. ABN AMRO offers limited banking products with significant insurance risk embedded, such as equity release mortgages and loans with a death waiver, and has assessed that the impact of IFRS 17 on these insurance contracts is not material, except for the equity release mortgage. Currently, ABN AMRO applies unbundling of the loan component from the insurance contract for equity release mortgage, which was permitted in accordance with IFRS 4. The loan component was measured at amortised cost in accordance with IFRS 9 and the insurance component, the No Negative Equity Guarantee (NNEG), as an insurance contract in accordance with IFRS 4, which meant the measurement was based on IAS 37.

In accordance with the currently issued IFRS 17, unbundling of the loan component from the insurance contract is not permitted anymore. For loan contracts (such as equity release mortgages and loans with a death waiver) that meet the definition of insurance but limit the compensation for insured events to the amount otherwise required to settle the policyholder's obligation created by the contract, the issuers of such loans, have an option to apply IFRS 9 or IFRS 17. The election would be made at a portfolio level and would be irrevocable. ABN AMRO's policy is to apply IFRS 9 to such loans. Since ABN AMRO has chosen to apply IFRS 9 to the equity release mortgage, these loans in their entirety, i.e. including the NNEG feature, do not meet the SPPI criterion. Therefore they should be measured in their entirety at fair value through profit or loss as of 1 January 2023. ABN AMRO applies the change in classification and measurement retrospectively.

Furthermore, ABN AMRO has a captive insurance entity (ABN AMRO Captive N.V.) and two equity accounted insurance entities (Neufelize Vie S.A. and Nationale Nederlanden – ABN AMRO Verzekeringen Holding B.V.). IFRS 17 has an impact on the shareholders' equity, net result, presentation and disclosures of these entities. The total IFRS 17 impact on the opening equity balance (retained earnings) as of 1 January 2023 is approximately EUR 200 million, mainly because the fair value of the equity release mortgages as of 1 January 2023 is significantly below the carrying amount at amortised cost due to the increased mortgage rates.

### **Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

Based on the amendments, certain other directly related costs have been included by ABN AMRO in the measurement of provisions in scope of IAS 37.

### **Changes in accounting policies in 2021**

The accounting policies applied in the 2021 Consolidated Annual Financial Statements are the same as those applied in the 2020 Consolidated Annual Financial Statements, except for the following EU-endorsed standard that was adopted:

#### **Interest Rate Benchmark Reform**

In response to the IBOR reform, the IASB has issued two sets of amendments to IFRS Standards. The amendments provide practical relief for companies from certain requirements when changes are made to contractual cash flows or hedging relationships because of IBOR reforms, and provide additional disclosure requirements. With effect from 1 January 2020, ABN AMRO applies the first set of amendments made to IFRS 9, IAS 39 and IFRS 7 that address the pre-replacement phase or phase 1 issues introduced by the IBOR reform. The phase 1 amendments allow a company to apply temporary reliefs to all hedging relationships that are directly affected by the IBOR reform. Applying the relief prevents the disruption of hedging relationships as a result of uncertainty caused by the IBOR reform. The adoption of the amendments has not resulted in any impact on profit or loss or on the statement of financial position. In August 2020, the IASB issued the second set of amendments to address the issues caused by the

replacement phase of the IBOR reform. Amendments have been made to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The phase 2 amendments took effect on 1 January 2021 and are applied by ABN AMRO as of that date. These amendments focus on replacement rates, including when an interest rate benchmark is replaced with an alternative, and comprise reliefs regarding accounting for changes and hedge accounting.

While ABN AMRO operates in global financial markets, the majority of its financial instruments are linked to the euro area key interest rate benchmarks EONIA and EURIBOR. EONIA has been replaced by €STR and was discontinued on 3 January 2022. Since October 2019, EONIA has been calculated as €STR plus a fixed spread of 8.5 basis points. EURIBOR has been calculated using a hybrid methodology since 2019 and will not be reformed in the short-term. The IBOR reform in the euro area did not affect the basis of contractual cash flows or hedging relationships in 2021. During 2021, ABN AMRO amended existing loan and derivative contracts to prepare for the discontinuation of the LIBOR rates. In December 2021, all centrally cleared swaps referring to CHF, JPY and GBP LIBOR were migrated to risk-free rates. The remaining exposures at the end of 2021 consisted solely of bilateral contracts referencing GBP LIBOR that still were required to transition. GBP LIBOR contracts that still were required to transition at the end of 2021 were transitioned in 2022. USD LIBOR rates are still published and contracts referring to this index were repapered in 2023.

### **New standards, amendments and interpretations not yet endorsed**

The International Accounting Standards Board issued the following amendments to existing standards that are or will be endorsed by the EU. These amendments will become effective for the reporting period beginning on or after 1 January 2024. ABN AMRO does not early adopt these amendments. The standards amended are:

- IAS 1 Classification of liabilities as current or non-current;
- IFRS 16 Lease liability in a sale and lease back;
- IAS 7 and IFRS 7 Supplier finance arrangements; and
- IAS 21 Lack of exchangeability.

The expected impact of these changes on the consolidated financial statements is insignificant.

### **Changes in presentation in 2022**

Prior to 1 January 2022, the reconciliation between the carrying amounts at the beginning and the end of the period for each component of equity changes resulting from other comprehensive income were disclosed in a separate table as part of the statement of changes in equity. In 2022, the movement schedule explaining the equity components of other comprehensive income including the comparatives was moved to *Notes to the Consolidated Annual Financial Statements – 33 Equity attributable to owners of the parent company* in the Integrated Annual Report 2022.

Furthermore, in 2022, ABN AMRO changed the presentation of 'Items that may be reclassified to the income statement' in the Statement of Other Comprehensive Income including comparatives to provide more relevant information about the effect of the reclassification adjustments.

### **Change in reportable segments**

Effective from the start of 2022, ABN AMRO has simplified and centralised its operating model. The organisational structure has also been strengthened and simplified by replacing the four business lines with three units structured around client segments (the 'client units'). ABN AMRO has realigned the new organisational structure with internal reporting to the Executive Board (CODM):

- Retail Banking and part of Commercial Banking have been combined to form Personal & Business Banking;
- Private Banking has been replaced by Wealth Management; and
- Corporate & Institutional Banking and part of Commercial Banking have been combined to form Corporate Banking.

The prior-period figures in the financial information for these segments, as included in the Performance (and Segment Reporting Note) section of the Integrated Annual Report 2022 have been restated accordingly.

The financial results in the Section 7.4 "*Results of operations for the years ended 31 December 2022 and 2021*" are presented in accordance with this structure. The financial results in the Section 7.5 "*Results of operations for the years ended 31 December 2021 and 2020*" are presented in accordance with the prior structure.

## **7.2 Key Factors Affecting Results of Operations**

### **Drivers of Profitability**

The profitability of ABN AMRO Bank is mainly affected by the following key income and expense drivers as well as loan impairments, as specified below.

#### ***Key drivers of operating income***

The Bank's operating income mainly results from interest-based business and fee and commission-based business.

#### ***Interest-based business***

Interest-based revenue is the largest contributor to ABN AMRO's operating income generating 73% of total operating income in 2023, (69% in 2022 and 69% in 2021). The Bank earns interest (interest income) on assets such as residential mortgages, consumer loans, commercial loans and other assets. The Bank pays interest (interest expense) on its liabilities to depositors and other creditors. Net interest income is the difference between interest income and interest expenses. In 2023, Personal & Business Banking generated 52% of ABN AMRO's net interest income (50% in 2022), Corporate Banking 35% (39% in 2022), and Wealth Management 16% (14% in 2022).

The Bank's net interest income is driven by the combination of the proceeds of lending and the cost of funding (through deposits and wholesale funding). The asset side of the balance sheet is generally less sensitive to changes in interest rates compared to the liability side of the balance sheet. This is due to the fact that a significant proportion of the assets have a longer term fixed interest and maturity whereas liabilities typically have a shorter term or no maturity and variable interest rates, and thus re-price quickly in reaction to a change in market interest rates. Interest rate increases are therefore expected to initially have a negative effect on net interest income in the short-term but may have a neutral or a positive effect in the medium term. The net interest income can be analysed by two components: the net interest income generated through business activities and the ALM mismatch result.

Net interest income from business activities is comprised of the business margin less capital<sup>3</sup> and indirect liquidity<sup>4</sup> costs. Business margin should cover the required return on allocated equity and all remaining operational and risk costs borne by the business. The business margin is defined as the margin ABN AMRO makes on granting loans to or taking in deposits from clients as well as interest-related fees, for example commitment fees charged on current accounts less the related cost of funding. In line with the Bank's policy that interest rate risk and liquidity risk related to the interest-based business is managed centrally by ALM within Group Functions, ALM charges (in case of an asset) or compensates (in case of a liability) the cost of funds to the business through the funds transfer pricing ("**FTP**") methodology, whereby liquidity risks taken by the Business department are transferred to the ALM department in order to facilitate a holistic assessment of ABN AMRO's risk position. The FTP takes into account both an interest base rate, based on the interest maturity of the transaction (the "**FTP rate**") and a liquidity spread, based on the contractual or behavioural maturity of the transaction. Business segments either pay the FTP rate, for loans and advances, or receive the FTP rate, for deposits, to ALM. The mismatch in maturities between assets and liabilities is managed centrally by ALM and the resultant interest mismatch position is defined as the interest results recorded in ALM. Generally, the steering of the interest mismatch position is done via hedging transactions, with the aim to reduce the sensitivity of the net interest income to future interest rates moves. From time-to-time, ABN AMRO could anticipate future interest rate moves and may try to enhance its interest income by taking certain positions in the swap market, for example.

<sup>3</sup> Capital costs are costs incurred by ALM for maintaining capital buffers on top of equity. These costs are not part of the FTP and are charged lump sum by ALM to the business.

<sup>4</sup> Indirect liquidity costs are costs incurred by ALM for maintaining a liquidity buffer. These costs are not part of the FTP and are charged lump sum by ALM to the business.

### *Fee and commission-based business*

The secondary contributor to ABN AMRO's operating income is its fee and commission-based business generating 21% of total operating income in 2023, 23% of total ABN AMRO's operating income in 2022 and 22% in 2021. Fee and commission income can arise as compensation for services provided by ABN AMRO to its clients. This income can arise from transaction services, asset management services, payment services or other services. The profitability of fee and commission-based businesses depends on fees and commissions charged to the client for providing these services and the related fee and commission expenses incurred by ABN AMRO. In 2023, Corporate Banking generated 37% of ABN AMRO's net fee and commission income (38% in 2022), Wealth Management 33% (33% in 2022), Personal & Business Banking 31% (30% in 2022) and Group Functions 0% (0% in 2022).

Within ABN AMRO the main fee contributors are:

1. *Transaction fees on securities*

Transaction fees on securities are fees charged to clients for executing buying or selling securities by order of clients. The majority of these transaction fees on securities arises from ABN AMRO's Clearing activities and Wealth Management.

2. *Payment services fees*

Payment services fees are generated from providing payment products and services to clients. These concern products and services facilitating efficient payment transactions, such as debit and credit cards, acceptance of cash and non-cash payments (e.g. cheque), granting of bank guarantees, and the offering of bank accounts. This type of fees arises mainly from Personal & Business Banking.

3. *Asset Management fees*

Asset Management fees arise mainly from discretionary portfolio management, where the client hands over all assets to be managed by ABN AMRO, and investment advisory, where ABN AMRO advises the client on how to manage his or her assets. The main contributor to asset management fees come from Wealth Management:

- Discretionary portfolio management fees are generated from an all-in fee. An all-in fee means that no additional charges are levied on top of the fee paid for the investment services. The fee is a fixed percentage over the asset value. The percentage is based on the total asset value of the client and the risk profile of the client.
- Investment advisory fees arise from either an all-in fee or an advice fee. The main difference between all-in fee and advice fee is that transaction costs are included in the all-in fee and are charged separately as a transaction fee in the latter.

4. *Guarantees and commitment fees*

A guarantee given by ABN AMRO is mainly paid for by a one-off percentage of the guaranteed limit. A commitment fee is the pricing of the unutilised portion of a credit facility. These types of fees arise predominantly in Corporate Banking.

Fees and commissions are impacted by economic developments in general (i.e., fewer payments and less guarantees fees as a result of lower economic activity) and the performance of securities markets in particular (lower number and volume of transactions resulting in less transaction and asset management fees). Transaction fees (and therefore fees and commission income) will tend to increase as a result of market volatility, even if markets go down.

### ***Key drivers of operating expenses***

#### *Personnel expenses*

Banking is a human capital-intensive business, as it is, for an important part, a relationship driven business with increasing compliance and risk management requirements. Therefore, personnel expenses contribute

significantly to ABN AMRO's expenses and amounted to 48% of the Bank's operating expenses in 2023 (45% in 2022 and 40% in 2021). This means that ABN AMRO is dependent on conditions and trends in local labour markets, primarily the Dutch market. Personnel expenses comprise of all expenses related to personnel on the payroll of ABN AMRO and consists of fixed salary, employer social security charges, employee benefits (e.g. pension premiums, jubilee benefits) and variable remuneration. Expenses related to personnel not on ABN AMRO's payroll, such as external consultants and temporary staff, are included in general and administrative expenses.

The majority of the Bank's personnel expenses consist of salaries and wages in addition to pension expenses.

#### *General and administrative expenses*

Financial services companies typically have relatively large fixed operating costs related to automated product and transaction systems, which bear little to no direct relationship with the business volume. This means that an increase in the business volume may not be fully translated into expense growth, and *vice versa*. Expense savings mainly comes from the periodic improvement of the efficiency of administrative processes and systems.

The majority of general and administrative expenses relate to information technology followed by agency staff, contractors and consultancy costs. General and administrative expenses amounted to 52% of ABN AMRO's operating expenses in 2023 (52% in 2022 and 57% in 2021).

#### *Regulatory charges*

Regulatory charges have increased significantly in the period under review and are expected to increase further. Regulatory charges are all expenses directly charged by regulatory or supervisory institutions to ABN AMRO (see also "*Other key drivers of impairment charges financial instruments*" below). Regulatory charges for the period 2021-2023 mainly comprise:

#### Bank tax

Following the 2008 financial crisis, several countries introduced additional charges to the financial services industry. These charges are commonly known as bank taxes. Bank taxes are paid to local tax authorities. The amount of Dutch bank tax to be paid is based upon the preceding December adjusted IFRS consolidated balance sheet total of ABN AMRO. In addition to the Dutch Bank tax, ABN AMRO is liable to bank taxes in several other jurisdictions.

#### Deposit Guarantee Scheme

Banks gathering guaranteed deposits under a Dutch banking license are required by law to fund the Dutch Deposit Guarantee Scheme. The contributions are based on the level of deposits guaranteed and the risk profile of ABN AMRO, as determined by the regulator. The contribution of ABN AMRO to the Dutch Deposit Guarantee Scheme have to be paid quarterly. ABN AMRO is also subject to several deposit guarantee schemes outside the Netherlands. For countries other than the Netherlands, the contributions and terms and conditions can differ from the Dutch Deposit Guarantee Scheme.

#### Single Resolution Fund

ABN AMRO has made contributions to the Single Resolution Fund in 2021, 2022 and 2023. For further information, please see the risk factor "*30, Resolution regimes may lead to fewer assets of the Issuer being available to investors for recourse for their claims, and may lead to lower credit ratings and possibly higher cost of funding.*", "*Issuer – 6.3 Regulation*" and "*Issuer – 6.4 Legal and arbitration proceedings*".

The terms and conditions for the contributions to the Funds as mentioned above can vary in different countries or regions.

#### European Central Bank

The European Central Bank assumed supervisory oversight of ABN AMRO in a joint supervisory team with the Dutch Central Bank in 2014. Since 2015 onwards, ABN AMRO has been required to pay a yearly

contribution for this supervision. In addition to the abovementioned regulatory charges, ABN AMRO has seen an increase of costs related to implementation and compliance with new regulations.

Major changes in laws and regulations and in their interpretation could materially and adversely affect the Bank's business, business model, financial position, results of operations and prospects.

The table below sets forth the breakdown of the Group's regulatory charges for the 2021-2023 period.

	Year ended 31 December		
	2023	2022	2021
	<i>(in millions of euros)</i>		
Bank tax .....	95	97	150
Deposit Guarantee Scheme .....	96	93	127
Single Resolution Fund .....	144	207	159
Other regulatory levies .....	32	30	27
<b>Total regulatory charges .....</b>	<b>367</b>	<b>426</b>	<b>463</b>

### ***Impairment charges on financial instruments***

ABN AMRO's results of operations are also affected by the level of impairment charges on financial instruments. These impairment charges result from changes in the quality of assets. The quality of assets is impacted by the economic developments in general and the housing market in particular, as the mortgage portfolio counts for more than 59% of ABN AMRO's loan book (as defined by total loans and advances customers) for the year ended 31 December 2023. Impairment charges on financial instruments are closely related to the interest-based business, as it is based on credit risk and compensation for credit risk is charged to the client as part of the business margin on interest-earning assets.

### ***Acquisitions and divestments***

*No significant acquisitions were performed in 2023. On 13 December 2023 however, ABN AMRO did reach an agreement to acquire BUX, a neobroker active in Europe. The transaction is subject to approval by the regulator and is expected to be finalised in 2024.*

#### *Divestments performed in 2023*

The change in divestments in 2023 was impacted by the sale of European Merchant Services B.V. and the liquidation of ABN AMRO Capital USA LLC.

*No significant acquisitions were performed in 2022.*

#### *Divestments performed in 2022*

The change in divestments in 2022 was impacted by the sale of ABN AMRO Levensverzekeringen, ABN AMRO Pensioeninstellingen and MP Solar.

*No significant acquisitions were performed in 2021.*

#### *Sale of Maas Capital Shipping (2021)*

The change in divestments in 2021 was impacted by the sale of the Maas Capital Shipping portfolio as part of the CIB non-core wind-down. Maas Capital Shipping includes participations in the shipping, intermodal and offshore services sectors for a total amount of EUR 227 million. The transaction price, including direct transaction costs, was equal to the carrying amount.

### **Economic developments**

The Bank's business and performance, including its results of operations, are affected by Dutch, European and global economic and market conditions and future economic prospects, particularly in the Netherlands in which ABN AMRO's operating income is predominantly generated (87% for the year ended 31 December 2023 and 86% for the year ended 31 December 2022).



The Bank's operations are also affected by the developments in the Dutch housing and mortgage market with 38% of total assets of ABN AMRO for the year ended 31 December 2023 and 37% of total assets of ABN AMRO for the year ended 31 December 2022 consisting of residential mortgages.

During 2023, the ECB increased its deposit rate to 4%. High interest rates meanwhile dampened GDP growth. Dutch GDP growth decreased to 0.1% in 2023. In the eurozone, GDP growth slowed to just 0.5%.

The Dutch housing market started to cool, with prices down and fewer houses sold. After years of rising prices, the average house price in the Netherlands declined in 2023, triggered by higher mortgage interest rates and weaker purchasing power due to higher inflation. In the second half of 2023 however, house prices started to recover again, supported by wage rises and a lack of new construction. Prices for more energy-efficient homes performed better as energy costs became a key consideration for prospective buyers.

Use of new technologies accelerated in a breakthrough year for AI. During 2023, we saw a continued focus on the Cloud and blockchain, especially in tokenisation. There was also a substantial acceleration in the use of Artificial Intelligence (AI), specifically generative AI. This sub-field of AI allows us to further digitalise our processes, improve customer service and personalise banking.

Protecting client data is becoming ever more important – as it represents a source of trust in banks. Data is playing an increasingly important role in banking. When managed correctly it can be used to develop personalised products and services and increase efficiency. Clients entrust banks with their data. This puts a responsibility on banks to protect client data. Banks are consequently investing more in cybersecurity to counter rising incidents of cybercrime, including phishing, identity theft and ransomware attacks that put clients at risk.

Clients are changing their approach to banking. In banking, as in many industries, safety, hyperpersonal, and conversational are the main drivers for customer experience. Technology allows banks to offer reliable, seamless and personal 24/7 access. Alongside that, clients are looking for financial advice from their bank at key moments in their lives – when they buy a house, for example, or start saving for their pensions.

Businesses face continued skills shortages, particularly in data and digital. The global labour market faces shortages of important skills. This applies to ABN AMRO too, especially in areas where there is strong demand, such as data analytics, IT, digital security, sales, customer care and risk modelling. Competition is fierce – so banks need to devote resources to recruiting and retaining staff.

Effects of growing political tensions are being felt in the real economy. Over the past year, political uncertainty has increased, with the war in Ukraine, conflict in the Middle East and continued tensions between the US and China. The war in Ukraine in particular has had economic repercussions – most notably, in the form of higher prices for energy and food.

Climate, environmental & social developments allow banks to support the transition to a more sustainable economy. Banks are being called on to invest for long-term growth and support the transition to a more sustainable, low-carbon economy. With climate risk growing, banks are also playing an important role in helping clients become more climate resilient.

Over recent years, banks have seen new regulations in areas such as data protection, anti-money laundering, and IT management. Major banking reforms under Basel IV are aimed at making banks more resilient to potential economic shocks. New rules are also being phased in on sustainable finance – including the EU's Corporate Sustainability Reporting Directive (CSRD) and Sustainable Finance Disclosure Regulation (SFDR).

## **Impairments**

ABN AMRO recognises loss allowances based on the Expected Credit Loss model of IFRS 9, which is designed to be forward-looking. Where necessary, management judgement is applied via a management overlay to reflect the credit risk dynamics not captured by ABN AMRO's models.

The amount of expected credit loss allowances is based on the probability-weighted present value of all expected cash shortfalls over the remaining life of the financial instrument for both on- and off-balance sheet exposures.

For expected credit loss calculations, ABN AMRO uses three different scenarios of future economic developments: a baseline (or most likely) scenario, a negative scenario and a positive scenario.

The three scenarios are incorporated into the expected credit loss calculation and risk stage determination in a probability-weighted manner. In order to incorporate the latest economic outlook (including the macroeconomic repercussions of the COVID-19 pandemic), the scenarios and their weights are reviewed each quarter and adjusted if necessary.

An impairments release of EUR 158 million (EUR 128 million on balance and EUR 30 million off balance) was recorded for 2023 (2022: additions of EUR 39 million). Releases were attributable to a reduction of management overlays and other adjustments, partly offset by new and existing individually provisioned files.

A charge of EUR 39 million in impairments was recorded for 2022 (2021: net release of EUR 46 million). Charges were attributable to a more unfavourable economic scenario during the year, partly offset by releases from management overlays and releases in the existing stage 3 portfolio. The releases in stage 3 can be largely attributed to better performance of the existing defaulted portfolio, repayments of stage 3 loans, outflow to the performing portfolio and recoveries.

A net release of EUR 46 million in impairments was recorded for 2021. These were attributable to a more favourable economic scenario during the year, partly offset by additions from management overlays. Additions to individual files classified in stage 3 during 2021 were limited. Additions to existing stage 3 files were attributable to the oil and gas and energy-offshore sectors in CIB.

### ***7.3 Explanation of key income statement items***

#### ***Operating income***

Operating income includes net interest income, net fee and commission income and other operating income.

#### ***Net interest income***

Interest income and expenses are recognised in the income statement on an accrual basis for all financial instruments using the effective interest rate method except for those financial instruments measured at FVTPL. The effective interest rate method allocates interest, amortisation of any discount or premium or other differences, including transaction costs and qualifying fees and commissions, over the expected lives of the assets and liabilities. The effective interest rate is the rate that discounts estimated future cash flows to the net carrying amount of the asset. As a result, this method requires ABN AMRO to estimate future cash flows, in some cases based on its experience of customer behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the assets and liabilities. Interest income and expenses on loans and advances measured at FVTPL is also included in net interest income and is recognised on an accrual basis by using the applicable contractual interest rates. Due to the significant number of products, there are no individual products that are material to the bank's results or financial position. Interest income and expenses of trading balances are included in net trading income. Interest paid on assets with a negative interest yield is classified as interest expense. Interest received from liabilities with a negative interest yield is classified as interest income.

#### ***Net fee and commission income***

ABN AMRO applies IFRS 15 when recognising revenue from contracts with customers, all of which is included in net fee and commission income. After identifying contracts and their performance obligations, revenue is recognised as an amount that reflects the consideration to which the bank expects to be entitled to receive in exchange for transferring promised goods or services to customers. The transaction price is allocated to each performance obligation. Revenue is recognised when a promised good or service is transferred to the customer, either at a point in time (the fee is a reward for a service provided at one moment in time) or over time (the fee relates to services on an ongoing basis). Revenue is measured at the fair value of the consideration received, taking into account discounts and rebates. The amount of revenue recognised is discounted to the present value of consideration due, if payment extends beyond normal credit terms.

### ***Other operating income***

Other operating income comprises net trading income, share of result in equity-accounted investments and other income.

#### *Net trading income*

In accordance with IFRS 9, trading positions are held at fair value and net trading income includes gains and losses arising from changes in the fair value of financial assets and liabilities which are trading financial assets and liabilities, interest income and expenses related to trading financial assets and liabilities, dividends received from trading instruments and related funding costs. Dividend income from trading instruments is recognised when entitlement is established. Net trading income also includes changes in fair value arising from changes in counterparty credit spreads and changes in own credit spreads where these impact the value of ABN AMRO's trading liabilities. The funding value adjustment incorporates the incremental cost of funding into the valuation of uncollateralised and partly collateralised derivatives.

#### *Share of result in equity-accounted investments*

Share of result in equity accounted investments comprises ABN AMRO's share of the profit or loss of equity-accounted investments.

#### *Other income*

Other income includes all other banking activities such as leasing activities and results on the disposal of assets. It also includes the change in fair value of derivatives used for risk management purposes that do not meet the requirements of IFRS 9 for hedge accounting, ineffectiveness of hedging programs, fair value changes relating to assets and liabilities designated at fair value through profit or loss ("FVTPL"), and changes in the value of derivatives related to such instruments. Dividend income from non-trading equity investments is recognised when entitlement is established.

### ***Operating expenses***

Operating expenses include personnel expenses and other expenses.

#### *Personnel expenses*

Salaries and wages, social security charges and other salary-related costs are recognised over the period in which the employees provide the services to which the payments relate.

#### *Other expenses*

Other expenses comprise general and administrative expenses and depreciation and amortisation of tangible and intangible assets. General and administrative expenses include, among other items, agency staff, contractors, consultancy, staff-related, IT, housing, post, telephone, transportation and marketing costs. Regulatory charges, including Dutch bank tax is also included in general and administrative expenses. Depreciation and amortisation of tangible and intangible assets includes depreciation on tangible assets, amortisation of intangible assets and impairment losses on tangible and intangible assets.

### ***Operating result***

Result from operating activities, defined as the net result of operating income and operating expenses.

### ***Impairment charges on financial instruments***

ABN AMRO recognises loss allowances based on the Expected Credit Loss ("ECL") model of IFRS 9, which is designed to be forward-looking. The IFRS 9 impairment requirements are applicable to financial assets measured at amortised cost or FVOCI, loan commitments and financial guarantee contracts.

The amount of ECL allowances is based on the probability-weighted present value of all expected cash shortfalls over the remaining life of the financial instrument for both on- and off-balance sheet exposures. ABN AMRO distinguishes between two types of calculation methods for credit loss allowances:

- Individual Lifetime ECL ("**LECL**") for credit-impaired (stage 3) financial instruments with exposures above EUR 3 million. For more information regarding the calculation method, please see "*Risk, funding & capital – Credit risk management*" in the Integrated Annual Report 2023; and
- Collective 12-month ECL (stage 1) and LECL (stage 2 and 3) for financial instruments that have similar credit risk characteristics (e.g. residential mortgages, consumer loans, SME loans) are clustered in portfolios and collectively assessed for impairment losses. A collective impairment calculation approach based on individual parameters is also applied for exposures below EUR 3 million. ABN AMRO has models to quantify the Probability of Loss ("**PL**"), Loss Given Loss ("**LGL**") and Exposure at Loss ("**EAL**") for the purpose of calculating the collective 12-month ECL and LECL for these financial instruments.

Impairment losses on property and equipment, goodwill and other intangible assets, are not included under impairment charges but recognised in the income statement as depreciation and amortisation expenses. For more information regarding impairment charges, please see "*Risk, funding & capital – Credit risk management*" in the Integrated Annual Report 2023.

### ***Operating profit/(loss) before taxation***

The profit or loss before tax is defined as the operating result less impairment charges on financial instruments.

### ***Income tax expense***

ABN AMRO is subject to income taxes in numerous jurisdictions. Income tax expense consists of current and deferred tax. Income tax is recognised in the income statement in the period in which profits arise.

### ***Profit/(loss) for the period***

Profit or loss for the period is defined as the profit or loss before tax less income tax expenses or credit.

## ***7.4 Results of operations for the years ended 31 December 2023 and 2022***

*The below discussion of ABN AMRO's results of operations for the year ended 31 December 2023 as compared to the year ended 31 December 2022 is based on the 2023 Consolidated Annual Financial Statements. For further information, please see "Summary of Financial Information Policies".*

### ***Selected consolidated income statement***

The table below summarises ABN AMRO's results of operations for the years ended 31 December 2023 and 31 December 2022.

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in millions of euros)</i>	
Net interest income .....	6,278	5,422
Net fee and commission income.....	1,782	1,778
Other operating income.....	557	640
<b>Operating income</b> .....	<b>8,618</b>	<b>7,841</b>
Personnel expenses.....	2,492	2,458
Other expenses .....	2,741	2,968
<b>Operating expenses</b> .....	<b>5,233</b>	<b>5,425</b>
<b>Operating result</b> .....	<b>3,385</b>	<b>2,415</b>
Impairment charges on financial instruments .....	-158	39
<b>Operating profit/(loss) before taxation</b> .....	<b>3,544</b>	<b>2,376</b>
Income tax expense .....	847	509
<b>Net profit/(loss) for the period</b> .....	<b>2,697</b>	<b>1,867</b>
<i>Attributable to</i>		
Owners of ABN AMRO (including holders of AT1 capital securities).....	2,697	1,868
	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
Net interest margin (NIM) (in bps).....	157	129
Cost/income ratio .....	60.7%	69.2%

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
Cost of risk (in bps) <sup>(1)</sup> .....	-5	3
Return on average Equity <sup>(2)</sup> .....	12.2%	8.7%
Dividend per share (in EUR) <sup>(3)</sup> .....	1.51	0.99
Earnings per share (in EUR) <sup>(4)</sup> .....	2.99	1.96
	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
Client assets (in billions).....	317.7	301.2
Risk-weighted assets (in billions).....	140.2	128.6
Number of internal employees (in FTEs).....	20,872	20,038
Number of external employees (in FTEs).....	4,092	4,575

<sup>(1)</sup> 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 the fair value adjustments from hedge accounting.

<sup>(2)</sup> Annualised profit for the period excluding coupons attributable to AT1 capital securities and results attributable to non-controlling interests divided by the average equity attributable to the owners of ABN AMRO excluding AT1 capital securities.

<sup>(3)</sup> Interim/final dividend per share over the relevant period as declared/proposed by ABN AMRO, subject to approval at the annual general meeting (AGM).

<sup>(4)</sup> Profit for the period excluding coupons attributable to AT1 capital securities and results attributable to non-controlling interests divided by the average outstanding and paid-up ordinary shares.

### *Net profit/(loss) for the period*

ABN AMRO's full-year profit for 2023 amounted to EUR 2,697 million (2022: EUR 1,867 million).

Return on average equity in 2023 was 12.2%, compared with 8.7% in 2022.

### *Operating income*

Operating income increased by EUR 777 million to EUR 8,618 million in 2023 (2022: EUR 7,841 million). The increase was mainly attributable to higher net interest income.

### *Net interest income*

Net interest income increased by EUR 856 million to EUR 6,278 million in 2023 (2022: EUR 5,422 million). Excluding large incidentals, net interest income increased by EUR 979 million, mainly due to higher interest margins on deposits. This was partly offset by asset margin pressure, mainly in residential mortgages (while average volumes increased) and consumer loans, and lower Treasury results.

### *Net fee and commission income*

Net fee and commission income increased by EUR 4 million to EUR 1,782 million in 2023 (EUR 1,778 million in 2022). The marginal increase in fee income compared with 2022 was mainly due to improved payment services fees driven by higher credit card usage and increased package pricing at Personal & Business Banking. This was offset by a decrease in Corporate Banking, partially due to lower income from corporate finance fees.

### *Other operating income*

Other operating income decreased by EUR 83 million to EUR 557 million in 2023 (2022: EUR 640 million).

### *Personnel expenses*

Personnel expenses increased by EUR 34 million to total EUR 2,492 million in 2023 (2022: EUR 2,458 million). Excluding large incidentals, these expenses increased by EUR 68 million, mainly due to salary increases as part of the collective labour agreement (CLA), in combination with an increase in internal FTEs, especially in H2 2023, related mainly to regulatory activities and strategy execution (including IT).

### *Other expenses*

Other expenses decreased by EUR 227 million to EUR 2,741 million in 2023 (2022: EUR 2,968 million), mainly due to lower regulatory levies and lower expenses from external staffing.

### *Operating expenses*

Operating expenses decreased by EUR 192 million to EUR 5,233 million in 2023 (2022: EUR 5,425 million). The decrease was mainly attributable to lower other expenses.

### *Operating result*

Operating result increased by EUR 970 million to EUR 3,385 million in 2023 (2022: EUR 2,415 million) mainly as a result of higher net interest income.

### *Impairment charges on financial instruments*

Impairment charges changed by EUR 197 million and recorded a release of EUR 158 million for 2023 (2022: addition of EUR 39 million), resulting in a cost of risk of 5 negative basis points in 2023, compared to 3 basis points in 2022. Releases were attributable to a reduction of management overlays, which was partly offset by new and existing individually provisioned files.

### *Income tax expenses*

Income tax expenses increased by EUR 338 million to EUR 847 million in 2023 (2022: EUR 509 million).

### *Consolidated Balance Sheet Movements*

	As at 31 December	
	2023	2022
	<i>(in millions of euros)</i>	
Assets:		
Cash and balances at central banks.....	53,656	60,865
Financial assets held for trading.....	1,371	907
Derivatives.....	4,403	5,212
Financial investments.....	41,501	39,034
Securities financing.....	21,503	20,032
Loans and advances banks.....	2,324	2,982
Loans and advances customers.....	245,935	243,927
Other.....	7,218	6,622
<b>Total assets</b> .....	<b>377,909</b>	<b>379,581</b>
Liabilities:		
Financial liabilities held for trading.....	917	641
Derivatives.....	2,856	4,148
Securities financing.....	11,710	9,652
Due to banks.....	5,352	17,509
Due to customers.....	254,465	255,015
Issued debt.....	66,227	56,259
Subordinated liabilities.....	5,572	7,290
Other.....	6,642	6,253
<b>Total liabilities</b> .....	<b>353,741</b>	<b>356,767</b>
Equity:		
Equity attributable to owners of ABN AMRO.....	24,165	22,812
Equity attributable to non-controlling interests.....	3	2
<b>Total equity</b> .....	<b>24,168</b>	<b>22,814</b>
<b>Total liabilities and equity</b> .....	<b>377,909</b>	<b>379,581</b>
Committed credit facilities.....	53,968	53,873
Guarantees and other commitments.....	6,289	7,651

### *Total assets*

Total assets declined by EUR 1.7 billion, totalling EUR 377.9 billion at 31 December 2023 (31 December 2022: EUR 379.6 billion). The decline was mainly caused by lower cash and balances at central banks, partly offset by an increase in financial investments and in loans and advances to customers.

### *Cash and balances at central banks*

Cash and balances at central banks decreased by EUR 7.2 billion to EUR 53.7 billion (31 December 2022: EUR 60.9 billion) due to a decrease in amounts outstanding at the Dutch Central Bank (DNB).

### *Financial assets held for trading*

Financial assets held for trading increased by EUR 0.5 billion to EUR 1.4 billion at 31 December 2023 (31 December 2022: EUR 0.9 billion).

### *Derivatives - assets*

Derivatives decreased by EUR 0.8 billion to EUR 4.4 billion at 31 December 2023 (31 December 2022: EUR 5.2 billion).

### *Financial investments*

Financial investments increased by EUR 2.5 billion to EUR 41.5 billion (31 December 2022: 39.0 billion), primarily due to increased mortgage-backed securities and corporate debt securities portfolios.

### *Securities financing - assets*

Securities financing increased by EUR 1.5 billion to EUR 21.5 billion at 31 December 2023 (31 December 2022: EUR 20.0 billion).

### *Loans and advances banks*

Loans and advances banks decreased by EUR 0.7 billion to EUR 2.3 billion at 31 December 2023 (31 December 2022: EUR 3.0 billion).

### *Loans and advances customers*

Loans and advances customers increased by EUR 2.0 billion, totalling EUR 245.9 billion at 31 December 2023 (31 December 2022: EUR 243.9 billion), largely due to an increase of EUR 3.4 billion in fair value adjustments from hedge accounting and EUR 0.9 billion in professional lending. This was partially mitigated by a decrease in client loans.

	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in millions of euros)</i>	
Residential mortgages .....	151,078	150,762
Consumer loans .....	9,028	10,232
Corporate loans to clients <sup>(1)</sup> .....	77,211	79,085
<i>Of which: Personal &amp; Business Banking</i> .....	8,369	8,962
<i>Of which: Corporate Banking</i> .....	62,807	63,886
<b>Total client loans</b> <sup>(2)</sup> .....	<b>237,317</b>	<b>240,079</b>
Loans to professional counterparties and other loans <sup>(3)</sup> .....	16,129	15,209
<b>Total loans and advances customers</b> <sup>(3)</sup> .....	<b>253,446</b>	<b>255,288</b>
Fair value adjustments from hedge accounting .....	-5,909	-9,335
Less: loan impairment allowance .....	1,602	2,026
<b>Total loans and advances customers</b> .....	<b>245,935</b>	<b>243,927</b>

<sup>(1)</sup> Corporate loans excluding loans to professional counterparties.

<sup>(2)</sup> Excluding fair value adjustment from hedge accounting.

<sup>(3)</sup> Loans to professional counterparties and other loans includes loans and advances to governments, official institutions and financial markets parties.

### *Other assets*

Other assets increased by EUR 0.6 billion to EUR 7.2 billion at 31 December 2023 (31 December 2022: EUR 6.6 billion).

### **Total liabilities**

Total liabilities decreased by EUR 3.0 billion, totalling EUR 353.7 billion at 31 December 2023 (31 December 2022: EUR 356.8 billion), mainly driven by a decline in due to banks, partly offset by issued debt.

#### *Financial liabilities held for trading*

Financial liabilities held for trading increased by EUR 0.3 billion to EUR 0.9 billion at 31 December 2023 (31 December 2022: EUR 0.6 billion).

#### *Derivatives - liabilities*

Derivatives decreased by EUR 1.3 billion to EUR 2.9 billion at 31 December 2023 (31 December 2022: EUR 4.1 billion).

#### *Securities financing - liabilities*

Securities financing increased by EUR 2.1 billion to EUR 11.7 billion at 31 December 2023 (31 December 2022: EUR 9.7 billion).

#### *Due to banks*

Due to banks decreased by EUR 12.2 billion to EUR 5.4 billion 31 December 2022 (31 December 2022: EUR 17.5 billion), mainly related to matured interbank deposits.

#### *Due to customers*

Due to customers decreased by EUR 0.6 billion, totalling EUR 254.5 billion at 31 December 2022 (31 December 2021: EUR 255.0 billion).

	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in millions of euros)</i>	
Personal & Business Banking .....	124,409	122,918
Wealth Management .....	66,245	64,556
Corporate Banking .....	57,977	60,563
Group Functions.....	5,835	6,978
<b>Total due to customers</b>	<b>254,466</b>	<b>255,015</b>

#### *Issued debt*

Issued debt increased by EUR 10.0 billion to EUR 66.2 billion at 31 December 2023 (31 December 2022: EUR 56.3 billion). Long-term wholesale funding increased mainly to refinance the EUR 11.0 billion of targeted longer-term refinancing operations ("TLTRO") borrowings repaid in June 2023. At 31 December 2023, issued debt included EUR 23.9 billion of covered bonds, EUR 12.7 billion of senior preferred funding, EUR 15.9 billion of senior non-preferred funding and EUR 13.7 billion of commercial paper and certificates of deposit. EUR 3.7 billion of outstanding long-term funding and EUR 13.7 billion of outstanding short-term funding mature within 12 months.

#### *Subordinated liabilities*

Subordinated liabilities decreased by EUR 1.7 billion to EUR 5.6 billion at 31 December 2023 (31 December 2022: EUR 7.3 billion) in favour of senior non-preferred funding.

#### *Other liabilities*

Other liabilities increased by EUR 0.3 billion to EUR 6.6 billion at 31 December 2023 (31 December 2022: EUR 6.3 billion).



### Total equity

Total equity increased by EUR 1.4 billion to EUR 24.2 billion at 31 December 2023 (31 December 2022: EUR 22.8 billion). This increase was mainly attributable to the inclusion of profit for the period and an increase in accumulated other comprehensive income.

### Equity attributable to owners of the parent company

Equity attributable to the owners of the parent company increased by EUR 1.4 billion and amounted to EUR 24.2 billion at 31 December 2023. Excluding AT1 securities, it increased by EUR 1.4 billion to EUR 22.2 billion at 31 December 2023.

### Results of Operations by Segment for the Years Ended 31 December 2023 and 2022

The sections below summarise ABN AMRO's results of operations by segment for the years ended 31 December 2023 and 31 December 2022.

#### 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.

The table below summarises the Personal & Business Banking segment's results for the years ended 31 December 2023 and 31 December 2022.

#### Personal & Business Banking: Selected Financial Information

	Year ended 31 December	
	2023	2022
	<i>(in millions of euros)</i>	
Net interest income .....	3,251	2,707
Net fee and commission income.....	555	526
Other operating income.....	148	101
<b>Operating income</b> .....	<b>3,955</b>	<b>3,334</b>
Personnel expenses.....	472	463
Other expenses.....	2,026	2,195
<b>Operating expenses</b> .....	<b>2,498</b>	<b>2,658</b>
<b>Operating result</b> .....	<b>1,457</b>	<b>676</b>
Impairment charges on financial instruments .....	-81	73
<b>Operating profit/(loss) before taxation</b> .....	<b>1,538</b>	<b>603</b>
Income tax expense .....	391	144
<b>Net profit/(loss) for the period</b> .....	<b>1,148</b>	<b>459</b>

	As at 31 December	
	2023	2022
Loans and advances customers (in billions) .....	156.9	157.8
<i>Of which Client loans (in billions)<sup>(1)</sup></i> .....	157.4	158.4
Due to customers (in billions) .....	124.4	122.9
Risk-weighted assets (risk exposure amount; in billions).....	39.1	38.9
Number of employees (in FTEs) .....	4,551	4,513
Total client assets (in billions).....	102.1	99.0
<i>Of which Cash (in billions)</i> .....	90.9	88.6
<i>Of which Securities (in billions)</i> .....	11.2	10.4

(1) Gross carrying amount excluding fair value adjustment from hedge accounting.

### Net profit/(loss) for the period

Net profit increased by EUR 689 million to EUR 1,148 million in 2023 (2022: EUR 459 million).

#### *Net interest income*

Net interest income increased by EUR 544 million to EUR 3,251 million in 2023 (2022: EUR 2,707 million). Excluding large incidentals, net interest income increased mainly due to improved deposit interest margins.

#### *Net fee and commission income*

Net fee and commission income rose by EUR 29 million to EUR 555 million in 2023 (2022: EUR 526 million), largely due to higher fee income from credit card services at International Card Services and higher package pricing at Business Banking.

#### *Other operating income*

Other operating income increased by EUR 47 million, totalling EUR 148 million in 2023 (2022: EUR 101 million).

#### *Personnel expenses*

Personnel expenses increased by EUR 9 million and amounted to EUR 472 million in 2023 (2022: EUR 463 million), mainly due to the impact of CLA salary increases.

#### *Other expenses*

Other expenses decreased by EUR 169 million, totalling EUR 2,026 million in 2023 (2022: EUR 2,195 million).

#### *Operating expenses*

Operating expenses decreased by EUR 160 million to EUR 2,498 million in 2023 (2022: EUR 2,658 million).

#### *Operating result*

The operating result increased by EUR 781 million to EUR 1,457 million in 2023 (2022: EUR 676 million).

#### *Impairment charges*

Impairment charges recorded a change of EUR 154 million due to a release of EUR 81 million in 2023 (2022: charge of EUR 73 million), reflecting mainly model-based releases.

#### *Income tax expense*

Income tax expense increased by EUR 247 million to EUR 391 million in 2023 (2022: EUR 144 million).

#### *Loans and advances customers*

Loans and advances customers decreased by EUR 0.9 billion to EUR 156.9 billion at 31 December 2023 (31 December 2022: EUR 157.8 billion), mainly driven by a decline in consumer loans (due to the phasing-out of some products).

#### *Due to customers*

Due to customers increased by EUR 1.5 billion to EUR 124.4 billion (31 December 2022: EUR 122.9 billion), driven by a net inflow of demand and time deposits.

### Total client assets

Total client assets increased by EUR 3.1 billion to EUR 102.1 billion (31 December 2022: EUR 99.0 billion), mainly driven by an increase in cash positions.

### Wealth Management

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

The table below summarises the Wealth Management segment's results for the years ended 31 December 2023 and 31 December 2022.

### Wealth Management: Selected Financial Information

	Year ended 31 December	
	2023	2022
	<i>(in millions of euros)</i>	
Net interest income .....	974	764
Net fee and commission income.....	588	595
Other operating income.....	38	118
<b>Operating income</b> .....	<b>1,601</b>	<b>1,477</b>
Personnel expenses.....	411	390
Other expenses.....	667	617
<b>Operating expenses</b> .....	<b>1,079</b>	<b>1,007</b>
<b>Operating result</b> .....	<b>522</b>	<b>470</b>
Impairment charges on financial instruments.....	-8	29
<b>Operating profit/(loss) before taxation</b> .....	<b>530</b>	<b>441</b>
Income tax expense.....	157	93
<b>Net profit/(loss) for the period</b> .....	<b>374</b>	<b>347</b>

  

	As at 31 December	
	2023	2022
Loans and advances customers (in billions) .....	16.5	17.0
<i>Of which Client loans (in billions)<sup>(1)</sup></i> .....	16.6	17.1
Due to customers (in billions) .....	66.2	64.6
Risk-weighted assets (risk exposure amount, in billions) .....	11.2	11.3
Number of employees (in FTEs) .....	2,931	2,848
Total client assets (in billions) .....	215.6	202.2
- of which Cash .....	66.6	64.6
- of which Securities .....	149.1	137.6

<sup>(1)</sup> Gross carrying amount excluding fair value adjustment from hedge accounting.

### Net profit/(loss) for the period

Net profit for 2023 increased by EUR 27 million to EUR 374 million (2022: EUR 347 million).

### Net interest income

Net interest income increased by EUR 210 million and amounted to EUR 974 million in 2023 (2022: EUR 764 million). This increase was mainly attributable to improved margins on deposits due to rising interest rates.*Net fee and commission income*

Net fee and commission income decreased by EUR 7 million and amounted to EUR 588 million in 2023 (2022: EUR 595 million). As most of this client unit's market performance materialised in the fourth quarter of 2023, assets under management were lower year-on-year in the majority of the year, leading to a drop in fee and commission income.

### Other operating income

Other operating income decreased by EUR 80 million to EUR 38 million in 2023 (2022: EUR 118 million).

### *Personnel expenses*

Personnel expenses increased by EUR 21 million to EUR 411 million in 2023 (2022: EUR 390 million), mainly due to the impact of the CLA salary increases and small staff-related provision additions, while 2022 showed staff-related provision releases.

### *Other expenses*

Other expenses increased by EUR 50 million to EUR 667 million in 2022 (2022: EUR 617 million) due to an increase in depreciation, amortisation, and impairment losses of tangible and intangible assets.

### *Operating result*

The operating result increased by EUR 52 million to EUR 522 million in 2023 (2022: EUR 470 million).

### *Impairment charges*

Impairment charges recorded a change of EUR 37 million due to a release of EUR 8 million in 2023 (2022: a charge of EUR 29 million), reflecting mainly stage 1 and 2 releases.

### *Income tax expense*

Income tax expense increased by EUR 64 million to EUR 157 million in 2023 (2022: EUR 93 million).

### *Loans and advances customers*

Loans and advances customers decreased by EUR 0.5 billion to EUR 16.5 billion at 31 December 2023 (31 December 2022: EUR 17.0 billion), mainly driven by a decrease in residential mortgages and corporate loans.

### *Due to customers*

Due to customers increased by EUR 1.6 billion to EUR 66.2 billion (31 December 2022: EUR 64.6 billion), driven by a net inflow of time deposits.

### *Client assets*

Total client assets increased by EUR 13.4 billion to EUR 215.6 billion (31 December 2022: EUR 202.2 billion), mainly driven by the 2023 investment result resulting in higher value of securities client assets.

	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in billions of euros)</i>	
<b>Opening balance as at 1 January</b> .....	<b>202.2</b>	<b>213.9</b>
Net new assets .....	2.2	3.6
Market performance .....	11.2	-15.3
<b>Closing balance at 31 December</b> .....	<b>215.6</b>	<b>202.2</b>
Breakdown by assets type:		
Cash .....	66.6	64.6
Securities.....	149.1	137.6
- <i>Of which custody</i> .....	35.2	35.4
Breakdown by geography:		
The Netherlands (in %) .....	61%	60%
The rest of Europe (in %).....	39%	40%

### *Net new assets*

Net new assets totalled EUR 2.2 billion (31 December 2022: EUR 3.6 billion), mainly driven by a cash inflow throughout the year.

### *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. The table below summarises the Corporate Banking segment's results for the years ended 31 December 2023 and 31 December 2022.

**Corporate Banking: Selected Financial Information**

	Year ended 31 December	
	2023	2022
	<i>(in millions of euros)</i>	
Net interest income .....	2,211	2,112
Net fee and commission income.....	667	682
Other operating income .....	490	452
<b>Operating income</b> .....	<b>3,368</b>	<b>3,246</b>
Personnel expenses.....	582	600
Other expenses .....	1,060	1,150
<b>Operating expenses</b> .....	<b>1,642</b>	<b>1,750</b>
<b>Operating result</b> .....	<b>1,726</b>	<b>1,496</b>
Impairment charges on financial instruments .....	-70	-68
<b>Operating profit/(loss) before taxation</b> .....	<b>1,796</b>	<b>1,564</b>
Income tax expense .....	345	365
<b>Net profit/(loss) for the period</b> .....	<b>1,451</b>	<b>1,199</b>

	As at 31 December	
	2023	2022
Loans and advances customers (in billions) .....	77.7	77.7
<i>Of which Client loans (in billions)<sup>(1)</sup></i> .....	63.3	64.5
Due to customers (in billions) .....	58.0	60.6
Risk-weighted assets (risk exposure amount; in billions).....	79.8	73.6
Number of employees (in FTEs) .....	3,851	3,595

<sup>(1)</sup> Gross carrying amount excluding fair value adjustment from hedge accounting.

*Net profit/(loss) for the period*

Net profit increased by EUR 252 million to EUR 1,451 million in 2023 (2022: EUR 1,199 million).

*Net interest income*

Net interest income increased by EUR 99 million to EUR 2,211 million in 2023 (2022: EUR 2,112 million), mainly due to higher margins on liabilities.

*Net fee and commission income*

Net fee and commission income recorded a decrease of EUR 14 million to EUR 667 million in 2023 (2022: EUR 682 million), amongst others due to lower income from corporate finance fees, partly offset by one-off fee income in the Corporate Banking non-core portfolio in the first half of 2023.

*Other operating income*

Other operating income increased by EUR 38 million to EUR 490 million in 2023 (2022: EUR 452 million).

*Personnel expenses*

Personnel expenses amounted to EUR 582 million in 2023, a decrease of EUR 18 million compared to EUR 600 million in 2022. The impact of CLA salary increases was more than mitigated by the wind down of the Corporate Banking non-core portfolio.

*Other expenses*

Other expenses decreased by EUR 90 million to EUR 1,060 million in 2023 (2022: EUR 1,150million).

### *Operating result*

Operating result increased by EUR 230 million to EUR 1,726 million in 2023 (2022: EUR 1,496 million).

### *Impairment charges*

Impairment charges recorded a change of EUR 2 million as a result of a net release of EUR 70 million in 2023 (2022: EUR 68 million release), mainly due to stage 1 and 2 releases, as the geopolitical overlays were lowered.

### *Income tax expense*

Income tax expense decreased by EUR 20 million to EUR 345 million in 2023 (2022: EUR 365 million).

### *Loans and advances customers*

Loans and advances customers remained at EUR 77.7 billion at 31 December 2023 (31 December 2022: EUR 77.7 billion).

### *Due to customers*

Due to customers decreased by EUR 2.6 billion to EUR 58.0 billion (31 December 2022: EUR 60.6 billion), mostly driven by volatility in third parties' escrow and current accounts.

### *RWA*

RWA increased by EUR 6.2 billion, totalling EUR 79.8 billion at 31 December 2023 (31 December 2022: EUR 73.6 billion). This increase was predominantly driven by credit risk RWA. Credit risk RWA was up as a result of a new model risk add-on and the migration of specific portfolios from the Advanced IRB approach to Foundation IRB and to the Standardised Approach.

### *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.

The table below summarises the Group Functions results for the years ended 31 December 2023 and 31 December 2022.

### *Group Functions: Selected financial information*

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in millions of euros)</i>	
Net interest income .....	-158	-161
Net fee and commission income.....	-29	-25
Other operating income .....	-119	-30
<b>Operating income</b> .....	<b>-306</b>	<b>-216</b>
Personnel expenses.....	1,027	1,004
Other expenses .....	-1012	-993
<b>Operating expenses</b> .....	<b>15</b>	<b>11</b>
<b>Operating result</b> .....	<b>-321</b>	<b>-227</b>
Impairment charges on financial instruments .....	1	5
<b>Operating profit/(loss) before taxation</b> .....	<b>-321</b>	<b>-231</b>
Income tax expense .....	-45	-93
<b>Net profit/(loss) for the period</b> .....	<b>-276</b>	<b>-138</b>
	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
Securities financing – assets (in billions) .....	13.5	13.5
Loans and advances customers (in billions) .....	-5.2	-8.5

	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
Securities financing – liabilities (in billions) .....	11.5	9.6
Due to customers (in billions) .....	5.8	7.0
Risk-weighted assets (risk exposure amount; in billions) .....	10.0	4.7
Number of employees (in FTEs) .....	9,539	9,082

#### *Net profit/(loss) for the period*

Net profit decreased by EUR 138 million to EUR 276 million negative in 2023 (2022: EUR 138 million negative).

#### *Net interest income*

Net interest income changed by EUR 3 million to EUR 158 million negative in 2023 (2022: EUR 161 million negative).

#### *Net fee and commission income*

Net fee and commission income changed by EUR 4 million and totalled EUR 29 million negative in 2023 (2022: EUR 25 million negative).

#### *Other operating income*

Other operating income recorded a change by EUR 89 million to EUR 119 million negative in 2023 (2022: EUR 30 million negative).

#### *Personnel expenses*

Personnel expenses increased by EUR 23 million to EUR 1,027 million in 2023 (2022: EUR 1,004 million), mainly due to an increase in internal FTEs combined with CLA salary increases.

#### *Other expenses*

Other expenses changed by EUR 19 million to EUR 1,012 million negative in 2023 (2022: EUR 993 million negative).

#### *Operating result*

Operating result decreased by EUR 94 million to EUR 321 million negative in 2023 (2022: EUR 227 million negative).

#### *Impairment charges*

Impairment charges decreased by EUR 4 million and totalled to EUR 1 million in 2023 (2022: EUR 5 million).

#### *Income tax expense*

Income tax expense changed by EUR 48 million to EUR 45 million negative in 2023 (2022: EUR 93 million negative).

#### *Loans and advances customers*

Loans and advances customers increased by EUR 3.3 billion to EUR 5.2 billion negative at 31 December 2023 (31 December 2022: EUR 8.5 billion negative). This increase was attributable to a downshift in long-term interest rates during the year, which resulted in changes to fair value adjustments from hedge accounting on residential mortgages.

### **7.5 Results of operations for the years ended 31 December 2022 and 2021**

The below discussion of ABN AMRO's results of operations for the year ended 31 December 2022 as compared to the year ended 31 December 2021 is based on the 2022 Consolidated Annual Financial Statements. For further information, please see "Summary of Financial Information Policies".

## Selected consolidated income statement

The table below summarises ABN AMRO's results of operations for the years ended 31 December 2022 and 31 December 2021.

	Year ended 31 December	
	2022	2021
	<i>(in millions of euros)</i>	
Net interest income .....	5,422	5,210
Net fee and commission income.....	1,778	1,664
Other operating income .....	640	724
<b>Operating income</b> .....	<b>7,841</b>	<b>7,597</b>
Personnel expenses.....	2,458	2,324
Other expenses .....	2,968	3,482
<b>Operating expenses</b> .....	<b>5,425</b>	<b>5,806</b>
<b>Operating result</b> .....	<b>2,415</b>	<b>1,791</b>
Impairment charges on financial instruments .....	39	-46
<b>Operating profit/(loss) before taxation</b> .....	<b>2,376</b>	<b>1,838</b>
Income tax expense .....	509	604
<b>Net profit/(loss) for the period</b> .....	<b>1,867</b>	<b>1,234</b>
<i>Attributable to</i>		
Owners of ABN AMRO (including holders of AT1 capital securities) .....	1,868	1,231
Non-controlling interests .....	-	3

	Year ended 31 December	
	2022	2021
Net interest margin (NIM) (in bps).....	129	127
Cost/income ratio .....	69.2%	76.4%
Cost of risk (in bps) <sup>(1)</sup> .....	3	-7
Return on average Equity <sup>(2)</sup> .....	8.7%	5.8%
Dividend per share (in EUR) <sup>(3)</sup> .....	0.99	0.61
Earnings per share (in EUR) <sup>(4)</sup> .....	1.96	1.21

	As at 31 December	
	2022	2021
Client assets (in billions).....	301.2	313.6
Risk-weighted assets (in billions).....	128.6	117.7
Number of employees (in FTEs).....	20,038	19,957
Number of non-employees (in FTEs).....	4,575	6,524

<sup>(1)</sup> 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 the fair value adjustments from hedge accounting.

<sup>(2)</sup> Annualised profit for the period excluding coupons attributable to AT1 capital securities and results attributable to non-controlling interests divided by the average equity attributable to the owners of ABN AMRO excluding AT1 capital securities.

<sup>(3)</sup> Interim/final dividend per share over the relevant period as declared/proposed by ABN AMRO, subject to approval at the annual general meeting (AGM).

<sup>(4)</sup> Profit for the period excluding coupons attributable to AT1 capital securities and results attributable to non-controlling interests divided by the average outstanding and paid-up ordinary shares.

### Net profit/(loss) for the period

ABN AMRO's full-year profit for 2022 amounted to EUR 1,867 million (2021: EUR 1,234 million).

Return on average equity in 2022 was 8.7%, compared with 5.8% in 2021.

### Operating income

Operating income increased by EUR 244 million to EUR 7,841 million in 2022 (2021: EUR 7,597 million). The increase was mainly attributable to higher net interest income and higher fee and commission income.

### Net interest income

Net interest income increased by EUR 212 million to EUR 5,422 million in 2022 (2021: EUR 5,210 million). Excluding large incidentals, net interest income decreased by EUR 70 million, mainly due to a significant decrease in mortgage prepayment penalties, lower Treasury results and asset margin pressure



(in residential mortgages and consumer loans), partly offset by higher interest margins on deposits in the final quarter of 2022, recorded in all client units.

#### *Net fee and commission income*

Net fee and commission income increased by EUR 114 million to EUR 1,778 million in 2022 (2021: EUR 1,664). This increase related mainly to higher transaction volumes and pricing from personal clients, improved credit card usage in ICS and higher transaction volumes at Clearing due to increased market volatility throughout 2022.

#### *Other operating income*

Other operating income decreased by EUR 84 million to EUR 640 million in 2022 (2021: EUR 724 million). This was mainly due to large incidentals in 2022, which consisted of a loss due to the change in the TLTRO III terms and conditions, and large incidentals in 2021, which consisted of a gain on the sale and leaseback of the Amsterdam head office, partly offset by positive trading results at Global Markets (impacted by the significant increase in interest rates and FX developments throughout 2022) and higher CVA/DVA/FVA results (EUR 60 million in 2022 versus EUR 46 million in 2021).

#### *Personnel expenses*

Personnel expenses increased by EUR 134 million to EUR 2,458 million in 2022 (2021: EUR 2,324 million). Excluding large incidentals, these expenses increased by EUR 100 million, mainly due to the 4% salary increase agreed under the new collective labour agreement ("CLA") and higher full-time employees for AML-related activities, IT and strategy execution throughout 2022.

#### *Other expenses*

Other expenses decreased by EUR 514 million to EUR 2,968 million in 2022 (2021: EUR 3,482 million), mainly due to lower regulatory levies and lower expenses from external staffing, partly related to AML activities and large incidentals.

#### *Operating expenses*

Operating expenses decreased by EUR 381 million to EUR 5,425 million in 2022 (2021: EUR 5,806 million). The decrease was mainly attributable to lower other expenses.

#### *Operating result*

Operating result increased by EUR 625 million to EUR 2,416 million in 2022 (2021: EUR 1,791 million) mainly as a result of net interest income and other expenses.

#### *Impairment charges on financial instruments*

Impairment charges changed by EUR 85 million and recorded an addition of EUR 39 million for 2022 (2021: release of EUR 46 million), resulting in a cost of risk of 3 basis points in 2022, compared to 7 negative basis points in 2021. Charges were attributable to a more unfavourable economic scenario during the year, partly offset by releases from management overlays and releases in the existing stage 3 portfolio. The releases in stage 3 can be largely attributed to better performance of the existing defaulted portfolio, repayments of stage 3 loans, outflow to the performing portfolio and recoveries.

#### *Income tax expenses*

Income tax expenses decreased by EUR 95 million to EUR 509 million in 2022 (2021: EUR 604 million).

### **Consolidated Balance Sheet Movements**

	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
Assets:		
Cash and balances at central banks.....	60,865	66,865

	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
<b>Assets:</b>		
Financial assets held for trading .....	907	1,155
Derivatives .....	5,212	3,785
Financial investments .....	39,034	43,165
Securities financing .....	20,032	16,138
Loans and advances banks .....	2,982	2,801
Loans and advances customers .....	243,927	258,251
Other .....	6,622	6,955
<b>Total assets</b> .....	<b>379,581</b>	<b>399,113</b>
<b>Liabilities:</b>		
Financial liabilities held for trading .....	641	687
Derivatives .....	4,148	4,344
Securities financing .....	9,652	9,494
Due to banks .....	17,509	38,076
Due to customers .....	255,015	251,218
Issued debt .....	56,259	59,688
Subordinated liabilities .....	7,290	7,549
Other .....	6,253	6,059
<b>Total liabilities</b> .....	<b>356,767</b>	<b>377,114</b>
<b>Equity:</b>		
Equity attributable to owners of ABN AMRO .....	22,812	21,994
Equity attributable to non-controlling interests .....	2	5
<b>Total equity</b> .....	<b>22,814</b>	<b>21,999</b>
<b>Total liabilities and equity</b> .....	<b>379,581</b>	<b>399,113</b>
Committed credit facilities .....	53,873	54,642
Guarantees and other commitments .....	7,651	7,598

### **Total assets**

Total assets declined by EUR 19.5 billion, totalling EUR 379.6 billion at 31 December 2022 (2021: EUR 399.1 billion). The decline was mainly caused by TLTRO III programme repayments, fair value adjustments from hedge accounting and the decrease in professional lending.

### *Cash and balances at central banks*

Cash and balances at central banks decreased by EUR 6.0 billion to EUR 60.9 billion at 31 December 2022 (31 December 2021: EUR 66.9 billion), due to TLTRO repayments. ABN AMRO participated in the TLTRO III facility from June 2020 onwards.

### *Financial assets held for trading*

Financial assets held for trading decreased by EUR 0.2 billion to EUR 0.9 billion at 31 December 2022 (31 December 2021: EUR 1.2 billion).

### *Derivatives - assets*

Derivatives increased by EUR 1.4 billion to EUR 5.2 billion at 31 December 2022 (31 December 2021: EUR 3.8 billion).

### *Financial investments*

Financial investments decreased by EUR 4.1 billion to EUR 39.0 billion at 31 December 2022 (31 December 2021: EUR 43.2 billion).

### *Securities financing - assets*

Securities financing increased by EUR 3.9 billion to EUR 20.0 billion at 31 December 2022 (31 December 2021: EUR 16.1 billion).

### Loans and advances banks

Loans and advances banks increased by EUR 0.2 billion to EUR 3.0 billion at 31 December 2022 (31 December 2021: EUR 2.8 billion). The increase was mainly attributable to an increase in interest-bearing deposits.

### Loans and advances customers

Loans and advances customers decreased by EUR 14.4 billion, totalling EUR 243.9 billion at 31 December 2022 (31 December 2021: EUR 258.3 billion) largely due to a decrease of EUR 8.4 billion in professional lending (with several Clearing clients reducing their positions and self-financing their deposit and margin contributions) and to a decrease in fair value adjustments from hedge accounting. This was partially offset by an increase in client loans.

	As at 31 December	
	2022	2021
	<i>(in millions of euros)</i>	
Residential mortgages .....	150,762	146,351
Consumer loans .....	10,232	10,794
Corporate loans to clients <sup>(1)</sup> .....	79,085	77,965
<i>Of which: Personal &amp; Business Banking</i> .....	8,962	9,920
<i>Of which: Corporate Banking</i> .....	63,886	62,230
<b>Total client loans<sup>(2)</sup></b> .....	<b>240,079</b>	<b>235,110</b>
Loans to professional counterparties and other loans <sup>(3)</sup> .....	15,209	23,605
<b>Total loans and advances customers<sup>(3)</sup></b> .....	<b>255,288</b>	<b>258,715</b>
Fair value adjustments from hedge accounting .....	-9,335	1,951
Less: loan impairment allowance .....	2,026	2,416
<b>Total loans and advances customers</b> .....	<b>243,927</b>	<b>258,251</b>

<sup>(1)</sup> Corporate loans excluding loans to professional counterparties.

<sup>(2)</sup> Excluding fair value adjustment from hedge accounting.

<sup>(3)</sup> Loans to professional counterparties and other loans includes loans and advances to governments, official institutions and financial markets parties.

### Other assets

Other assets decreased by EUR 0.4 billion to EUR 6.6 billion at 31 December 2022 (31 December 2021: EUR 7.0 billion).

### Total liabilities

Total liabilities decreased by EUR 20.3 billion, totalling EUR 356.8 billion at 31 December 2022 (31 December 2021: EUR 377.1 billion), mainly driven by a decline in due to banks.

### Financial liabilities held for trading

Financial liabilities held for trading decreased by EUR 0.1 billion to EUR 0.6 billion at 31 December 2022 (31 December 2021: EUR 0.7 billion).

### Derivatives - liabilities

Derivatives decreased by EUR 0.2 billion to EUR 4.1 billion at 31 December 2022 (31 December 2021: EUR 4.3 billion).

### Securities financing - liabilities

Securities financing increased by EUR 0.2 billion to EUR 9.7 billion at 31 December 2022 (31 December 2021: EUR 9.5 billion).

### Due to banks

Due to banks decreased by EUR 20.6 billion to EUR 17.5 billion 31 December 2022 (31 December 2021: EUR 38.1 billion), mainly related to TLTRO repayments.

### *Due to customers*

Due to customers increased by EUR 3.8 billion, totalling EUR 255.0 billion at 31 December 2022 (31 December 2021: EUR 251.2 billion). This was mainly caused by an increase in client deposits (due to increasing economic uncertainty, leading to more saving and less spending).

	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
Personal & Business Banking .....	122,918	117,276
Wealth Management .....	64,556	63,333
Corporate Banking .....	60,563	64,427
Group Functions.....	6,978	6,182
<b>Total due to customers</b>	<b>255,015</b>	<b>251,218</b>

### *Issued debt*

Issued debt decreased by EUR 3.4 billion to EUR 56.3 billion at 31 December 2022 (31 December 2021: EUR 59.7 billion). Issued debt included EUR 23.8 billion in covered bonds, EUR 8.2 billion in senior preferred funding, EUR 9.5 billion in senior non-preferred funding and EUR 14.7 billion in commercial paper and certificates of deposit. EUR 4.4 billion in outstanding long-term funding and EUR 14.7 billion in outstanding short-term funding mature within 12 months.

### *Subordinated liabilities*

Subordinated liabilities decreased by EUR 0.2 billion to EUR 7.3 billion at 31 December 2022 (31 December 2021: EUR 7.5 billion). The decrease was mainly due to the maturity of subordinated loans, partly offset by the issuance of a new instrument.

### *Other liabilities*

Other liabilities increased by EUR 0.2 billion to EUR 6.3 billion at 31 December 2022 (31 December 2021: EUR 6.1 billion). The increase was mainly due to increases in provisions and unsettled securities transactions.

### *Total equity*

Total equity increased by EUR 0.8 billion to EUR 22.8 billion at 31 December 2022 (31 December 2021: EUR 22.0 billion). This increase was mainly attributable to the inclusion of profit for the period and an increase in accumulated other comprehensive income.

### *Equity attributable to owners of the parent company*

Equity attributable to owners of the parent company amounted to EUR 22.8 billion at 31 December 2022. Excluding AT1 securities, it increased by EUR 0.8 billion to EUR 20.8 billion at 31 December 2022 (31 December 2021: EUR 22.0 billion).

## ***Results of Operations by Segment for the Years Ended 31 December 2022 and 2021***

The sections below summarise ABN AMRO's results of operations by segment for the years ended 31 December 2022 and 31 December 2021.

### ***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.

The table below summarises the Personal & Business Banking segment's results for the years ended 31 December 2022 and 31 December 2021.

**Personal & Business Banking: Selected Financial Information**

	Year ended 31 December	
	2022	2021
	<i>(in millions of euros)</i>	
Net interest income .....	2,707	2,502
Net fee and commission income.....	526	438
Other operating income .....	101	34
<b>Operating income</b> .....	<b>3,334</b>	<b>2,974</b>
Personnel expenses.....	463	462
Other expenses .....	2,195	2,215
<b>Operating expenses</b> .....	<b>2,658</b>	<b>2,677</b>
<b>Operating result</b> .....	<b>676</b>	<b>297</b>
Impairment charges on financial instruments .....	73	-23
<b>Operating profit/(loss) before taxation</b> .....	<b>603</b>	<b>320</b>
Income tax expense .....	144	92
<b>Net profit/(loss) for the period</b> .....	<b>459</b>	<b>228</b>

	As at 31 December	
	2022	2021
Loans and advances customers (in billions) .....	157.8	155.8
<i>Of which Client loans (in billions)<sup>(1)</sup></i> .....	158.4	156.6
Due to customers (in billions) .....	122.9	117.3
Risk-weighted assets (risk exposure amount; in billions).....	38.9	40.3
Number of employees (in FTEs) .....	4,513	4,704
Total client assets (in billions).....	99.0	99.7
<i>Of which Cash (in billions)</i> .....	88.6	87.3
<i>Of which Securities (in billions)</i> .....	10.4	12.4

(1) Gross carrying amount excluding fair value adjustment from hedge accounting.

*Net profit/(loss) for the period*

Net profit increased by EUR 231 million to EUR 459 million in 2022 (2021: EUR 228 million).

*Net interest income*

Net interest income increased by EUR 205 million to EUR 2,707 million (2021: EUR 2,502 million). Excluding large incidentals, net interest income increased mainly due to improved deposit interest margins.

*Net fee and commission income*

Net fee and commission income increased by EUR 88 million to EUR 526 million (2021: EUR 438 million), reflecting recovery in credit card usage and higher payment service income (due to higher pricing and transaction volume).

*Other operating income*

Other operating income increased by EUR 67 million, totalling EUR 101 million in 2022 (2021: EUR 34 million).

*Personnel expenses*

Personnel expenses increased by EUR 1 million and amounted to EUR 463 million in 2022 (2021: EUR 462 million). The impact of the new CLA was fully offset by a decrease in full-time employees.

### *Other expenses*

Other expenses decreased by EUR 20 million, totalling EUR 2.195 million in 2022 (2021: EUR 2,215 million). Excluding incidentals, the decrease was mainly due to lower regulatory levies and lower expenses for external staff.

### *Operating expenses*

Operating expenses decreased by EUR 19 million to EUR 2,658 million in 2022 (2021: EUR 2,677 million).

### *Operating result*

The operating result increased by EUR 379 million to EUR 676 million in 2022 (2021: EUR 297 million).

### *Impairment charges*

Impairment charges increased by EUR 96 million and recorded a charge of EUR 73 million in 2022 (2021: release of EUR 23 million), mainly due to model-based additions because macroeconomic variables deteriorated throughout the year.

### *Income tax expense*

Income tax expense decreased by EUR 52 million to EUR 144 million in 2022 (2021: EUR 92 million).

### *Loans and advances customers*

Loans and advances customers increased by EUR 2.0 billion to EUR 157.8 billion in 2022 (2021: EUR 155.8 billion), mainly due to an increase in residential mortgages.

### *Due to customers*

Due to customers decreased by EUR 5.6 billion to EUR 122.9 billion at 31 December 2022 (31 December 2021: EUR 117.3 billion).

### *Total client assets*

Total client assets decreased by EUR 0.7 billion to EUR 99.0 billion (2021: EUR 99.7 billion), mainly driven by the decline in stock markets throughout 2022 that led to a lower value for securities client assets.

## ***Wealth Management***

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

The table below summarises the Wealth Management segment's results for the years ended 31 December 2022 and 31 December 2021.

### ***Wealth Management: Selected Financial Information***

	<b>Year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
Net interest income .....	764	634
Net fee and commission income.....	595	601
Other operating income .....	118	48
<b>Operating income</b> .....	<b>1,477</b>	<b>1,283</b>
Personnel expenses.....	390	387
Other expenses .....	617	569
<b>Operating expenses</b> .....	<b>1,007</b>	<b>956</b>
<b>Operating result</b> .....	<b>470</b>	<b>327</b>
Impairment charges on financial instruments .....	29	-6
<b>Operating profit/(loss) before taxation</b> .....	<b>441</b>	<b>333</b>

	<b>Year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
Income tax expense .....	93	95
<b>Net profit/(loss) for the period</b> .....	<b>347</b>	<b>238</b>

	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
Loans and advances customers (in billions) .....	17.0	15.9
<i>Of which Client loans (in billions)<sup>(1)</sup></i> .....	17.1	16.0
Due to customers (in billions) .....	64.6	63.3
Risk-weighted assets (risk exposure amount, in billions) .....	11.3	10.6
Number of employees (in FTEs) .....	2,848	2,867
Total client assets (in billions) .....	202.2	213.9
- of which Cash .....	64.6	63.3
- of which Securities .....	137.6	150.6

<sup>(1)</sup> Gross carrying amount excluding fair value adjustment from hedge accounting.

#### *Net profit/(loss) for the period*

Net profit for 2022 increased by EUR 109 million to EUR 347 million (2021: EUR 238 million).

#### *Net interest income*

Net interest income increased by EUR 130 million and amounted to EUR 764 million in 2022 (2021: EUR 634 million). This increase was mainly attributable to improved margins on deposits due to rising interest rates.

#### *Net fee and commission income*

Net fee and commission income decreased by EUR 6 million, amounting to EUR 595 million (2021: EUR 601 million) as stock markets opened to a strong start in 2022 but then declined throughout the year.

#### *Other operating income*

Other operating income increased by EUR 70 million to EUR 118 million in 2022 (2021: EUR 48 million). This was mainly due to the results from the sale of ABN AMRO Pensioeninstelling.

#### *Personnel expenses*

Personnel expenses increased by EUR 3 million to EUR 390 million in 2022 (2021: EUR 387 million). The impact of the new CLA in the last quarter of 2022 was partly offset by staff-related provision releases.

#### *Other expenses*

Other expenses increased by EUR 48 million to EUR 617 million in 2022 (2021: EUR 569 million). This was mainly due to higher IT expenses and provision amounts, which were offset by lower regulatory levies and lower expenses for external staff.

#### *Operating result*

The operating result increased by EUR 143 million to EUR 470 million in 2022 (2021: EUR 327 million).

#### *Impairment charges*

Impairment charges increased by EUR 35 million and recorded a charge of EUR 29 million in 2022 (2021: a release of EUR 6 million), reflecting both model-based increases and stage 3 additions.

#### *Income tax expense*

Income tax expense decreased by EUR 2 million to EUR 93 million in 2022 (2021: EUR 95 million).

### *Loans and advances customers*

Loans and advances customers increased by EUR 1.1 billion to EUR 17.0 billion at 31 December 2022 (31 December 2021: EUR 15.9 billion), mainly driven by an increase in residential mortgages and corporate loans.

### *Due to customers*

Due to customers increased by EUR 1.3 billion to EUR 64.6 billion at 31 December 2022 (31 December 2021: EUR 63.3 billion).

### *Client assets*

Total client assets decreased by EUR 11.7 billion to EUR 202.2 billion at 31 December 2022 (31 December 2021: EUR 213.9 billion), mainly driven by the decline in stock markets that led to a lower value for securities client assets.

	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in billions of euros)</i>	
<b>Opening balance as at 1 January</b> .....	<b>213.9</b>	<b>189.6</b>
Net new assets .....	3.6	1.5
Market performance .....	-15.3	16.9
Divestments/acquisitions.....		6.0
<b>Closing balance at 31 December</b> .....	<b>202.2</b>	<b>213.9</b>
Breakdown by assets type:		
Cash .....	64.6	63.3
Securities.....	137.6	150.6
- <i>Of which custody</i> .....	35.4	37.2
Breakdown by geography:		
The Netherlands (in %) .....	60%	58%
The rest of Europe (in %).....	40%	42%

### *Net new assets*

Net new assets increased by EUR 2.1 billion and totalled EUR 3.6 billion at 31 December 2022 (31 December 2021: EUR 1.5 billion), mainly driven by a securities inflow throughout the year.

### **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. The table below summarises the Corporate Banking segment's results for the years ended 31 December 2022 and 31 December 2021.

### **Corporate Banking: Selected Financial Information**

	<b>Year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
Net interest income .....	2,112	1,875
Net fee and commission income.....	682	645
Other operating income .....	452	189
<b>Operating income</b> .....	<b>3,246</b>	<b>2,709</b>
Personnel expenses.....	600	602
Other expenses .....	1,150	1,144
<b>Operating expenses</b> .....	<b>1,750</b>	<b>1,746</b>
<b>Operating result</b> .....	<b>1,496</b>	<b>963</b>
Impairment charges on financial instruments .....	-68	-15
<b>Operating profit/(loss) before taxation</b> .....	<b>1,564</b>	<b>978</b>
Income tax expense .....	365	247
<b>Net profit/(loss) for the period</b> .....	<b>1,199</b>	<b>730</b>



	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
Loans and advances customers (in billions) .....	77.7	83.8
<i>Of which Client loans (in billions)<sup>(1)</sup></i> .....	64.5	62.5
Due to customers (in billions) .....	60.6	64.4
Risk-weighted assets (risk exposure amount; in billions) .....	73.6	62.4
Number of employees (in FTEs) .....	3,595	3,857

<sup>(1)</sup> Gross carrying amount excluding fair value adjustment from hedge accounting.

#### *Net profit/(loss) for the period*

Net profit increased by EUR 469 million to EUR 1,199 million in 2022 (2021: EUR 730 million).

#### *Net interest income*

Net interest income increased by EUR 237 million to EUR 2,112 million in 2022 (2021: EUR 1,875 million), mainly due to a EUR 289 million increase in Corporate Banking core, reflecting business growth (increased lending volume) and improved deposit margins. This was partially offset by a EUR 52 million decrease in Corporate Banking non-core due to the successful wind-down.

#### *Net fee and commission income*

Net fee and commission income recorded an increase of EUR 37 million to EUR 682 million at 31 December 2022 (31 December 2021: EUR 645 million), mainly at Clearing and due to increased market volatility throughout 2022.

#### *Other operating income*

Other operating income increased by EUR 263 million to EUR 452 million in 2022 (2021: EUR 189 million), mainly reflecting positive equity stake revaluations, gain on the divestment of the MP Solar stake in the third quarter of 2023, positive trading results at Global Markets (impacted by the significant increase in interest rates and foreign exchange developments throughout 2022) and higher counterparty credit spreads (CVA), own credit spreads (DVA) and funding valuation results (FVA) (EUR 60 million in 2022 versus EUR 46 million in 2021), partly offset by a decrease in the result from private equity investments.

#### *Personnel expenses*

Personnel expenses decreased by EUR 2 million to EUR 600 million in 2022 (2021: EUR 602 million). The impact of the new CLA was fully offset by releases on staff-related provisions and a decrease in full-time employees.

#### *Other expenses*

Other expenses increased by EUR 6 million to EUR 1,150 million in 2022 (2021: EUR 1,144 million). The decrease was mainly due to an increase in staff-related costs and expenses for external staff.

#### *Operating result*

Operating result increased by EUR 533 million to EUR 1,496 million in 2022 (2021: EUR 963 million).

#### *Impairment charges*

Impairment charges decreased by EUR 53 million and recorded a net release of EUR 68 million in 2022 (2021: EUR 15 million release), mainly due to stage 3 releases throughout 2022.

#### *Income tax expense*

Income tax expense increased by EUR 118 million to EUR 365 million in 2022 (2021: EUR 247 million).

#### *Loans and advances customers*

Loans and advances customers decreased by EUR 6.1 billion, totalling EUR 77.7 billion at 31 December 2022 (31 December 2021: EUR 83.8 billion), largely due to a decrease in professional lending (mainly Clearing) and Corporate Banking non-core portfolio following the successful wind-down. This was partially offset by an increase in client loans (mainly corporates).

#### *Due to customers*

Due to customers decreased by EUR 3.8 billion to EUR 60.6 billion at 31 December 2022 (31 December 2021: 64.4) as several Clearing clients self-financed their deposit and margin contributions.

#### *RWA*

RWA increased by EUR 11.2 billion, totalling EUR 73.6 billion at 31 December 2022 (31 December 2021: EUR 62.4 billion). This increase was a result of a new model risk add-on and migration of specific portfolios from Advanced IRB model to Foundation IRB and Standardized Approach.

#### **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.

The table below summarises the Group Functions results for the years ended 31 December 2022 and 31 December 2021.

#### **Group Functions: Selected financial information**

	<b>Year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(in millions of euros)</i>	
Net interest income .....	-161	198
Net fee and commission income.....	-25	-21
Other operating income .....	-30	455
<b>Operating income</b> .....	<b>-216</b>	<b>632</b>
Personnel expenses.....	1,004	873
Other expenses .....	-993	-446
<b>Operating expenses</b> .....	<b>11</b>	<b>427</b>
<b>Operating result</b> .....	<b>-227</b>	<b>205</b>
Impairment charges on financial instruments .....	5	-3
<b>Operating profit/(loss) before taxation</b> .....	<b>-231</b>	<b>207</b>
Income tax expense .....	-93	169
<b>Net profit/(loss) for the period</b> .....	<b>-138</b>	<b>38</b>

  

	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
Securities financing – assets (in billions) .....	13.5	10.5
Loans and advances customers (in billions) .....	-8.5	2.7
Securities financing – liabilities (in billions) .....	9.6	9.5
Due to customers (in billions) .....	7.0	6.2
Risk-weighted assets (risk exposure amount; in billions).....	4.7	4.4
Number of employees (in FTEs) .....	9,082	8,528

#### *Net profit/(loss) for the period*

Net profit decreased by EUR 100 million to EUR 138 million negative in 2022 (2021: EUR 38 million).

#### *Net interest income*

Net interest income decreased by EUR 359 million to EUR 161 million negative in 2022 (2021: EUR 198 million), mainly due to lower treasury results and lower mortgage prepayment penalties.

#### *Net fee and commission income*

Net fee and commission income decreased by EUR 4 million to EUR 25 million negative in 2022 (2021: EUR 21 million negative).

#### *Other operating income*

Other operating income decreased by EUR 485 million to EUR 30 million negative in 2022 (2021: EUR 455 million). This was mainly due to large incidentals and volatile items in both years.

#### *Personnel expenses*

Personnel expenses increased by EUR 131 million to EUR 1,004 million in 2022 (2021: EUR 873 million). This was mainly due to the upscaling of AML activities reflected in the increase in full time employees and the impact of the new CLA.

#### *Other expenses*

Other expenses changed by EUR 547 million to EUR 993 million negative in 2022 (2021: EUR 446 million negative). This was due to the AML settlement in 2021 (EUR 480 million), partly offset by additional provisions for AML remediation activities in 2022.

#### *Operating result*

Operating result decreased by EUR 438 million to EUR 227 million negative in 2022 (2021: EUR 205 million).

#### *Impairment charges*

Impairment charges increased by EUR 8 million and totalled to EUR 5 million in 2022 (2021: EUR 3 million negative).

#### *Income tax expense*

Income tax expense decreased by EUR 262 million to EUR 93 million negative in 2022 (2021: EUR 169 million).

#### *Loans and advances customers*

Loans and advances customers decreased by EUR 11.2 billion to EUR 8.5 billion negative in 2022 (2021: EUR 2.7 billion). This decrease was attributable to a decrease in fair value adjustments from hedge accounting on residential mortgages, as a result of the sharp increase in long-term interest rates this year.

## 8. SELECTED STATISTICAL INFORMATION

The reported results for the years ended as at 31 December 2023 included in this section were extracted from the 2023 Consolidated Annual Financial Statements. The reported results for the years ended 31 December 2022 and 2021 included in this section were extracted from the 2022 Consolidated Annual Financial Statements. For more information see "Summary of Financial Information Policies."

Certain information in this section derived from ABN AMRO's Integrated Annual Report 2023 has been audited and is part of the 2023 Consolidated Annual Financial Statements.

Set out below are certain statistical disclosures, including ABN AMRO's financial assets and liabilities held for trading, details of its loan portfolio and a maturity analysis of its assets and liabilities. This Registration Document has been prepared in accordance with the rules and regulations of Euronext Amsterdam and the AFM, which has disclosure requirements that are different from those of the United States. In particular, the information below is not presented in the form or with the content that would be required in an offering registered pursuant to the Securities Act.

Figures below are presented as at and for the years ended 31 December 2023, 2022 and 2021. Certain figures in this section may not add up exactly due to rounding. In addition, certain percentages in this section have been calculated using rounded figures.

### 8.1 Financial Assets and Liabilities Held for Trading

Please see "Notes to the Consolidated Annual Financial Statements – 14 Financial assets and liabilities held for trading" in the Integrated Annual Report 2023, which has been incorporated by reference herein.

### 8.2 Loan Portfolio

#### Outstanding loans to banks and customers

Please see "Notes to the Consolidated Annual Financial Statements – 20 Loans and advances banks and 21 Loans and advances customers" in the Integrated Annual Report 2023, which has been incorporated by reference herein.

#### Outstanding loans by industry sector

Please see "Risk, funding & capital – Credit risk review – Industry concentration" in the Integrated Annual Report 2023, which has been incorporated by reference herein.

### 8.3 Credit quality of retail loans and other financial assets

Please see "Risk, funding & capital – Credit risk review – Credit quality by exposure class" in the Integrated Annual Report 2023, which has been incorporated by reference herein.

### 8.4 Past due credit exposure

Please see "Risk, funding & capital – Credit risk review – Past due exposures" in the Integrated Annual Report 2023, which has been incorporated by reference herein.

### 8.5 Loan impairment exposure

Total impairment charges (releases) on loans and advances decreased to EUR -17 million for the year ended 31 December 2023 compared with EUR 171 million for the year ended 31 December 2022.

The table below sets out loan impairments charges and allowances for the year ended 31 December 2023:

	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	Off-balance
	<i>(in million of euros)</i>						
Balance at 1 January 2022.....	8	153	277	1590	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.....	-	-4	-5	-20	-	-28	-1

	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	Off-balance
<i>(in million of euros)</i>							
Transfer to stage 2.....	-	7	-1	-14	-	-9	2
Transfer to stage 3.....	-	24	30	133	2	188	17
Remeasurements <sup>1</sup> .....	-5	35	-15	-112	-4	-101	47
Changes in risk parameters.....	-	3	6	-35	-	-26	-4
Originated or purchased .....	-	4	3	32	-	39	8
Matured or repaid.....	-	-17	-8	-54	-	-79	-9
<b>Impairment charges (releases) on loans and advances .....</b>	<b>-5</b>	<b>51</b>	<b>10</b>	<b>-71</b>	<b>-3</b>	<b>-17</b>	<b>60</b>
Write-offs.....	-	-1	-58	-274	-	-334	-
Unwind discount/uneared interest accrued.....	-	2	3	29	1	34	-
Foreign exchange and other movements	-	-7	15	-20	-	-12	-1
<b>Balance as at 31 December 2023 .....</b>	<b>3</b>	<b>198</b>	<b>147</b>	<b>1,254</b>	<b>3</b>	<b>1,605</b>	<b>109</b>
Impairment charges (releases) on loans and advances .....	-5	51	10	-71	-3	-17	60
Recoveries and other charges (releases)	-	-14	-29	-67	-	-111	-90
<b>Total impairment charges for the period<sup>2</sup>.....</b>	<b>-5</b>	<b>37</b>	<b>-19</b>	<b>-139</b>	<b>-3</b>	<b>-128</b>	<b>-30</b>

<sup>(1)</sup> 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 but also affected due to reclassification to IFRS17.

<sup>(2)</sup> The impairment charges for the period excludes charges (releases) for financial investments held at FVOCI 31 December 2023: EUR 0 million.

Total impairment charges (releases) on loans and advances increased to EUR 171 million for the year ended 31 December 2022 compared with EUR -20 million for the year ended 31 December 2021.

The table below sets out loan impairments charges and allowances for the year ended 31 December 2022:

	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	Off-balance
<i>(in million of euros)</i>							
<b>Balance at 1 January 2022.....</b>	<b>10</b>	<b>82</b>	<b>276</b>	<b>2,053</b>	<b>4</b>	<b>2,426</b>	<b>153</b>
Transfer to stage 1.....	-	-3	-9	-21	-	-33	-2
Transfer to stage 2.....	-	4	-	11	-	15	4
Transfer to stage 3.....	-	17	37	98	-	152	-
Remeasurements <sup>1</sup> .....	-3	9	27	-64	-	-30	-120
Changes in risk parameters.....	-	57	12	61	-	130	2
Originated or purchased .....	-	7	4	44	-	55	12
Matured or repaid.....	-	-18	-12	-88	-	-119	-7
<b>Impairment charges (releases) on loans and advances .....</b>	<b>-2</b>	<b>73</b>	<b>59</b>	<b>41</b>	<b>1</b>	<b>171</b>	<b>-110</b>
Write-offs.....	-	-3	-65	-556	-	-623	-
Unwind discount/uneared interest accrued.....	-	1	5	25	-	32	-
Foreign exchange and other movements	-	-	3	27	-	29	8
<b>Balance as at 31 December 2022 .....</b>	<b>8</b>	<b>153</b>	<b>277</b>	<b>1,590</b>	<b>5</b>	<b>2,034</b>	<b>51</b>
Impairment charges (releases) on loans and advances .....	-2	73	59	41	1	171	-110
Recoveries and other charges (releases)	-	-17	-45	-42	-	-103	82
<b>Total impairment charges for the period .....</b>	<b>-2</b>	<b>56</b>	<b>14</b>	<b>-1</b>	<b>1</b>	<b>67</b>	<b>-28</b>

<sup>(1)</sup> 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.

Total impairment charges (releases) on loans and advances decreased to EUR -20 million for the year ended 31 December 2021.

The table below sets out loan impairments charges and allowances for the year ended 31 December 2021:

	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total loans and advances	Off-balance
<i>(in million of euros)</i>							
<b>Balance at 1 January 2021</b> .....	<b>6</b>	<b>116</b>	<b>294</b>	<b>3,053</b>	<b>3</b>	<b>3,472</b>	<b>48</b>
Transfer to stage 1.....	-	-6	-7	-21	-	-33	-1
Transfer to stage 2.....	-	-	-3	31	-	27	7
Transfer to stage 3.....	-	21	51	107	-	179	-
Remeasurements <sup>1</sup> .....	10	5	39	425	1	480	101
Changes in models.....	-2	-1	1	-15	-	-17	-
Changes in risk parameters.....	-4	-31	-12	-54	-	-101	-
Originated or purchased.....	-	4	5	46	-	55	6
Matured or repaid.....	-	-19	-27	-563	-	-610	-18
<b>Impairment charges (releases) on loans and advances</b> .....	<b>5</b>	<b>-28</b>	<b>47</b>	<b>-44</b>	<b>1</b>	<b>-20</b>	<b>94</b>
Write-offs.....	-	-6	-69	-1,042	-	-1,117	-3
Unwind discount/unearned interest accrued.....	-	1	4	16	-	22	-
Foreign exchange and other movements.....	-	-1	-	69	-	69	14
<b>Balance as at 31 December 2021</b> .....	<b>10</b>	<b>82</b>	<b>276</b>	<b>2,053</b>	<b>4</b>	<b>2,426</b>	<b>153</b>
Impairment charges (releases) on loans and advances.....	5	-28	47	-44	1	-20	94
Recoveries and other charges (releases).....	-	-18	-44	-79	-	-141	22
<b>Total impairment charges for the period</b> .....	<b>5</b>	<b>-46</b>	<b>3</b>	<b>-124</b>	<b>1</b>	<b>-161</b>	<b>116</b>

<sup>(1)</sup> 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.

## 8.6 Coverage and Stage Ratios

The following tables show the coverage and stage ratios for 2023, 2022 and 2021. These ratios provide an overview of what percent of the portfolio at risk is covered by actual allowances for credit losses and the distribution of the IFRS 9 credit risk stages in relation to the entirety of the respective portfolio at risk.

	As at 31 December 2023			
	Gross carrying amount <sup>(2)</sup>	Allowances for credit losses <sup>(3)</sup>	Coverage ratio	Stage ratio
<i>(in millions of euros)</i>				
<i>Stage 1</i>				
<b>Loans and advances banks</b> .....	<b>2,290</b>	<b>3</b>	<b>0.1%</b>	<b>98.4%</b>
Residential mortgages.....	138,671	24	0.0%	91.8%
Consumer loans <sup>(1)</sup> .....	7,658	18	0.2%	91.4%
Corporate loans <sup>(1)</sup> .....	73,324	192	0.3%	84.5%
Other loans and advances customers <sup>(1)</sup> .....	6,475		0.0%	99.7%
<b>Total loans and advances customers<sup>(1)</sup>....</b>	<b>226,128</b>	<b>234</b>	<b>0.1%</b>	<b>89.5%</b>
<i>Stage 2</i>				
<b>Loans and advances banks</b> .....	<b>37</b>		<b>0.0%</b>	<b>1.6%</b>
Residential mortgages.....	11,115	49	0.4%	7.4%
Consumer loans <sup>(1)</sup> .....	467	11	2.4%	5.6%
Corporate loans <sup>(1)</sup> .....	10,308	228	2.2%	11.9%
Other loans and advances customers <sup>(1)</sup> .....	14	1	7.9%	0.2%
<b>Total loans and advances customers<sup>(1)</sup>....</b>	<b>21,903</b>	<b>289</b>	<b>1.3%</b>	<b>8.7%</b>
<i>Stage 3 and POCI</i>				
<b>Loans and advances banks</b> .....				
Residential mortgages.....	1,292	125	9.7%	0.9%
Consumer loans <sup>(1)</sup> .....	255	118	46.3%	3.0%
Corporate loans <sup>(1)</sup> .....	3,152	833	26.4%	3.6%
Other loans and advances customers <sup>(1)</sup> .....	8	2	27.1%	0.1%
<b>Total loans and advances customers<sup>(1)</sup>....</b>	<b>4,707</b>	<b>1,079</b>	<b>22.9%</b>	<b>1.9%</b>
<i>Total of stages 1, 2, 3 and POCI</i>				
<b>Loans and advances banks</b> .....	<b>2,327</b>	<b>3</b>	<b>0.1%</b>	
Residential mortgages.....	151,078	198	0.1%	
Consumer loans <sup>(1)</sup> .....	8,380	147	1.8%	
Corporate loans <sup>(1)</sup> .....	86,784	1,254	1.4%	
Other loans and advances customers <sup>(1)</sup> .....	6,497	3	0.1%	
<b>Total loans and advances customers<sup>(1)</sup>....</b>	<b>252,739</b>	<b>1,602</b>	<b>0.6%</b>	

	As at 31 December 2023			
	Gross carrying amount <sup>(2)</sup>	Allowances for credit losses <sup>(3)</sup>	Coverage ratio	Stage ratio
	<i>(in millions of euros)</i>			
<b>Total loans and advances<sup>(1)</sup></b> .....	<b>255,066</b>	<b>1,605</b>	<b>0.6%</b>	

(1) Excluding loans at fair value through P&L.

(2) Gross carrying amount excludes fair value adjustments from hedge accounting.

(3) The allowances for credit losses excludes allowances for financial investments held at FVOCI ((31 December 2023: EUR 1 million; 31 December 2022: EUR 1 million).

	As at 31 December 2022			
	Gross carrying amount <sup>(3)</sup>	Allowances for credit losses <sup>(4)</sup>	Coverage ratio	Stage ratio
	<i>(in millions of euros)</i>			
<i>Stage 1</i>				
<b>Loans and advances banks</b> .....	<b>2,953</b>	<b>8</b>	<b>0.3%</b>	<b>98.8%</b>
Residential mortgages .....	140,450	21	0.0%	93.2%
Consumer loans .....	9,121	30	0.3%	89.1%
Corporate loans <sup>(1)</sup> .....	69,103	256	0.4%	79.7%
Other loans and advances customers <sup>(1)</sup> .....	7,457		0.0%	99.5%
<b>Total loans and advances customers<sup>(1)</sup></b> .....	<b>226,130</b>	<b>308</b>	<b>0.1%</b>	<b>88.6%</b>
<i>Stage 2</i>				
<b>Loans and advances banks</b> .....	<b>37</b>		<b>0.0%</b>	<b>1.2%</b>
Residential mortgages .....	9,169	57	0.6%	6.1%
Consumer loans .....	749	36	4.8%	7.3%
Corporate loans <sup>(1)</sup> .....	13,963	301	2.2%	16.1%
Other loans and advances customers <sup>(1)</sup> .....	36	2	5.6%	0.5%
<b>Total loans and advances customers<sup>(1)</sup></b> .....	<b>23,917</b>	<b>396</b>	<b>1.7%</b>	<b>9.4%</b>
<i>Stage 3 and POCI</i>				
<b>Loans and advances banks</b> .....				
Residential mortgages .....	1,143	75	6.6%	0.8%
Consumer loans .....	363	211	58.2%	3.5%
Corporate loans <sup>(1)</sup> .....	3,666	1,033	28.2%	4.2%
Other loans and advances customers <sup>(1)</sup> .....	4	3	83.9%	0.0%
<b>Total loans and advances customers<sup>(1)</sup></b> .....	<b>5,175</b>	<b>1,322</b>	<b>25.6%</b>	<b>2.0%</b>
<i>Total of stages 1, 2, 3 and POCI</i>				
<b>Loans and advances banks</b> .....	<b>2,990</b>	<b>8</b>	<b>0.3%</b>	
Residential mortgages .....	150,762	153	0.1%	
Consumer loans .....	10,232	277	2.7%	
Corporate loans <sup>(1)</sup> .....	86,731	1,590	1.8%	
Other loans and advances customers <sup>(1)</sup> .....	7,497	5	0.1%	
<b>Total loans and advances customers<sup>(1)</sup></b> .....	<b>255,222</b>	<b>2,026</b>	<b>0.8%</b>	
<b>Total loans and advances<sup>(1)(2)</sup></b> .....	<b>258,212</b>	<b>2,034</b>	<b>0.8%</b>	

(1) Excluding loans at fair value through P&L.

(2) ABN AMRO changed its presentation compared to previous reports. The table now shows total loans and advances to be more consistent with other risk disclosures in the Integrated Annual Report 2022.

(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 (31 December 2022: EUR 1 million).

	As at 31 December 2021			
	Gross carrying amount <sup>(3)</sup>	Allowances for credit losses <sup>(4)</sup>	Coverage ratio	Stage ratio
	<i>(in millions of euros)</i>			
<i>Stage 1</i>				
<b>Loans and advances banks</b> .....	<b>2,808</b>	<b>10</b>	<b>0.4%</b>	<b>99.9%</b>
Residential mortgages .....	137,063	8	0.0%	93.7%
Consumer loans .....	9,348	23	0.2%	86.6%
Corporate loans <sup>(1)</sup> .....	69,364	130	0.2%	80.2%
Other loans and advances customers <sup>(1)</sup> .....	14,954		0.0%	99.6%
<b>Total loans and advances customers<sup>(1)</sup></b> .....	<b>230,729</b>	<b>162</b>	<b>0.1%</b>	<b>89.2%</b>
<i>Stage 2</i>				
<b>Loans and advances banks</b> .....	<b>3</b>		<b>0.5%</b>	<b>0.1%</b>
Residential mortgages .....	8,025	22	0.3%	5.5%
Consumer loans .....	1,037	45	4.4%	9.6%
Corporate loans <sup>(1)</sup> .....	12,075	291	2.4%	14.0%
Other loans and advances customers <sup>(1)</sup> .....	44	1	3.2%	0.3%
<b>Total loans and advances customers<sup>(1)</sup></b> .....	<b>21,181</b>	<b>360</b>	<b>1.7%</b>	<b>8.2%</b>
<i>Stage 3 and POCI</i>				

As at 31 December 2021				
	Gross carrying amount <sup>(3)</sup>	Allowances for credit losses <sup>(4)</sup>	Coverage ratio	Stage ratio
	<i>(in millions of euros)</i>			
<b>Loans and advances banks</b> .....				
Residential mortgages .....	1,264	52	4.1%	0.9%
Consumer loans .....	409	208	50.8%	3.8%
Corporate loans <sup>(1)</sup> .....	5,019	1,632	32.5%	5.8%
Other loans and advances customers <sup>(1)</sup> .....	9	3	32.0%	0.1%
<b>Total loans and advances customers<sup>(1)</sup> ....</b>	<b>6,701</b>	<b>1,894</b>	<b>28.3%</b>	<b>2.6%</b>
<i>Total of stages 1, 2, 3 and POCI</i>				
<b>Loans and advances banks</b> .....	<b>2,811</b>	<b>10</b>	<b>0.4%</b>	
Residential mortgages .....	146,351	82	0.1%	
Consumer loans .....	10,794	276	2.6%	
Corporate loans <sup>(1)</sup> .....	86,458	2,053	2.4%	
Other loans and advances customers <sup>(1)</sup> .....	15,007	4	0.0%	
<b>Total loans and advances customers<sup>(1)</sup> ....</b>	<b>258,611</b>	<b>2,416</b>	<b>0.9%</b>	
<b>Total loans and advances<sup>(1)(2)</sup> .....</b>	<b>261,421</b>	<b>2,426</b>	<b>0.9%</b>	

(1) Excluding loans at fair value through P&L.

(2) ABN AMRO changed its presentation compared to previous reports. The table now shows total loans and advances to be more consistent with other risk disclosures in the Integrated Annual Report 2021.

(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 (31 December 2021: EUR 1 million).

## 8.7 Due to Banks and Customers

Please see "Notes to the Consolidated Annual Financial Statements – 27 Due to banks and 28 Due to customers" in the Integrated Annual Report 2023, which has been incorporated by reference herein.

## 8.8 Maturity Analysis of Assets and Liabilities

The following tables show the financial assets and liabilities for 2023, 2022 and 2021 arranged by the earliest possible contractual maturity. This picture is not consistent with how ABN AMRO views and manages liquidity, as it does not take expected client behaviour and other factors into account. Most notably, this table does not reflect prepayment of mortgages and other loans and the fact that the behavioural maturities of client deposits are not in line with the contractual maturities. Financial investments relate to the liquidity buffer and can be liquidated quickly despite the longer contractual maturity.

As at 31 December 2023											
	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
	<i>(in millions of euros)</i>										
<b>Assets</b>											
Cash and balances at central banks ....	53,656	-	-	-	-	-	-	-	-	-	53,656
Financial assets held for trading .....	13	-	18	57	35	72	178	495	504	-	1,371
Derivatives .....	-	4,038	15	7	1	17	6	62	259	-	4,403
Financial investments .....	814	-	1,188	1,865	2,549	2,104	4,707	12,115	15,320	838	41,501
Securities financing .....	1,098	-	18,141	1,265	996	2	-	-	-	-	21,503
Loans and advances banks .....	814	-	561	26	223	22	22	182	473	-	2,324
Loans and advances customers .....	8,498	-	9,836	4,986	3,321	7,834	13,814	34,399	163,246	-	245,935
Other assets .....	3,001	-	2,647	724	63	146	14	534	89	-	7,218
<b>Total assets .....</b>	<b>67,895</b>	<b>4,038</b>	<b>32,404</b>	<b>8,931</b>	<b>7,188</b>	<b>10,197</b>	<b>18,741</b>	<b>47,787</b>	<b>179,891</b>	<b>838</b>	<b>377,909</b>
<b>Liabilities</b>											
Financial liabilities held for trading ...	3	-	79	22	95	25	89	233	370	-	917
Derivatives .....	-	2,422	39	7	6	2	24	82	274	-	2,856
Securities financing .....	301	-	10,653	753	-	2	-	-	-	-	11,710
Due to banks .....	870	-	806	180	3,159	45	76	53	163	-	5,352
Due to customers .....	203,764	-	25,275	7,022	5,638	4,382	595	1,665	6,124	-	254,446
Issued debt .....	16	-	7,169	6,997	2,167	1,014	8,858	15,347	24,660	-	66,227
- of which senior secured .....	-	-	1,531	116	30	166	497	2,868	18,645	-	23,853
- of which senior unsecured .....	-	-	1,557	121	31	116	8,294	12,479	5,993	-	28,590
- of which other .....	16	-	4,081	6,761	2,106	732	67	-	22	-	13,784
Subordinated liabilities .....	-	-	-	-	-	-	1,342	3,210	1,020	-	5,572
Other liabilities .....	1,987	-	3,593	426	64	24	538	5	6	-	6,641
<b>Total liabilities .....</b>	<b>206,942</b>	<b>2,422</b>	<b>47,614</b>	<b>15,407</b>	<b>11,129</b>	<b>5,493</b>	<b>11,523</b>	<b>20,595</b>	<b>32,617</b>	<b>-</b>	<b>353,741</b>
<b>Total equity .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,168</b>	<b>24,168</b>
<b>Total liabilities and equity .....</b>	<b>206,942</b>	<b>2,422</b>	<b>47,614</b>	<b>15,407</b>	<b>11,129</b>	<b>5,493</b>	<b>11,523</b>	<b>20,595</b>	<b>32,617</b>	<b>24,168</b>	<b>377,909</b>



## As at 31 December 2023

	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
<i>(in millions of euros)</i>											
<b>Off-balance sheet liabilities</b>											
Committed credit facilities .....	53,968	-	-	-	-	-	-	-	-	-	53,968
Guarantees and other commitments...	6,289	-	-	-	-	-	-	-	-	-	6,289
<b>Total off-balance sheet liabilities .....</b>	<b>60,257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,257</b>

## As at 31 December 2022

	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
<i>(in millions of euros)</i>											
<b>Assets</b>											
Cash and balances at central banks...	60,865	-	-	-	-	-	-	-	-	-	60,865
Financial assets held for trading .....	28	-	32	90	49	64	56	251	337	-	907
Derivatives.....	1	4,831	6	-	-	36	14	32	292	-	5,212
Financial investments.....	594	-	1,204	1,232	3,024	3,903	5,367	12,437	10,647	626	39,034
Securities financing.....	548	-	15,293	3,146	1,045	-	-	-	-	-	20,032
Loans and advances banks .....	1,296	-	864	-	-	-	78	31	714	-	2,982
Loans and advances customers.....	17,949	-	7,258	5,659	3,694	8,851	14,580	32,588	153,348	-	243,927
	2,688	-	2,107	1,242	94	30	-	386	73	-	6,622
Other assets.....											
<b>Total assets.....</b>	<b>83,968</b>	<b>4,831</b>	<b>26,765</b>	<b>11,369</b>	<b>7,907</b>	<b>12,884</b>	<b>20,096</b>	<b>45,725</b>	<b>165,411</b>	<b>626</b>	<b>379,581</b>
<b>Liabilities</b>											
Financial liabilities held for trading..	2	-	92	1	55	7	23	209	252	-	641
Derivatives.....	1	3,671	24	1	2	19	22	63	346	-	4,148
Securities financing.....	419	-	9,034	200	-	-	-	-	-	-	9,652
Due to banks .....	1,568	-	912	235	11,327	130	3,070	115	152	-	17,509
Due to customers .....	223,772	-	15,755	3,747	1,657	1,670	422	1,484	6,507	-	255,015
Issued debt .....	-	-	3,665	10,261	1,052	4,074	3,585	9,913	23,709	-	56,259
- of which senior secured .....	-	-	-	20	154	1,779	1,816	2,618	17,393	-	23,781
- of which senior unsecured.....	-	-	26	81	-	2,270	1,768	7,295	6,315	-	17,755
- of which other .....	-	-	3,639	10,160	898	25	-	-	-	-	14,723
Subordinated liabilities.....	-	-	1,027	1,401	103	-	-	3,731	1,028	-	7,290
	2,810	-	2,620	430	27	18	330	18	-	-	6,253
Other liabilities .....											
<b>Total liabilities .....</b>	<b>228,572</b>	<b>3,671</b>	<b>33,129</b>	<b>16,276</b>	<b>14,224</b>	<b>5,920</b>	<b>7,451</b>	<b>15,532</b>	<b>31,993</b>	<b>-</b>	<b>356,767</b>
<b>Total equity .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,814</b>	<b>22,814</b>
<b>Total liabilities and equity .....</b>	<b>228,572</b>	<b>3,671</b>	<b>33,129</b>	<b>16,276</b>	<b>14,224</b>	<b>5,920</b>	<b>7,451</b>	<b>15,532</b>	<b>31,993</b>	<b>22,814</b>	<b>379,581</b>
<b>Off-balance sheet liabilities</b>											
Committed credit facilities .....	53,873	-	-	-	-	-	-	-	-	-	53,873
Guarantees and other commitments..	7,651	-	-	-	-	-	-	-	-	-	7,651
<b>Total off-balance sheet liabilities .....</b>	<b>61,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,524</b>

## As at 31 December 2021

	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
<i>(in millions of euros)</i>											
<b>Assets</b>											
Cash and balances at central banks...	66,865	-	-	-	-	-	-	-	-	-	66,865
Financial assets held for trading .....	7	-	12	81	69	315	50	238	381	-	1,155
Derivatives.....	-	2,975	-	-	9	12	22	64	703	-	3,785
Financial investments.....	1,353	-	975	1,989	1,185	5,066	6,083	14,131	11,801	580	43,165
Securities financing.....	716	-	13,142	2,192	88	-	-	-	-	-	16,138
Loans and advances banks .....	912	-	334	-	375	258	124	72	726	-	2,801
Loans and advances customers.....	26,837	-	6,483	5,732	2,630	8,360	14,282	32,176	161,750	-	258,251
	4,772	-	1,699	353	113	16	1	-	-	-	6,955
Other assets.....											
<b>Total assets.....</b>	<b>101,462</b>	<b>2,975</b>	<b>22,647</b>	<b>10,348</b>	<b>4,471</b>	<b>14,028</b>	<b>20,561</b>	<b>46,681</b>	<b>175,362</b>	<b>580</b>	<b>399,113</b>
<b>Liabilities</b>											
Financial liabilities held for trading..	-	-	-	24	1	13	61	178	409	-	687
Derivatives.....	6	3,545	9	36	8	29	73	168	470	-	4,344
Securities financing.....	498	-	8,394	603	-	-	-	-	-	-	9,494
Due to banks .....	1,049	-	1,403	107	312	14	31,889	2,910	392	-	38,076
Due to customers .....	232,973	-	8,594	1,562	503	253	311	1,300	5,723	-	251,218
Issued debt .....	51	-	6,081	5,410	2,187	2,550	4,420	11,684	27,306	-	59,688

## As at 31 December 2021

	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
<i>(in millions of euros)</i>											
- of which senior secured .....	54	-	1,045	105	-	1,633	1,963	4,126	22,413	-	31,338
- of which senior unsecured .....	-3	-	25	1,985	1,433	826	2,456	7,557	4,893	-	19,172
- of which other .....	-	-	5,011	3,320	753	92	-	-	-	-	9,177
Subordinated liabilities .....	-	-	-	-	537	1,045	112	2,308	3,547	-	7,549
	2,730	-	2,462	386	92	20	334	21	14	-	6,059
Other liabilities .....											
<b>Total liabilities .....</b>	<b>237,306</b>	<b>3,545</b>	<b>26,943</b>	<b>8,128</b>	<b>3,638</b>	<b>3,925</b>	<b>37,199</b>	<b>18,568</b>	<b>37,862</b>	-	<b>377,114</b>
<b>Total equity .....</b>	-	-	-	-	-	-	-	-	-	<b>21,999</b>	<b>21,999</b>
<b>Total liabilities and equity .....</b>	<b>237,306</b>	<b>3,545</b>	<b>26,943</b>	<b>8,128</b>	<b>3,638</b>	<b>3,925</b>	<b>37,199</b>	<b>18,568</b>	<b>37,862</b>	<b>21,999</b>	<b>399,113</b>
<i>Off-balance sheet liabilities</i>											
Committed credit facilities .....	54,642	-	-	-	-	-	-	-	-	-	54,642
Guarantees and other commitments ..	7,598	-	-	-	-	-	-	-	-	-	7,598
<b>Total off-balance sheet liabilities ..</b>	<b>62,240</b>	-	-	-	-	-	-	-	-	-	<b>62,240</b>

The next set of tables provide a maturity analysis of the earliest contractual undiscounted cash flows for financial assets and liabilities. Financial assets and liabilities held for trading are recorded within on demand at fair value. ABN AMRO believes this best represents the short-term nature and the cash flows of these activities. The contractual maturity of the instruments may however extend over significantly longer periods.

Maturity based on contractual undiscounted cash flows for the year ending 31 December 2023:

## As at 31 December 2023

	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
<i>(in millions of euros)</i>											
<b>Assets</b>											
Cash and balances at central banks .....	53,656	-	-	-	-	-	-	-	-	-	53,656
Financial assets held for trading .....	13	-	19	60	42	85	198	522	528	-	1,468
Derivatives .....	-	4,038	53	155	366	683	1,235	2,476	2,524	-	11,531
Financial investments .....	814	-	1,216	1,973	2,799	2,541	5,410	13,141	16,239	838	44,970
Securities financing .....	1,098	-	18,179	1,280	1,006	2	-	-	-	-	21,565
Loans and advances banks .....	814	-	604	136	459	398	711	1,415	1,658	-	6,195
Loans and advances customers .....	8,498	-	10,196	6,362	6,679	13,988	24,670	55,972	184,582	-	310,948
Other assets .....	3,001	-	2,647	725	65	149	19	537	90	-	7,234
<b>Total undiscounted assets .....</b>	<b>67,895</b>	<b>4,038</b>	<b>32,915</b>	<b>10,692</b>	<b>11,417</b>	<b>17,845</b>	<b>32,243</b>	<b>74,063</b>	<b>205,622</b>	<b>838</b>	<b>457,567</b>
<i>Of which: Gross settled derivatives not held for trading:</i>											
Contractual amounts receivable .....	-	-	273	100	108	117	211	457	160	-	1,426
Contractual amounts payable .....	-	-	269	94	131	104	191	383	119	-	1,289
<b>Total undiscounted gross settled derivatives not held for trading .....</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>6</b>	<b>-23</b>	<b>13</b>	<b>20</b>	<b>75</b>	<b>41</b>	<b>-</b>	<b>137</b>
Net settled derivatives not held for trading .....	-	-	160	355	89	282	746	1,554	2,481	-	5,667
<b>Liabilities</b>											
Financial liabilities held for trading .....	3	-	80	23	98	29	96	243	379	-	951
Derivatives .....	-	2,422	101	234	563	1,047	1,883	3,571	3,682	-	13,503
Securities financing .....	301	-	10,676	758	-	2	-	-	-	-	11,737
Due to banks .....	870	-	814	205	3,192	55	90	78	188	-	5,491
Due to customers .....	203,764	-	25,308	7,083	5,740	4,497	779	2,016	6,468	-	255,657
Issued debt .....	16	-	7,249	7,273	2,781	2,137	10,615	18,099	27,187	-	75,356
Subordinated liabilities .....	-	-	12	49	123	233	1,683	3,496	1,211	-	6,808
Other liabilities .....	1,987	-	3,583	417	51	2	535	4	4	-	6,583
<b>Total liabilities .....</b>	<b>206,942</b>	<b>2,422</b>	<b>47,822</b>	<b>16,044</b>	<b>12,546</b>	<b>8,002</b>	<b>15,681</b>	<b>27,506</b>	<b>39,119</b>	-	<b>376,085</b>
<i>Of which: Gross settled derivatives not held for trading:</i>											
Contractual amounts receivable .....	-	-	297	158	70	36	21	13	22	-	618
Contractual amounts payable .....	-	-	150	102	47	30	24	14	15	-	383
<b>Total undiscounted gross settled derivatives not held for trading .....</b>	<b>-</b>	<b>-</b>	<b>-147</b>	<b>-56</b>	<b>-23</b>	<b>-6</b>	<b>3</b>	<b>1</b>	<b>-8</b>	<b>-</b>	<b>-235</b>
Net settled derivatives not held for trading .....	-	-	418	-42	121	266	117	211	1,075	-	2,167
<b>Net liquidity gap .....</b>	<b>-139,047</b>	<b>1,616</b>	<b>-14,907</b>	<b>-5,352</b>	<b>-1,130</b>	<b>9,843</b>	<b>16,562</b>	<b>46,557</b>	<b>166,503</b>	<b>838</b>	<b>81,482</b>
<i>Off-balance sheet liabilities:</i>											
Committed credit facilities .....	53,968	-	-	-	-	-	-	-	-	-	53,968
Guarantees and other commitments .....	6,289	-	-	-	-	-	-	-	-	-	6,289
<b>Total off-balance sheet liabilities .....</b>	<b>60,257</b>	-	-	-	-	-	-	-	-	-	<b>60,257</b>

Maturity based on contractual undiscounted cash flows for the year ending 31 December 2022:

As at 31 December 2022										
On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
(in millions of euros)										
<b>Assets</b>										
Cash and balances at central banks .....	60,865	-	-	-	-	-	-	-	-	60,865
Financial assets held for trading .....	28	-	32	91	51	68	64	262	347	944
Derivatives .....	1	4,831	28	84	210	404	670	1,434	1,663	9,325
Financial investments .....	594	-	1,224	1,309	3,203	4,197	5,812	13,001	11,127	626
Securities financing .....	548	-	15,305	3,155	1,049	-	-	-	-	20,056
Loans and receivables banks .....	1,296	-	868	9	22	41	150	191	877	3,453
Loans and receivables customers .....	17,949	-	7,492	6,558	5,879	12,829	21,534	46,385	166,989	285,614
Other assets .....	2,688	-	2,108	1,242	95	31	2	388	74	6,627
<b>Total undiscounted assets .....</b>	<b>83,968</b>	<b>4,831</b>	<b>27,057</b>	<b>12,448</b>	<b>10,508</b>	<b>17,571</b>	<b>28,231</b>	<b>61,660</b>	<b>181,077</b>	<b>626</b>
<i>Of which: Gross settled derivatives not held for trading:</i>										
Contractual amounts receivable .....	-	-	17	42	31	87	142	411	282	1,012
Contractual amounts payable .....	-	-	10	17	34	66	127	354	230	837
<b>Total undiscounted gross settled derivatives not held for trading .....</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>25</b>	<b>-3</b>	<b>21</b>	<b>15</b>	<b>57</b>	<b>52</b>	<b>-</b>
Net settled derivatives not held for trading .....	-	-	52	160	80	392	940	2,529	4,247	8,401
<b>Liabilities</b>										
Financial liabilities held for trading .....	2	-	92	1	57	11	29	219	261	674
Derivatives .....	1	3,671	60	135	337	633	1,120	2,292	2,596	10,844
Securities financing .....	419	-	9,038	200	-	-	-	-	-	9,657
Due to banks .....	1,568	-	911	230	11,320	125	3,068	113	151	17,488
Due to customers .....	223,772	-	15,757	3,752	1,666	1,684	446	1,531	6,553	255,161
Issued debt .....	-	-	3,707	10,407	1,358	4,603	4,474	11,468	25,183	61,198
Subordinated liabilities .....	-	-	1,041	1,449	200	181	343	4,007	1,202	8,424
Other liabilities .....	2,810	-	2,616	427	23	11	329	17	-	6,234
<b>Total liabilities .....</b>	<b>228,572</b>	<b>3,671</b>	<b>33,223</b>	<b>16,602</b>	<b>14,961</b>	<b>7,249</b>	<b>9,809</b>	<b>19,647</b>	<b>35,946</b>	<b>-</b>
<i>Of which: Gross settled derivatives not held for trading:</i>										
Contractual amounts receivable .....	-	-	677	247	53	82	29	7	-	1,096
Contractual amounts payable .....	-	-	165	133	69	110	64	16	-	558
<b>Total undiscounted gross settled derivatives not held for trading .....</b>	<b>-</b>	<b>-</b>	<b>-512</b>	<b>-114</b>	<b>16</b>	<b>28</b>	<b>36</b>	<b>9</b>	<b>-</b>	<b>-537</b>
Net settled derivatives not held for trading .....	-	-	54	120	273	480	271	213	809	2,222
<b>Net liquidity gap .....</b>	<b>-144,604</b>	<b>1,161</b>	<b>-6,165</b>	<b>-4,154</b>	<b>-4,453</b>	<b>10,321</b>	<b>18,422</b>	<b>42,013</b>	<b>145,131</b>	<b>626</b>
<i>Off-balance sheet liabilities:</i>										
Committed credit facilities .....	53,873	-	-	-	-	-	-	-	-	53,873
Guarantees and other commitments .....	7,651	-	-	-	-	-	-	-	-	7,651
<b>Total off-balance sheet liabilities .....</b>	<b>61,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,524</b>

Maturity based on contractual undiscounted cash flows for the year ending 31 December 2021:

As at 31 December 2021										
On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
(in millions of euros)										
<b>Assets</b>										
Cash and balances at central banks .....	66,865	-	-	-	-	-	-	-	-	66,865
Financial assets held for trading .....	7	-	13	83	72	320	57	249	391	1,191
Derivatives .....	-	2,975	64	258	649	1,207	2,221	4,825	5,376	17,575
Financial investments .....	1,353	-	995	2,066	1,367	5,370	6,540	14,706	12,288	580
Securities financing .....	716	-	13,145	2,193	88	-	-	-	-	16,142
Loans and receivables banks .....	912	-	330	-13	347	220	63	-57	595	2,397
Loans and receivables customers .....	26,837	-	6,726	6,670	4,915	12,542	21,631	46,892	176,333	302,544
Other assets .....	4,772	-	1,700	353	113	16	1	-	-	6,955
<b>Total undiscounted assets .....</b>	<b>101,462</b>	<b>2,975</b>	<b>22,972</b>	<b>11,610</b>	<b>7,552</b>	<b>19,675</b>	<b>30,513</b>	<b>66,614</b>	<b>194,984</b>	<b>580</b>
<i>Of which: Gross settled derivatives not held for trading:</i>										
Contractual amounts receivable .....	-	-	113	36	7	2	2	6	6	172
Contractual amounts payable .....	-	-	45	5	6	9	8	9	13	95
<b>Total undiscounted gross settled derivatives not held for trading .....</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>31</b>	<b>2</b>	<b>-8</b>	<b>-6</b>	<b>-3</b>	<b>-7</b>	<b>77</b>
Net settled derivatives not held for trading .....	-	-	201	4	53	69	202	384	1,088	2,002
<b>Liabilities</b>										
Financial liabilities held for trading .....	-	-	1	25	3	18	69	192	422	731
Derivatives .....	6	3,545	50	200	401	750	1,297	2,382	2,607	11,238

## As at 31 December 2021

	On demand	Trading derivatives	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and five years	More than five years	No maturity	Total
<i>(in millions of euros)</i>											
Securities financing .....	498	-	8,394	603	-	-	-	-	-	-	9,494
Due to banks .....	1,049	-	1,395	76	236	-130	31,850	2,894	385	-	37,754
Due to customers .....	232,973	-	8,595	1,563	506	260	322	1,323	5,746	-	251,288
Issued debt .....	51	-	6,116	5,535	2,469	3,051	5,267	13,157	28,704	-	64,350
Subordinated liabilities .....	-	-	16	64	692	1,295	561	3,011	4,188	-	9,827
Other liabilities .....	2,730	-	2,459	384	89	15	333	20	13	-	6,042
<b>Total liabilities .....</b>	<b>237,306</b>	<b>3,545</b>	<b>27,027</b>	<b>8,451</b>	<b>4,396</b>	<b>5,259</b>	<b>39,698</b>	<b>22,977</b>	<b>42,066</b>	<b>-</b>	<b>390,725</b>
<i>Of which: Gross settled derivatives not held for trading:</i>											
Contractual amounts receivable .....	-	-	45	13	10	20	37	96	116	-	339
Contractual amounts payable .....	-	-	14	5	18	39	35	42	50	-	203
<b>Total undiscounted gross settled derivatives not held for trading ....</b>	<b>-</b>	<b>-</b>	<b>-32</b>	<b>-8</b>	<b>8</b>	<b>19</b>	<b>-2</b>	<b>-54</b>	<b>-66</b>	<b>-</b>	<b>-135</b>
Net settled derivatives not held for trading .....	-	-	55	131	151	321	601	1,474	1,998	-	4,732
<b>Net liquidity gap .....</b>	<b>-135,844</b>	<b>-569</b>	<b>-4,055</b>	<b>3,159</b>	<b>3,156</b>	<b>14,416</b>	<b>-9,186</b>	<b>43,637</b>	<b>152,918</b>	<b>580</b>	<b>68,211</b>
<i>Off-balance sheet liabilities:</i>											
Committed credit facilities .....	54,642	-	-	-	-	-	-	-	-	-	54,642
Guarantees and other commitments .....	7,598	-	-	-	-	-	-	-	-	-	7,598
<b>Total off-balance sheet liabilities .....</b>	<b>62,240</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,240</b>

## 9. GENERAL INFORMATION

### Corporate information

ABN AMRO Bank N.V. was incorporated on 9 April 2009. ABN AMRO Bank N.V. is a public limited liability company incorporated under the laws of The Netherlands and has its statutory seat in Amsterdam, The Netherlands and its registered office at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands. ABN AMRO Bank N.V. is registered with the Trade Register of the Chamber of Commerce under number 34334259. ABN AMRO Bank N.V. is a bank organised under Dutch law. The telephone number of the Issuer is +31(0)900 0024 and its website is <https://www.abnamro.com/en/index.html>.

The Issuer accepts responsibility for the information contained in this Registration Document and declares that, to the best of its knowledge, the information contained in this Registration Document is in accordance with the facts and the Registration Document makes no omission likely to affect its import.

### Shareholder and change of control

On 29 June 2019 the Group Legal Merger between ABN AMRO Bank and ABN AMRO Group became effective. As a result, all shares in ABN AMRO Group have become shares in ABN AMRO Bank and each depository receipt subsequently represents one share in ABN AMRO Bank.

As per 31 December 2023, NLFI held a stake of 48.7% in ABN AMRO Bank, of which 46.6% was directly held via ordinary shares and 2.1% was indirectly held via depository receipts issued by STAK AAB. On 30 November 2023, NLFI announced its intention to sell depository receipts for shares in ABN AMRO through a pre-arranged trading plan. The maximum number of depository receipts that can be sold over the duration of the trading plan would reduce NLFI's stake in ABN AMRO to approximately 40%. NLFI has waived, in its capacity of holder of depository receipts issued by STAK AAB only, for as long as NLFI holds the depository receipts, any meeting and voting rights attached to the depository receipts other than the right to vote on the underlying shares of the depository receipts held by NLFI in the shareholders meeting of ABN AMRO Bank N.V. in accordance with the general terms of administration (administratievoorwaarden) of STAK AAB. Only STAK AAB's depository receipts are issued with the cooperation of ABN AMRO Bank N.V. and traded on Euronext Amsterdam. See "*The Issuer—6.7.2 Control*".

### Documents available

As long as this Registration Document is valid as described in Article 12 of the Prospectus Regulation, copies of the following documents will, when published, be available, free of charge, (i) from the registered office of the Issuer and (ii) on the website of the Issuer at <https://www.abnamro.com/ir>:

- (i) an English translation of the most recent Articles of Association of the Issuer (as the same may be updated from time to time) and the deed of incorporation (*akte van oprichting*);
- (ii) copies of the documents listed under "*Documents Incorporated by Reference*";
- (iii) the most recently available audited financial statements of the Issuer and the most recently available unaudited interim financial statements of the Issuer;
- (iv) a copy of this Registration Document and any supplements thereto; and
- (v) any securities note relating to securities to be issued by the Issuer under a Base Prospectus (being a prospectus consisting of separate documents within the meaning of article 10 of the Prospectus Regulation) that includes this Registration Document and any supplement thereto.

For the avoidance of doubt, unless specifically incorporated by reference into this Registration Document, information contained on any website does not form part of this Registration Document and has not been scrutinised or approved by the AFM.

### Information sourced from a third party

All information presented in this Registration Document sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from such information, no facts have been omitted which would render the information inaccurate or misleading.

### Issuer ratings

Credit rating agencies periodically review the creditworthiness and publish ratings which assess the level of risk attached to debt instruments. Solicited credit ratings on ABN AMRO Bank N.V. (or their legal predecessors) are presented in the table below.

<u>Corporate rating</u>	<u>S&amp;P</u>	<u>Moody's</u>	<u>Fitch</u>
Long term credit rating	A	Aa3	A
Outlook long term credit rating	Stable	Stable	Stable
Short term credit rating	A-1	P-1	F-1

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

### Significant or material change

Up to the date of this Registration Document, there has been no (i) material adverse change in the Issuer's prospects since 31 December 2023 or (ii) significant change in the financial performance or position of the Issuer and its subsidiaries since 31 March 2024.

### Independent Auditor

The consolidated annual financial statements of the Issuer for the financial years ended 31 December 2022 and 31 December 2023, incorporated by reference in this Registration Document, have been audited by Ernst & Young Accountants LLP, independent auditors, as stated in their reports appearing herein. The individual auditors of EY are members of the Royal Dutch Professional Association of Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

### Legal and arbitration proceedings

ABN AMRO is involved in a number of governmental, legal and arbitration proceedings in the ordinary course of its business in a number of jurisdictions, including those set out in "*The Issuer—1. ABN AMRO Bank N.V.—6.4 Legal and arbitration proceedings*". Save as set out above, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which ABN AMRO or the Issuer is aware) during the 12 months preceding the date of this Registration Document which may have, or have had in the recent past, significant effects on the financial position or profitability of ABN AMRO, the Issuer and/or its subsidiaries.

### The Legal Entity Identifier

The Legal Entity Identifier (LEI) code of the Issuer is BFXS5XCH7N0Y05NIXW11.

### Competent authority

This Registration Document has been approved by AFM as the competent authority in the Issuer's home Member State pursuant to the Prospectus Regulation. The AFM has only approved this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document.

### Validity

This Registration Document is valid for use as a constituent part of a prospectus for one year from the date hereof and its validity will expire on 7 June 2025. The expiry of the validity of this Registration Document shall not affect the validity of a prospectus of which it is a constituent part. For the avoidance of doubt, the Issuer shall have no obligation to supplement this Registration Document in the event of significant new factors, material mistakes or material inaccuracies after the end of its 12-month validity period.

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