ABN·AMRO

ABN AMRO Bank N.V.

Pillar 3 Report 2021

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About this report

Welcome to ABN AMRO's 2021 Pillar 3 Report.

The purpose of this report is to provide information about ABN AMRO's regulatory capital adequacy, risk exposure and risk management.

Our annual reporting suite

Every year we publish our annual reporting suite, combining relevant annual disclosures on our performance of the year and other topics. Our Integrated Annual Report is our primary statutory and regulatory reporting disclosure. In addition, we publish other reports, including the bank's Impact Report, Pillar 3 Report and Human Rights Update.

Though published as part of our annual reporting suite, all reports (including this Pillar 3 Report) have their own individual purpose and should be read stand-alone. Content in this report may draw on the Integrated Annual Report, but should not be seen as a substitute for it.

Notes to the reader

This Pillar 3 Report provides the consolidated disclosures of ABN AMRO Bank N.V. required by Capital Requirements Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (Part Eight) and the final draft Implementing Technical Standards (ITS) on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013. The Pillar 3 Report 2021 includes all the required disclosures, which have been prepared in accordance with the above-mentioned regulations.

Presentation of information

This report is presented in euros (EUR), which is ABN AMRO's functional and presentation currency, rounded to the nearest million (unless otherwise stated). Certain figures in this report may not tally exactly due to rounding. Furthermore, certain percentages in this document have been calculated using rounded figures. The capital figures in the Pillar 3 Report are based on CRR phased-in figures. The figures presented in this document are not required to be, nor have they been, audited or reviewed by our external auditor. This report uses the terms 'Risk-weighted assets (RWA)' and 'Risk-weighted exposure amount (RWEA)' interchangeably. Similarly, this report uses the terms 'banking book' and 'non-trading book' interchangeably.

Waiver policy (omitting templates and tables)

In accordance with Article 432 of the CRR, ABN AMRO may omit one or more of the required disclosures where the information provided by those disclosures is not regarded as material or is not applicable to its operations. Information in disclosures shall be regarded as material where its omission or misstatement could change or influence the assessment or decision of a user of that information relying on it for the purpose of making economic decisions.

ABN AMRO shall, in accordance with Article 432 of the CRR, explain the reasons for omitting any information required in the templates and tables included in the final draft ITS.

The following templates have been identified as not applicable to ABN AMRO and are therefore not included in this report:

- **EU INS1 – Insurance participations and EU INS2** – **Financial conglomerates information on own funds and capital adequacy ratio** are not applicable as we do not apply the option provided for in CRR Article 49.1 of not deducting investments in insurance subsidiaries from regulatory capital. Instead, we record investments in insurance subsidiaries under significant investments in accordance with CRR Article 48.
- This ITS applies a 5% NPE ratio threshold. ABN AMRO is below this 5% threshold and for that reason parts of and/or complete tables for **EU CR2a, EU CQ2, EU CQ4, EU CQ5, EU CQ6 and EU CQ8** are not applicable.
- **EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range:** The template for F-IRB approach is not applicable because ABN AMRO currently does not apply F-IRB to credit risk exposures. Similarly, the F-IRB approach is not applicable for template **EU CR7-A - IRB approach – Disclosure of the extent of the use of CRM techniques**.

- **EU CR7 – IRB approach – Effect on the RWEA of credit derivatives used as CRM techniques:** ABN AMRO does not typically secure its credit exposure by buying protection via credit derivatives. At present, the credit derivatives ABN AMRO has are not used for RWEA reduction via credit risk mitigation. ABN AMRO does use credit derivatives to hedge CVA risk.
- **EU CR9.1 – IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)** is not applicable as we do not apply Article 180(1)(f).
- **EU CR10 – Specialised lending and equity exposures under the simple risk-weighted approach:** Templates EU CR10.1 - EU CR10.4 are for specialised lending calculated based on the slotting approach, which is not applied by ABN AMRO. These templates are therefore not applicable to ABN AMRO.
- **EU CCR7 – RWEA flow statements of CCR exposures under the IMM**: ABN AMRO does not use the Internal Model Method (IMM) methodology for measuring the EAD for counterparty credit risk exposures. Instead, we apply the Standardised Approach for Counterparty Credit Risk (SA-CCR) to calculate the EAD for derivatives and the Financial Collateral Comprehensive Method (FCCM) for securities financing transactions (CRR 220/222). Therefore, this template is not applicable.
- **EU SEC2 - Securitisation exposures in the trading book**: ABN AMRO does not have any exposure to securitision positions in its trading book.
- **EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - Bank acting as originator or as sponsor**: ABN AMRO has one securitisation exposure in the non-trading book where its role is that of the originator. That position is however fully retained, which therefore classifies as 'not subject to own funds requirements'. Consequently, none of the columns are applicable.

Comparative figures for first-time reporting of new or adjusted templates

Comparative figures for first-time reporting of new templates or templates adjusted by the final draft ITS are not required to be disclosed. ABN AMRO will disclose comparative figures for comparability and analytical purposes, if available. As a result, narratives of new or adjusted templates might not provide explanations at a detailed level.

Regulation implemented

In December 2020, EBA published the final Implementing Technical Standards (ITS) on institutions' public disclosures as per its mandate under Article 434 of the CRR2 to introduce uniform formats and associated instructions for disclosure requirements in order to optimise the Pillar 3 policy framework. The Implementing Act (Commission Implementing Regulation (EU) 2021/637) was adopted by the European Commission on 15 March 2021 and published in the Official Journal of the EU on 21 April 2021.

The new ITS aims to reinforce market discipline by increasing consistency and comparability of institutions' public disclosures, and to implement the CRR2 regulatory changes in alignment with the revised Basel Pillar 3 standards. These requirements introduce a comprehensive set of disclosure templates, tables and related instructions in order to ensure alignment and consistency with the Basel Committee's updated Pillar 3 framework.

The EBA has updated the mapping of quantitative disclosure data and supervisory reporting, which aims to facilitate institutions' compliance and improve the consistency and quality of the information disclosed. The EBA has also published a file summarising the frequency at which each type of institution should disclose each template and table, in accordance with the CRR.

The ITS and adjusted CRR articles were applicable for the first time for Q2 2021 reporting. ABN AMRO has implemented the changes and will be reporting according to these requirements from Q2 2021 onwards.

Covid-19-related disclosures

In June 2020, EBA published the "Guidelines on reporting and disclosure of exposures subject to measures applied in response to the Covid-19 crisis". These additional reporting and disclosure requirements were introduced on a temporary basis in order to standardise reporting on exposures with a specific Covid-19 classification. On a semi-annual basis, the three templates are included in the Pillar 3 reports. In scope for these templates are the loans and advances that are subject to legislative and non-legislative moratoria (also referred to as subject to 'EBA compliant moratoria') and the (newly originated) loans and advances that are subject to public guarantee schemes introduced in response to the Covid-19 crisis.

New regulations to be implemented

The EBA published on 24th January 2022 its final draft Implementing Technical Standard (ITS) on Pillar 3 disclosure on Environmental, Social and Governance risks. ABN AMRO shall also disclose information on environmental, social and governance risks (ESG risks), including physical risks and transition risks.

Key metrics and overview of RWEA

EU OV1 – Overview of risk-weighted exposure amounts

(in millions)		31 December 2021 RWEA	31 December 2021 Total own funds requirements	30 September 2021 RWEA	30 September 2021 Total own funds requirements	31 December 2020 RWEA	31 December 2020 Total own funds requirements
1	**Credit risk (excluding CCR)**	**93,202**	**7,456**	**85,365**	**6,829**	**86,758**	**6,941**
2	*- of which the Standardised Approach*	*6,579*	*526*	*6,389*	*511*	*6,057*	*485*
3	*- of which the foundation IRB (F-IRB) approach*[1]	*1,561*	*125*	*2,080*	*166*	*1,078*	*86*
4	*- of which slotting approach*						
EU 4a	*- of which equities under the simple risk-weighted approach*	*1,925*	*154*	*3,773*	*302*	*3,397*	*272*
5	*- of which the advanced IRB (A-IRB) approach*	*83,137*	*6,651*	*73,123*	*5,850*	*76,226*	*6,098*
6	**Counterparty Credit Risk (CCR)**	**6,658**	**533**	**9,191**	**735**	**5,633**	**451**
7	*- of which the Standardised Approach*	*3,637*	*291*	*5,003*	*400*	*4,910*	*393*
8	*- of which internal model method (IMM)*						
EU 8a	*- of which exposures to a CCP*	*577*	*46*	*572*	*46*	*548*	*44*
EU 8b	*- of which credit valuation adjustment (CVA)*	*202*	*16*	*152*	*12*	*175*	*14*
9	*- of which other CCR*	*2,242*	*179*	*3,463*	*277*		
15	**Settlement risk**						
16	**Securitisation exposures in the non-trading book (after the cap)**	**116**	**9**	**100**	**8**	**70**	**6**
17	*- of which SEC-IRBA approach*						
18	*- of which SEC-ERBA (including IAA)*	*5*		*9*	*1*	*10*	*1*
19	*- of which SEC-SA approach*	*111*	*9*	*91*	*7*	*60*	*5*
EU 19a	*- of which 1250%/deduction*						
20	**Position, foreign exchange and commodities risks (Market risk)**	**1,668**	**133**	**1,857**	**149**	**1,334**	**107**
21	*- of which Standardised Approach*	*6*	*1*	*3*		*8*	*1*
22	*- of which IMA*[2]	*1,662*	*133*	*1,854*	*148*	*1,327*	*106*
EU 22a	**Large exposures**						
23	**Operational risk**	**16,049**	**1,284**	**14,054**	**1,124**	**16,685**	**1,335**
EU 23a	*- of which basic indicator approach*	*604*	*48*	*604*	*48*	*678*	*54*
EU 23b	*- of which Standardised Approach*						
EU 23c	*- of which advanced measurement approach*	*15,444*	*1,236*	*13,449*	*1,076*	*16,007*	*1,281*
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)**	**1,559**	**125**	**1,570**	**126**	**1,511**	**121**
29	**Total**	**117,693**	**9,415**	**110,565**	**8,845**	**110,481**	**8,838**

1 Following the implementation of the new ITS regulation effective from Q2 2021 reporting, the amount reported under F-IRB relates to Other non-credit obligation assets.
2 Market risk RWEA figures include the other risk exposure amount related to an application of CRR Article 459 with respect to the own funds requirements for market risk.

This table provides an overview of the RWEA and capital requirements of the various risk types. Total RWEA went up to EUR 117.7 billion at 31 December 2021 (30 September 2021: EUR 110.6 billion), reflecting increases in credit risk RWEA and, to a lesser extent, operational risk RWEA. Credit risk RWEA increased as a result of the impact of the DNB mortgage floor and regulatory add-ons, which were partly offset by the removal of a self-imposed mortgage add-on, business developments and asset quality changes. Operational risk RWEA rose in Retail Banking as scenarios with regard to revolving consumer credit with floating interest rates were re-assessed. Market risk RWEA decreased slightly due to position changes, as well as model updates.

EU KM1 - Key metrics template

(in millions)		31 December 2021	30 September 2021	30 June 2021	31 March 2021	31 December 2020
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	19,206	19,672	19,635	19,519	19,548
2	Tier 1 capital	21,188	21,654	21,617	21,501	21,530
3	Total capital	26,386	26,034	26,055	26,142	26,446
	Risk-weighted exposure amounts (RWEA)					
4	Total RWEA	117,693	110,565	107,194	112,035	110,481
	Capital ratios (as % of RWEA)					
5	Common Equity Tier 1 ratio (%)	16.3%	17.8%	18.3%	17.4%	17.7%
6	Tier 1 ratio (%)	18.0%	19.6%	20.2%	19.2%	19.5%
7	Total capital ratio (%)	22.4%	23.5%	24.3%	23.3%	23.9%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as % of RWEA)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.0%	2.0%	2.0%	2.0%	2.0%
EU 7b	- of which to be made up of CET1 capital (percentage points)	1.1%	1.1%	1.1%	1.1%	1.1%
EU 7c	- of which to be made up of Tier 1 capital (percentage points)	1.5%	1.5%	1.5%	1.5%	1.5%
EU 7d	Total SREP own funds requirements (%)	10.0%	10.0%	10.0%	10.0%	10.0%
	Combined buffer requirement (as % of RWEA)					
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0%	0.0%	0.0%	0.0%	0.0%
9	Institution specific countercyclical capital buffer (%)	0.02%	0.02%	0.02%	0.02%	0.01%
EU 9a	Systemic risk buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Global Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 10a	Other Systemically Important Intitution buffer	1.5%	1.5%	1.5%	1.5%	1.5%
11	Combined buffer requirement (%)	4.02%	4.02%	4.02%	4.02%	4.01%
EU 11a	Overall capital requirements (%)	14.02%	14.02%	14.02%	14.02%	14.01%
12	CET1 available after meeting the total SREP own funds requirements (%)	10.50%	12.08%	12.67%	11.69%	11.99%
	Leverage ratio[1]					
13	Total exposure measure	360,779	374,474	373,833	450,838	430,478
14	Leverage ratio (%)	5.9%	5.8%	5.8%	4.8%	5.0%
	Additional own funds requirements to address risks of excessive leverage (as % of total exposure amount)[2]					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.0%	0.0%		
EU 14b	- of which to be made up of CET1 capital (percentage points)	0.0%	0.0%	0.0%		
EU 14c	Total SREP leverage ratio requirements (%)	3.3%	3.3%	3.2%		
	Leverage ratio buffer and overall leverage ratio requirement (as % of total exposure measure)[2]					
EU 14d	Leverage ratio buffer requirement (%)	0.0%	0.0%	0.0%		
EU 14e	Overall leverage ratio requirements (%)	3.3%	3.3%	3.2%		
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value-average)					
EU 16a	Cash outflows - Total weighted value	92,569	91,576	90,688	90,162	88,390
EU 16b	Cash inflows - Total weighted value	29,211	28,782	28,546	28,355	27,400
16	Total net cash outflows (adjusted value)	63,360	62,795	62,144	61,807	60,990
17	Liquidity coverage ratio (%)	168%	167%	166%	159%	149%
	Net Stable Funding Ratio[2]					
18	Total available stable funding	289,148	283,845	283,052		
19	Total required stable funding	209,367	203,360	200,865		
20	NSFR ratio (%)	138%	140%	141%		

1 The calculation of the leverage ratio total exposure measure changed from the CEM approach to the SA-CCR approach per Q2 2021.
2 Comparative figures for 31 March 2021 and 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

EU OVC - ICAAP information

The bank assesses the adequacy of its capital on an ongoing basis. This is embedded in the Internal Capital Adequacy Assessment Process (ICAAP), which is an integral part of the bank's risk-management.

The bank has a structured process in place to identify, assess and quantify risks that may have a material impact on its capital position. The potential impact of risks on the capital position is assessed and quantified using several techniques, including modelling, scenario-analysis and stress testing.

Capital adequacy is assessed from both a regulatory (or 'normative') perspective and from an internal economic perspective. Under the regulatory perspective, the bank endeavours to fulfil all regulatory and supervisory requirements (e.g. CET1 ratio, Leverage ratio, MREL). The economic perspective is complementary to the regulatory perspective and aims to identify and quantify all material risks that may cause economic losses, based on Economic Capital (EC) modelling.

Capital is managed in such a way that it supports ABN AMRO's strategy and is done within the risk appetite. Risk appetite limits and checkpoints are set and monitored to ensure capital adequacy from a regulatory as well as an economic perspective (available capital versus required capital). The limits and checkpoints are evaluated and updated at least annually. Capital planning is performed to assess and manage the capital position over a medium-term horizon, based on strategic targets which are set above the risk appetite checkpoints and limits. Stress testing is performed in order to assess the capital position under adverse conditions.

On an annual basis, the results of the ICAAP process are reflected in a Capital Adequacy Statement which, together with supporting documentation, is provided to ECB and assessed as part of the Supervisory Review and Evaluation Process (SREP).

Risk management objectives and policies

EU OVA – Institution risk management approach & EU OVB – Information on governance arrangements

Information requirements of EU OVA and EU OVB templates are merged into this section.

Risk management approach

ABN AMRO is committed to being a well-capitalised and sufficiently liquid bank that focuses on delivering sustainable value to all of its stakeholders. We maintain a sound balance between risk and reward and pursue a bank-wide moderate risk profile as part of our long-term strategy. We thoroughly evaluate the long-term risk and return implications of our operations on an ongoing basis. Covid-19-related challenges continue to keep the management focus on the risk framework. For more information on the impact of Covid-19 on the bank's risk profile, please refer to the Covid-19-related disclosures chapter.

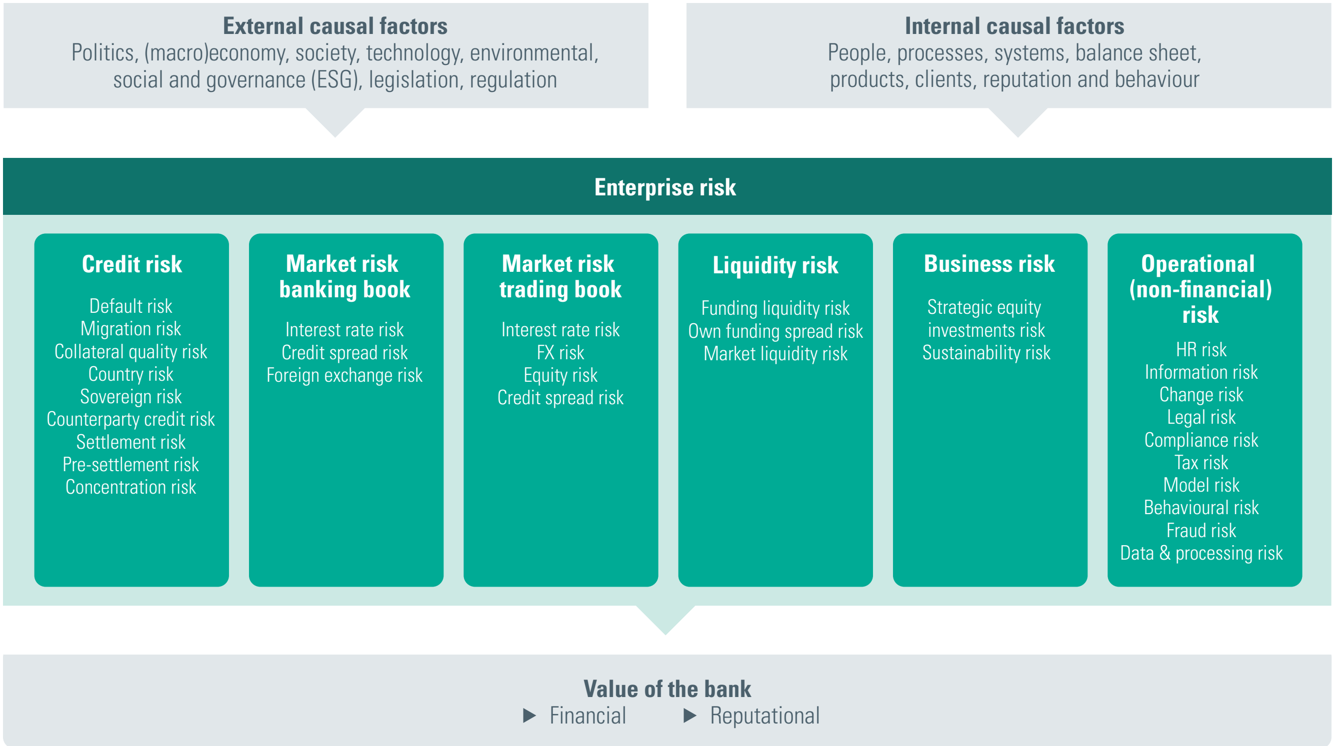
Risk taxonomy

Our risk taxonomy classifies the bank's risk into risk types to which the bank is or could be exposed to.

The risk taxonomy ensures that all identified material risks are defined and are taken into account in the risk governance framework. It creates a common risk vocabulary, provides a checklist of risk types that are used in risk assessments, and helps to ensure that all material risks are managed and that roles and responsibilities are identified and defined. Risk taxonomy describes how materiality assessment is performed both in terms of financial and non-financial impact. Financial impact is assessed based on capital or net profit impact. Non-financial impact is determined in line with our value creation model and along the lines of the Net Promoter Score (NPS) and the Dow Jones Sustainability Index. Risk taxonomy is reviewed and updated on an annual basis, or sooner if any new material risk types emerge and require an update.

The main risk types we recognise are credit risk, market risk in the banking book, market risk in the trading book, liquidity risk, business risk and operational non-financial risk, each of which includes various sub-risk types. Risk appetite statements are set for both the main and sub-risk types. The main risk types cover all possible events that would have a direct impact on the value of the bank. This includes its financial value, but also its 'goodwill', i.e. the value of the bank's reputation.

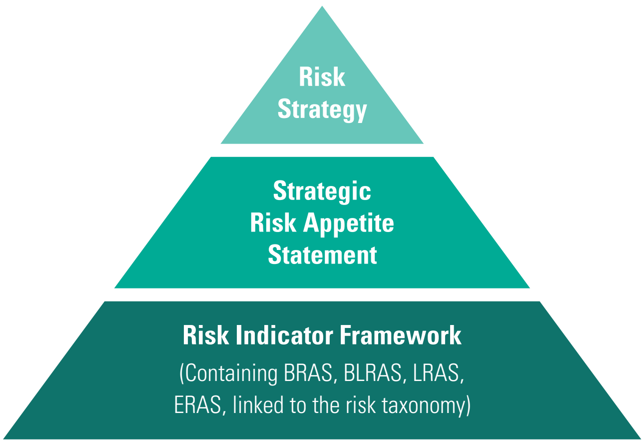
Risk taxonomy



Risk appetite

The risk appetite determines the level of risk that the bank is willing to take in order to pursue its strategy. As such, the bank-wide risk appetite, which safeguards a moderate risk profile, is an integral part of our corporate strategy. It is regularly evaluated and updated to ensure continuous alignment with the strategy.

Risk appetite framework

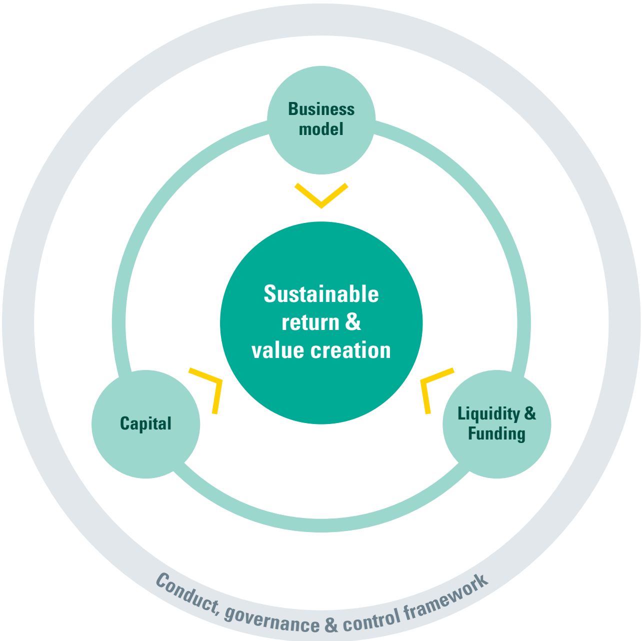


The Strategic Risk Appetite Statement expresses ABN AMRO's strategy of pursuing a moderate risk profile and cascades into the risk indicator framework at various levels of the organisation, allowing the bank to manage risks at every appropriate level: bank-wide (BRAS), business line (BLRAS), local (LRAS) and entity level (ERAS). The Strategic Risk Appetite Statement is approved by the Supervisory Board.

Senior management monitors the bank's activities, based on the bank's risk appetite. The status of adherence to the risk appetite and the outlook are discussed monthly by the Executive Board and quarterly by the Supervisory Board, based on the Enterprise Risk Management report.

The elements of our Strategic Risk Appetite Statement ensure a coherent balance between return and value creation, supported by our client-centric business model, capital, and liquidity and funding management, while being underlined by our conduct, governance and control framework, as shown in the following figure.

Strategic Risk Appetite Statement



The risk indicator framework consists of statements set for each main and sub-risk type presented in the risk taxonomy. Each statement consists of one or more quantitative and/or qualitative indicators, referred to as key risk indicators (KRIs). For every KRI, a limit and checkpoint is set, against which the actual risk profile is monitored. If a KRI limit is breached, action is required to bring our risk profile back within the limit. Early warning checkpoints are in place to allow for timely action to prevent breaches and/or to have a strategic discussion.

Examples of KRIs in our risk appetite include:
- Regulatory and internal capital ratios;
- Risk-adjusted return measures;
- Concentration limits for single counterparties, sectors and countries;
- Economic capital and risk-weighted asset limits for various risk types;
- Liquidity ratios (LtD, LCR, NSFR);
- Market risk parameters (NII-at-Risk);
- Operational/non-financial risk parameters (effectiveness of internal control environment);
- Reputational parameters (NPS, employee engagement score).

When setting the statements in the Strategic Risk Appetite Statement and the statements for each risk type in the risk indicator framework, the following aspects are considered: the corporate strategy, market standards (such as peer analyses), the economic environment, regulations, the views of our stakeholders and the actual risk profile, as well as internal insights and risk management tools. In addition to incorporating these views, balancing these aspects provides us with the means to substantiate risk statements for each risk type.

Risk profile
We manage our risk profile by way of an integrated risk management framework, which identifies all types of risks and overarching risks, in order to provide a single, integrated view on the bank and its business lines. By taking an integrated view, we strive to carefully balance our actions to manage our moderate risk profile. The Enterprise Risk Management policy provides a formal approach to risk management at an enterprise level that is aligned with the bank’s strategic objectives, including its risk profile.

Adequacy of risk management arrangements
ABN AMRO’s internal risk management and control process is designed to provide reasonable assurance regarding the achievement of several categories of objectives, including strategic objectives. ABN AMRO’s first and second lines of defence perform a variety of tests and controls on risk management and control systems. Group Audit, as the third line of defence, evaluates the design and effectiveness of ABN AMRO’s governance, as well as its risk management and control systems. Reports of all lines of defence are discussed at senior management and Supervisory Board levels. The effectiveness of the risk control framework is under continuous improvement. In the meantime, measures have been taken to minimise and mitigate the risks with regard to all areas of improvement.

Risk culture
Strengthening our culture in the areas of risk, compliance and integrity was an important objective of ABN AMRO's strategy review. We place strong emphasis on sound risk control in our remuneration policies, which are in line with our risk profile. More details are provided in template REMA in the Remuneration policy chapter.

ABN AMRO expects its employees to understand the need for and to be able and willing to have a continuous focus on risk, compliance and integrity as an integral part of the bank-wide culture. Pursuing a moderate risk profile is embedded in our culture by means of continuous communication, awareness, education and training, and is guided by performance management and management KPIs that help underpin our belief that mitigating risks is everybody’s responsibility.

Code of Conduct
Employees are expected to adhere to ABN AMRO's culture principles and to act in accordance with the bank's Code of Conduct, which sets out standards of behaviour. These principles are fundamental to everything we do and describe how we act as a bank, how we make decisions and how we deal with various dilemmas and, as such, are a permanent part of our education tool. The Code of Conduct is published on our website and we are intensifying our monitoring of compliance with it. In addition, our employees are required to confirm their adherence to the Code of Conduct annually.

Risk measurement
We develop and use internal models to quantify the risk for most risk types in the risk taxonomy. The models for credit, operational, market, liquidity and business risk are the most widely used to measure the level of risk. They support day-to-day decision making, as well as periodic monitoring and reporting on developments in the bank’s portfolios and activities. In most cases, models quantify the probability and severity of an event, i.e. the likelihood that an event will occur and the loss the bank may suffer as a consequence of that event. This information serves as the basis for ABN AMRO’s internal measures of risk (economic capital) and as key input for calculating the minimum regulatory capital requirements according to the Basel framework (regulatory capital).

New models require approval before being implemented and used. Internal approval for the use (or continued use) of a model is obtained from the Methodology Acceptance Group (MAG), a sub-committee of the Group Risk Committee. If required, external approval is obtained from the supervisor. Supervisory approval is always required for new models and models that change materially due to redevelopment.

The modelling departments develop models in close cooperation with the relevant business and risk experts. For important models, model review takes place every 3 years, or earlier if there is a marked deterioration in performance of the model or a marked change in the risk profile of the portfolio that the model relates to. A model review includes back-testing against historical data and, where relevant, benchmarking the calibration of the models with external studies or data.

The independent model risk management department validates internal models. The model risk management framework, which includes model validation standards and procedures, ensures that models are validated independently. Model data, methodology, performance and implementation are checked according to these standards and reviewed against internal and regulatory requirements.

Capital

Regulatory capital (CRD V/CRR2)

Under the Basel framework as implemented in European legislation (CRD V and CRR2), banks are required to hold capital to cover financial risks. As an intermediate step in determining the minimum level of capital, banks need to calculate risk-weighted exposure assets (RWEA) for three major risk types (credit, operational and market risk). The outcome of the internal models serve as input for this calculation. The capital requirements are stated as a percentage of RWEA. Under Pillar 1, banks are required to hold a regulatory fixed percentage of RWEA in capital. Under Pillar 2, supervisors impose a bank-specific percentage of RWEA in addition to the Pillar 1 requirement.

Economic capital

For Pillar 2, we calculate economic capital (EC) in addition to regulatory required capital. Economic capital covers all risk types in our risk taxonomy for which capital is deemed to be the mitigating instrument to cover unexpected losses, and is used as the key metric for internal risk measurement and management. It is the amount of capital we reserve in order to achieve a sufficient level of protection against large unexpected losses that could result from extreme market conditions or events.

Internal models are used to calculate EC at a 99.95% confidence level and a one-year time horizon. This implies that the estimated capital figure for the coming year is sufficient to cover a level of loss that will be exceeded in only 0.05% of all possible cases. The confidence level is aligned with the definition of total available financial resources (total AFR). In addition, the ratio of core AFR versus EC is monitored. Core AFR is the amount of capital that is available to cover losses on a continuity-based approach (i.e. excluding AT1, Tier 2 and senior non-preferred instruments).

EC is aggregated for all risk types (without applying inter-risk diversification) to determine the total EC at a bank level and to support capital adequacy assessment, capital allocation, ex-post performance measurement and risk appetite setting, such as industry concentration risk limits.

EC quality assessment

The EC models described above form the core of the Internal Capital Adequacy Assessment Process (ICAAP). In order to monitor and secure the quality of the EC framework and its outcome in terms of capital adequacy, an EC Quality Assessment (ECQA) is performed annually as part of the ICAAP. For each main risk type, the calculated EC figure is evaluated in terms of risk coverage and responsiveness to internal and external developments such as in the areas of regulation and data quality. If considered necessary, an additional capital buffer ('EC add-on') is taken to cover any identified shortfalls in the EC.

Capital performance

RWEA and EC are also used to evaluate capital performance at a business level, as well as at transactional level in loan-pricing tools. These tools act as a decision-making mechanism for assessing the profitability of a new or existing transaction. Both ex-ante and ex-post performance are evaluated in terms of risk-adjusted return on equity (RAROE) with a risk-adjusted return on risk-adjusted capital (RARORAC) limit to safeguard sufficient risk-sensitivity. EC is used as an ingredient in RARORAC, whereas RWEA is used in RAROE.

Stress testing and scenario analysis

ABN AMRO uses stress testing and scenario analysis as an important risk management instrument, looking at profitability, capital and liquidity from a bank-wide perspective in various scenarios on a regular basis. The stress testing framework covers both internal as well as external stress test requirements. In addition, sub-portfolio and risk type specific stress testing and scenario analysis are performed.

Stress testing purposes

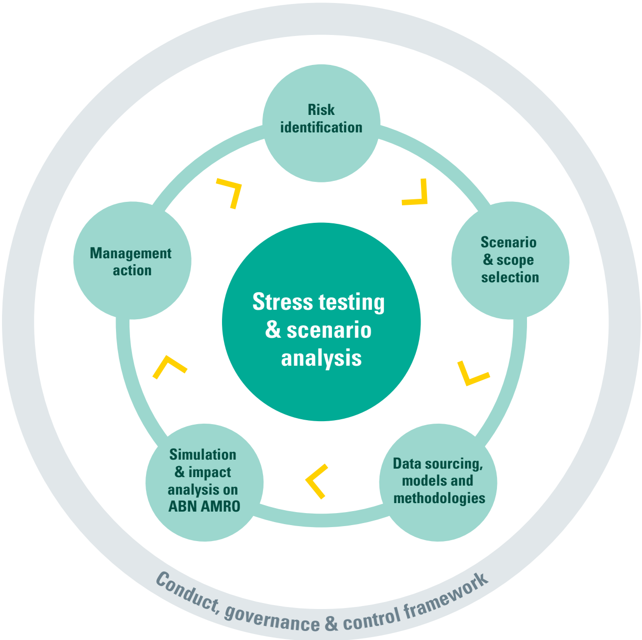
ABN AMRO applies stress testing and scenario analyses for several purposes, including:

- Business planning: various macroeconomic scenarios for budget purposes;
- Capital planning: stress testing is used to gain insight into the resilience of our capital under adverse changes in the economic environment and ABN AMRO specific circumstances;
- Risk appetite setting and monitoring: the outcome of stress testing is used for setting and monitoring risk appetite limits and targets, including limits under stress;

- Contingency planning: stress testing is used to assess and strengthen the triggers and measures in the liquidity and capital contingency and recovery plans. Reverse stress testing is performed to gain deeper insight into plausible events that could put the continuity of ABN AMRO under pressure;
- Risk type specific and business line stress testing, such as market risk trading and banking book and mortgage stress testing;
- Supervisory stress testing, based on prescribed scenarios and assumptions. This includes the EBA's stress test programme designed to assess banks' resilience to adverse economic or financial developments, and ECB economy-wide climate stress test aimed at evaluating the impact of alternative climate scenarios on the resilience of the bank over a time horizon of 30 years in the future.

The figure below shows the stress testing and scenario analysis cycle.

Stress test & scenario analysis cycle



The stress testing and scenario analysis cycle starts with the identification of material risks for ABN AMRO and individual business lines. Both systemic risks (e.g. macroeconomic risks) and ABN AMRO specific risks (e.g. cyber attacks or adverse outcomes of legal proceedings) are considered. Scenario projections are based on quantitative models, as well as expert opinion procedures. In general, results are presented excluding and including potential mitigating actions, taking into account contingency plans. The stress testing framework also comprises the sensitivity scenarios that address various severe events on specific portfolios, countries and/or sectors, as well as the annual reverse stress test in line with regulatory requirements. Moreover, climate related risks are also covered through the inclusion of events related both to transition and physical risks.

In 2021, we developed a process and governance approach to incorporate climate risk scenario analysis into the bank-wide stress testing and scenario framework. This was applied in the execution of the scenario analysis in four priority portfolios: residential real estate, commercial real estate, energy and shipping. ABN AMRO aims to use the outcomes of these scenario analyses as input for strategic decision-making at a bank and business line level and for risk management purposes (e.g. risk appetite setting). The four analyses in the priority sectors are therefore being used as pilots to evaluate how to structurally integrate this approach into the bank-wide and business line strategy and risk management processes.

Given the importance of stress testing in terms of sound risk management, the Executive Board (previously the Executive Committee) is involved throughout the process and its governance. The Executive Board, together with the Scenario & Stress Test Committee (SSC, a sub-committee of the Group Risk Committee), discusses and decides on the scenario selection, the results and the implications.

Risk governance

The Risk Management organisation operates under the direct responsibility of the Chief Risk Officer, who is a member of the Executive Board. The Executive Board and Supervisory Board of ABN AMRO define the governance arrangements designed to ensure effective and prudent management of the bank and oversee their implementation. They are accountable for setting, approving and overseeing the implementation of the bank's risk management framework, including:

- An adequate and effective internal governance and control framework. This includes a clear organisational structure and well-functioning independent internal control functions (Risk Management, Compliance and Group Audit) that have sufficient authority, stature and resources to perform their functions;
- The three lines of defence model at all levels of the bank;
- A risk culture that addresses risk awareness and risk-taking behaviour in the bank;
- Key policies of the bank within the applicable legal and regulatory framework;
- The bank's overall strategy, risk strategy and risk appetite;
- The amounts, types and distribution of internal capital and regulatory capital that are required to ensure that the risks the Bank is exposed to are adequately covered;
- Targets for the bank's liquidity and funding management.

Supervisory Board and Board risk committees

Risk & Capital Committee

The Risk & Capital Committee is responsible for advising the Supervisory Board with respect to risk management and risk control, the allocation of capital and liquidity, the bank's risk appetite, compliance with applicable laws and regulations, risk awareness within the bank, sound remuneration policies and practices, proposing corrective and/or disciplinary measures in the event of breach of applicable laws and regulations, and periodic review of the bank's actual risk profile. The Risk & Capital Committee meets every quarter, and otherwise when required.

Executive Board and Executive risk committees

The Executive Board is responsible for setting, monitoring and reviewing the Bank's purpose, strategy, risk appetite and risk framework. The Executive Board makes a balanced assessment of the bank's commercial interests and the risks to be taken within the boundaries of the risk appetite.

Members of the Executive Board are appointed and reappointed by the Supervisory Board for a term of up to four years, provided that the term of office continues up to and including the first General Meeting to be held after expiry of the term. Members of the Executive Board hold no directorships in subsidiaries of the bank that may create potential conflicts of interest.

In the risk decision-making framework, the Executive Board is supported by three executive risk committees: the Group Risk Committee, the Group Central Credit Committee and the Group Regulatory Committee, each of which is chaired by the Chief Risk Officer. The mandates of the executive risk committees are summarised below.

Group Risk Committee

The Group Risk Committee (GRC) is mandated by the Executive Board to monitor, assess and manage the bank's risk profile within the approved risk appetite. The GRC monitors and approves all material risks as defined in the bank's risk taxonomy. The GRC has delegated specific approval powers to sub-committees, including Business Risk Committees for the bank's main business lines, the Financial Crime Risk Committee, the Methodology Acceptance Group, the Scenario and Stress Testing Committee, and the Impairment and Provisioning Committee. The GRC meets once a month, and otherwise when required.

Group Central Credit Committee

The Group Central Credit Committee (CCC) is mandated by the Executive Board to make decisions on the acceptance of credit and counterparty risk in respect of individual persons, legal persons and public administrative bodies relating to credit proposals falling within the scope of the risk appetite and limits determined by the Executive Board. In addition, the CCC is also responsible for approving and monitoring large intercompany credit facilities. The CCC meets three times a week and otherwise when required.

Group Regulatory Committee

The Group Regulatory Committee is mandated by the Executive Board to ensure a good understanding and adequate overview, making choices and taking decisions on matters relating to timely regulatory compliance to new and changing national and international legislation and regulations affecting the bank. The Group Regulatory Committee meets once in two months, and otherwise when required.

During 2021, there were no material changes to the composition and mandates of the executive risk committees.

Diversity and Inclusion policy

The Supervisory Board's and Executive Board's composition is based on ABN AMRO's guiding principle that diversity of thought, expertise, background, competences and interpersonal styles, including but not limited to gender diversity, is a prerequisite for effective management and, by extension, for long-term value creation. In line with ABN AMRO's suitability and diversity policy, ABN AMRO strives to meet the gender target of at least 30% for both the Supervisory Board and the Executive Board. When vacancies arise, the Supervisory Board gives due consideration to any applicable gender requirements in its search for suitable new members meeting the fit and proper requirements stipulated in the Dutch Financial Markets Supervision Act.

As at the end of 2021, gender diversity within the Supervisory Board and the Executive Board was 43% (above target) and 28% (below target), respectively. The appointment of Annerie Vreugdenhil means the Executive Board will meet the gender target as at 1 March 2022.

Risk reporting

The Chief Risk Officer is responsible for reporting to the Executive Board and the Supervisory Board on the risks of the Group. Risk type owners provide regular reporting to executive risk committees. On a quarterly basis, portfolio reports are provided to the Executive Board and Supervisory Board.

Three lines of defence

The three lines of defence model aims to clarify the relationship between risk takers and the different internal control functions, and provides clarity for all employees within the bank with regard to their risk management responsibilities. The three lines of defence model must be applied across all risk types and covers the whole organisation, including the client-facing business lines, functions, the Risk Management organisation, outsourced activities and distribution channels.

- The first line of defence consists of management within each business or function who must own and is responsible for managing the risks they incur in conducting their activities and for the design and execution of effective and efficient controls.
- The second line of defence consists of dedicated departments in the Risk Management organisation who are responsible for setting the risk management framework within which the first line must operate. These dedicated departments are headed by risk type owners.
- The third line of defence consists of Group Audit, which evaluates the effectiveness of the governance, risk management and control processes, in order to strengthen management's solution focus and accountability. Group Audit has a coordinating role towards the external auditor and the supervisor.

Three lines of defence

1 1st Line of Defence Business lines and functions	2 2nd Line of Defence Risk Management	3 3rd Line of Defence Group Audit
Risk Ownership	**Risk Control & Oversight**	**Risk Assurance**
Responsible for ▶ Delivering value-added services to clients ▶ Identifying and assessing, measuring, mitigating, monitoring and reporting the risks that it incurs ▶ Operating within risk appetite ▶ Acting in accordance with policies	Responsible for ▶ Setting the risk management framework and policies ▶ Monitoring, reporting and escalating ▶ Providing expertise and challenge to 1st line ▶ Ensuring 1st line takes risk ownership	Responsible for ▶ Evaluating the design and effectiveness of governance, risk management and control processes ▶ Discussing with management on remediation and monitoring follow-up

Personal details of the members of the Executive Board and Executive Committee

The information below refers to the members of the Executive Board as at 8 March 2022.

Robert Swaak (Dutch, male, 1960)

Chief Executive Officer and Chair of the Executive Board

Robert Swaak was appointed as CEO and Chair of the Executive Board of ABN AMRO on 22 April 2020. As CEO, Robert Swaak is also responsible for Group Audit, Legal & Corporate Office, Strategy & Innovation, and Brand, Marketing & Communications. His current term ends at the close of ABN AMRO's Annual General Meeting in 2024.

Relevant positions pursuant to CRD V: Chief Executive Officer and Chair of the Executive Board of ABN AMRO Bank N.V.

Other relevant ancillary positions: Chairman ad interim of the Supervisory Council of Stichting Nationale Opera & Ballet, member of the Supervisory Council of Stichting Paleis Het Loo, member of the Board of Stichting Amerika-Europese Gemeenschap (Nederland) of Stichting American European Community Association (Netherlands), member of the Management Board of the Nederlandse Vereniging van Banken (NVB), non-executive director of the Value Reporting Foundation.

Christian Bornfeld (Danish, male, 1976)

Chief Innovation & Technology Officer and Vice-Chair of the Executive Board

Christian Bornfeld was appointed to the Executive Board of ABN AMRO as CI&TO on 1 March 2018. As CI&TO, he is responsible for Innovation and Technology including IT, Platforms & Technology, Data Management, the Corporate Information Security Office, the Execution Office, Procurement, Customer Care & Operations, Detecting Financial Crime, and Change Management & Consultancy. As his term was due to expire at the close of the Annual General Meeting in 2021, the Supervisory Board reappointed Christian Bornfeld with effect from the Annual General Meeting in April 2021 for a period of four years. Christian Bornfeld was appointed as Vice-Chair of the Executive Board with effect from 1 March 2021. His current term ends at the close of ABN AMRO's Annual General Meeting in 2025.

Relevant positions pursuant to CRD V: Chief Innovation & Technology Officer and Vice-Chair of the Executive Board of ABN AMRO Bank N.V.

Tanja Cuppen (Dutch, female, 1969)

Chief Risk Officer of the Executive Board

Tanja Cuppen was appointed to the Executive Board of ABN AMRO on 1 October 2017 and was appointed CRO with effect from 1 November 2017. As CRO, she is responsible for Risk including Risk Management, Financial Restructuring & Recovery, Compliance, Security & Intelligence Management and Regulatory Execution Oversight. As her term was due to expire at the close of the Annual General Meeting in 2021, the Supervisory Board reappointed Tanja Cuppen as with effect from the Annual General Meeting in April 2021 for a period of three years. Her current term ends at the close of ABN AMRO's Annual General Meeting in 2024.

Relevant positions pursuant to CRD V: Chief Risk Officer of the Executive Board of ABN AMRO Bank N.V., Member of the Supervisory Board Coöperatie Menzis U.A.

Other relevant ancillary positions: Commissioner of the Financial Sector Commission on Modern Slavery and Human Trafficking.

Lars Kramer (Dutch, male, 1967)

Chief Financial Officer of the Executive Board

Lars Kramer was appointed as CFO of the Executive Board of ABN AMRO on 1 June 2021. As CFO, Lars Kramer is responsible for Finance, including Asset & Liability Management, Controlling, Financial Accounting, Tax, Treasury and Investor Relations. His current term ends at the close of ABN AMRO's Annual General Meeting in 2025.

Relevant positions pursuant to CRD V: Chief Financial Officer of the Executive Board of ABN AMRO Bank N.V.

Choy van der Hooft-Cheong (Dutch, female, 1971)

Chief Commercial Officer Wealth Management and member of the Executive Board

Choy van der Hooft-Cheong was appointed to the Executive Board of ABN AMRO as CCO Wealth Management on 24 November 2021. As CCO Wealth Management, she is responsible for the client unit Wealth Management. Her current term ends at the close of ABN AMRO's Annual General Meeting in 2026.

Relevant positions pursuant to CRD V: Chief Commercial Officer Wealth Management and member of the Executive Board of ABN AMRO Bank N.V.

Other relevant ancillary positions: Founder and board member of Stichting Children's Khazana Foundation.

Dan Dorner (Dutch, male, 1976)

Chief Commercial Officer Corporate Banking and member of the Executive Board

Dan Dorner was appointed to the Executive Board of ABN AMRO as CCO Corporate Banking on 24 November 2021. As CCO Corporate Banking, he is responsible for the client unit Corporate Banking. His current term ends at the close of ABN AMRO's Annual General Meeting in 2026.

Relevant positions pursuant to CRD V: Chief Commercial Officer Corporate Banking and member of the Executive Board of ABN AMRO Bank N.V.

Other relevant ancillary positions: member of the Advisory Board of Euronext, member of the Executive Board of Vereniging VNO-NCW (Confederation of Netherlands Industry and Employers).

Annerie Vreugdenhil (Dutch, female, 1963)

Chief Commercial Officer Personal & Business Banking and member of the Executive Board

Annerie Vreugdenhil was appointed to the Executive Board of ABN AMRO as CCO Personal & Business Banking on 1 March 2022. As CCO Personal & Business Banking, she is responsible for the Personal & Business Banking client unit. Her term ends at the close of ABN AMRO's Annual General Meeting in 2026.

Relevant positions pursuant to CRD V: Chief Commercial Officer Personal & Business Banking and member of the Executive Board of ABN AMRO Bank N.V.

Gerard Penning (Dutch, male, 1963)

Chief Human Resources Officer and member of the Executive Board

Gerard Penning was appointed as CHRO with effect from 1 August 2020. He was appointed to the Executive Board of ABN AMRO as CHRO on 24 November 2021. His current term ends at the close of ABN AMRO's Annual General Meeting in 2025.

Relevant positions pursuant to CRD V: Chief Human Resources Officer and member of the Executive Board of ABN AMRO Bank N.V., member of the Supervisory Board of Alliander N.V.

Personal details of the members of the Supervisory Board

The information below refers to the members of the Supervisory Board as at 8 March 2022.

Tom de Swaan (Dutch, male, 1946)

Chair of the Supervisory Board

Tom de Swaan was appointed to the Supervisory Board of ABN AMRO on 12 July 2018. His current term expires at the close of the Annual General Meeting in 2022.

Last executive position held: CFO, ABN AMRO Bank N.V.

Relevant positions pursuant to CRD V: Chair of the Supervisory Board of ABN AMRO Bank N.V.

Other relevant ancillary positions: Chairman of the Board of Foundation National Opera & Ballet Fund, the Netherlands, member of the Board of Foundation Premium Erasmianum, member of the International Advisory Board of Akbank, Chairman of the Management Board of Foundation Funds Netherlands Cancer Institute, member of the Supervisory Board of Foundation Holland Festival, the Netherlands, member of the Advisory Board of Stichting tot Instandhouding van de Diergaarde van het Koninklijk Zoölogisch Genootschap Natura Artis Magistra, member of the Board of Stichting Liszt Concours, Member of the Board of Directors of The International Centre for Missing & Exploited Children.

Arjen Dorland (Dutch, male, 1955)

Vice-Chair of the Supervisory Board

Arjen Dorland was appointed to the Supervisory Board of ABN AMRO on 18 May 2016. His current term expires at the close of the Annual General Meeting in 2024.

Last executive position held: Executive Vice-President of Technical and Competitive IT, Royal Dutch Shell.

Relevant positions pursuant to CRD V: Vice-Chair of the Supervisory Board of ABN AMRO Bank N.V., Vice-Chairman of the Supervisory Board of Essent N.V., Chairman of the Supervisory Board of Bovemij N.V. and N.V. Schadeverzekering-Maatschappij Bovemij.

Other relevant ancillary positions: Chairman of the combined Supervisory Council of Stichting Naturalis Biodiversity Center and Stichting Japanmuseum Sieboldhuis, Chairman of the Supervisory Council of Haaglanden Medisch Centrum.

Laetitia Griffith (Dutch, female, 1965)

Member

Laetitia Griffith was appointed to the Supervisory Board of ABN AMRO on 17 December 2019. Her current term expires at the close of the Annual General Meeting in 2024.

Last executive position held: Member of Parliament on behalf of the VVD (portfolio: Home Affairs), House of Representatives of the Netherlands.

Relevant positions pursuant to CRD V: Member of the Supervisory Board of ABN AMRO Bank N.V., member of the Supervisory Board of Tennet TSO GmbH, member of the Supervisory Board of Tennet Holding B.V., member of the Supervisory Board of Benno Leeser Holding B.V.

Other relevant ancillary positions: Chairman of the Supervisory Board of the Dutch Film Fund, Chairman of the Board of Stichting Nederlandse Vioolconcoursen, member of the Advisory Council of Stichting Impact Economy Foundation, Chairman of the Supervisory Board of Stichting Metropole Orkest.

Michiel Lap (Dutch, male, 1962)

Member

Michiel Lap was appointed to the Supervisory Board of ABN AMRO on 24 April 2019. His current term expires at the close of the Annual General Meeting in 2023.

Last executive position held: Partner and Head of Northwest Europe, Goldman Sachs.

Relevant positions pursuant to CRD V: Member of the Supervisory Board of ABN AMRO Bank N.V., Vice-Chairman and member of the Supervisory Board of Arcadis N.V., non-executive board member of Rijn Capital B.V.

Other relevant ancillary positions: Member of the Supervisory Board of Stichting Het Nederlands Kanker Instituut – Antoni van Leeuwenhoek Ziekenhuis.

Anna Storåkers (Swedish, female, 1974)

Member

Anna Storåkers was appointed to the Supervisory Board of ABN AMRO on 24 April 2019. Her current term expires at the close of the Annual General Meeting in 2023.

Last executive position held: Head of Personal Banking Sweden, Nordea Bank AB.

Relevant positions pursuant to CRD V: Member of the Supervisory Board of ABN AMRO Bank N.V., non-executive director of NDX Holding AB, non-executive director of Nordax Bank AB, non-executive director (and chairman) of Kreditz AB, non-executive director of MM Holding AB, non-executive director of Ludvig & Co Group AB.

Mariken Tannemaat (Dutch, female, 1971)

Member

Mariken Tannemaat was appointed to the Supervisory Board of ABN AMRO on 15 December 2020. Her current term expires at the close of the Annual General Meeting in 2025.

Last executive position held: Chief Innovation Officer at Robeco N.V.

Relevant positions pursuant to CRD V: Member of the Supervisory Board of ABN AMRO Bank N.V., member of the Supervisory Board of CM.com N.V. and member of the Supervisory Board of CM Payments B.V., member of the Supervisory Board of VLC & Partners B.V., non-executive director of Prudential Assurance Company Limited.

Other relevant ancillary positions: Advisor to the Executive Board of Erasmus Enterprise B.V., Chairman of the Women in Leadership working group of EGN Nederland B.V.

Tjalling Tiemstra (Dutch, male, 1952)

Member

Tjalling Tiemstra was appointed to the Supervisory Board of ABN AMRO on 18 May 2016. His current term expires at the close of the Annual General Meeting in 2022.

Current position: Drs J.S.T. Tiemstra Management Services B.V.

Relevant positions pursuant to CRD V: Member of the Supervisory Board of ABN AMRO Bank N.V., member of the Supervisory Board of Royal Haskoning DHV B.V., member of the Supervisory Board of Stichting Shell Pensioenfonds.

Other relevant ancillary positions: Board member of Stichting Continuïteit KBW N.V. (Continuity Foundation Koninklijke Boskalis Westminster), board member of Stichting Preferente Aandelen Wolters Kluwer (Preference Shares), board member of Stichting Administratie Kantoor van Aandelen N.V. Twentsche Kabel Holding (Administration Office for Shares), deputy expert member of the Enterprise Court at the Amsterdam Court of Appeal, member of the Stakeholdersforum of NBA (Dutch Institute of Chartered Accountants), Chairman of the European Leadership Platform's Advisory Board, member of the Advisory Board of Van der Heijden Instituut.

Foreseeable changes to composition of the management body

The Employee Council and NLFI issued a positive advice on the aforementioned appointments.

In 2021, a search process for a new CCO of Personal & Business Banking and member of the Executive Board was initiated and resulted in the appointment of Annerie Vreugdenhil as of 1 March 2022. Interim arrangements were put in place for the period until the appointment (and start) of Annerie Vreugdenhil as the new CCO of Personal & Business Banking and member of the Executive Board to ensure continuity of decision-making.

In addition, on 7 January 2022, ABN AMRO announced that Christian Bornfeld, CI&TO of ABN AMRO and Vice-Chair of the Executive Board, will leave ABN AMRO with effect from 1 May 2022. He will pursue a new opportunity that will allow him to work closer to his family in Denmark. The Supervisory Board has initiated the process of finding a new CI&TO.

Scope of application

EU LI1 - Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories[1]

								31 December 2021
		Carrying values		Carrying values of items				
	(in millions)	As reported in published financial statements	Under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Assets							
1	Cash and balances at central banks	66,865	66,865	66,865				
2	Financial assets held for trading	1,155	1,155				1,155	
3	Derivatives	3,785	3,785		3,785		2,975	
4	Financial investments	43,165	43,132	41,540				1,593
5	Securities financing	16,138	16,138		16,138			
6	Loans and advances banks	2,801	3,073	2,184			889	
7	Residential mortgages	147,711	147,711	147,711				
8	Consumer loans	10,518	10,518	10,518				
9	Corporate loans	85,014	85,019	85,019		978		
10	Other loans and advances customers	15,008	15,008	15,008	14,606			
11	Equity-accounted investments	564	667	667				
12	Property and equipment	1,172	1,170	1,170				
13	Goodwill and other intangible assets	127	126					126
14	Assets held for sale	89	89	89				
15	Tax assets	739	737	737				
16	Other assets	4,263	4,260	4,260				
17	**Total assets**	**399,113**	**399,454**	**375,768**	**34,530**	**978**	**5,019**	**1,719**
	Liabilities							
18	Financial liabilities held for trading	687	687				687	
19	Derivatives	4,344	4,344		4,344		3,545	
20	Securities financing	9,494	9,494		9,494			
21	Due to banks	38,076	38,076					38,076
22	Current account	132,983	133,005					133,005
23	Demand deposits	98,790	98,790					98,790
24	Time deposits	18,780	19,117					19,117
25	Other due to customers	665	665					665
26	Issued debt	59,688	59,688					59,688
27	Subordinated liabilities	7,549	7,549					7,549
28	Provisions	1,201	1,196					1,196
29	Liabilities held for sale							
30	Tax liabilities	101	97					97
31	Other liabilities	4,757	4,747					4,747
32	**Total liabilities**	**377,114**	**377,454**		**13,838**		**4,231**	**362,930**

1 The credit risk framework total is not the equivalent of the credit risk amounts reported in the Consolidated Annual Financial Statements, due to scope differences.

(in millions)		Carrying values		Carrying values of items				31 December 2020
		As reported in published financial statements	Under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Assets							
1	Cash and balances at central banks	60,190	60,190	60,190				
2	Financial assets held for trading	1,315	1,315				1,315	
3	Derivatives	6,381	6,381		6,381		5,040	
4	Financial investments	47,455	47,422	44,537				2,886
5	Securities financing	16,725	16,725		16,725			
6	Loans and advances banks	3,394	3,632	3,632				
7	Residential mortgages	148,741	148,741	148,741				
8	Consumer loans	10,937	10,937	10,937				
9	Corporate loans	84,744	84,744	84,744		618		
10	Other loans and advances customers[2]	7,736	7,736	7,736	6,673			
11	Equity-accounted investments	593	685	685				
12	Property and equipment	1,255	1,253	1,253				
13	Goodwill and other intangible assets	128	127					127
14	Assets held for sale	254	254	254				
15	Tax assets	851	845	845				
16	Other assets	4,925	4,921	4,921				
17	**Total assets[2]**	**395,623**	**395,908**	**368,475**	**29,779**	**618**	**6,355**	**3,013**
	Liabilities							
18	Financial liabilities held for trading	563	563				563	
19	Derivatives	7,391	7,391		7,391		6,159	
20	Securities financing	11,363	11,363		11,363			
21	Due to banks	36,719	36,719					36,719
22	Current account	111,033	111,055					111,055
23	Demand deposits	107,534	107,534					107,534
24	Time deposits	19,037	19,326					19,326
25	Other due to customers	966	966					966
26	Issued debt	66,949	66,949					66,949
27	Subordinated liabilities	8,069	8,069					8,069
28	Provisions	926	914					914
29	Liabilities held for sale							
30	Tax liabilities	30	30					30
31	Other liabilities	4,053	4,040					4,040
32	**Total liabilities**	**374,634**	**374,919**		**18,754**		**6,722**	**355,602**

1 The credit risk framework total is not the equivalent of the credit risk amounts reported in the Consolidated Annual Financial Statements, due to scope differences.
2 The amount for 'other loans and advances customers' in the column 'Subject to CCR framework' relates to default fund contributions to CCPs. The amount was omitted in the past Pillar 3 disclosure but has been added in the comparative figures to show an accurate comparison.

EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements[1]

			31 December 2021			
			Items subject to			
	(in millions)	Total	Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	397,735	375,768	978	34,530	5,019
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	14,525			13,838	4,231
3	**Total net amount under regulatory scope of consolidation**	**383,210**	**375,768**	**978**	**20,692**	**788**
4	Off-balance sheet amounts	95,107	95,025	82		
5	*Differences in valuations*	*-56*	*-56*			
6	*Differences due to different netting rules, other than those already included in row 2*	*-3,701*			*-3,701*	
7	*Differences due to consideration of provisions*	*2,059*	*2,059*			
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	*-1,176*	*-157*		*-1,019*	
9	*Differences due to credit conversion factors*	*-67,504*	*-67,459*	*-45*		
10	*Differences due to securitisation with risk transfer*					
11	*Other differences*	*9,275*	*-4,724*		*-229*	
12	**Exposure amounts considered for regulatory purposes**	**417,214**	**400,455**	**1,016**	**15,743**	

1 Based on further analysis, the presentation of the difference between the exposure amounts considered for regulatory purposes and the net (carrying) amount under regulatory scope of consolidation has been adjusted. This updated presentation has also been applied to the comparative figures to show an accurate comparison.

			31 December 2020			
			Items subject to			
	(in millions)	Total	Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	392,896	368,475	618	29,779	6,355
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	19,317			18,754	6,722
3	**Total net amount under regulatory scope of consolidation**	**373,579**	**368,475**	**618**	**11,025**	**-367**
4	Off-balance sheet amounts	103,379	102,900	479		
5	*Differences in valuations*	*-45*	*-45*			
6	*Differences due to different netting rules, other than those already included in row 2*	*-6,297*			*-6,297*	
7	*Differences due to consideration of provisions*	*3,167*	*3,167*			
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	*-226*	*-202*		*-24*	
9	*Differences due to credit conversion factors*	*-76,686*	*-76,354*	*-333*		
10	*Differences due to securitisation with risk transfer*					
11	*Other differences*	*10,482*	*-6,814*		*10,757*	
12	**Exposure amounts considered for regulatory purposes**	**407,353**	**391,128**	**764**	**15,461**	

1 Based on further analysis, the presentation of the difference between the exposure amounts considered for regulatory purposes and the net (carrying) amount under regulatory scope of consolidation has been adjusted. This updated presentation has also been applied to the comparative figures to show an accurate comparison.

EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity)

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
ABN AMRO Retained FS (IOM) Limited	Full consolidated	X					Other financial corporation
ABN AMRO (Hong Kong) Limited	Full consolidated	X					Other financial corporation
ABN AMRO Accelerator B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Acquisition Finance Holding B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Arbo Services B.V.	Full consolidated				X		Non-financial corporation
ABN AMRO Asset Based Finance N.V.	Full consolidated	X					Other financial corporation
ABN AMRO Bank N.V.	Full consolidated	X					Credit institution
ABN AMRO Capital USA LLC	Full consolidated	X					Other financial corporation
ABN AMRO Captive N.V.	Full consolidated				X		Non-financial corporation
ABN AMRO Clearing Bank N.V.	Full consolidated	X					Credit institution
ABN AMRO Clearing Chicago LLC	Full consolidated	X					Other financial corporation
ABN AMRO Clearing Hong Kong Limited	Full consolidated	X					Other financial corporation
ABN AMRO Clearing Investments B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Clearing London Limited	Full consolidated	X					Other financial corporation
ABN AMRO Clearing Singapore Pte. Ltd.	Full consolidated	X					Other financial corporation
ABN AMRO Clearing Sydney Pty Ltd	Full consolidated	X					Other financial corporation
ABN AMRO Clearing Tokyo Co Ltd.	Full consolidated	X					Other financial corporation
ABN AMRO Corretora de Títulos e Valores Mobiliários Ltda	Full consolidated	X					Other financial corporation
ABN AMRO Covered Bond Company 2 B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Covered Bond Company B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Effecten Compagnie B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Fund Services (Asia) Limited	Full consolidated	X					Other financial corporation
ABN AMRO Funding USA LLC	Full consolidated	X					Other financial corporation
ABN AMRO Groenbank B.V.	Full consolidated	X					Credit institution
ABN AMRO Holdings USA LLC	Full consolidated	X					Other financial corporation
ABN AMRO Hypotheken Groep B.V.	Full consolidated	X					Credit institution
ABN AMRO Icestar USA LLC	Full consolidated	X					Other financial corporation
ABN AMRO International Services B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Investment Holding B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Investment Solutions S.A.	Full consolidated	X					Other financial corporation
ABN AMRO Investments USA LLC	Full consolidated	X					Other financial corporation
ABN AMRO Jonge Bedrijven Fonds B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Mahler Assets B.V.	Full consolidated	X					Non-financial corporation
ABN AMRO Markets (UK) Limited	Full consolidated	X					Other financial corporation
ABN AMRO MeesPierson Private & Trust Holding B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Participaties Fund I B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Participaties Management B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Participaties NPE Fund B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Pensioeninstelling N.V.	Full consolidated				X		Pension fund
ABN AMRO Projectontwikkeling B.V.	Full consolidated	X					Other financial corporation

continued>

	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
ABN AMRO Retained CS (IOM) Limited	Full consolidated	X					Other financial corporation
ABN AMRO Retained Services (Cayman) Ltd	Full consolidated	X					Other financial corporation
ABN AMRO Securities (Asia) Limited	Full consolidated	X					Other financial corporation
ABN AMRO Securities (USA) LLC	Full consolidated	X					Other financial corporation
ABN AMRO SME Participation B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Social Impact Investments B.V.	Full consolidated	X					Other financial corporation
ABN AMRO Support Services (Ireland) Limited	Full consolidated	X					Other financial corporation
ABN AMRO Ventures Management B.V.	Full consolidated	X					Other financial corporation
ALFAM Holding N.V.	Full consolidated	X					Other financial corporation
Amsterdamsche Holding Company B.V.	Full consolidated	X					Non-financial corporation
Aurasio GmbH	Full consolidated	X					Other financial corporation
B.V. Financieringsmaatschappij N.O.B.	Full consolidated	X					Other financial corporation
Banco ABN AMRO S.A.	Full consolidated	X					Credit institution
Banque Neuflize OBC S.A.	Full consolidated	X					Credit institution
Bethmann Bank AG	Full consolidated	X					Credit institution
De Twentsche Holding Company B.V.	Full consolidated	X					Non-financial corporation
Dolphin Asset Purchasing B.V.	Full consolidated	X					Other financial corporation
Dolphin Master Issuer B.V.	Full consolidated	X					Other financial corporation
FFSB LIMITED	Full consolidated	X					Other financial corporation
Franx B.V.	Full consolidated	X					Other financial corporation
International Card Services B.V.	Full consolidated	X					Credit institution
ABN AMRO - ODDO BHF B.V.	Full consolidated	X					Other financial corporation
Moneyou B.V.	Full consolidated	X					Other financial corporation
New10 B.V.	Full consolidated	X					Other financial corporation
Oosteroever Hypotheken B.V.	Full consolidated	X					Other financial corporation
P.H.P. Investeringsmaatschappij II B.V.	Full consolidated	X					Other financial corporation
Principal Finance Investments Holding B.V.	Full consolidated	X					Other financial corporation
Quion 9 B.V.	Full consolidated	X					Other financial corporation
Rotterdamsche Holding Company B.V.	Full consolidated	X					Non-financial corporation
Sumsare N.V.	Full consolidated				X		Non-financial corporation

EU LIA – Explanations of differences between accounting and regulatory exposure amounts
Risk measures vary according to the purpose for which exposure is calculated: EU IFRS or the determination of regulatory or economic capital (CRD V/CRR2).

EU IFRS reporting scope
EU IFRS is mainly used to measure the bank's financial results and position by class of product. In addition, the financial position according to EU IFRS provides a liquidity view instead of a credit view. The consolidation scope for ABN AMRO is determined in accordance with IFRS 10 Consolidated Financial Statements.

Regulatory reporting scope
The objective of regulatory reporting is to take a credit, market, operational and liquidity risk view on the bank's portfolio and to ensure that the bank maintains sufficient capital buffers to absorb unexpected losses and sufficient liquidity buffers. The scope of consolidation for the purpose of calculating regulatory and economic capital (based on the CRD V and CRR2) is generally the same as the consolidation scope under EU IFRS and includes subsidiaries that are directly or indirectly controlled by ABN AMRO and active in the banking and financial sectors. Subsidiaries consolidated under EU IFRS but active in sectors other than banking and finance are excluded from the regulatory scope of consolidation.

EU LIB - Other qualitative information on the scope of application
To the best of our knowledge, there are no current or expected material practical or legal impediments to the prompt transfer of own funds or to the repayment of liabilities between ABN AMRO Bank N.V. and its subsidiaries, specifically in the context of capital waivers applied under Article 7 CRR or intragroup exemptions in the context of Large Exposures.

For capital efficiency reasons, we make use of capital waivers as referred to in Article 7 CRR for some of our Dutch subsidiaries, being ABN AMRO Hypotheken Groep B.V., ABN AMRO Groenbank B.V. and ABN AMRO Clearing Bank N.V. These subsidiaries are included in the group-wide central funding and risk management governance framework, and guarantees by ABN AMRO Bank N.V. are in place.

For the prudential requirements of ABN AMRO Bank N.V. on an individual basis, we apply the individual consolidation method laid down in Article 9(2) CRR. Entities in which ABN AMRO Bank N.V. has a majority share and which are covered by the bank's risk management and risk governance framework are consolidated for this purpose. Subsidiaries which are not included in the individual consolidation scope are ABN AMRO Arbo Services B.V., ABN AMRO Captive N.V., Sumsare N.V. and ABN AMRO Pensioeninstelling N.V. On 31 December 2021, there was no entity in the group whose capital adequacy was below the applicable minimum regulatory requirement.

EU PV1 - Prudent valuation adjustments (PVA)

										31 December 2021	
						Risk category	Category level AVA - Valuation uncertainty		Total category level post-diversification		
(in millions)		Equity	Interest rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
	Category level AVA										
1	Market price uncertainty		17	1			4	22	38	32	6
3	Close-out cost										
4	Concentrated positions		2						2		2
5	Early termination								1	1	
6	Model risk										
7	Operational risk		1						1	1	1
10	Future administrative costs					4			4	4	
12	**Total Additional Valuation Adjustments (AVAs)**								**60**	**37**	**23**

										31 December 2020	
						Risk category	Category level AVA - Valuation uncertainty		Total category level post-diversification		
(in millions)		Equity	Interest rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
	Category level AVA										
1	Market price uncertainty		10	1			3	26	34	32	2
3	Close-out cost		1						1		1
4	Concentrated positions		1						1		1
5	Early termination								1	1	
6	Model risk										
7	Operational risk		1						1		
10	Future administrative costs										
12	**Total Additional Valuation Adjustments (AVAs)**								**48**	**33**	**14**

The Capital Requirements Regulation (CRR) sets out requirements relating to prudent valuation adjustments of fair-valued positions to determine prudent values that achieve an appropriate degree of certainty, taking into account the dynamic nature of these positions. ABN Amro Bank applies the core approach to determine these Additional Valuation Adjustments (AVA).

The majority of the impact of the overall AVA is caused by Market Price Uncertainty (MPU) and Investment and Funding Cost (IFC). For the valuation inputs in MPU, where a range of plausible values is available, the estimated value is based on a 90th percentile, i.e. where it is with 90% confidence that the positions can be exited at that price or better. The largest contributor for this adjustment is in the risk category Interest rates. In 2021, this increased because the prescribed aggregation factor representing the diversification benefit in the portfolio was restored to the original 50%. In 2020, it had been set at 34% (i.e. a 66% reduction with respect to the gross numbers) due to the Covid-19 situation.

The other large adjustment, the IFC adjustment, represents the valuation uncertainty in funding costs in the Funding Valuation Adjustment (FVA) calculation. This is the largest adjustment in the trading book.

Own funds

Capital management strategy

The primary objective of the capital management strategy is to ensure that capital adequacy requirements are met at all times and that sufficient capital is available to support the bank's strategy. Capital is a necessary resource for doing business and defines the bank's commercial possibilities. The balance between available and required capital is managed centrally to optimise the use of available capital. The basis of the capital management strategy is the bank's risk appetite and its business plans. Other important factors taken into account when managing the capital position are expectations and requirements of external stakeholders (such as supervisors, investors, shareholders, equity analysts, rating agencies and clients), the bank's position in the market, market developments, contingent capital needs and the feasibility of capital management actions. Although ABN AMRO manages its capital centrally, the group companies are sufficiently capitalised to comply with all local regulatory solvency requirements and to meet any local business needs. ABN AMRO's banking activities are carried out by legal entities that are part of the bank's fiscal unity. Apart from prevailing statutory and regulatory legislation, there are no specific material impediments for prompt transfer of the bank's regulatory capital.

EU CC1 - Composition of regulatory own funds

	(in millions)	31 December 2021	30 June 2021	31 December 2020	Source[2]
	Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	**Capital instruments and the related share premium accounts**	**13,910**	**13,910**	**13,910**	
	- of which shares	*13,910*	*13,910*	*13,910*	*CC2-33 & CC2-34*
2	Retained earnings[1]	6,093	6,777	6,870	
3	Accumulated other comprehensive income (and other reserves)	-1,227	-1,478	-1,733	CC2-36
EU-3a	Funds for general banking risk				
4	Amount of qualifying items referred to in Art. 484 (3) and the related share premium accounts subject to phase-out from CET1				
5	Minority interests (amount allowed in consolidated CET1)				
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	632			
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**19,408**	**19,209**	**19,047**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (-)	-56	-55	-45	
8	Intangible assets (net of related tax liability) (-)	-125	-122	-124	CC2-15
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Art. 38 (3) CRR are met) (-)	-47	-22	-23	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	1,540	1,632	1,854	
12	Negative amounts resulting from the calculation of expected loss amounts	-223			
13	Any increase in equity that results from securitised assets (-)				
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	9	14	22	
15	Defined-benefit pension fund assets (-)	-1			
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (-)	-550			
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (-)				
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (-)				
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (-)				
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative				
EU-20b	*- of which qualifying holdings outside the financial sector (-)*				
EU-20c	*- of which securitisation positions (-)*				
EU-20d	*- of which free deliveries (-)*				
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Art. 38 (3) CRR are met) (-)				
22	Amount exceeding the 17.65% threshold (-)				
23	*- of which direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*				
25	*- of which deferred tax assets arising from temporary differences*				
EU-25a	Losses for the current financial year (-)[1]		-473	-710	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (-)				
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (-)				
27a	Other regulatory adjustments to CET1 capital	-748	-548	-474	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-202**	**426**	**501**	
29	**Common Equity Tier 1 (CET1) capital**	**19,206**	**19,635**	**19,548**	

1 The values reported in row EU-25a for 30 June 2021 and 31 December 2020 consist of the independently reviewed interim profit net of any foreseeable charge and dividend minus the postponed final dividend of 2019.
2 Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation.

(in millions)		31 December 2021	30 June 2021	31 December 2020	Source[1]
	Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	1,987	1,987	1,987	CC2-37
31	*- of which classified as equity under applicable accounting standards*	*1,987*	*1,987*	*1,987*	
32	*- of which classified as liabilities under applicable accounting standards*				
33	Amount of qualifying items referred to in Art. 484 (4) CRR and the related share premium accounts subject to phase-out from AT1 as described in Art. 486 (3) CRR				
EU-33a	Amount of qualifying items referred to in Art. 494a(1) CRR subject to phase-out from AT1				
EU-33b	Amount of qualifying items referred to in Art. 494b(1) CRR subject to phase-out from AT1				
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties				
35	*- of which instruments issued by subsidiaries subject to phase-out*				
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**1,987**	**1,987**	**1,987**	
	Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (-)	-5	-5	-5	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (-)				
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (-)				
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (-)				
42	Qualifying T2 deductions that exceed the T2 items of the institution (-)				
42a	Other regulatory adjustments to AT1 capital				
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-5**	**-5**	**-5**	
44	**Additional Tier 1 (AT1) capital**	**1,982**	**1,982**	**1,982**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**21,188**	**21,617**	**21,530**	
	Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	5,227	4,468	4,659	CC2-27
47	Amount of qualifying items referred to in Art. 484 (5) CRR and the related share premium accounts subject to phase-out from T2 as described in Art. 486(4) CRR			251	
EU-47a	Amount of qualifying items referred to in Art. 494a (2) CRR subject to phase-out from T2				
EU-47b	Amount of qualifying items referred to in Art. 494b (2) CRR subject to phase-out from T2				
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties				
49	*- of which instruments issued by subsidiaries subject to phase-out*				
50	Credit risk adjustments			35	
51	**Tier 2 (T2) capital before regulatory adjustments**	**5,227**	**4,468**	**4,945**	
	Tier 2 (T2) capital: regulatory adjustments				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (-)	-30	-30	-30	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (-)				
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (-)				
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)(-)				
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (-)				
EU-56b	Other regulatory adjustments to T2 capital				
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-30**	**-30**	**-30**	
58	**Tier 2 (T2) capital**	**5,197**	**4,438**	**4,915**	
59	**Total capital (TC = T1 + T2)**	**26,386**	**26,055**	**26,446**	
60	Total risk exposure amount	117,693	107,194	110,481	

1 Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation

(in millions)		31 December 2021	30 June 2021	31 December 2020	Source[1]
	Capital ratios and requirements including buffers				
61	Common Equity Tier 1 (as a % of total risk exposure amount)	16.3%	18.3%	17.7%	
62	Tier 1 (as a % of total risk exposure amount)	18.0%	20.2%	19.5%	
63	Total capital (as a % of total risk exposure amount)	22.4%	24.3%	23.9%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Art. 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Art. 104(1) CRD, plus combined buffer requirement in accordance with Art. 128(6) CRD) expressed as a % of risk exposure amount)	9.6%	9.6%	9.6%	
65	*- of which capital conservation buffer requirement*	*2.5%*	*2.5%*	*2.5%*	
66	*- of which countercyclical buffer requirement*	*0.02%*	*0.02%*	*0.01%*	
67	*- of which systemic risk buffer requirement*	*0.0%*	*0.0%*	*0.0%*	
EU-67a	*- of which G-SII or O-SII buffer*	*1.5%*	*1.5%*	*1.5%*	
EU-67b	*- of which additional own funds requirements to address the risks other than the risk of excessive leverage*	*1%*	*1%*	*1%*	
68	Common Equity Tier 1 available to meet buffers (as a % of risk exposure amount)	11%	12.7%	12.0%	
	Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	141	140	117	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% threshold and net of eligible short positions)	575	584	563	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Art. 38 (3) CRR are met)	48	50	41	
	Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to Standardised Approach (prior to the application of the cap)				
77	Cap on inclusion of credit risk adjustments in T2 under Standardised Approach	122	149	112	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)			35	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	457	414	443	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 - 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase-out arrangements				
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)				
82	Current cap on AT1 instruments subject to phase-out arrangements				
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)				
84	Current cap on T2 instruments subject to phase-out arrangements	396	396		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)				

1 Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation

Developments impacting capital ratios

At 31 December 2021, the CET1 ratio under Basel III was 16.3% (30 June 2021: 18.3%). In comparison with 30 June 2021, the CET1 ratio decreased, mainly due to an increase in RWEA and a decrease in CET1 capital. The increase in RWEA reflects a rise in credit risk RWEA and, to a lesser extent, operational risk RWEA. Credit risk RWEA increased due to the impact of the DNB mortgage floor and regulatory add-ons, partly offset by the removal of the self-imposed mortgage add-on, business developments and asset quality improvements. The increase in operational risk RWEA is attributable to re-assessed scenarios. CET1 capital decreased due to deductions for the announced share buyback programme and a further increase in the non-performing exposures (NPE) capital deductions, partly offset by the net profit for 2021. All capital ratios were in line with the bank's risk appetite and were comfortably above regulatory requirements.

The maximum distributable amount (MDA) trigger level remained at 9.6% (excluding AT1 shortfall), including the reconfirmed Pillar 2 requirement as part of the SREP requirements for 2022. In future, DNB is expected to gradually raise the countercyclical capital buffer requirement from 0% to 2% of risk-weighted exposures in the Netherlands as the economy improves. This will cause the MDA trigger level to increase. The reported CET1 ratio of 16.3% under Basel III is well above the MDA trigger level. The bank remains committed to maintaining a significant buffer in excess of its regulatory requirements at all times.

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

		31 December 2021		30 June 2021		31 December 2020		
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
(in millions)		As at period end	As at period end	As at period end	As at period end	As at period end	As at period end	
	Assets[1]							
1	Cash and balances at central banks	66,865	66,865	72,447	72,447	60,190	60,190	
2	Financial assets held for trading	1,155	1,155	2,385	2,385	1,315	1,315	
3	Derivatives	3,785	3,785	4,779	4,779	6,381	6,381	
4	Financial investments	43,165	43,132	42,543	42,511	47,455	47,422	
5	Securities financing	16,138	16,138	27,809	27,809	16,725	16,725	
6	Loans and advances banks	2,801	3,073	3,731	3,986	3,394	3,632	
7	Residential mortgages	147,711	147,711	148,699	148,699	148,741	148,741	
8	Consumer loans	10,518	10,518	10,484	10,484	10,937	10,937	
9	Corporate loans	85,014	85,019	79,079	79,084	84,744	84,744	
10	Other loans and advances customers	15,008	15,008	8,140	8,140	7,736	7,736	
11	Equity-accounted investments	564	667	572	668	593	685	
12	Property and equipment	1,172	1,170	1,160	1,158	1,255	1,253	
13	Goodwill and other intangible assets	127	126	124	123	128	127	
14	Assets held for sale	89	89	1,430	1,430	254	254	
15	Tax assets	739	737	1,001	997	851	845	CC1-8
16	Other assets	4,263	4,260	7,082	7,079	4,925	4,921	
17	**Total assets**	**399,113**	**399,454**	**411,464**	**411,778**	**395,623**	**395,908**	
	Liabilities[1]							
18	Financial liabilities held for trading	687	687	1,726	1,726	563	563	
19	Derivatives	4,344	4,344	5,155	5,155	7,391	7,391	
20	Securities financing	9,494	9,494	19,824	19,824	11,363	11,363	
21	Due to banks	38,076	38,076	40,584	40,584	36,719	36,719	
22	Current account	132,983	133,005	114,865	114,881	111,033	111,055	
23	Demand deposits	98,790	98,790	103,060	103,060	107,534	107,534	
24	Time deposits	18,780	19,117	27,287	27,605	19,037	19,326	
25	Other due to customers	665	665	854	854	966	966	
26	Issued debt	59,688	59,688	63,619	63,619	66,949	66,949	
27	Subordinated liabilities	7,549	7,549	6,578	6,578	8,069	8,069	CC1-46
28	Provisions	1,201	1,196	1,045	1,037	926	914	
29	Liabilities held for sale							
30	Tax liabilities	101	97	24	22	30	30	
31	Other liabilities	4,757	4,747	5,306	5,295	4,053	4,040	
32	**Total liabilities**	**377,114**	**377,454**	**389,927**	**390,240**	**374,634**	**374,919**	
	Shareholders' equity[1]							
33	Share capital	940	940	940	940	940	940	CC1-1
34	Share premium	12,970	12,970	12,970	12,970	12,970	12,970	CC1-1
35	Other reserves (incl. retained earnings/ profit for the period)	7,324	7,324	7,114	7,114	6,826	6,826	CC1-2
36	Accumulated other comprehensive income	-1,227	-1,227	-1,478	-1,478	-1,733	-1,733	CC1-3 & CC1-8
37	AT1 capital securities	1,987	1,987	1,987	1,987	1,987	1,987	CC1-36
38	**Equity attributable to owners of the parent company**	**21,994**	**21,994**	**21,533**	**21,533**	**20,989**	**20,989**	
39	Equity attributable to non-controlling interests	5	5	5	5			
40	**Total equity**	**21,999**	**21,999**	**21,538**	**21,538**	**20,989**	**20,989**	

1 Breakdown by asset, liability and equity classes according to the balance sheet in the published financial statements

EU CCA - Main features of regulatory own funds instruments and eligible liabilities instruments

Common Equity Tier 1

1	Issuer	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	NL0011540547
3	Governing law(s) of the instrument	Dutch Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A
	Regulatory treatment	
4	Transitional CRR rules	Common equity tier 1
5	Post-transitional CRR rules	Common equity tier 1
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares A
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 940
9	Nominal amount of instrument (as of most recent reporting date)	EUR 1
9a	Issue price	EUR 17.75; 20.40; 22.75; 23.50
9b	Redemption price	N/A
10	Accounting classification	Equity
11	Original date of issuance	09 April 2009
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates, and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existence of step up or other incentive to redeem	N/A
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specifiy instrument type convertible into	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	1
35	Position in subordination hierachy in liquidation	Junior to Additional Tier 1
36	Non-compliant transitioned features	No
37	If yes, specifiy non-compliant features	N/A
37a	Link to the full term and conditions of the intrument (signposting)	Web link

1 N/A inserted if the question is not applicable

Additional Tier 1

1	Issuer	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2131567138	XS1693822634
3	Governing law(s) of the instrument	Dutch law	Dutch law
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes
	Regulatory treatment		
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Additional Tier 1	Additional Tier 1
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	AT1 EU 575/2013 art 52	AT1 EU 575/2013 art 52
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 993	EUR 994
9	Nominal amount of instrument (as of most recent reporting date)	EUR 1,000	EUR 1,000
9a	Issue price	100%	100%
9b	Redemption price	100%	100%
10	Accounting classification	Equity	Equity
11	Original date of issuance	15 June 2020	10 April 2017
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	22 Sept 2025 (100% nominal amount), regulatory & tax call (prevailing principal amount)	22 Sept 2027 (100% nominal amount), regulatory & tax call (prevailing principal amount)
16	Subsequent call dates, if applicable	Callable on each interest payment date after first call date	Callable on each interest payment date after first call date
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	4.375% per year	4.75% per year
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	Yes	Yes
31	If write-down, write-down trigger(s)	7%/5.125% CET1	7%/5.125% CET1
32	If write-down, full or partial	Partial	Partial
33	If write-down, permanent or temporary	Temporary	Temporary
34	If temporary write-down, description of write-up mechanism	Subject to profit MDA and Max Write up Amount	Subject to profit MDA and Max Write up Amount
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	2	2
35	Position in subordination hierachy in liquidation	Junior to Tier 2	Junior to Tier 2
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	Web link	Web link

1 N/A inserted if the question is not applicable

Tier 2

1	Issuer	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS0619547838	XS1346254573
3	Governing law(s) of the instrument	Dutch law	Dutch law
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes
	Regulatory treatment		
4	Transitional CRR rules	Tier 2	Tier 2
5	Post-transitional CRR rules	Ineligible	Tier 2
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 (grandfathered) EU 575/2013 art 63	Tier 2 EU 575/2013 art 63
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 34	EUR 999
9	Nominal amount of instrument (as of most recent reporting date)	USD 595 (EUR 525)	EUR 1,000
9a	Issue price	99%	99.383%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	27 April 2011	18 January 2016
12	Perpetual or dated	Dated	Dated
13	Original maturity date	27 April 2022	18 January 2028
14	Issuer call subject to prior supervisory approval	No	Yes
15	Optional call date, contingent call dates, and redemption amount	Tax call (100% nominal amount)	18 January 2023 (100% nominal amount), tax & regulatory call (100% nominal amount)
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	6.25% per year	2.875% per year
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	4	3
35	Position in subordination hierachy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	Web link	Web link

1 N/A inserted if the question is not applicable

Tier 2 (continued)

1	Issuer	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1586330604	00080QAD79 (Cusip 144A) USN0028HAP03 (ISIN Reg S)
3	Governing law(s) of the instrument	Dutch law	Dutch law
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes
	Regulatory treatment		
4	Transitional CRR rules	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Ineligible
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 EU 575/2013 art 63	Tier 2 (grandfathered) EU 575/2013 art 63
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 1,323	EUR 28
9	Nominal amount of instrument (as of most recent reporting date)	USD 1,500 (EUR 1,324)	USD 113 (EUR 100)
9a	Issue price	99.984%	100%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	27 March 2017	30 June 2011
12	Perpetual or dated	Dated	Dated
13	Original maturity date	27 March 2028	15 May 2023
14	Issuer call subject to prior supervisory approval	Yes	No
15	Optional call date, contingent call dates, and redemption amount	27 March 2023 (100% nominal amount), tax & regulatory call (100% nominal amount)	Tax call (100% nominal amount)
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	4.4% per year	7.75% per year
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	3	4
35	Position in subordination hierachy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	Web link	Web link

1 N/A inserted if the question is not applicable

Tier 2 (continued)

1	Issuer	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	US00080QAF28 / XS1264600310	US00084DAL47 / XS1392917784
3	Governing law(s) of the instrument	Dutch law	Dutch law
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes
	Regulatory treatment		
4	Transitional CRR rules	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 EU 575/2013 art 63	Tier 2 EU 575/2013 art 63
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 994	EUR 756
9	Nominal amount of instrument (as of most recent reporting date)	USD 1,500 (EUR 1,324)	USD 1,000 (EUR 883)
9a	Issue price	99.732%	99.827%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	28 July 2015	18 April 2016
12	Perpetual or dated	Dated	Dated
13	Original maturity date	28 July 2025	18 April 2026
14	Issuer call subject to prior supervisory approval	No	no
15	Optional call date, contingent call dates, and redemption amount	Tax & regulatory call (100% nominal amount)	Tax & regulatory call (100% nominal amount)
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	4.75% per year	4.8% per year
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	3	3
35	Position in subordination hierachy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	Web link	Web link

1 N/A inserted if the question is not applicable

Tier 2 (continued)

1	Issuer	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1385037558	XS2415308761/ US00084DAV29
3	Governing law(s) of the instrument	Dutch law	Dutch law
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes
	Regulatory treatment		
4	Transitional CRR rules	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 Eu 575/2013 art 63	Tier 2 Eu 575/2013 art 63
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 264	EUR 879
9	Nominal amount of instrument (as of most recent reporting date)	USD 300 (EUR 265)	USD 1,000 (EUR 883)
9a	Issue price	100%	100%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	08 April 2016	13 December 2021
12	Perpetual or dated	Dated	Dated
13	Original maturity date	08 April 2031	13 March 2037
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates, and redemption amount	Tax & regulatory call (100% nominal amount)	31 December 2031 (100% nominal amount), tax & regulatory call (100% nominal amount)
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	5.6% per year	3.324% per year
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	3	3
35	Position in subordination hierachy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	Web link	Web link

1 N/A inserted if the question is not applicable

Countercyclical capital buffer

EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

The table below contains an overview of the exposure distribution for the most relevant countries (having an own funds requirements weight greater than 1.00% and/or countercyclical buffer rate greater than 0.00%).

						31 December 2021
	General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures - Exposure value for non-trading book	Total exposure value
(in millions)	Exposure value under the SA	Exposure value under the IRB	Sum of long and short position of trading book exposures for SA	Value of trading book exposures for internal models		
Country						
Belgium	64	3,373		3		3,440
Bulgaria						
Czech Republic		11				11
France	610	3,632		17		4,259
Germany	796	4,776		4		5,576
Hong Kong	15	97				113
Luxembourg	4	2,595		1		2,600
Netherlands	6,292	242,992		31		249,316
Norway		2,451		9		2,460
Slovakia		20				20
United Kingdom	714	7,372		24		8,111
United States	875	2,557		3		3,435
Other countries	994	10,858		16		11,868
Total	**10,364**	**280,736**		**110**		**291,209**

							31 December 2021
	Own fund requirements				RWEA	Own funds requirements weights (%)	Countercyclical buffer rate (%)
(in millions)	Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book	Total			
Country							
Belgium	185			186	2,321	2.25%	0.00%
Bulgaria						0.00%	0.50%
Czech Republic	1			1	13	0.01%	0.50%
France	213			214	2,671	2.59%	0.00%
Germany	226	3		229	2,863	2.77%	0.00%
Hong Kong	4			4	56	0.05%	1.00%
Luxembourg	84			84	1,053	1.02%	0.50%
Netherlands	6,348	4		6,351	79,393	76.86%	0.00%
Norway	99			99	1,243	1.20%	1.00%
Slovakia	2			2	31	0.03%	1.00%
United Kingdom	466			466	5,831	5.64%	0.00%
United States	206			206	2,579	2.50%	0.00%
Other countries	417	2		419	5,241	5.07%	0.00%
Total	**8,253**	**11**		**8,264**	**103,294**	**100%**	**0.00%**

30 June 2021

(in millions)	General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures - Exposure value for non-trading book	Total exposure value
	Exposure value under the SA	Exposure value under the IRB	Sum of long and short position of trading book exposures for SA	Value of trading book exposures for internal models		
Country						
Belgium	93	2,492				2,586
Bulgaria		1				1
Czech Republic	37	9				46
France	719	6,436		1		7,156
Germany	818	4,130		1		4,949
Hong Kong	5	122				127
Luxembourg	44	2,118				2,162
Netherlands	8,199	229,096		7		237,303
Norway	1	2,585				2,586
Slovakia		20				20
Switzerland	316	1,105				1,421
United Kingdom	764	7,668		1		8,434
United States	903	3,610				4,513
Other countries	1,260	10,964				12,224
Total	**13,159**	**270,357**		**12**		**283,528**

30 June 2021

(in millions)	Own fund requirements				RWEA[1]	Own funds requirements weights (%)	Countercyclical buffer rate (%)
	Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book	Total			
Country							
Belgium	141	1		142	1,772	2.03%	0.00%
Bulgaria						0.00%	0.50%
Czech Republic	4			4	50	0.06%	0.50%
France	357	1		358	4,480	5.13%	0.00%
Germany	179			180	2,246	2.57%	0.00%
Hong Kong	3			3	39	0.04%	1.00%
Luxembourg	65			65	810	0.93%	0.50%
Netherlands	4,907	8		4,915	61,441	70.31%	0.00%
Norway	90			91	1,132	1.29%	1.00%
Slovakia	3			3	33	0.04%	1.00%
Switzerland	84			84	1,054	1.21%	0.00%
United Kingdom	461	1		462	5,779	6.61%	0.00%
United States	250			250	3,131	3.58%	0.00%
Other countries	433	1		434	5,422	6.20%	0.00%
Total	**6,978**	**13**		**6,991**	**87,389**	**100%**	

1 Following an updated mapping instruction from EBA, some changes were made to the comparative figures in order to present an accurate comparison.

						31 December 2020
	General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures - Exposure value for non-trading book	Total exposure value
(in millions)	Exposure value under the SA	Exposure value under the IRB	Sum of long and short position of trading book exposures for SA	Value of trading book exposures for internal models		
Country						
Belgium	138	2,250		6		2,394
Bulgaria		1				1
Czech Republic	34	25				59
France	691	6,380		30		7,102
Germany	724	4,106		10		4,840
Hong Kong	15	294				309
Luxembourg	53	2,185		8		2,245
Netherlands	6,017	231,842		37		237,896
Norway		2,806		2		2,808
Singapore	254	1,489				1,743
Slovakia		10				10
Switzerland	324	1,888		4		2,216
United Kingdom	406	5,082		43		5,531
United States	449	6,552		15		7,016
Other countries	1,038	11,431		11		12,480
Total	**10,142**	**276,344**		**166**		**286,652**

							31 December 2020
	Own fund requirements				RWEA[1]	Own funds requirements weights (%)	Countercyclical buffer rate (%)
(in millions)	Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book	Total			
Country							
Belgium	98	1		98	1,229	1.39%	0.00%
Bulgaria						0.00%	0.50%
Czech Republic	4			4	47	0.05%	0.50%
France	277	3		279	3,490	3.94%	0.00%
Germany	140			140	1,749	1.98%	0.00%
Hong Kong	11			11	135	0.15%	1.00%
Luxembourg	39	1		40	505	0.57%	0.25%
Netherlands	5,329	5		5,334	66,669	75.29%	0.00%
Norway	52			52	644	0.73%	1.00%
Singapore	73			73	918	1.04%	0.00%
Slovakia					6	0.01%	1.00%
Switzerland	97			97	1,217	1.37%	0.00%
United Kingdom	258	1		259	3,241	3.66%	0.00%
United States	291	1		292	3,645	4.12%	0.00%
Other countries	404	1		405	5,059	5.71%	0.00%
Total	**7,072**	**12**		**7,084**	**88,555**	**100.00%**	

1 Following an updated mapping instruction from EBA, some changes were made to the comparative figures in order to present an accurate comparison.

Countercyclical capital buffer

The countercyclical capital buffer (CCyB) is part of a set of macroprudential instruments designed to help counter procyclicality in the financial system. Capital should be accumulated when cyclical systemic risk is judged to be increasing. This will create buffers that will increase the resilience of the banking sector during periods of stress, when losses materialise. This will help maintain the supply of credit and dampen a downswing in the financial cycle. The CCyB can also help dampen excessive credit growth during an upswing in the financial cycle. The CCyB is calculated as the weighted average of the buffers in place in the jurisdictions to which banks have a credit exposure.

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

	(in millions)	31 December 2021	30 June 2021	31 December 2020
1	Total risk exposure amount	117,693	107,194	110,481
2	Institution specific countercyclical capital buffer rate	0.018%	0.020%	0.011%
3	Institution specific countercyclical capital buffer requirement	21	20	12

Leverage ratio

Leverage ratio
EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures[1]

(in millions)		31 December 2021	30 June 2021
1	**Total assets as per published financial statements**	**399,113**	**411,464**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	341	314
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference		
4	Adjustment for temporary exemption of exposures to central banks (if applicable)	-66,922	-72,550
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Art. 429a(1) CRR		
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-1,046	-2,256
7	Adjustment for eligible cash pooling transactions		
8	Adjustments for derivative financial instruments	3,582	4,020
9	Adjustments for securities financing transactions (SFTs)	2,501	3,659
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	30,637	31,537
11	Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital[2]		
EU-11a	Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Art. 429a(1) CRR		
EU-11b	Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Art. 429a(1) CRR		
12	Other adjustments[2]	-7,425	-2,355
13	**Total exposure amount**	**360,779**	**373,833**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the new SA-CCR approach effective from Q2 2021 reporting.
2 Following an updated mapping instruction from EBA, some changes were made to the comparative figures in order to present an accurate comparison.

EU LR3 - LRSpl: Split-up of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures)[1]

(in millions)		31 December 2021	30 June 2021
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures)**	**305,257**	**311,518**
EU-2	Of which: Trading book exposures	1,155	2,385
EU-3	Of which: Banking book exposures	304,103	309,133
EU-4	*- of which covered bonds*	*3,229*	*3,334*
EU-5	*- of which exposures treated as sovereigns*	*39,867*	*47,815*
EU-6	*- of which exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns*		*6*
EU-7	*- of which institutions*	*17,311*	*10,804*
EU-8	*- of which secured by mortgages of immovable properties*	*170,514*	*173,388*
EU-9	*- of which retail exposures*	*6,308*	*6,365*
EU-10	*- of which corporates*	*54,969*	*50,570*
EU-11	*- of which exposures in default*	*6,773*	*7,384*
EU-12	*- of which other exposures (e.g. equity, securitisations, and other non-credit obligation assets)*	*5,131*	*9,466*

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the new SA-CCR approach effective from Q2 2021 reporting.

EU LR2 - LRCom: Leverage ratio common disclosure[1]

(in millions)		31 December 2021	30 June 2021
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)[2]	374,586	377,929
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-2,356	-2,711
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	-1,122	-670
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)[2]**	**371,108**	**374,547**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	5,734	5,981
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	7,559	7,864
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-5,927	-5,046
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	**Total derivatives exposures**	**7,367**	**8,799**
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	19,660	29,516
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-3,522	-1,707
16	Counterparty credit risk exposure for SFT assets	2,502	3,740
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Art. 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	**Total securities financing transaction exposures**	**18,640**	**31,549**
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	94,700	93,453
20	(Adjustments for conversion to credit equivalent amounts)	-64,063	-61,916
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**Off-balance sheet exposures**	**30,637**	**31,537**
	Excluded exposures		
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Art. 429a(1) CRR)		
EU-22b	(Exposures exempted in accordance with point (j) of Art. 429a (1) CRR (on- and off-balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)		

continued>

(in millions)		31 December 2021	30 June 2021
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units)): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-50	-50
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Art. 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Art. 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
	(Exposures excluded from the total exposure measure in accordance with point (n) of Article 429a(1) CRR)[3]	-66,922	-72,550
EU-22k	(Total exempted exposures)[2,3]	-66,972	-72,600
	Capital and total exposure measure		
23	Tier 1 capital	21,188	21,617
24	**Total exposure measure[3]**	**360,779**	**373,833**
	Leverage ratio		
25	Leverage ratio[3]	5.9%	5.8%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)[2,3]	5.9%	5.8%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)[2,3]	5.0%	4.8%
26	Regulatory minimum leverage ratio requirement (%)[2]	3.3%	3.3%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.0%
EU-26b	*- of which to be made up of CET1 capital (percentage points)*	*0.0%*	*0.0%*
27	Leverage ratio buffer requirement (%)	0.0%	0.0%
EU-27a	Overall leverage ratio requirement (%)	3.3%	3.3%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure		
	Disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	25,836	26,557
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables[2]	16,138	27,809
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)[2,3]	370,477	372,581
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)[2,3]	437,399	445,131
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)[2,3]	5.7%	5.8%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)[2,3]	4.8%	4.9%

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the new SA-CCR approach effective from Q2 2021 reporting.
2 The comparative figures for 30 June 2021 may deviate from previous reported figures as the EBA provided an updated mapping (tool).
3 We have amended the template as it did not allow for the correct presentation of the currently still applicable exemption for certain exposures to the central bank in accordance with point (n) of Article 429a(1) CRR. The comparative figures have been adjusted to show an accurate comparison.

The Capital Requirements Regulation (CRR) includes a non-risk-based leverage ratio. The leverage ratio requirements were amended by CRR2, which introduced a binding leverage ratio requirement of at least 3% and amended the requirements for calculating the exposure measure. The amendment includes the application of SA-CCR to clearing guarantees on derivative exposures.

The leverage ratio increased to 5.9% as at 31 December 2021 (30 June 2021: 5.8%). This includes the temporary capital relief measure that exempts central bank reserves from the exposure measure. Originally expected to terminate on 27 September 2021, the measure has been extended until 31 March 2022. This currently has a positive impact of 0.9 percentage points. Excluding the impact of the temporary exemption of central bank reserves, the leverage ratio is 5.0% (30 June 2021: 4.8%).

EU LRA - Disclosure of leverage ratio qualitative information

ABN AMRO monitors and reports the leverage ratio based on CRR2 and we expect the leverage ratio to remain above the anticipated regulatory requirements. The exposure measure is reported to the Asset and Liability Committee (ALCO) at business line level and monitored closely in order to ensure the leverage ratio remains within the bank's risk appetite. The leverage ratio outlook takes account of business-specific plans, as well as macroeconomic conditions, regulatory developments and capital-related uncertainties.

In addition, ABN AMRO performs stress tests to measure the impact on the capital positions in severe but plausible scenarios. Capital adequacy must remain above the minimum capital adequacy levels under stress scenarios as defined in the risk appetite and monitored in terms of limits and checkpoints.

ABN AMRO does not specifically take into account maturity mismatches and asset encumbrance while managing the risk of excessive leverage. Maturity mismatches and asset encumbrance are managed within the liquidity risk metrics.

In the event of risk appetite breaches for the leverage ratio, the bank-wide escalation paths for capital and funding are followed. Contingency plans are in place setting out a range of actions that can be undertaken, based on the level of severity and urgency of the issues.

Liquidity requirements

EU LIQA - Liquidity risk management

Strategies and processes in management of liquidity risk

ABN AMRO has a liquidity risk management framework that supports a moderate risk profile and safeguards the bank's reputation from a liquidity perspective. This framework must ensure that the bank meets its payment obligations at a reasonable cost, even under severely adverse conditions. The bank maintains a set of liquidity risk indicators to manage its liquidity position within the requirements set internally and by the regulator. In addition, regular stress testing is performed.

Structure and organisation of the liquidity risk management function (authority, statute, other arrangements)

- The first line of defence includes the ALM and Treasury departments, where the daily business activities are executed;
- The second line of defence comprises the Risk and Finance departments, which monitor and report the risks associated with ALM and Treasury activities;
- The third line of defence is Group Audit, which provides assurance regarding the design and effectiveness of the governance structure, systems and processes of ALM, Treasury, Risk and Finance.

Scope and nature of liquidity risk reporting and measurement systems

ABN AMRO uses a comprehensive set of liquidity indicators to monitor and measure liquidity risk, both in business as usual (BaU) and stressed conditions. The main indicators of liquidity risk are captured in the risk appetite. A moderate risk profile is safeguarded by setting appropriate limits and checkpoints for identified risk appetite indicators. In addition to the liquidity risk appetite statements (RAS), which are generally bank-specific and reported on a monthly basis, early warning indicators (EWIs) are set for the purpose of ensuring early signalling of potential liquidity stress. These are reported on a daily basis.

Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants

ABN AMRO targets a moderate risk profile with a stable and diversified funding and collateral mix of markets, investors, currencies and maturities so as to ensure liquidity at any point in time and limit the risk of concentrations in funding and collateral. This is reflected in the choice of RAS and EWIs.

The RAS and EWIs are complemented by a stress testing framework that is used to identify potential vulnerabilities in the bank's liquidity position. Internal liquidity stress testing is conducted on a monthly basis to ensure that the bank's liquidity buffer is sufficient to cover the liquidity risks faced. The outcome of stress tests is incorporated into day-to-day liquidity management.

A more holistic approach has been chosen with regard to the Contingency Plan for Capital and Funding and the Recovery Plan. An integrated set of indicators gives guidance on the appropriate level of escalation. These indicators outline the responsibilities with regard to managing and monitoring ABN AMRO's capital and liquidity profile during the different contingency stages. The liquidity contingency stage depends on the number of early warning indicators and/or risk appetite breaches in combination with expert judgement. The contingency plan provides guidelines for managing a range of stress environments and describes the lines of responsibility, escalation procedures and mitigating actions.

A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution and providing assurance that the liquidity risk management systems in place are adequate with regard to the institution's profile and strategy

The Group Risk Committee (GRC) is the executive risk committee of ABN AMRO and has a delegated authority from the Executive Board on ALM and Treasury risk related activities. The GRC is responsible for approving the liquidity risk policy of the bank. The bank is required to have a liquidity risk policy in place that enables it to identify, measure, steer and monitor its liquidity risk. The policy describes the bank's liquidity risk management framework. This framework includes maintaining a diversified funding mix and a strong liquidity buffer, both from an internal and a regulatory perspective. The policy also requires the bank to actively manage its liquidity risk exposures and funding needs across business lines, countries, legal entities and currencies. This includes taking into account legal, regulatory and operational limitations on the transferability of liquidity. ABN AMRO is therefore of the opinion that its risk management systems are sufficient to mitigate the risk.

A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in Annex II of these guidelines) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body

The bank's 'moderate risk profile' is translated into the bank's risk appetite for liquidity risk by setting risk appetite statements (RAS) for key liquidity indicators. The risk appetite for liquidity risk can include both qualitative and quantitative indicators. Limits and checkpoints are put in place to ensure that the liquidity risk indicators reflect the bank's objective to maintain a moderate risk profile. Conditions that influence the bank's future liquidity position are uncertain. Therefore, stress testing serves as a tool for setting the limits and checkpoints in the liquidity RAS. In conclusion, ABN AMRO has sufficient buffers in place to meet liquidity requirements from a regulatory and internal perspective. In addition, stress testing results indicate that buffers are also sufficient during times of stress. All liquidity ratios are above regulatory limits.

Concentration of funding and liquidity sources

As mentioned above, liquidity risks are mitigated by maintaining a sufficiently large liquidity buffer and stable and diversified funding mix to safeguard access to liquidity at any time. In order to ensure that no undue concentrations occur, the execution of the bank's funding plan is reviewed by ALM, Treasury and Market & ALM/T Risk at monthly liquidity steering meetings.

Derivative exposures and potential collateral calls

To manage liquidity risk, the bank has an adequate pool of collateral, which is available and managed proactively. This enables the bank to secure payment traffic at the Central Bank, meet margin calls for financial markets transactions (e.g. derivatives, securities financing and clearing) and manage the liquidity buffer within the approved risk appetite. When developing and executing liquidity risk stress tests, the bank takes into account that liquidity risk factors relate to both assets and liabilities, as well as to off-balance sheet commitments. These include off-balance sheet items related, for example, to credit lines, margin calls for derivatives exposure, assets and liabilities with embedded options, liquidity support for unconsolidated special-purpose vehicles beyond contractual obligations and contingent liabilities.

Currency mismatch in the LCR

The bank's liquidity management focuses on significant currencies, which are currently the euro and the US dollar as the aggregate liabilities denominated in these currencies amount to 5% or more of the bank's total liabilities. The liquidity buffer reflects the composition of the balance sheet as it comprises cash and securities primarily in euros and secondly in US dollars. ABN AMRO's funding strategy aims to maintain market access by diversifying funding sources in different funding markets (Europe, the US and the Asia-Pacific region).

A description of the degree of centralisation of liquidity management and interaction between the group's units

It is the bank's policy to manage and monitor the liquidity needs of all its group entities centrally through its ALM and Treasury departments at ABN AMRO. However, the bank is also exposed to ALM and Treasury risks at a local level, where material legal entities need to comply with regulatory or local balance sheet management requirements. In the case of material legal entities, the Asset & Liability Commission (ALCO) may delegate part of its mandate and execution to a Local ALCO, under the guiding principle of 'Global perspective where possible, with local implementation where necessary'.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

The LCR disclosure templates focuses on the consolidated LCR. The bank also monitors, reports and steers the LCR for subsidiaries (taking into account local regulations) and other regulatory scopes (including, for example, sub-liquidity group scope). The LCR is monitored and reported for significant non-euro currencies (US dollar) as well.

EU LIQ1 - Quantitative information of LCR

		Total unweighted value (average)				Total weighted value (average)			
		31 December 2021	30 September 2021	30 June 2021	31 March 2021	31 December 2021	30 September 2021	30 June 2021	31 March 2021
		Data points used in the calculation of averages				Data points used in the calculation of averages			
(in millions)		12	12	12	12	12	12	12	12
	High-quality liquid assets (HQLA)								
1	**Total high-quality liquid assets**					**106,092**	**105,038**	**102,844**	**98,140**
	Cash - outflows								
2	Retail deposits and deposits from small business customers, of which:	140,328	140,649	141,404	141,330	10,756	10,857	11,013	11,061
3	*Stable deposits*	*84,543*	*83,090*	*81,574*	*80,083*	*4,227*	*4,155*	*4,079*	*4,004*
4	*Less stable deposits*	*48,991*	*50,647*	*52,754*	*53,938*	*6,189*	*6,397*	*6,655*	*6,791*
5	Unsecured wholesale funding	115,657	112,778	111,092	109,912	56,028	55,279	53,999	52,623
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	*43,353*	*40,648*	*39,620*	*39,017*	*10,799*	*10,123*	*9,865*	*9,714*
7	*Non-operational deposits (all counterparties)*	*68,885*	*68,542*	*68,074*	*66,998*	*41,809*	*41,569*	*40,735*	*39,013*
8	*Unsecured debt*	*3,419*	*3,587*	*3,399*	*3,896*	*3,419*	*3,587*	*3,399*	*3,896*
9	*Secured wholesale funding*					*3,573*	*3,690*	*4,070*	*4,479*
10	Additional requirements	56,894	57,320	58,052	58,466	14,057	13,973	14,216	14,477
11	*Outflows related to derivative exposures and other collateral requirements*	*8,907*	*8,616*	*8,566*	*8,651*	*7,227*	*7,109*	*7,197*	*7,303*
12	*Outflows related to loss of funding on debt products*	*335*	*280*	*300*	*463*	*335*	*280*	*300*	*463*
13	*Credit and liquidity facilities*	*47,652*	*48,424*	*49,186*	*49,352*	*6,495*	*6,584*	*6,719*	*6,712*
14	Other contractual funding obligations	8,938	7,783	6,561	5,771	5,776	5,105	4,384	4,051
15	Other contingent funding obligations	40,373	42,562	46,789	52,111	2,380	2,671	3,006	3,470
16	**Total cash outflows**					**92,569**	**91,576**	**90,688**	**90,162**
	Cash - inflows								
17	Secured lending (e.g. reverse repos)	29,007	29,560	29,814	29,521	9,960	9,742	9,558	9,149
18	Inflows from fully performing exposures	16,219	16,401	16,695	17,008	15,379	15,520	15,626	15,738
19	Other cash inflows	13,674	12,069	11,546	11,779	3,871	3,520	3,362	3,468
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	**Total cash inflows**	**58,901**	**58,030**	**58,055**	**58,308**	**29,211**	**28,782**	**28,546**	**28,355**
EU-20a	*Fully exempt inflows*								
EU-20b	*Inflows subject to 90% cap*								
EU-20c	*Inflows subject to 75% cap*	*50,984*	*49,986*	*50,035*	*49,999*	*29,211*	*28,782*	*28,546*	*28,355*
	Total adjusted value								
EU-21	**Liquidity buffer**					**106,092**	**105,038**	**102,844**	**98,140**
22	**Total net cash outflows**					**63,360**	**62,795**	**62,144**	**61,807**
23	**Liquidity coverage ratio**					**168%**	**167%**	**166%**	**159%**

EU LIQB - Qualitative information on LCR, which complements template EU LIQ1

The main drivers of the LCR are outflows related to issued debt and non-operational deposits. In addition, temporary participation in central bank operations has upward pressure on cash. The consolidated LCR amounted to 168% at the end of December 2021, based on a 12-month rolling average. This is an increase of 19% compared to year-end 2020 (31 December

2020: 149%), and an increase of 2% compared to June 2021 (30 June 2021: 166%). The increase in LCR over time reflects our participation in TLTRO III and an increasing deposit base.

The LCR templates focus on the consolidated LCR. The bank also monitors, reports and steers the LCR for subsidiaries (taking into account local regulations), other regulatory scopes (including, for example, the sub-liquidity group scope) and significant non-euro currencies (US dollar).

Concentration of funding sources

ABN AMRO's main source of funding consists of client deposits in Retail Banking, Private Banking, Commercial Banking and CIB clients. The remainder of our funding is raised largely through various long-term wholesale funding instruments. In the short-term, funding is raised via commercial paper and certificates of deposits.

Composition of the liquidity buffer

The liquidity buffer at 31 December 2021 was EUR 106.1 billion, based on a 12-month rolling average, and was composed mainly of cash at central banks and government bonds. Compared to year-end 2020, the liquidity buffer increased by EUR 15.0 billion (31 December 2020: EUR 91.1 billion), mainly reflecting the TLTRO III participation. Compared to 30 June 2021, the liquidity buffer increased by EUR 3.3 billion (30 June 2021: EUR 102.8 billion)

Derivative exposures and potential collateral calls

To manage liquidity risk, the bank has an adequate pool of collateral at its disposal, which is managed proactively. This enables the bank to secure payment traffic at the central bank, meet margin calls for financial markets transactions (e.g. derivatives, securities financing and clearing) and manage the liquidity buffer within the approved risk appetite. When developing and executing liquidity risk stress tests, the bank takes into account that liquidity risk factors relate to both assets and liabilities, as well as to off-balance sheet commitments. This includes off-balance sheet items related to, for example, credit lines, margin calls for derivatives exposure, assets and liabilities with embedded options, liquidity support for unconsolidated special-purpose vehicles beyond contractual obligations and contingent liabilities.

Currency mismatch in the LCR

The bank's liquidity management focuses on significant currencies. The current significant currencies are the euro and the US dollar as the aggregate liabilities denominated in these currencies amount to 5% or more of the bank's total liabilities. The liquidity buffer reflects the composition of the balance sheet as it comprises cash and securities primarily in euros and secondarily in US dollars.

EU LIQ2 - Net Stable Funding Ratio[1]

						31 December 2021
		Unweighted value by residual maturity				Weighted value
	(in millions)	No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
	Available stable funding (ASF) Items					
1	Capital items and instruments	20,836	1,136	1,045	5,967	26,803
2	*Own funds*	*20,836*	*34*		*5,194*	*26,029*
3	*Other capital instruments*		*1,102*	*1,045*	*773*	*773*
4	Retail deposits		131,731	195	5,619	128,655
5	*Stable deposits*		*85,942*	*96*	*1,876*	*83,612*
6	*Less stable deposits*		*45,789*	*100*	*3,743*	*45,042*
7	Wholesale funding:		145,055	2,616	79,552	132,661
8	*Operational deposits*		*53,355*			*9,651*
9	*Other wholesale funding*		*91,700*	*2,616*	*79,552*	*123,010*
10	Interdependent liabilities					
11	Other liabilities:		7,266	34	1,013	1,030
12	*NSFR derivative liabilities*					
13	*All other liabilities and capital instruments not included in the above categories*		*7,266*	*34*	*1,013*	*1,030*
14	**Total available stable funding (ASF)**					**289,148**
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					454
EU-15a	Assets encumbered for a residual maturity of ≥1 year in a cover pool		31	40	75,046	63,850
16	Deposits held at other financial institutions for operational purposes		5,401			2,701
17	Performing loans and securities:		45,513	7,365	131,356	111,748
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		*9,546*			
19	*Performing securities financing transactions with financial customers collateralised by other assets and loans and advances to financial institutions*		*19,103*	*891*	*4,814*	*6,692*
20	*Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs*		*11,691*	*5,860*	*54,913*	*55,227*
21	*- of which with a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*617*	*167*	*1,122*	*1,121*
22	*Performing residential mortgages*		*165*	*565*	*70,501*	*47,773*
23	*- of which with a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*149*	*511*	*62,588*	*41,012*
24	*- of which other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*5,009*	*49*	*1,128*	*1,632*
25	Interdependent assets					
26	Other assets:		27,311	286	7,579	26,074
27	*Physical traded commodities*				*5*	*4*
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		*17,543*			*14,911*
29	*NSFR derivative assets*		*846*			*846*
30	*NSFR derivative liabilities before deduction of variation margin posted*		*3,007*			*150*
31	*All other assets not included in the above categories*		*5,915*	*286*	*7,575*	*10,163*
32	Off-balance sheet items		33,232	8,164	21,359	4,539
33	**Total RSF**					**209,367**
34	**Net Stable Funding Ratio (%)**					**138%**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

						30 June 2021
		Unweighted value by residual maturity				Weighted value
	(in millions)	No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
	Available stable funding (ASF) Items					
1	Capital items and instruments	20,222	810	521	6,057	26,279
2	*Own funds*	*20,222*		*83*	*4,386*	*24,607*
3	*Other capital instruments*		*810*	*438*	*1,671*	*1,671*
4	Retail deposits		134,028	446	5,696	131,036
5	*Stable deposits*		*86,018*	*248*	*1,859*	*83,811*
6	*Less stable deposits*		*48,010*	*198*	*3,838*	*47,225*
7	Wholesale funding:		146,852	5,599	79,538	123,868
8	*Operational deposits*		*38,965*			*7,477*
9	*Other wholesale funding*		*107,887*	*5,599*	*79,538*	*116,391*
10	Interdependent liabilities					
11	Other liabilities:		7,325	25	1,857	1,870
12	*NSFR derivative liabilities*					
13	*All other liabilities and capital instruments not included in the above categories*		*7,325*	*25*	*1,857*	*1,870*
14	**Total available stable funding (ASF)**					**283,052**
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					398
EU-15a	Assets encumbered for a residual maturity of ≥1 year in a cover pool		35	27	74,340	63,242
16	Deposits held at other financial institutions for operational purposes		4,509			2,254
17	Performing loans and securities:		55,314	6,411	127,117	109,053
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		*16,093*	*168*		*84*
19	*Performing securities financing transactions with financial customers collateralised by other assets and loans and advances to financial institutions*		*22,539*	*1,416*	*4,119*	*6,506*
20	*Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs*[2]		*11,987*	*4,109*	*49,297*	*100,618*
21	*- of which with a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*[2]					
22	*Performing residential mortgages*[2]		*96*	*645*	*72,345*	
23	*- of which with a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*[2]		*84*	*563*	*63,039*	
24	*- of which other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*4,600*	*74*	*1,355*	*1,845*
25	Interdependent assets					
26	Other assets:		24,694	478	8,457	21,258
27	*Physical traded commodities*				*2*	*1*
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		*9,962*			*8,468*
29	*NSFR derivative assets*		*1,144*			*1,144*
30	*NSFR derivative liabilities before deduction of variation margin posted*		*3,479*			*174*
31	*All other assets not included in the above categories*		*10,110*	*478*	*8,456*	*11,472*
32	Off-balance sheet items		34,009	7,240	21,460	4,660
33	**Total RSF**					**200,865**
34	**Net Stable Funding Ratio (%)**					**141%**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.
2 The weighted amounts in rows 20 to 23 have been recalculated by ABN AMRO, as applying the formal EBA instructions does not produce accurate results. The comparative figures for 30 June 2021 were not adjusted.

Compared to 30 June 2021, the NSFR decreased by 3%. This was mainly due to the increase in the RSF that resulted from an increase in loans to non-financial customers and an increase in derivative positions (increase in initial margin posted by Clearing).

Credit risk

Credit risk quality

EU CRA – General qualitative information about credit risk

Credit risk is the risk that the value and/or the earnings of the bank decline due to uncertainty in a counterparty's ability or willingness to repay a loan or meet the terms of a contractual obligation. The key indicators for preserving our credit risk profile are defined in our risk appetite statement.

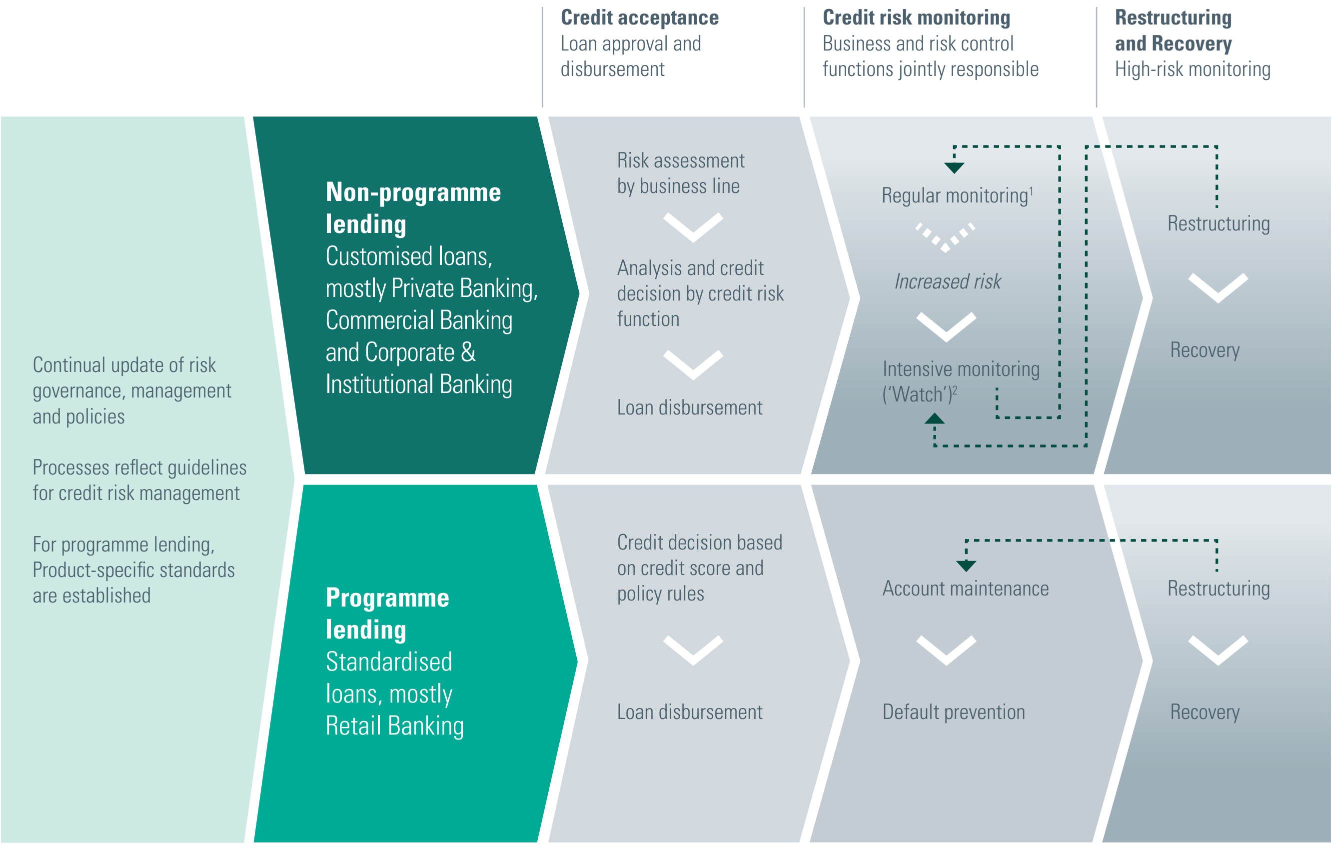
Credit risk management within the bank is governed by the bank-wide central credit risk policy and further detailed in underlying specific credit risk policies and standards, which are aligned with the bank's strategy. Credit risk management is the responsibility of the first and second lines of defence. The primary responsibility for intake, managing and monitoring credit risk lies with the business as the first line of defence. The second line of defence has a permanent and ongoing responsibility to define the boundaries and monitor whether the type and level of credit risk exposures are within the limits of the bank's and business lines' risk appetite. The first and the second lines of defence are subject to review by Group Audit (third line of defence).

Credit risk management approach

ABN AMRO employs two separate approaches to managing credit risk, which reflect the bank's way of doing business. Standardised products and processes are managed on a pooled basis (programme lending), to which uniform risk criteria are assigned. For customised lending to counterparties (non-programme lending), risks are assessed on an individual basis.

The following figure presents a simplified overview of the credit risk management process:

Credit risk management process



1 Daily monitoring or (semi-) annual credit review.
2 'Watch': status assigned to counterparties with an increased risk.

Planning
Within programme lending, the credit cycle starts with a product planning phase, during which the product is designed and/or reviewed. The goal is to optimise the key drivers of risk and return within the context of ABN AMRO's strategy, risk appetite, the client's best interests and sustainability. For non-programme lending, the lending product is customised and is not subject to a standard product planning phase.

Credit acceptance
For a credit approval decision within programme lending, client-specific aspects and internal and external data are taken into consideration to calculate a credit score (scorecard). The credit decision is based on the outcome of the scorecard and policy rules.

Within non-programme lending, the credit acceptance phase of a credit proposal starts with an assessment of the proposal by the relevant business line. The qualitative and quantitative details of the credit risk associated with the loan are assessed prior to approval. Information must be provided on matters such as the purpose, details and structure of the proposed credit facility, the borrower and other counterparties, the industry and geography, management and owners, and financial and non-financial analyses. Compliance with internal policies is checked. After the assessment, an analysis is performed by Risk Management. The credit decision is based on independent assessments by both the commercial and the credit risk functions.

Credit risk monitoring
Consistent and regular monitoring of counterparties, exposures, risk mitigants and ongoing compliance with internal policies helps to safeguard the bank's position in relation to all risks associated with the counterparty, credit type or portfolio. Monitoring starts when the credit facility is granted and continues throughout the lifecycle of the credit facility and the relationship with the counterparty until the exposure is repaid and/or the limit is cancelled.

If a situation arises in which an individual counterparty shows signs of credit risk deterioration which requires action to avoid that the credit risk evolves to a default classification, a 'watch' status is assigned. A 'watch' status indicates that a counterparty is subject to increased monitoring and appropriate follow-up measures in order to prevent further deterioration or a default. Indicators for this status are changes in risk profile, liquidity problems, management issues, the market outlook, a potential breach of a credit agreement, solvency issues and uncertain continuity.

Restructuring & Recovery
Credit facilities that are subject to a default event are mandatorily transferred to the Financial Restructuring & Recovery department (FR&R). Credit facilities identified as having a significantly high risk can be transferred to FR&R if specialised restructuring knowledge is required. If a 'going concern' approach is applicable and return to a performing status is considered likely, the credit facility is transferred to the Restructuring team, which will devise a plan aimed either at rehabilitation or at enhancing the likelihood of full repayment. In all other cases, the credit facility is transferred to the Recovery team.

Programme lending contracts are transferred to the Restructuring team if a default status is assigned because payments have been past due for more than 90 days or because another default trigger applies. If restructuring is ultimately ineffective, the client is transferred to other internal departments or external parties (such as Flanderijn) for debt collection.

Once a client is considered able to meet its future payment obligations and the involvement of FR&R is no longer required, the client is transferred back to the business line.

FR&R plays a significant role in the execution of the bank's non-performing exposure (NPE) strategy. Policies on the management of NPE include valuation of collateral, monitoring of the non-performing loan (NPL) ratio and ensuring this ratio remains well below the threshold of 5%. We have set NPE targets for each business segment and specific strategies for sectors with increased levels of non-performing loans.

Credit concentration risk

Credit concentration risk is the risk of loss arising from large exposures, relative to the bank's total risk exposure, to a single counterparty or to counterparties that are positively and highly correlated. As limiting excessive concentrations is fundamental to our credit risk strategy, we aim to keep the credit risk portfolio sufficiently granular and diversified. To avoid excessive credit risk concentrations, Risk Management sets maximum levels for subgroups in the following categories:

- Single counterparty and groups of related counterparties (counterparty concentration);
- Countries (geographic concentration);
- Industries (industry concentration);
- Products (product concentration).

Counterparty concentration

Counterparty concentration credit risk is the risk of loss arising from relatively large exposures to counterparties belonging to the same risk group. The One Obligor Exposure (OOE) is the exposure to a risk group and includes all drawn and undrawn credit facilities granted, plus all indirect exposure to the risk group, including guarantees and any other recourse claims.

A risk group is an interrelated group of counterparties with a high degree of dependency on each other due to a control relationship. This control relationship may be due to direct or indirect majority interests being held by the same shareholder or group of shareholders.

Counterparty credit concentration risk is measured by the OOE and the Economic Capital (EC) per counterparty. The bank limits its counterparty credit risk by setting OOE and EC limits. Additionally, all credit applications with an OOE and/or EC above a certain threshold are reviewed by the Executive Board.

Geographic concentration

ABN AMRO has branches and subsidiaries located outside the Netherlands, as well as clients who operate internationally. Consequently the bank is exposed to country risk, which is the risk of credit losses arising from country-specific events or circumstances. Under the new strategy for CIB announced in Q2 2020, geographical concentration continues to be relevant because we maintain a presence in multiple countries.

Management of country risk focuses on cross-border risk, which includes the risk that funds, goods or services cannot be transferred out of a country as a result of actions by local authorities in that country or other events. These risks are managed by setting country credit limits, based on individual country analyses by economic, compliance and country risk experts.

Country limits are reviewed at least once a year. Each country also has an internal credit rating, which is reviewed and approved twice a year and is an important factor in managing country concentration risks. As the Netherlands is our home country, it is not included in any concentration risk appetite statement or setting of credit limits.

Industry concentration

Industry concentration risk is the risk of loss arising from a relatively large credit exposure to counterparties active in a single industry. Industry concentration risk arises when deterioration in a specific industry has an effect on all credit exposures relating to that industry. ABN AMRO manages its industry concentrations by setting limits on economic capital (EC) for credit risk for each industry as a percentage of total EC for credit risk. In addition to the EC limits, EC concentration checkpoints are set to facilitate timely and sufficient management interventions so as to avoid limits being breached.

Product concentration

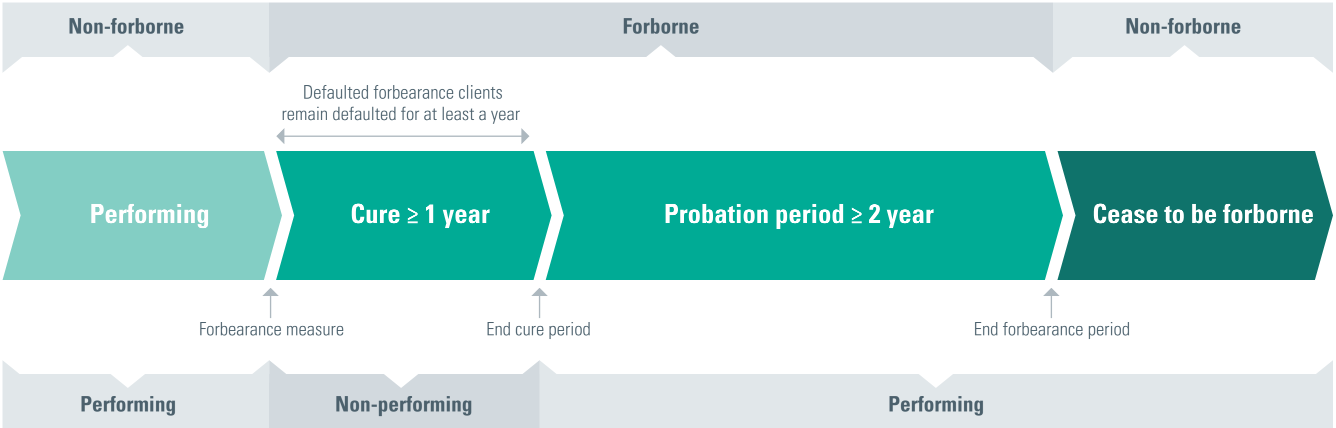
Product concentration risk is the risk of loss arising from relatively large credit exposures in a specific asset or product class. This asset or product class concentration occurs e.g. in bridge loans, leveraged loans, project finance, subordinated debt. In line with our risk appetite, ceilings are defined per product type and breaches of these concentration ceilings are managed through credit risk insurance.

EU CRB – Additional disclosures related to the credit quality of assets

We continuously monitor the credit portfolio for signs indicating that the counterparty may become credit impaired in the future. Loans at risk are classified into different risk categories for individual counterparties and into days-in-arrears buckets for groups of aggregated counterparties in order to optimise the monitoring and review of these loans.

Forbearance

Forbearance is the process of making concessions to clients who are or will soon be experiencing financial difficulty (such as Covid-19-impacted clients), with the intention of bringing them back within their payment capacity. A forborne asset is any contract that has been entered into with a counterparty who is in or about to face financial difficulty, and that has been refinanced or modified on terms and conditions that we would not have accepted if the counterparty had been financially healthy.



Forbearance measures can be applied to contracts on which the counterparty has already defaulted, as well as to contracts that are still performing. If the contract is considered performing at the time the forbearance measure is taken, an assessment is made to determine whether the measure is likely to end in default. A forborne contract will cease to qualify as forborne only when all the following conditions are met:

- The contract is considered performing;
- A minimum probation period of at least two years has passed since the last forbearance measure and/or the date the forborne contract was considered performing (whichever is later);
- Regular and timely payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period;
- The counterparty does not have any contract, within the credit agreement, that is more than 30 days past due at the end of the probation period.

If the forborne contract is or has become non-performing at the time of the forbearance measure, a mandatory cure period of at least one year applies to the contract before it is returned to performing status. The cure period starts when the contract becomes non-performing or, if the contract was already non-performing, when the last forbearance measure was taken.

In 2021, the definitions of non-performing and default were aligned. Contracts that are forborne non-performing are classified as default.

Past due credit exposures

A financial asset is past due if a counterparty fails to make a payment on the contractual due date or if the counterparty has exceeded an agreed credit limit. ABN AMRO starts counting days past due from the first day that a counterparty is past due on any financial obligation.

Determining general and specific credit risk adjustments

ABN AMRO recognises loss allowances based on the Expected Credit Loss model (ECL) 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 our models. A management overlay is a temporary adjustment in a loss allowance until a long-term solution (e.g. model adjustment) is effective, and must be an amount commensurate to the model limitation. All overlays require a decision of the Impairment and Provision Committee (IPC). The main types of management overlays that ABN

AMRO distinguishes are: in-model adjustments (adjustments to model parameters), post-model adjustments (adjustments to model outcomes), input data adjustments, adjustments in the weightings of macroeconomic scenarios and stage overrides.

Purchased or originated credit-impaired (POCI) assets, which are credit-impaired at initial recognition, are accounted for at fair value (i.e. net of the initial lifetime ECLs) and do not carry an impairment allowance. Instead, a credit-adjusted effective interest rate (EIR), which is calculated using expected cash flows including initial lifetime ECLs, is applied to the amortised cost. Subsequently, the cumulative changes in lifetime ECLs since initial recognition, which are discounted at the credit-adjusted effective interest rate, are recognised in the profit or loss statement as an impairment gain or loss, and presented under Impairment charges on financial instruments. Once a financial asset is classified as POCI, it retains that classification until it is derecognised (in the event that a substantial modification loss larger than 10% is applicable). For this reason, POCI stage is not included in the following figure.

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
Performing (Initial recognition)	**Credit quality deteriorated** (Assets with significant increase in credit risk since initial recognition)	**Default = Impaired** (Credit impaired assets)
Recognition of ECL		
12 month ECL	Lifetime ECL	Lifetime ECL
Interest income		
Effective interest on gross carrying amount	Effective interest on gross carrying amount	Effective interest on amortised cost (gross carrying amount less loss allowance)

Classification in stage 2

We use quantitative and qualitative stage triggers to determine whether a financial instrument should be classified as stage 1 or stage 2.

Quantitative stage triggers

The key quantitative metric that determines when a financial instrument is transferred from stage 1 to stage 2 is the deterioration in the lifetime probability of default (LPD) from the date of origination to the reporting date, based on internal data. The LPD represents the likelihood that a counterparty will default during the lifetime of the financial instrument and depends on credit risk drivers such as:

- product characteristics (e.g. repayment and interest terms, term of the product);
- the financial condition of the borrower;
- the number of days past due;
- expected developments in the economy.

The lifetime PD deterioration (LPDD) measures the relative difference between the remaining lifetime PD at reporting (LPDR) and the remaining lifetime PD at origination (LPDO) as LPDD = LPDR/LPDO. If the LPD deterioration of an exposure is above a predefined threshold, the LPD is considered to be significantly deteriorated. The exposure is then transferred to stage 2 and impairment allowances equal to the lifetime expected credit loss are recognised. If the LPD deterioration subsequently reduces and falls below the threshold, the client is transferred back to stage 1. When determining the thresholds, ABN AMRO distinguishes between various portfolios within consumer lending, residential mortgages and corporate loans. A specific threshold is calculated for each portfolio, based on a statistical method. Due to limitations in the availability of historical data, ABN AMRO currently uses the 12-month PD as a proxy for LPD for corporate loans and part of the consumer lending.

We consider deterioration in the 12-month PD to be appropriately representative of LPD deterioration for the portfolios where the LPD is not available. The following table shows LPD deterioration thresholds that trigger transfers to stage 2 as at 31 December 2021. The table provides ranges, as each product class uses multiple ECL models and thresholds are determined for each ECL model.

Range of lifetime PD deterioration thresholds

Product class	Range
Consumer lending	1.6x-5.2x
Residential mortgages	1.7x-2.0x
Corporate loans	1.6x-5.0x

Qualitative stage triggers

The bank transfers a financial instrument from stage 1 to stage 2 if the instrument meets any one of the following qualitative triggers:

- Forborne status of a borrower;
- Watch status of a borrower. ABN AMRO assigns the watch status to counterparties with an increased credit risk. This process allows for intensive monitoring, early detection of deterioration in the credit portfolio and appropriate follow-up measures;
- A delinquency-based regulatory backstop is in place, such that the credit risk of financial assets that are more than 30 days past due will be assumed to have significantly increased.

Reclassification to stage 1

As a general rule, favourable changes in credit risk are recognised consistently with unfavourable changes, and a financial instrument is transferred back to stage 1 if quantitative or qualitative triggers are no longer met. In some cases, a probation period applies:

- Forborne financial instruments are transferred back from stage 2 to stage 1 only after a probation period of at least two years has ended, in line with the ABN AMRO forbearance policy. Stage 3 forborne instruments transfer back to stage 2 after a cure period of at least one year;
- For financial instruments that are 30 days past due, a three-month probation period is applied for transfers from stage 2 to stage 1.

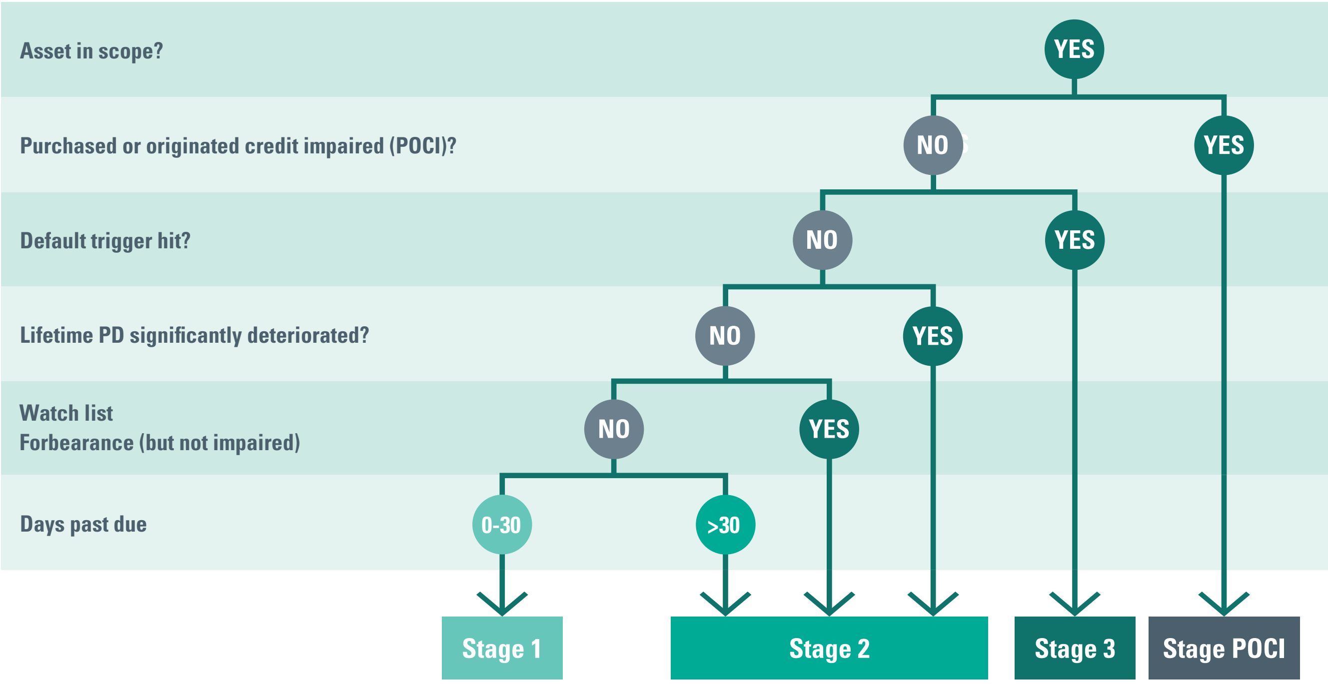
Classification in stage 3
A transfer to stage 3 will always be the result of the default of a financial instrument. Our definitions of default and impaired are aligned and comply with the EBA guidelines on the application of the definition of default.

All models use a consistent definition of default, which has been specified in line with regulations. A default is deemed to have occurred when:
- the counterparty is past due by more than 90 days on any material financial credit obligation to the bank; or
- the bank considers the borrower to be unlikely to meet its contractual obligations (unlikely-to-pay or UTP).

The materiality of a financial obligation past due is assessed against an absolute and a relative threshold, in line with regulatory standards. To determine unlikeliness to pay, the bank has specified both mandatory default triggers (always resulting in the assignment of a default status, whereby no additional expert judgment is allowed) and judgmental triggers (requiring an assessment by credit risk managers to determine whether the UTP indications should result in a default classification).

In 2021, a distressed debt restructuring (forbearance) of the credit facility, which is likely to result in a diminished financial obligation, was added as a mandatory trigger. As a result, the definitions of non-performing and default are now aligned.

Reclassification to stage 2
The default classification for non-forborne exposures ends when the default triggers no longer apply and a (probation) cure period of at least three months has passed since the default trigger was last applied. For forborne exposures, a twelve-month cure period starts from the moment the last forbearance measure or default trigger was applied. After the cure period, an assessment is performed to establish whether the improvement in the credit quality is factual and permanent (including, for example, no remaining past due amounts).



Calculation method

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. 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;
- 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 and SME loans) are clustered in portfolios and collectively assessed for impairment losses. A collective impairment calculation approach based on individual parameters is also applied to stage 3 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.

Lifetime expected credit loss

ABN AMRO defines the lifetime of credit as the maximum contractual period during which the bank is exposed to credit risk; we do not apply a longer period, even if that longer period is consistent with business practice. For some contracts, such as overdraft facilities or credit cards, no end date is specified or amounts can be contractually withdrawn by the lender at short notice. In these cases, ABN AMRO uses behavioural maturity models that rely on historical client behaviour to determine future expected exposures.

Forward-looking information

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.

The baseline scenario is based on Group Economics' regular macroeconomic forecasts and is reviewed at each reporting date. The Group Economics analysts consider a range of external sources in order to develop the forecasts for the different macroeconomic variables (MEVs) required, including GDP, the unemployment rate, the housing price index, oil prices and 3-month EURIBOR. They check their views and assumptions against external views and assumptions. The preliminary forecasts for the different countries undergo a challenge process to ensure they are reasonable and consistent. To reduce the risk of biased forecasts, the final MEVs are again checked against external forecasts and then submitted to the Scenario and Stress Testing Committee for approval.

Both alternative scenarios reflect the lower and upper levels for the different macroeconomic variables, whereby the whole range is meant to cover roughly 85% of the possible economic future. For most MEVs, Group Economics uses its standard deviations. These are calculated on the basis of figures realised in the past few decades. The extent to which MEVs actually deviate from their historical means over time reflects the past materialisation of negative and positive risks in the economy. A probability of about 85% roughly corresponds to a standard deviation of plus and minus one and a half.

For the purpose of scenario analysis, the forecast period is five years. It is assumed that MEVs gradually move to their potential or equilibrium values after the forecasting period. For each specific portfolio, a selection of variables is made for calculating the expected credit loss, based on statistical relevance and expert judgement.

Cured financial assets
When a credit impaired financial asset cures, the interest that was previously unrecognised is reported as an impairment release in the impairment charge rather than as a credit to the interest income calculated using the effective interest method.

Write-off
- For non-programme lending, a write-off must be taken if all possible means of recovery have been exhausted and it has become clear that there is a low probability of recovering the debt, either in part or full.
- Most of the programme lending facilities are automatically written-off after 1,080 days in default.

Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are credited to impairment charges on financial instruments in the income statement.

EU CR1 - Performing and non-performing exposures and related provisions

The tables below provide an overview of the gross carrying amounts and the related provisions, split into performing and non-performing exposures. The gross carrying amount is further split by counterparty type for loans and advances, debt securities and off-balance sheet positions.

					31 December 2021		
		Gross carrying amount/nominal amount					
		Performing exposures			Non-performing exposures		
(in millions)			Of which: stage 1[1]	Of which: stage 2[1]		Of which: stage 2[1]	Of which: stage 3[1]
5	**Cash balances at central banks and other demand deposits**	**68,017**	**68,017**				
10	**Loans and advances**	**273,681**	**252,490**	**21,087**	**6,872**	**159**	**6,697**
20	Central banks	244	244				
30	General governments	449	400	44	7		7
40	Credit institutions	8,039	8,037	3			
50	Other financial corporations	41,341	40,789	552	148		148
60	Non-financial corporations	64,426	53,454	10,873	4,730	1	4,715
70	*- of which SMEs*	*15,440*	*11,801*	*3,589*	*1,615*	*1*	*1,609*
80	Households	159,183	149,567	9,615	1,986	158	1,826
90	**Debt securities**	**42,554**	**42,554**				
100	Central banks						
110	General governments	36,396	36,396				
120	Credit institutions	5,284	5,284				
130	Other financial corporations	873	873				
140	Non-financial corporations	1	1				
150	**Off-balance sheet exposures**	**92,167**	**50,249**	**6,008**	**1,928**	**11**	**1,271**
160	Central banks						
170	General governments	1,020	981	20			
180	Credit institutions	536	242	2			
190	Other financial corporations	31,864	9,135	276			
200	Non-financial corporations	39,360	28,110	5,342	1,554	11	1,251
210	Households	19,387	11,781	368	374		20
220	**Total**	**476,420**	**413,310**	**27,095**	**8,800**	**170**	**7,968**

1 Not all Loans and advances and Off-balance sheet exposures have an IFRS 9 stage.

31 December 2021

	(in millions)	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which: stage 1[1]	Of which: stage 2[1]		Of which: stage 2[1]	Of which: stage 3[1]			
5	**Cash balances at central banks and other demand deposits**	**- 9**	**- 9**						**36**	
10	**Loans and advances**	**- 521**	**- 163**	**- 358**	**- 1,906**	**- 2**	**- 1,901**	**- 8**	**215,978**	**4,009**
20	Central banks								27	
30	General governments	-1		-1	-1		-1		85	2
40	Credit institutions	-1	-1						6,304	
50	Other financial corporations	-11	-6	-5	-75		-75		19,034	46
60	Non-financial corporations	-356	-117	-239	-1,522		-1,519	-8	40,417	2,433
70	*- of which SMEs*	*- 136*	*- 35*	*- 101*	*- 569*		*- 569*		*10,466*	*777*
80	Households	-151	-39	-112	-308	-2	-306		150,110	1,528
90	**Debt securities**	**- 1**	**- 1**							
100	Central banks									
110	General governments	-1	-1							
120	Credit institutions									
130	Other financial corporations									
140	Non-financial corporations									
150	**Off-balance sheet exposures**	**- 38**	**- 18**	**- 20**	**- 184**		**- 116**		**9,286**	**466**
160	Central banks									
170	General governments								23	
180	Credit institutions								2	
190	Other financial corporations	-1							1,573	
200	Non-financial corporations	-30	-15	-15	-184		-116		6,852	458
210	Households	-7	-3	-4					836	8
220	**Total**	**-569**	**-191**	**-378**	**-2,090**		**-2,018**	**-8**	**225,300**	**4,476**

1 Not all Loans and advances and Off-balance sheet exposures have an IFRS 9 stage.

30 June 2021

		Gross carrying amount/nominal amount					
		Performing exposures			Non-performing exposures		
	(in millions)		Of which: stage 1[1]	Of which: stage 2[1]		Of which: stage 2[1]	Of which: stage 3[1]
5	**Cash balances at central banks and other demand deposits**	**74,372**	**74,372**				
10	**Loans and advances**	**274,804**	**252,609**	**21,932**	**7,768**	**342**	**7,406**
20	Central banks	354	354				
30	General governments	1,095	1,052	39	11		11
40	Credit institutions	13,123	13,123				
50	Other financial corporations	42,140	41,628	512	134		134
60	Non-financial corporations	58,296	46,375	11,663	5,728	121	5,590
70	*- of which SMEs*	*14,610*	*10,817*	*3,792*	*1,803*	*1*	*1,796*
80	Households	159,795	150,077	9,719	1,895	221	1,672
90	**Debt securities**	**41,966**	**41,966**				
100	Central banks						
110	General governments	35,620	35,620				
120	Credit institutions	5,490	5,490				
130	Other financial corporations	855	855				
140	Non-financial corporations	1	1				
150	**Off-balance sheet exposures**	**91,088**	**50,740**	**5,625**	**2,234**	**43**	**1,335**
160	Central banks	3		3			
170	General governments	1,532	1,512				
180	Credit institutions	846	478	4			
190	Other financial corporations	28,970	9,461	302	1		1
200	Non-financial corporations	40,855	28,115	4,993	1,747	43	1,313
210	Households	18,882	11,174	324	486		21
220	**Total**	**482,231**	**419,688**	**27,558**	**10,002**	**385**	**8,742**

1 Not all Loans and advances and Off-balance sheet exposures have an IFRS 9 stage.

										30 June 2021
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
	(in millions)		Of which: stage 1[1]	Of which: stage 2[1]		Of which: stage 2[1]	Of which: stage 3[1]			
5	**Cash balances at central banks and other demand deposits**	**- 3**	**- 3**						**53**	
10	**Loans and advances**	**- 557**	**- 183**	**- 373**	**- 2,102**	**- 5**	**- 2,093**	**- 296**	**228,919**	**4,709**
20	Central banks								13	
30	General governments	-1		-1	-1		-1		153	
40	Credit institutions	-4	-4						10,390	
50	Other financial corporations	-13	-6	-7	-71		-71		27,222	47
60	Non-financial corporations	-370	-121	-250	-1,728	-1	-1,722	-296	41,164	3,247
70	*- of which SMEs*	*- 146*	*- 37*	*- 110*	*- 568*		*- 567*		*10,282*	*910*
80	Households	-169	-53	-116	-302	-3	-299		149,978	1,415
90	**Debt securities**	**- 1**	**- 1**							
100	Central banks									
110	General governments	-1	-1							
120	Credit institutions									
130	Other financial corporations									
140	Non-financial corporations									
150	**Off-balance sheet exposures**	**- 30**	**- 13**	**- 17**	**- 127**		**- 68**		**11,945**	**513**
160	Central banks									
170	General governments								15	
180	Credit institutions								11	
190	Other financial corporations	-1		-1					2,275	
200	Non-financial corporations	-19	-7	-12	-127		-68		8,662	505
210	Households	-10	-5	-4					981	8
220	**Total**	**-591**	**-200**	**-390**	**-2,229**	**-5**	**-2,160**	**-296**	**240,917**	**5,222**

1 Not all Loans and advances and Off-balance sheet exposures have an IFRS 9 stage.

		31 December 2020					
		Gross carrying amount/nominal amount					
		Performing exposures			Non-performing exposures		
	(in millions)		Of which: stage 1[1]	Of which: stage 2[1]		Of which: stage 2[1]	Of which: stage 3[1]
5	**Cash balances at central banks and other demand deposits**						
10	**Loans and advances**	**266,085**	**240,320**	**25,359**	**8,836**	**337**	**8,500**
20	Central banks	465	465				
30	General governments	1,074	1,031	37	18		18
40	Credit institutions	8,275	8,275				
50	Other financial corporations	32,664	31,661	908	148		148
60	Non-financial corporations	64,342	50,178	13,860	6,696	125	6,571
70	*- of which SMEs*	*15,611*	*11,422*	*4,189*	*1,933*	*3*	*1,930*
80	Households	159,263	148,709	10,554	1,975	212	1,763
90	**Debt securities**	**46,569**	**46,569**				
100	Central banks	554	554				
110	General governments	39,318	39,318				
120	Credit institutions	5,840	5,840				
130	Other financial corporations	856	856				
140	Non-financial corporations	1	1				
150	**Off-balance sheet exposures**	**98,446**	**51,244**	**6,150**	**1,877**	**34**	**1,275**
160	Central banks	13		12			
170	General governments	1,606	1,584				
180	Credit institutions	2,124	1,760	6	20		
190	Other financial corporations	28,418	7,405	384	2		2
200	Non-financial corporations	46,819	28,948	5,489	1,639	33	1,235
210	Households	19,466	11,548	257	216		38
220	**Total**	**411,099**	**338,133**	**31,508**	**10,713**	**370**	**9,775**

1 Not all Loans and advances and Off-balance sheet exposures have an IFRS 9 stage.

										31 December 2020
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
(in millions)			Of which: stage 1[1]	Of which: stage 2[1]		Of which: stage 2[1]	Of which: stage 3[1]			
5	**Cash balances at central banks and other demand deposits**									
10	**Loans and advances**	**- 691**	**- 298**	**- 393**	**- 2,789**	**- 7**	**- 2,782**	**- 23**	**218,825**	**5,165**
20	Central banks								220	
30	General governments								76	9
40	Credit institutions	-2	-2						6,624	
50	Other financial corporations	-14	-8	-6	-72		-72	-2	18,735	73
60	Non-financial corporations	-518	-225	-293	-2,396	-1	-2,394	-20	44,012	3,620
70	*- of which SMEs*	*- 113*	*- 41*	*- 72*	*- 624*		*- 624*		*10,551*	*954*
80	Households	-156	-62	-94	-321	-6	-315	-1	149,159	1,463
90	**Debt securities**	**- 1**	**- 1**							
100	Central banks									
110	General governments	-1	-1							
120	Credit institutions									
130	Other financial corporations									
140	Non-financial corporations									
150	**Off-balance sheet exposures**	**- 31**	**- 16**	**- 10**	**- 60**		**- 21**		**13,578**	**416**
160	Central banks								12	
170	General governments								16	
180	Credit institutions								737	
190	Other financial corporations	-1	-1						1,410	
200	Non-financial corporations	-23	-13	-9	-60		-21		10,303	411
210	Households	-7	-2	-1					1,100	5
220	**Total**	**-724**	**-316**	**-404**	**-2,849**	**-7**	**-2,803**	**-23**	**232,403**	**5,581**

1 Not all Loans and advances and Off-balance sheet exposures have an IFRS 9 stage.

In the second half of 2021, the total cash balances at central banks and other demand deposits decreased markedly as a result of liquidity management. Total loans and advances, most of which are non-performing exposures, also decreased. This was due to an improved economic outlook and the shifting of clients from non-performing to performing, in combination with the sale of assets related to the CIB non-core wind-down. By contrast, debt securities and off-balance sheet exposures increased marginally due to governments and non-financial corporations.

EU CR1-A - Maturity of exposures[1]

The Pillar 3 Report for the second quarter of 2021 included a separate row 'Cash balances at central banks and other demand deposits', the amount of which was included in the presented total. This row is no longer presented and is not included in the totals presented at 31 December 2021 and 30 June 2021.

(in millions)		31 December 2021 Net exposure value					
		On demand	≤ 1 year	>1 year ≤5 years	> 5 years	No stated maturity	Total
1	Loans and advances	11,446	44,748	47,224	160,191	20,108	283,716
2	Debt securities	5	10,364	20,518	12,816		43,702
3	**Total**	**11,451**	**55,112**	**67,742**	**173,006**	**20,108**	**327,418**
							30 June 2021
1	Loans and advances	16,564	48,865	41,746	159,641	13,096	279,913
2	Debt securities	500	6,348	22,412	14,517	568	44,345
3	**Total**	**17,064**	**55,213**	**64,158**	**174,158**	**13,664**	**324,258**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

EBA Guidelines on Disclosure of non-performing and forborne exposures

The ten templates from the EBA Guidelines on Disclosure of non-performing and forborne exposures have been incorporated into the final draft ITS on public disclosures by institutions under Part Eight of Regulation (EU) No 575/2013. This ITS still applies the same 5% NPE ratio threshold that was in these EBA Guidelines. ABN AMRO is below this 5% threshold and therefore parts of and/or complete tables for EU CQ2, CQ4, CQ5, CQ6, CQ8 and EU CR2a are not applicable.

EU CR2 - Changes in the stock of non-performing loans and advances[1]

(in millions)		31 December 2021 Gross carrying amount	30 June 2021 Gross carrying amount
1	**Initial stock of non-performing loans and advances**	**8,836**	**8,836**
2	Inflows to non-performing portfolios	4,143	2,726
3	Outflows from non-performing portfolios	-6,107	-3,795
4	*Outflows due to write-offs*	*-404*	*-311*
5	*Outflow due to other situations*	*-5,703*	*-3,485*
6	**Final stock of non-performing loans and advances**	**6,872**	**7,768**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

The table illustrates the changes in the stock of non-performing loans and advances. In the second half of 2021, non-performing loans and advances decreased further due to the ongoing CIB non-core wind-down and the recovery of clients benefiting from the improved economic outlook and who returned to performing.

EU CQ1 - Credit quality of forborne exposures

31 December 2021

(in millions)		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne						
				Of which: defaulted	Of which: impaired	On performing forborne exposures	On non-performing forborne exposures		Of which: received on non-performing exposures with forbearance measures
05	Cash balances at central banks and other demand deposits								
1	**Loans and advances**	**7,170**	**4,016**	**3,857**	**3,857**	**84**	**940**	**8,342**	**2,454**
2	Central banks								
3	General governments								
4	Credit institutions								
5	Other financial corporations	30	5	5	5		1	17	5
6	Non-financial corporations	4,497	3,201	3,200	3,200	70	820	5,126	1,798
7	Households	2,642	810	652	652	13	119	3,199	651
8	**Debt securities**								
9	**Loan commitments given**	**2,755**	**962**	**962**	**962**	**4**	**116**	**640**	**120**
10	**Total**	**9,925**	**4,978**	**4,819**	**4,819**	**88**	**1,056**	**8,982**	**2,573**

30 June 2021

(in millions)		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne						
				Of which: defaulted	Of which: impaired	On performing forborne exposures	On non-performing forborne exposures		Of which: received on non-performing exposures with forbearance measures
05	Cash balances at central banks and other demand deposits								
1	**Loans and advances**	**7,686**	**4,213**	**3,871**	**3,871**	**93**	**885**	**8,911**	**2,794**
2	Central banks								
3	General governments	4						4	
4	Credit institutions								
5	Other financial corporations	241	33	33	33	2	3	153	29
6	Non-financial corporations	4,616	3,325	3,204	3,204	74	776	5,374	2,075
7	Households	2,824	855	634	634	17	105	3,381	689
8	**Debt securities**								
9	**Loan commitments given**	**2,755**	**1,043**	**1,010**	**1,010**	**2**	**67**	**628**	**167**
10	**Total**	**10,440**	**5,257**	**4,881**	**4,881**	**95**	**952**	**9,540**	**2,961**

31 December 2020

(in millions)		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne						Of which: received on non-performing exposures with forbearance measures
				Of which: defaulted	Of which: impaired	On performing forborne exposures	On non-performing forborne exposures		
05	Cash balances at central banks and other demand deposits								
1	**Loans and advances**	**8,108**	**4,788**	**4,452**	**4,452**	**76**	**1,350**	**9,171**	**2,901**
2	Central banks								
3	General governments	5						4	
4	Credit institutions								
5	Other financial corporations	197	2	2	2	2		130	
6	Non-financial corporations	4,982	3,979	3,855	3,855	57	1,247	5,628	2,260
7	Households	2,924	807	595	595	17	102	3,409	641
8	**Debt securities**								
9	**Loan commitments given**	**2,914**	**906**	**872**	**872**	**3**	**19**	**513**	**145**
10	**Total**	**11,022**	**5,694**	**5,324**	**5,324**	**79**	**1,369**	**9,684**	**3,046**

In the second half of 2021, the decrease in assets with forborne measures continued, mainly for performing loans. The amount of total forborne assets is still substantial, especially for households (Residential mortgages) and non-financial corporations (Corporate loans), as a result of the high inflow in 2020. The decrease in 2021 in non-financial corporations related for a large part to the CIB non-core wind-down, with sales of assets in the oil and gas and the industrial goods and services portfolios in the USA and Asia.

EU CQ3 - Credit quality of performing and non-performing exposures by past due days

		31 December 2021		
		Gross carrying amount/nominal amount		
		Performing exposures		
(in millions)			Not past due + past due ≤ 30 days	Past due > 30 days ≤ 90 days
1	**Loans and advances**	**273,681**	**273,335**	**346**
2	Central banks	244	244	
3	General governments	449	449	
4	Credit institutions	8,039	8,039	
5	Other financial corporations	41,341	41,214	126
6	Non-financial corporations	64,426	64,321	104
7	*- of which SMEs*	*15,440*	*15,393*	*47*
8	Households	159,183	159,067	116
9	**Debt securities**	**42,554**	**42,554**	
10	Central banks			
11	General governments	36,396	36,396	
12	Credit institutions	5,284	5,284	
13	Other financial corporations	873	873	
14	Non-financial corporations	1	1	
15	**Off-balance sheet exposures**	**92,167**		
16	Central banks			
17	General governments	1,020		
18	Credit institutions	536		
19	Other financial corporations	31,864		
20	Non-financial corporations	39,360		
21	Households	19,387		
22	**Total**	**408,402**	**315,889**	**346**

31 December 2021

(in millions)		Gross carrying amount/nominal amount								
		Non-performing exposures								
			UTP, past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 year	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which: defaulted
1	**Loans and advances**	**6,872**	**5,657**	**200**	**187**	**440**	**260**	**47**	**80**	**6,713**
2	Central banks									
3	General governments	7				7				7
4	Credit institutions									
5	Other financial corporations	148	83	20	1	2			42	148
6	Non-financial corporations	4,730	3,920	88	69	384	195	40	33	4,729
7	*- of which SMEs*	*1,615*	*1,231*	*36*	*42*	*181*	*70*	*34*	*21*	*1,615*
8	Households	1,986	1,654	91	117	46	64	7	5	1,828
9	**Debt securities**									
10	Central banks									
11	General governments									
12	Credit institutions									
13	Other financial corporations									
14	Non-financial corporations									
15	**Off-balance sheet exposures**	**1,928**								**1,271**
16	Central banks									
17	General governments									
18	Credit institutions									
19	Other financial corporations									
20	Non-financial corporations	1,554								1,251
21	Households	374								20
22	**Total**	**8,800**	**5,657**	**200**	**187**	**440**	**260**	**47**	**80**	**7,983**

				31 December 2020
		Gross carrying amount/nominal amount		
		Performing exposures		
(in millions)			not past due + past due ≤ 30 days	Past due >30 days ≤ 90 days
1	**Loans and advances**	**266,085**	**265,239**	**845**
2	Central banks	465	465	
3	General governments	1,074	1,074	
4	Credit institutions	8,275	8,275	
5	Other financial corporations	32,664	32,662	2
6	Non-financial corporations	64,342	63,709	634
7	*- of which SMEs*	*15,611*	*15,512*	*99*
8	Households	159,263	159,053	210
9	**Debt securities**	**46,569**	**46,569**	
10	Central banks	554	554	
11	General governments	39,318	39,318	
12	Credit institutions	5,840	5,840	
13	Other financial corporations	856	856	
14	Non-financial corporations	1	1	
15	**Off-balance sheet exposures**	**98,446**		
16	Central banks	13		
17	General governments	1,606		
18	Credit institutions	2,124		
19	Other financial corporations	28,418		
20	Non-financial corporations	46,819		
21	Households	19,466		
22	**Total**	**411,099**	**311,808**	**845**

									31 December 2020
	Gross carrying amount/nominal amount								
	Non-performing exposures								
(in millions)		UTP, past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 year	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which: defaulted
1 **Loans and advances**	**8,836**	**7,062**	**372**	**533**	**294**	**397**	**84**	**95**	**8,500**
2 Central banks									
3 General governments	18			18					18
4 Credit institutions									
5 Other financial corporations	148	80			27			40	148
6 Non-financial corporations	6,696	5,458	247	372	191	305	78	44	6,571
7 *- of which SMEs*	*1,933*	*1,497*	*31*	*54*	*82*	*183*	*58*	*28*	*1,930*
8 Households	1,975	1,524	124	143	76	92	6	11	1,763
9 **Debt securities**									
10 Central banks									
11 General governments									
12 Credit institutions									
13 Other financial corporations									
14 Non-financial corporations									
15 **Off-balance sheet exposures**	**1,877**								**1,275**
16 Central banks									
17 General governments									
18 Credit institutions	20								
19 Other financial corporations	2								2
20 Non-financial corporations	1,639								1,235
21 Households	216								38
22 **Total**	**10,713**	**7,062**	**372**	**533**	**294**	**397**	**84**	**95**	**9,775**

The increase in on-balance performing exposures (EUR 7.6 billion) was counterbalanced by a comparable decrease in off-balance performing exposures (EUR 6.3 billion). The on-balance increase was mainly in loans and advances granted to financial corporations. The off-balance decrease was predominantly in non-financial corporations and related to the wind-down of CIB non-core. Past due exposures >30 days ≤90 days decreased in the period, largely in the non-financial corporations segment and primarily due to the wind-down of CIB non-core, and particularly the sale of the Trade & Commodity Finance and the North American oil and gas portfolios.

EU CQ4 - Quality of non-performing exposures by geography[1]

The table below includes the top five countries with on-balance sheet exposure above EUR 10 billion. The countries that fall below EUR 10 billion and that we consider to be less material, in the context of this template, have been grouped under 'Other countries'.

								31 December 2021
		Gross carrying amount/nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		Of which: subject to impairment			
	(in millions)			Of which: defaulted				
1	**On-balance sheet exposures**	**323,107**	**6,872**	**6,713**	**323,002**	**- 2,429**		
2	Netherlands	217,872	5,389	5,230	217,768	-1,640		
3	United States	23,445	107	107	23,445	-22		
4	Germany	19,336	32	32	19,336	-19		
5	France	10,831	145	145	10,831	-79		
6	United Kingdom	10,700	295	295	10,700	-93		
7	Other countries[2]	40,924	904	904	40,924	-576		
8	**Off-balance sheet exposures**	**94,095**	**1,928**	**1,271**			**222**	
9	Netherlands	56,433	1,612	974			193	
10	United States	11,330	41	39				
11	United Kingdom	5,551	126	118			1	
12	France	3,697	7	1			4	
13	Germany	2,640						
14	Other countries[2]	14,444	140	138			24	
15	**Total**	**417,202**	**8,800**	**7,983**	**323,002**	**-2,429**	**222**	

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.
2 Included in Other countries: Andorra, Algeria, Angola, Argentina, Aruba, Australia, Austria, Bahamas, Bahrain, Barbados, Belgium, Bermuda, Bonaire - St. Eustatius - Saba, Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Bulgaria, Canada, Cayman Islands, Chile, China, Colombia, Costa Rica, Cote d'Ivoire, Croatia, Curaçao, Cyprus, Czech Republic, Denmark, Djibouti, Egypt, Estonia, Ethiopia, Finland, French Guiana, Gabon, Georgia, Ghana, Gibraltar, Greece, Guernsey, Hong Kong, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Isle of Man, Israel, Italy, Japan, Jersey, Jordan, Kenya, Korea, Republic of, Kuwait, Latvia, Liberia, Libyan Arab Jamahiriya, Lithuania, Luxembourg, North Macedonia, Malaysia, Malta, Marshall Islands, Martinique, Mauritius, Mexico, Monaco, Morocco, Mozambique, New Zealand, Nigeria, Norway, OECD, Oman, Pakistan, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saudi Arabia, Serbia, Singapore, Sint-Bartélemy, Slovakia, Slovenia, South Africa, Spain, St. Maarten, St. Vincent and the Grenadines, Suriname, Sweden, Switzerland, Taiwan, Tajikistan, United Republic of Tanzania, Thailand, Tunisia, Turkey, UAE, Ukraine, Uruguay, Vietnam, British Virgin Islands.

								30 June 2021
		Gross carrying amount/nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		Of which: subject to impairment			
(in millions)				Of which: defaulted				
1	**On-balance sheet exposures**	**324,538**	**7,768**	**7,425**	**324,275**	**- 2,660**		
2	Netherlands	216,001	5,888	5,548	215,944	-1,773		
3	United States	25,519	108	108	25,313	-41		
4	Germany	15,293	34	34	15,293	-16		
5	France	14,635	191	189	14,635	-78		
6	United Kingdom	10,577	398	398	10,577	-74		
7	Other countries[2]	42,513	1,148	1,148	42,513	-679		
8	**Off-balance sheet exposures**	**93,322**	**2,234**	**1,335**			**157**	
9	Netherlands	55,476	1,819	944			145	
10	United States	11,838	69	67				
11	Germany	2,506					1	
12	France	3,081	7	3			2	
13	United Kingdom	5,206	167	158				
14	Other countries[2]	15,215	172	164			9	
15	**Total**	**417,860**	**10,002**	**8,761**	**324,275**	**-2,660**	**157**	

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.
2 Included in Other countries: Afghanistan, Algeria, Andorra, Angola, Argentina, Armenia, Aruba, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Benin, Bermuda, Bolivia, Bonaire, Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burundi, Cambodia, Cameroon, Canada, Cape Verde, Cayman Islands, Chile, China, Colombia, the Democratic Republic of Congo, Costa Rica, Cote d'Ivoire, Croatia, Curaçao, Cyprus, Czech Republic, Denmark, Djibouti, Dominica, Dominican Republic, Egypt, Estonia, Finland, French Guiana, Gabon, Gambia, Georgia, Ghana, Gibraltar, Greece, Guadeloupe, Guernsey, Haiti, Hong Kong, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Isle of Man, Israel, Italy, Jamaica, Japan, Jersey, Jordan, Kazakhstan, Kenya, Republic of Korea, Kuwait, Lao People's Democratic Republic, Latvia, Lebanon, Liberia, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Macedonia, Malawi, Malaysia, Malta, Marshall Islands, Martinique, Mauritius, Mexico, Republic of Moldova, Monaco, Montenegro, Morocco, Mozambique, Nepal, New Zealand, Nigeria, Norway, OECD Bodies, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Reunion, Romania, Russian Federation, Saba, Saudi Arabia, Senegal, Serbia, Seychelles, Singapore, Sint-Barthélemy, Sint-Maarten, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, St. Eustatius, St. Maarten, St. Vincent and the Grenadines, Sudan, Suriname, Sweden, Switzerland, Syrian Arab Republic, Taiwan, Tajikistan, United Republic of Tanzania, Thailand, Togo, Tunisia, Turkey, UAE, Uganda, Ukraine, Uruguay, Venezuela, Vietnam, British Virgin Islands, Zambia, Zimbabwe.

EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry[1]

Compared to 30 June 2021, the gross carrying amount to non-financial corporations increased markedly. This was as a result of new client lending, mainly observed in Financial and insurance activities and Real estate activities, in the context of TLTRO. Non-performing exposures, most of which are defaulted, decreased due to an improved economic outlook and the shifting of clients from non-performing to performing, in combination with the sale of assets related to the CIB non-core wind-down.

							31 December 2021
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		Of which: loans and advances subject to impairment		
	(in millions)			Of which: defaulted			
1	Agriculture, forestry and fishing	4,983	291	291	4,983	-68	
2	Mining and quarrying	2,582	169	169	2,582	-81	
3	Manufacturing	4,227	466	466	4,227	-141	
4	Electricity, gas, steam and air conditioning supply	1,287	7	7	1,287	-6	
5	Water supply	505	44	44	505	-4	
6	Construction	2,192	132	131	2,142	-26	
7	Wholesale and retail trade	6,254	796	796	6,254	-341	
8	Transport and storage	7,762	417	417	7,762	-135	
9	Accommodation and food service activities	707	92	92	707	-34	
10	Information and communication	1,206	40	40	1,206	-53	
11	Financial and insurance actvities	18,077	1,346	1,346	18,077	-620	
12	Real estate activities	8,690	292	292	8,641	-71	
13	Professional, scientific and technical activities	4,227	243	243	4,227	-190	
14	Administrative and support service activities	2,832	186	186	2,832	-53	
15	Public administration and defense, compulsory social security	6			6		
16	Education	70	3	3	70	-2	
17	Human health services and social work activities	2,373	135	135	2,373	-27	
18	Arts, entertainment and recreation	526	38	38	526	-18	
19	Other services	652	32	32	652	-7	
20	**Total**	**69,156**	**4,730**	**4,729**	**69,056**	**-1,878**	

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

		30 June 2021					
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		Of which: loans and advances subject to impairment		
(in millions)				Of which: defaulted			
1	Agriculture, forestry and fishing	5,158	330	330	5,158	-61	
2	Mining and quarrying	2,265	222	222	2,265	-133	
3	Manufacturing	4,343	633	624	4,343	-203	
4	Electricity, gas, steam and air conditioning supply	1,122	6	6	1,122	-5	
5	Water supply	380	44	44	380	-4	
6	Construction	1,933	143	143	1,933	-51	
7	Wholesale and retail trade	5,533	637	637	5,328	-257	
8	Transport and storage	7,826	559	559	7,826	-177	
9	Accommodation and food service activities	1,299	163	163	1,299	-34	
10	Information and communication	1,035	44	44	1,035	-5	
11	Financial and insurance actvities	14,967	1,733	1,726	14,967	-68	
12	Real estate activities	7,497	284	284	7,445	-786	
13	Professional, scientific and technical activities	4,085	305	305	4,085	-197	
14	Administrative and support service activities	2,700	240	240	2,700	-42	
15	Public administration and defense, compulsory social security	2			2		
16	Education	84	3	3	84	-2	
17	Human health services and social work activities	2,427	286	182	2,427	-28	
18	Arts, entertainment and recreation	537	42	42	537	-8	
19	Other services	831	54	54	831	-7	
20	**Total**	**64,024**	**5,728**	**5,607**	**63,767**	**-2,068**	

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

EU CQ7 - Collateral obtained by taking possession and execution processes

		31 December 2021		30 June 2021		31 December 2020	
		Collateral obtained by taking possession		Collateral obtained by taking possession		Collateral obtained by taking possession	
(in millions)		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
1	Property, plant and equipment (PP&E)						
2	Other than PP&E	11		12		12	
3	*Residential immovable property*						
4	*Commercial Immovable property*						
5	*Movable property (auto, shipping, etc.)*			*1*			
6	*Equity and debt instruments*	*11*		*11*		*11*	
7	*Other collateral*			*1*		*1*	
8	**Total**	**11**		**12**		**12**	

Use of credit risk mitigation techniques

EU CRC – Qualitative disclosure requirements related to CRM techniques

Credit risk mitigation

Credit risk mitigation techniques are used by the bank to reduce the credit risk associated with its credit exposures. Such techniques relate mainly to collateral management and guarantees, offsetting financial assets and liabilities, and enforcing master netting agreements or similar instruments.

Credit risk mitigation techniques themselves entail risks and, as such, have to meet certain requirements so they can be used effectively and in line with the bank's risk appetite. For this reason, ABN AMRO has established mandatory, bank-wide policies governing the use and management of credit risk mitigation techniques. These are in line with regulatory requirements, as well as the needs of the bank and its clients. These bank-wide policies provide the overarching rules to be met by business-specific procedures and processes related to credit risk mitigation.

Collateral management and guarantees

Collateral and guarantees represent assets with material value that have been received by (or pledged to) the bank to secure obligations under a credit facility or other exposure. To be effective, such security must give the bank the right to appropriate and liquidate collateral on time and without impediment so that losses on the exposure at default are minimised.

In addition to minimising exposure risk, eligible collateral and guarantees can also reduce the regulatory and economic capital the bank is required to hold as a buffer for unexpected losses. The Capital Requirements Regulation prescribes the criteria that collateral must meet to become eligible for capital reduction. These criteria, which provide for legal effectiveness and for the enforceability, valuation and monitoring of collateral, are aimed at the effective and timely realisation of collateral.

According to ABN AMRO's collateral policy, the bank must have a diversified portfolio of collateral assets. Concentration risks to particular types of collateral assets must be strictly controlled, monitored and reported, and the relevant business must have policies to address them.

Collateral value

- Nominal value - depending on the type of collateral, a specific valuation method, for example a market value, is applied, leading to a nominal value of collateral;
- Gross Collateral Value (GCV) - it may be necessary to apply a haircut to the nominal value to arrive at the GCV. Haircuts are adjustments to the nominal value for elements such as maturity mismatches or currency mismatches between the collateral and the facility.

Subsequently, the Net Collateral Value (NCV) (where applicable) can be calculated. The recovery rate per collateral type is used to determine the NCV. The recovery rate represents the extent to which the collateral value can be recovered. Recovery rates are expressed as a percentage of the collateral value and are based on statistics on actual collateral recoveries or on an objective expert opinion where the recovery rate cannot be determined statistically. The NCV is determined by multiplying the GCV (as determined by the appropriate valuation method) by the respective recovery rate.

Regulatory approaches to credit risk measurement and their applicable collateral types

The purpose of collateral is to mitigate credit risk and to reduce credit losses during a restructuring or recovery of loans and other exposures, preferably in a way that relieves the bank's capital requirements. This means that when we accept collateral, we prefer to accept collateral that is also eligible for capital relief. But even though collateral is a credit risk mitigation technique, it carries risks of its own, such as a change in effectiveness, change in value, the possibility of damage and so on. Collateral therefore needs to be managed actively so that it continues to qualify as an effective and eligible risk mitigation technique recognised by the regulator and manifesting in reduced regulatory capital for the bank. For this purpose, collateral needs to be managed separately and not in the context of debtor reviews.

There are three different credit risk measurement approaches through which, subject to regulatory approval, collateral may be accounted for to reduce the bank's required regulatory capital – the Standardised Approach (SA), the Foundation

Internal Ratings-Based approach (F-IRB) and the Advanced Internal Rating-Based approach (A-IRB). Currently, ABN AMRO primarily uses A-IRB and, to a lesser extent, SA.

Collateral types used by ABN AMRO

Collateral type	Definition	SA	A-IRB
Financial collateral	Financial collateral is collateral that directly reflects a financial value such as cash on deposits or cash assimilated instruments (CAI's).	X	X
Immovable property collateral	Immovable property, or Real Estate, is land and/or the structures on it and/or the building(s) on it. Real Estate collateral is Real Estate taken as collateral in financing its (re)construction, purchase and/or maintenance etc. Real Estate from a collateral perspective is divided into three different types: Residential, Corporate and Other (e.g. Commercial).	Secured by mortgages on immovable property	X
Life insurance policies	A Life insurance policy is a contract between the insurer and the policy holder whereby a benefit is paid to the designated beneficiary (or beneficiaries) if an insured event occurs. Life based insurance contracts fall into two major categories: protection policies and investment policies.	X	X
Receivables	Receivables are assets in the form of rights to payments related to debts, unsettled transactions or other monetary obligations owed to a company by its debtors or customers.		X
Physical collateral other than immovable property	Physical collateral is collateral that is tangible and moveable. The following types of collateral are considered physical collateral within ABN AMRO e.g. Inventory/ stock, floating production storage & offloading units, commodities etc.		X
Collateral for lease exposures	Lease exposures may be treated as collateralised by the type of property leased when they meet specific conditions.		X
Instruments issued by third parties, which will be repurchased by the third party on our request	Instruments issued by a third party, which will be repurchased by the third party on the Bank's request where the terms specify that the instrument will be repurchased at face value, the value of the collateral must be the face value or where the terms provide that the instrument will be repurchased at market price, the value must be determined as provided in accordance with the policy on marketable securities.	X	X
Other types of collateral	All collateral that is not mentioned in the above provided definitions, can be considered as Other collateral. Some types of other collateral are non-marketable securities and intangibles.		X

After meeting their eligibility criteria, the various types of collateral can be used as credit risk mitigation techniques through the respective credit risk measurement approaches. The SA is stricter in terms of the acceptance and eligibility criteria for these collateral types.

Guarantees

Where the direct credit risk to an obligor exceeds the risk appetite or risk limits, guarantees (among other forms of credit risk mitigation) may be obtained to reduce the direct credit risk to the obligor. A substantial proportion of ABN AMRO's assets benefit from guarantees provided by third parties that lower the credit risk of these positions. The largest provider of such guarantees is the Dutch State, which provides a counter-guarantee via the Stichting Waarborgfonds Eigen Woningen (WEW). Mortgage loans subject to the Nationale Hypotheek Garantie, as provided by the WEW, are thus considered to be guaranteed by the Dutch State. The other main third-party providers of guarantees are other sovereigns, export credit agencies and financial institutions. It is common, especially in the Dutch market, for loans to corporate clients to be subject to guarantees provided by other parties within their group (often, but not necessarily, a holding company as the parent of the subsidiary that is ABN AMRO's direct obligor). The most common forms of such group guarantees are '403 declarations', joint and several liability statements and direct guarantees. The effects of such group guarantees are specifically assessed under ABN AMRO's credit assessment process and take account of the various risk parameters, where relevant.

Minimising exposure risk

In addition to minimising exposure risk, eligible collateral and guarantees can also reduce the regulatory and economic capital the bank is required to hold as a buffer for unexpected losses. The Capital Requirements Regulation prescribes the criteria that collateral must meet to become eligible for capital reduction. These criteria, which provide for legal effectiveness and for the enforceability, valuation and monitoring of collateral, are aimed at the effective and timely realisation of collateral.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported on the EU IFRS balance sheet, if there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously. The bank applies netting to debtor and creditor balances, such as current accounts, where offsetting is justified by formal agreement with the client, provided they meet the applicable criteria.

Enfoceable master netting agreements or similar instruments

Enforceable master netting arrangements take into account all agreements containing conditions that allow offsetting in the event of default. In addition, agreements are enforceable if the bank has a legally enforceable right to offset and no ability and/or intention to realise the asset and settle the liability simultaneously. These arrangements include derivative clearing agreements, global master repurchase agreements and global master securities lending agreements.

EU CR3 – CRM techniques overview: Disclosure of the use of CRM techniques

(in millions)		Unsecured carrying amount	Secured carrying amount	Of which: secured by collateral	Of which: secured by financial guarantees	Of which: secured by credit derivatives
						31 December 2021
1	Loans and advances	108,861	237,273	234,781	2,492	
2	Debt securities	42,554				
3	**Total**	**151,415**	**237,273**	**234,781**	**2,492**	
4	Of which: non-performing exposures	956	4,009	3,851	159	
EU-5	*- of which defaulted*	*797*	*4,009*			
						30 June 2021
1	Loans and advances	110,019	248,353	245,439	2,914	
2	Debt securities	44,345				
3	**Total**	**154,364**	**248,353**	**245,439**	**2,914**	
4	Of which: non-performing exposures	957	4,709	4,506	203	
EU-5	*- of which defaulted*	*615*	*4,709*			
						31 December 2020
1	Loans and advances	97,497	240,621	237,309	3,312	
2	Debt securities	46,567				
3	**Total**	**144,065**	**240,621**	**237,309**	**3,312**	
4	Of which: non-performing exposures	882	5,165	4,921	244	
EU-5	*- of which defaulted*	*546*	*5,165*			

This table provides an overview of the exposures split by secured and unsecured. Only exposures covered by eligible collateral are reported as secured. The ratio of secured versus unsecured remained relatively stable compared to 30 June 2021.

The decrease in secured carrying amount for loans and advances was due primarily to lower cash (on-demand) balances with central banks and credit institutions and secondly to decreases in reserve purchase loans of other financial corporations within our SFT portfolio.

Use of the standardised approach

EU CRD – Qualitative disclosure requirements related to standardised approach

The Standardised Approach (SA) is used for some of the bank's less material portfolios and entities. Prescribed treatments are applied to exposures to qualifying central counterparties. Under the Standardised Approach, regulatory capital is calculated on the basis of a risk weighting of exposure (net of credit impairments and eligible collateral), based on the exposure characteristics (for retail exposures) or external agency credit ratings for the counterparty (for non-retail exposures). For this purpose, the bank uses the external ratings of Standard & Poor's, Moody's and Fitch. In the case of counterparties for which no credit ratings are available, exposures are classified as unrated for the purpose of determining regulatory capital requirements. The bank complies with the standard association published by the EBA.

The bank uses credit protection from several ECAs (export credit agencies), which are rated by the internal sovereign rating model.

Internal rating scale mapped to external ratings

Grade category	UCR (internal rating)	Low PD%	Mid PD%	High PD%	Standard & Poor's equivalent	Moody's equivalent	Fitch equivalent
Investment grade	UCR 1	0.000	0.03	0.035	AAA to A+	Aaa to Aa3	AAA to AA-
	UCR 2+	0.035	0.04	0.045	A+	A1	AA-
	UCR 2	0.045	0.05	0.070	A	A1	A+
	UCR 2-	0.070	0.10	0.130	A-	A3	A-
	UCR 3+	0.130	0.16	0.200	BBB+	Baa1	BBB+
	UCR 3	0.200	0.25	0.300	BBB	Baa2	BBB
	UCR 3-	0.300	0.36	0.470	BBB-	Baa3	BBB-
Sub-investment grade	UCR 4+	0.470	0.60	0.780	BB+	Ba1	BB+
	UCR 4	0.780	1.00	1.290	BB	Ba2	BB
	UCR 4-	1.290	1.65	2.230	BB-	B1	BB-
	UCR 5+	2.230	3.00	4.240	B+	B2	B
	UCR 5	4.240	6.00	8.490	B-	Caa1	B-
	UCR 5-	8.490	12.00	16.970	CCC/C	Caa2	CCC/C
	UCR 6+	16.970	24.00	100.00	CCC/C	Caa-C	CCC/C
Default	UCR 6-8				D	D	D

EU CR4 – Standardised approach – Credit risk exposure and CRM effects

		31 December 2021					
		Exposures before CCF and CRM[1]		Exposures post CCF and CRM[1]		RWEA and RWEA density	
	(in millions)	On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWEA	RWEA density
	Exposure classes						
1	Central governments or central banks	26	10	26	5	2	5%
2	Regional governments or local authorities						
3	Public sector entities						
4	Multilateral development banks	1,058		1,058			0%
5	International organisations	5,332		5,332			0%
6	Institutions	7,323	12,045	7,323	73	287	4%
7	Corporates	3,144	14,030	3,129	949	3,422	84%
8	Retail	2,337	5,132	2,337	1,084	2,495	73%
9	Secured by mortgages on immovable property	392	22	392	11	145	36%
10	Exposures in default	122	245	122	32	183	119%
11	Exposures associated with particularly high risk						
12	Covered bonds						
13	Institutions and corporates with a short-term credit assessment						
14	Collective investment undertakings						
15	Equity						
16	Other items	84		84		46	54%
17	**Total**	**19,818**	**31,484**	**19,802**	**2,154**	**6,579**	

1 CCF = Credit conversion factor; CRM = Credit risk mitigation

		30 June 2021					
		Exposures before CCF and CRM[1]		Exposures post CCF and CRM[1]		RWEA and RWEA density	
	(in millions)	On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWEA	RWEA density
	Exposure classes						
1	Central governments or central banks	54	11	54	5	8	13%
2	Regional governments or local authorities						0%
3	Public sector entities						0%
4	Multilateral development banks	1,082		1,082			0%
5	International organisations	3,177		3,177			0%
6	Institutions	3,243	10,323	3,243	102	278	8%
7	Corporates	3,007	12,387	2,822	933	3,091	82%
8	Retail	2,534	5,448	2,533	1,351	2,837	73%
9	Secured by mortgages on immovable property	484	263	484	132	217	35%
10	Exposures in default	128	158	128	35	213	131%
11	Exposures associated with particularly high risk						0%
12	Covered bonds						0%
13	Institutions and corporates with a short-term credit assessment						0%
14	Collective investment undertakings						0%
15	Equity						0%
16	Other items	1,302		1,302		813	62%
17	**Total**	**15,011**	**28,590**	**14,825**	**2,558**	**7,457**	

1 CCF = Credit conversion factor; CRM = Credit risk mitigation

(in millions)		Exposures before CCF and CRM[1] On-balance sheet exposures	Exposures before CCF and CRM[1] Off-balance sheet exposures	Exposures post CCF and CRM[1] On-balance sheet exposures	Exposures post CCF and CRM[1] Off-balance sheet exposures	RWEA and RWEA density RWEA	31 December 2020 RWEA and RWEA density RWEA density
	Exposure classes						
1	Central governments or central banks	128		128		12	10%
2	Regional governments or local authorities						
3	Public sector entities						
4	Multilateral development banks	1,048		1,048			0%
5	International organisations	5,536		5,536			0%
6	Institutions	2,216	12,904	2,216	133	151	6%
7	Corporates	2,947	11,566	2,746	925	3,098	84%
8	Retail	1,465	3,963	1,465	602	1,550	75%
9	Secured by mortgages on immovable property	528	272	528	136	233	35%
10	Exposures in default	78	148	78	33	146	132%
11	Exposures associated with particularly high risk						
12	Covered bonds						
13	Institutions and corporates with a short-term credit assessment						
14	Collective investment undertakings	163		163		8	5%
15	Equity						
16	Other items	1,200		1,200		859	72%
17	**Total**	**15,310**	**28,854**	**15,108**	**1,829**	**6,057**	

1 CCF = Credit conversion factor; CRM = Credit risk mitigation

Standardised approach and the effect of CRM and CCF

This table discloses the on-balance and off-balance sheet exposures under the standardised approach. It provides more insight into the effects of Credit Risk Mitigation (CRM) and the Credit Conversion Factors (CCF) for on- and off-balance sheet exposures. Sizeable year-on-year changes in the exposure and RWEA values in the institutions, retail and corporates exposure classes were attributable to SA-CCR implementation, as well as to asset movements. In addition, in the second half of 2021, we observed a rise in exposure to institutions.

EU CR5 – Standardised approach

		31 December 2021									
		Risk weight									Subtotal
(in millions)		0%	2%	4%	10%	20%	35%	50%	70%	75%	
	Exposure classes										
1	Central governments or central banks	23				8					31
2	Regional governments or local authorities										
3	Public sector entities										
4	Multilateral development banks	1,058									1,058
5	International organisations	5,332									5,332
6	Institutions		7,004			164		228			7,396
7	Corporates							915			915
8	Retail									3,421	3,421
9	Secured by mortgages on immovable property						271	132			403
10	Exposures in default										
11	Exposures associated with particularly high risk										
12	Covered bonds										
13	Institutions and corporates with a short-term credit assessment										
14	Units or shares in collective investment undertakings										
15	Equity exposures										
16	Other items	39									39
17	**Total**	**6,452**	**7,004**			**172**	**271**	**1,274**		**3,421**	**18,594**

		31 December 2021								
		Subtotal	Risk weight						Total	Of which: unrated
(in millions)			100%	150%	250%	370%	1250%	Others		
	Exposure classes									
1	Central governments or central banks	31							31	
2	Regional governments or local authorities									
3	Public sector entities									
4	Multilateral development banks	1,058							1,058	
5	International organisations	5,332							5,332	
6	Institutions	7,396							7,396	7,396
7	Corporates	915	3,184						4,098	4,098
8	Retail	3,421							3,421	3,421
9	Secured by mortgages on immovable property	403							403	403
10	Exposures in default		54	79					133	
11	Exposures associated with particularly high risk									
12	Covered bonds									
13	Institutions and corporates with a short-term credit assessment									
14	Units or shares in collective investment undertakings									
15	Equity exposures									
16	Other items	39	46						84	84
17	**Total**	**18,594**	**3,284**	**79**					**21,956**	**15,402**

		30 June 2021									
		Risk weight									Subtotal
	(in millions)	0%	2%	4%	10%	20%	35%	50%	70%	75%	
	Exposure classes										
1	Central governments or central banks	21				39					60
2	Regional governments or local authorities										
3	Public sector entities										
4	Multilateral development banks	1,082									1,082
5	International organisations	3,177									3,177
6	Institutions		2,683			354		308			3,345
7	Corporates							945			945
8	Retail									3,884	3,884
9	Secured by mortgages on immovable property						487	128			616
10	Exposures in default										
11	Exposures associated with particularly high risk										
12	Covered bonds										
13	Institutions and corporates with a short-term credit assessment										
14	Units or shares in collective investment undertakings										
15	Equity exposures										
16	Other items	489									489
17	**Total**	**4,769**	**2,683**			**393**	**487**	**1,381**		**3,884**	**13,598**

		30 June 2021								
		Subtotal	Risk weight						Total	Of which: unrated
	(in millions)		100%	150%	250%	370%	1250%	Others		
	Exposure classes									
1	Central governments or central banks	60							60	
2	Regional governments or local authorities									
3	Public sector entities									
4	Multilateral development banks	1,082							1,082	11
5	International organisations	3,177							3,177	
6	Institutions	3,345							3,345	3,345
7	Corporates	945	2,811						3,755	3,755
8	Retail	3,884							3,884	3,884
9	Secured by mortgages on immovable property	616							616	616
10	Exposures in default		62	100					163	
11	Exposures associated with particularly high risk									
12	Covered bonds									
13	Institutions and corporates with a short-term credit assessment									
14	Units or shares in collective investment undertakings									
15	Equity exposures									
16	Other items	489	813						1,302	1,302
17	**Total**	**13,598**	**3,686**	**100**					**17,384**	**12,913**

	(in millions)	Risk weight 0%	2%	4%	10%	20%	35%	50%	70%	75%	31 December 2020 Subtotal
	Exposure classes										
1	Central governments or central banks	67				61					128
2	Regional governments or local authorities										
3	Public sector entities										
4	Multilateral development banks	1,048									1,048
5	International organisations	5,536									5,536
6	Institutions		1,956			282		110			2,349
7	Corporates							1,148			1,148
8	Retail									2,068	2,068
9	Secured by mortgages on immovable property						659	5			664
10	Exposures in default										
11	Exposures associated with particularly high risk										
12	Covered bonds										
13	Institutions and corporates with a short-term credit assessment										
14	Units or shares in collective investment undertakings										
15	Equity exposures										
16	Other items	341									341
17	**Total**	**6,991**	**1,956**			**344**	**659**	**1,264**		**2,068**	**13,281**

	(in millions)	Subtotal	Risk weight 100%	150%	250%	370%	1250%	Others	Total	31 December 2020 Of which: unrated
	Exposure classes									
1	Central governments or central banks	128							128	
2	Regional governments or local authorities									
3	Public sector entities									
4	Multilateral development banks	1,048							1,048	37
5	International organisations	5,536							5,536	
6	Institutions	2,349							2,349	2,349
7	Corporates	1,148	2,524						3,672	3,672
8	Retail	2,068							2,068	2,068
9	Secured by mortgages on immovable property	664							664	664
10	Exposures in default		40	71					111	111
11	Exposures associated with particularly high risk									
12	Covered bonds									
13	Institutions and corporates with a short-term credit assessment									
14	Units or shares in collective investment undertakings							163	163	
15	Equity exposures									
16	Other items	341	859						1,200	1,200
17	**Total**	**13,281**	**3,423**	**71**				**163**	**16,938**	**10,101**

EAD under the standardised approach

This table discloses the EAD under the standardised approach (SA), excluding counterparty credit risk. Compared with 30 June 2021, an increase in SA exposure was recorded in international organisations and institutions for a combined total of EUR 6.2 billion. This related to investments of ABN AMRO Participations Fund and ABN AMRO Securities Trading. This was partly offset by a decrease of EUR 1.2 billion in SA exposure for other items.

Use of the IRB approach to credit risk

EU CRE – Qualitative disclosure requirements related to IRB models

Credit risk approach
The bank has approval from its supervisor to use the Advanced Internal Ratings-Based (A-IRB) approach, including various exemptions, for the vast majority of its credit portfolios. The approval for use of the A-IRB approach is not restricted to certain exposures classes, while the approval specifically excludes certain portfolios. The use of the Standardised Approach and the Foundation IRB (F-IRB) approach will increase substantially in the coming years as more restrictive requirements and supervisory standards are implemented for the use of internal models and business strategies are updated. At the same time, the forward view on the formal implementation of Basel IV, including the constrained use of the IRB approach to credit risk, also implies that the use of SA and F-IRB will increase, while the use of A-IRB will decrease.

Probability of Default
The Probability of Default (PD) indicates the likelihood that a counterparty or exposure defaults within a one-year time horizon. Models make use of risk drivers such as financial information, behavioural information, arrears information and assessments of industry, geographic and market conditions. Model output is calibrated to long-run average observed default rates, based on internal default data. For low-default portfolios, this is supplemented by external data, if available. For the non-programme lending portfolio, the model score is mapped to and is expressed as an internal uniform counterparty rating (UCR). The UCR rating scale consists of 14 performing ratings, each representing a fixed PD range. The indicative mapping of the internal UCR rating scale to external rating agency ratings is included in template EU CRD. For programme lending portfolios within Retail Banking and Commercial Banking, exposures with the same characteristics are pooled and a PD is assigned to each pool.

Loss Given Default
Loss Given Default (LGD) models estimate the amount the bank would lose if the counterparty were to default. LGD is expressed as a percentage of the outstanding amount at default. For credit facilities that are not in default, LGD estimates are influenced by the risk mitigating techniques used by the bank (such as collateral coverage and/or third party protection), the credit facility's seniority and structure, and the bank's view of the creditor-friendliness of the relevant country's legal framework. The model output for these credit facilities is calibrated to long-run average observed loss rates and downturn conditions, based on internal default data. For low-default portfolios, this is supplemented by expert opinion and/or external data, if available. For credit facilities that are already in default, an in-default LGD is estimated that also takes into account all relevant post-default information, such as time-in-default and the progress of the recovery process compared to expectations. In-default LGD is calibrated to reflect possible adverse changes in economic conditions during the expected length of the recovery process.

Exposure at Default
Exposure at Default (EAD) models estimate the expected exposure at the time a counterparty defaults. EAD is calculated on a monthly basis for all credit facilities, using actual limits and outstanding exposure data. EAD estimates are influenced by the type of credit facility, the draw-down controls that the bank has in place and the type of counterparty. For credit facilities which are amortising, the EAD calculation reflects the possibility that payments will be missed and capitalised in the period leading up to default. If all or a part of a facility is undrawn (i.e. the outstanding amount is less than the approved limit) at the time of the EAD calculation, a portion of the undrawn amount is added to the exposure to reflect the tendency of counterparties to utilise larger portions of their approved credit facilities when nearing default. The percentage of the undrawn part of the facility that is expected to be drawn in the event of default (usage given default or UGD) differs per facility type and is reviewed at least annually.

A specific component used to calculate EAD is the Credit Conversion Factor (CCF), which is used to translate the off-balance sheet exposure to EAD. The value of the CCF is determined based on the average realised conversion factor by facility grade or pool, using the default weighted average resulting from all observed defaults. In this calculation, certain alterations are possible in the following cases:
- Correlation between the default frequency and the magnitude of the CCF;
- Estimates in the event of an economic downturn are more conservative than the long-term average.

Rating assignment

For non-programme lending, ratings are individually assigned to each counterparty (PD) and facility (LGD) by the business account manager (first line) and approved by credit risk (second line). For programme lending, exposure ratings are not assigned individually but assigned to pools with similar characteristics. For all exposures the EAD estimation is assigned automatically based on the facility type and the undrawn part of the facility.

Model risk framework

All credit risk models are subject to our model risk framework, which describes our model risk governance and model review process.

Model risk governance

The Executive Board (ExBo) is ultimately accountable for the management of model risk in the bank. The ExBo has delegated responsibility for management of model risk to the Group Risk Committee (GRC). For model risk, the three lines of defence principle is applied as follows:

- The model owner, model developer, model implementer and model users assume the first line of defence role for the management of model risk. The model owner has overall accountability for managing the model risk that a model poses and for coordinating all activities during the model's lifecycle, including design or selection, development, implementation, oversight and performance of models (and rating systems for credit risk);
- The risk type owner for model risk and the independent model validation function assume the second line of defence role for managing model risk. The risk type owner for model risk has overall accountability for the bank's model risk management framework;
- Group Audit represents the third line of defence and assesses the effectiveness and efficiency of the model risk framework by performing periodical audits.

Model monitoring

The IRB models are subject to annual monitoring in which the performance of the model is tested and evaluated. The monitoring is performed by the model developer, reviewed and signed-off by the model owner and serves as input for the annual (re)validation executed by the independent model validation function. The model monitoring leads to the conclusion that the model is either still fit for purpose or requires recalibration or redevelopment.

Model review process

A model review is performed by the model developer on request of the model owner or the model approval authority. A model review takes place at least every three years or earlier in the event of:

- A marked deterioration in the model's performance (as highlighted by model monitoring or revalidation results), or
- A marked change in the risk profile of the portfolio to which the model relates (the change may be actual or anticipated and based either on actions the bank is taking or on external factors).

The purpose of a model review is:

- To confirm that the model is still fit for purpose. This is done by confirming the continued appropriateness of the design, modelling assumptions, risk drivers and conceptual soundness of the model in the context of the intended scope and purpose of the model;
- To confirm the sound implementation and ongoing appropriate use of the model;
- To identify possible improvements to the model.

Model risk reporting

On a quarterly basis, senior management and key stakeholders are informed on the status of the models that have a direct or indirect impact on the bank's risk profile, on the management, measurement, aggregation, allocation or reporting of the model, and on the bank's estimated returns. These model risk reports address the aggregated risk perceived in models, based on the results of regular validations and on risks in the model lifecycle.

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

Exposure class A-IRB

Exposure to Retail and Central Government or Central Banks (CGCB) is concentrated in the lower PD buckets. The larger part of the exposure to corporates is within the mid-range PD bucket, accounting for more than half of the RWEA consumption at 31 December 2021. Compared to 30 June 2021, on-balance sheet exposures in Corporates - Other increased at 31 December 2021 as a result of new client lending in the context of TLTRO.

31 December 2021

	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Central government or central banks	0.00 to <0.15	99,052	1,199	47.1%	102,494	0.0%	203	8.7%	0.92	462	0.5%	1	-1
	0.00 to <0.10	*98,613*	*1,196*	*47.1%*	*102,054*	*0.0%*	*200*	*8.6%*	*0.91*	*301*	*0.3%*		*-1*
	0.10 to <0.15	*439*	*3*	*41.3%*	*440*	*0.1%*	*3*	*30.0%*	*4.92*	*161*	*36.5%*		
	0.15 to <0.25			0.0%		0.0%		0.0%			0.0%		
	0.25 to <0.50	3		0.0%	77	0.2%	3	54.6%	4.92	79	103.0%		
	0.50 to <0.75	11	21	30.1%	18	0.7%	3	19.1%	3.53	7	41.8%		
	0.75 to <2.50	61		0.0%	61	1.6%	3	52.4%	0.83	68	112.0%	1	
	0.75 to <1.75	*61*		*0.0%*	*61*	*1.6%*	*3*	*52.4%*	*0.83*	*68*	*112.0%*	*1*	
	1.75 to <2.5			*0.0%*		*0.0%*		*0.0%*			*0.0%*		
	2.50 to <10.00	24		0.0%	2	6.0%	2	60.0%	1.15	3	219.5%		
	2.5 to <5			*0.0%*		*0.0%*		*0.0%*			*0.0%*		
	5 to <10	*24*		*0.0%*	*2*	*6.0%*	*2*	*60.0%*	*1.15*	*3*	*219.5%*		
	10.00 to <100.00	7		0.0%	7	24.0%	3	93.7%	4.86	45	639.9%	2	
	10 to <20			*0.0%*		*12.0%*	*1*	*80.0%*	*4.93*		*477.1%*		
	20 to <30	*7*		*0.0%*	*7*	*24.0%*	*2*	*93.7%*	*4.86*	*45*	*640.4%*	*2*	
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*			*0.0%*		
	100.00 (Default)	7		0.0%	5	100.0%	1	96.0%	0.97	53	1003.2%	1	-1
	Subtotal (exposure class)	**99,166**	**1,220**	**46.8%**	**102,663**	**0.0%**	**218**	**8.7%**	**0.93**	**718**	**0.7%**	**4**	**-2**
Corporates - SME	0.00 to <0.15	778	707	22.6%	952	0.1%	673	22.3%	2.00	143	15.0%		
	0.00 to <0.10	*34*	*18*	*39.1%*	*42*	*0.1%*	*24*	*28.1%*	*2.84*	*5*	*11.9%*		
	0.10 to <0.15	*743*	*689*	*22.1%*	*911*	*0.1%*	*649*	*22.1%*	*1.96*	*138*	*15.1%*		
	0.15 to <0.25	382	274	46.3%	508	0.2%	453	32.5%	2.03	101	19.8%		
	0.25 to <0.50	1,602	509	42.1%	1,816	0.3%	1,153	26.6%	2.45	491	27.1%	2	-1
	0.50 to <0.75	4,152	972	40.6%	4,567	0.7%	2,293	23.6%	2.89	1,513	33.1%	7	-6
	0.75 to <2.50	12,331	3,246	38.3%	13,581	1.4%	6,173	23.2%	2.88	5,479	40.3%	45	-49
	0.75 to <1.75	*7,086*	*1,794*	*40.5%*	*7,808*	*1.1%*	*3,728*	*23.2%*	*2.95*	*3,002*	*38.4%*	*20*	*-21*
	1.75 to <2.5	*5,245*	*1,452*	*35.5%*	*5,773*	*1.8%*	*2,445*	*23.1%*	*2.80*	*2,477*	*42.9%*	*24*	*-28*
	2.50 to <10.00	3,311	961	27.9%	3,606	4.1%	1,665	23.0%	2.61	1,881	52.2%	34	-59
	2.5 to <5	*2,588*	*727*	*29.1%*	*2,822*	*3.4%*	*1,178*	*22.9%*	*2.66*	*1,398*	*49.5%*	*22*	*-35*
	5 to <10	*723*	*233*	*24.1%*	*784*	*6.7%*	*487*	*23.5%*	*2.44*	*483*	*61.7%*	*12*	*-25*
	10.00 to <100.00	608	151	44.3%	651	19.8%	1,249	26.4%	2.16	685	105.3%	35	-24
	10 to <20	*247*	*53*	*21.9%*	*277*	*13.4%*	*149*	*23.4%*	*2.08*	*225*	*81.1%*	*9*	*-15*
	20 to <30	*361*	*98*	*56.5%*	*373*	*24.5%*	*1,098*	*28.6%*	*2.22*	*460*	*123.4%*	*26*	*-9*
	30.00 to <100.00	*1*		*6.3%*	*1*	*30.7%*	*2*	*13.9%*	*0.99*		*50.3%*		
	100.00 (Default)	1,683	351	3.2%	1,728	100.0%	968	18.0%	2.14	1,084	62.7%	381	-378
	Subtotal (exposure class)	**24,847**	**7,170**	**34.6%**	**27,410**	**8.2%**	**14,627**	**23.4%**	**2.71**	**11,377**	**41.5%**	**504**	**-518**
Corporates - Specialised lending	0.00 to <0.15		49	0.0%		0.0%	38	0.0%			0.0%		-1
	0.00 to <0.10		*49*	*0.0%*		*0.0%*	*37*	*0.0%*			*0.0%*		*-1*
	0.10 to <0.15			*0.0%*		*0.0%*	*1*	*0.0%*			*0.0%*		
	0.15 to <0.25	118		0.0%	97	0.2%	3	15.3%	3.01	18	18.4%		
	0.25 to <0.50	2,193	821	50.0%	2,476	0.4%	69	18.3%	3.69	795	32.1%	2	-1
	0.50 to <0.75	2,164	1,436	44.6%	2,665	0.7%	112	17.6%	3.52	1,053	39.5%	3	-4
	0.75 to <2.50	3,822	710	53.2%	4,024	1.2%	184	15.2%	2.73	1,415	35.2%	7	-9
	0.75 to <1.75	*3,472*	*702*	*53.4%*	*3,671*	*1.1%*	*164*	*14.9%*	*2.80*	*1,269*	*34.6%*	*6*	*-7*
	1.75 to <2.5	*350*	*8*	*30.2%*	*353*	*1.8%*	*20*	*18.3%*	*2.04*	*145*	*41.3%*	*1*	*-1*
	2.50 to <10.00	5,242	790	41.6%	5,485	4.6%	245	11.9%	3.08	2,035	37.1%	29	-7
	2.5 to <5	*4,528*	*726*	*40.5%*	*4,767*	*4.4%*	*195*	*11.8%*	*3.13*	*1,742*	*36.6%*	*23*	*-6*
	5 to <10	*715*	*65*	*54.2%*	*719*	*5.6%*	*50*	*12.3%*	*2.70*	*293*	*40.7%*	*5*	*-2*
	10.00 to <100.00	274	262	52.8%	332	21.9%	22	15.1%	4.36	285	85.8%	10	-6
	10 to <20	*70*	*9*	*60.9%*	*63*	*13.2%*	*8*	*32.5%*	*2.59*	*99*	*156.6%*	*3*	*-4*

continued>

31 December 2021

	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
	20 to <30	204	253	52.5%	269	24.0%	14	11.1%	4.78	187	69.2%	7	-2
	30.00 to <100.00			0.0%		0.0%		0.0%			0.0%		
	100.00 (Default)	311	63	99.1%	374	100.0%	21	26.7%	1.61	343	91.7%	105	-105
	Subtotal (exposure class)	**14,124**	**4,131**	**47.4%**	**15,453**	**5.0%**	**694**	**15.2%**	**3.15**	**5,944**	**38.5%**	**155**	**-133**
Corporates - Other	0.00 to <0.15	8,979	8,365	39.8%	12,711	0.1%	1,368	36.1%	1.99	2,973	23.4%	4	-11
	0.00 to <0.10	5,562	4,129	34.3%	7,380	0.1%	920	32.0%	2.29	1,456	19.7%	2	-11
	0.10 to <0.15	3,417	4,237	45.1%	5,331	0.1%	448	41.8%	1.56	1,518	28.5%	2	-1
	0.15 to <0.25	4,928	4,507	42.3%	6,808	0.2%	293	32.2%	1.76	2,018	29.6%	4	-1
	0.25 to <0.50	7,660	7,906	50.6%	11,303	0.3%	759	37.1%	2.34	5,963	52.8%	14	-4
	0.50 to <0.75	4,750	3,664	36.9%	5,926	0.6%	740	33.8%	2.34	3,860	65.1%	13	-4
	0.75 to <2.50	8,837	6,344	32.4%	10,262	1.4%	1,507	31.4%	2.15	7,948	77.4%	45	-24
	0.75 to <1.75	6,337	5,571	33.3%	7,646	1.2%	1,053	32.0%	2.11	5,764	75.4%	30	-12
	1.75 to <2.5	2,500	773	25.8%	2,617	1.9%	454	29.6%	2.27	2,184	83.5%	14	-11
	2.50 to <10.00	3,035	2,572	31.1%	3,976	3.8%	481	34.3%	2.19	4,503	113.2%	51	-31
	2.5 to <5	2,104	1,918	31.5%	2,927	3.2%	347	35.3%	2.27	3,255	111.2%	32	-21
	5 to <10	931	655	30.1%	1,049	5.5%	134	31.5%	1.96	1,248	118.9%	18	-11
	10.00 to <100.00	919	1,009	26.3%	900	21.4%	15,145	30.5%	1.75	1,522	169.2%	58	-10
	10 to <20	196	210	21.6%	231	11.4%	52	30.1%	1.98	343	148.3%	8	-6
	20 to <30	691	790	27.8%	636	24.1%	15,091	31.5%	1.70	1,155	181.7%	48	-4
	30.00 to <100.00	32	9	6.3%	33	41.2%	2	13.1%	0.99	24	73.0%	2	
	100.00 (Default)	2,686	1,426	10.2%	2,672	100.0%	453	35.9%	1.55	3,220	120.5%	1,143	-1,146
	Subtotal (exposure class)	**41,793**	**35,793**	**38.7%**	**54,559**	**6.0%**	**20,746**	**34.4%**	**2.09**	**32,007**	**58.7%**	**1,331**	**-1,231**
Institutions	0.00 to <0.15	3,707	186	19.3%	3,366	0.1%	289	18.5%	2.43	317	9.4%		
	0.00 to <0.10	3,061	165	18.9%	2,708	0.1%	208	18.9%	2.29	211	7.8%		
	0.10 to <0.15	646	21	23.2%	658	0.1%	81	16.9%	3.00	107	16.2%		
	0.15 to <0.25	1,109	33	20.4%	278	0.2%	33	14.7%	3.09	59	21.2%		
	0.25 to <0.50	654	181	48.6%	742	0.3%	52	30.6%	2.08	258	34.8%	1	
	0.50 to <0.75	9	1	75.4%	8	0.7%	9	45.0%	0.66	6	71.3%		
	0.75 to <2.50	1	76	12.8%	11	1.8%	14	45.0%	0.88	12	112.1%		
	0.75 to <1.75	1	2	22.8%	2	1.2%	8	45.0%	0.35	2	91.1%		
	1.75 to <2.5		74	12.5%	9	2.0%	6	45.0%	0.99	11	116.1%		
	2.50 to <10.00	184	34	39.5%	197	4.9%	15	45.1%	1.44	295	149.9%	4	
	2.5 to <5	118	31	39.3%	130	3.7%	6	45.1%	1.93	185	142.8%	2	
	5 to <10	66	3	41.2%	67	7.3%	9	45.0%	0.51	110	163.5%	2	
	10.00 to <100.00	48	1	20.0%	49	24.0%	53	43.5%	0.79	124	256.0%	5	
	10 to <20			0.0%		0.0%		0.0%			0.0%		
	20 to <30	48	1	20.0%	49	24.0%	53	43.5%	0.79	124	256.0%	5	
	30.00 to <100.00			0.0%		0.0%		0.0%			0.0%		
	100.00 (Default)	9		0.0%	9	100.0%	5	8.5%	0.56	10	110.4%		
	Subtotal (exposure class)	**5,721**	**510**	**30.2%**	**4,659**	**0.8%**	**470**	**21.7%**	**2.34**	**1,081**	**23.2%**	**11**	
Retail - Secured by immovable property SME	0.00 to <0.15	28		0.0%	28	0.1%	125	5.7%			1.0%		
	0.00 to <0.10	25		0.0%	25	0.0%	103	4.7%			0.8%		
	0.10 to <0.15	4		0.0%	4	0.1%	22	12.1%			2.8%		
	0.15 to <0.25	1,436	226	50.0%	1,535	0.2%	12,324	16.5%		68	4.4%		-2
	0.25 to <0.50	798	55	65.3%	826	0.4%	4,490	19.8%		87	10.5%	1	-2
	0.50 to <0.75	3		0.0%	3	0.6%	20	19.7%			16.1%		
	0.75 to <2.50	658	108	50.8%	706	1.2%	5,296	17.7%		144	20.4%	2	-3
	0.75 to <1.75	484	93	49.1%	525	0.9%	4,304	16.7%		83	15.7%	1	-2
	1.75 to <2.5	173	16	61.4%	181	2.2%	992	20.3%		62	34.0%	1	-1

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	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
	2.50 to <10.00	238	18	72.6%	247	6.2%	1,711	18.0%		129	52.2%	3	-3
	2.5 to <5	126	13	59.2%	130	4.2%	930	18.0%		57	43.6%	1	-2
	5 to <10	112	5	106.8%	116	8.5%	781	18.0%		72	61.9%	2	-2
	10.00 to <100.00	60	2	97.4%	61	16.6%	369	18.6%		50	81.2%	2	-1
	10 to <20	60	2	97.4%	61	16.6%	367	18.7%		50	81.3%	2	-1
	20 to <30			0.0%		21.6%	2	8.1%			41.1%		
	30.00 to <100.00			0.0%		0.0%		0.0%			0.0%		
	100.00 (Default)	104	9	10.3%	103	100.0%	642	33.2%		62	60.1%	39	-18
	Subtotal (exposure class)	**3,324**	**418**	**52.7%**	**3,510**	**4.1%**	**24,977**	**18.1%**		**540**	**15.4%**	**46**	**-29**
Retail - Secured by immovable property non-SME	0.00 to <0.15	64,518	350	26.4%	63,869	0.1%	342,296	10.9%		1,759	2.8%	6	-3
	0.00 to <0.10	35,975	215	12.1%	35,275	0.1%	180,995	10.5%		769	2.2%	3	-1
	0.10 to <0.15	28,543	134	49.2%	28,594	0.1%	161,301	11.4%		990	3.5%	4	-2
	0.15 to <0.25	26,039	130	60.7%	25,987	0.2%	138,952	11.5%		1,485	5.7%	7	-2
	0.25 to <0.50	27,533	66	28.8%	27,542	0.4%	111,352	12.8%		2,618	9.5%	14	-3
	0.50 to <0.75	15,894	57	116.4%	15,948	0.6%	80,185	11.3%		1,755	11.0%	11	-2
	0.75 to <2.50	16,056	37	61.8%	16,061	1.1%	80,371	11.9%		2,930	18.2%	22	-4
	0.75 to <1.75	14,851	33	68.6%	14,860	1.1%	75,976	11.8%		2,498	16.8%	19	-2
	1.75 to <2.5	1,205	4	7.0%	1,201	1.9%	4,395	13.5%		432	36.0%	3	-2
	2.50 to <10.00	3,005	7	107.2%	2,995	4.8%	12,111	13.0%		1,391	46.4%	19	-8
	2.5 to <5	1,785	4	103.8%	1,782	3.4%	6,865	12.9%		700	39.3%	8	-4
	5 to <10	1,220	3	112.3%	1,213	7.0%	5,246	13.1%		691	56.9%	11	-4
	10.00 to <100.00	1,094	3	43.1%	1,075	24.5%	4,603	12.6%		797	74.1%	33	-8
	10 to <20	542	2	31.9%	537	14.5%	2,346	12.2%		380	70.8%	9	-3
	20 to <30	373		991.8%	367	24.2%	1,533	12.8%		306	83.3%	11	-3
	30.00 to <100.00	179	1	27.4%	172	56.7%	724	13.1%		111	64.8%	13	-2
	100.00 (Default)	1,272	2	124.7%	1,320	100.0%	5,888	19.6%		1,294	98.0%	163	-51
	Subtotal (exposure class)	**155,412**	**651**	**44.6%**	**154,798**	**1.4%**	**775,758**	**11.6%**		**14,029**	**9.1%**	**276**	**-80**
Retail - Qualifying revolving	0.00 to <0.15	113	4,244	16.6%	817	0.1%	1,474,383	39.8%		14	1.7%		
	0.00 to <0.10	113	4,244	16.6%	817	0.1%	1,474,383	39.8%		14	1.7%		
	0.10 to <0.15			0.0%		0.0%		0.0%			0.0%		
	0.15 to <0.25	67	331	18.1%	126	0.2%	123,997	44.7%		6	4.5%		
	0.25 to <0.50	115	171	18.9%	147	0.3%	74,463	49.0%		13	8.5%		
	0.50 to <0.75	54	28	19.0%	60	0.6%	31,486	52.5%		9	14.3%		
	0.75 to <2.50	95	62	18.3%	107	1.1%	49,861	52.4%		26	24.1%	1	
	0.75 to <1.75	82	53	18.7%	92	1.0%	39,882	52.4%		20	22.0%		
	1.75 to <2.5	13	10	15.8%	14	2.0%	9,979	52.5%		5	37.0%		
	2.50 to <10.00	28	15	12.3%	30	4.3%	13,980	53.6%		19	63.0%	1	
	2.5 to <5	20	11	14.7%	22	3.3%	9,956	53.4%		12	54.0%		
	5 to <10	8	3	4.1%	8	6.9%	4,024	54.1%		7	88.9%		
	10.00 to <100.00	6	2	4.7%	6	26.7%	3,642	56.4%		10	168.8%	1	
	10 to <20	2	1	5.1%	2	12.4%	1,928	55.8%		3	129.1%		
	20 to <30			29.4%		21.1%	849	61.0%			180.0%		
	30.00 to <100.00	4	1	4.1%	4	34.5%	865	56.6%		7	190.1%	1	
	100.00 (Default)	28		0.0%	28	100.0%	18,563	46.6%		45	157.4%	10	
	Subtotal (exposure class)	**506**	**4,853**	**16.8%**	**1,321**	**2.6%**	**1,790,375**	**43.4%**		**140**	**10.6%**	**13**	
Retail - Other SME	0.00 to <0.15	3	7	60.9%	8	0.1%	710	23.3%			4.2%		
	0.00 to <0.10	3	6	38.6%	5	0.0%	534	16.3%			1.5%		
	0.10 to <0.15		1	178.7%	2	0.1%	176	39.0%			10.4%		
	0.15 to <0.25	310	499	39.7%	503	0.2%	7,693	27.8%		38	7.6%		-2

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	PD range	On-balance sheet exposures (in millions)	Off-balance sheet exposures pre-CCF[1] (in millions)	Exposure weighted average CCF[1] (in %)	Exposure post CCF[1] and post CRM (in millions)	Exposure weighted average PD (in %)	Number of obligors (in units)	Exposure weighted average LGD (in %)	Exposure weighted average maturity (in years)	RWEA after supporting factors (in millions)	Density of RWEA (in %)	Expected loss amount (in millions)	Value adjustments and provisions (in millions)
	0.25 to <0.50	397	140	44.7%	456	0.4%	5,164	30.1%		69	15.1%	1	-3
	0.50 to <0.75	6		159.1%	6	0.7%	674	27.8%		2	29.0%		
	0.75 to <2.50	946	238	43.1%	1,045	1.3%	34,466	28.9%		327	31.3%	4	-8
	0.75 to <1.75	*768*	*196*	*42.4%*	*849*	*1.1%*	*31,723*	*29.1%*		*257*	*30.3%*	*3*	*-5*
	1.75 to <2.5	*177*	*42*	*46.6%*	*196*	*2.1%*	*2,743*	*28.2%*		*71*	*36.0%*	*1*	*-3*
	2.50 to <10.00	498	45	55.4%	520	5.8%	13,054	25.8%		223	42.8%	8	-9
	2.5 to <5	*163*	*30*	*49.0%*	*176*	*3.8%*	*4,177*	*27.6%*		*71*	*40.0%*	*2*	*-4*
	5 to <10	*335*	*15*	*68.3%*	*344*	*6.9%*	*8,877*	*24.9%*		*152*	*44.2%*	*6*	*-5*
	10.00 to <100.00	97	6	58.2%	100	15.7%	1,657	26.8%		55	55.4%	4	-3
	10 to <20	*87*	*6*	*58.2%*	*90*	*14.3%*	*1,245*	*27.1%*		*49*	*53.9%*	*4*	*-3*
	20 to <30	*10*		*0.0%*	*10*	*28.6%*	*412*	*24.1%*		*7*	*69.2%*	*1*	
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*			*0.0%*		
	100.00 (Default)	185	35	6.2%	185	100.0%	3,866	24.2%		123	66.6%	41	-48
	Subtotal (exposure class)	**2,441**	**971**	**41.1%**	**2,823**	**8.8%**	**67,284**	**27.9%**		**838**	**29.7%**	**58**	**-72**
Retail - Other non-SME	0.00 to <0.15	58	265	33.8%	143	0.1%	8,074	31.9%		11	7.4%		
	0.00 to <0.10	*21*	*224*	*30.5%*	*86*	*0.0%*	*7,122*	*26.9%*		*3*	*3.3%*		
	0.10 to <0.15	*36*	*41*	*51.9%*	*56*	*0.1%*	*952*	*39.4%*		*8*	*13.6%*		
	0.15 to <0.25	89	13	18.7%	94	0.2%	11,773	53.3%		21	22.5%		
	0.25 to <0.50	360	34	9.8%	839	0.4%	29,132	29.5%		184	22.0%	1	-1
	0.50 to <0.75	406	47	43.8%	519	0.6%	21,769	46.0%		215	41.5%	2	-3
	0.75 to <2.50	395	19	44.4%	283	1.3%	10,352	50.0%		173	61.3%	2	-2
	0.75 to <1.75	*357*	*18*	*46.6%*	*245*	*1.2%*	*9,074*	*49.1%*		*143*	*58.3%*	*1*	*-1*
	1.75 to <2.5	*38*	*1*	*9.0%*	*38*	*2.1%*	*1,278*	*55.7%*		*31*	*80.4%*		
	2.50 to <10.00	92	10	54.7%	90	4.6%	3,447	45.1%		64	71.7%	2	-2
	2.5 to <5	*56*	*7*	*61.3%*	*55*	*3.6%*	*2,132*	*48.1%*		*41*	*74.6%*	*1*	*-1*
	5 to <10	*36*	*3*	*41.3%*	*35*	*6.2%*	*1,315*	*40.3%*		*23*	*67.2%*	*1*	*-1*
	10.00 to <100.00	19		133.2%	20	19.8%	1,088	47.5%		23	115.9%	2	-1
	10 to <20	*9*		*105.7%*	*10*	*17.0%*	*576*	*50.4%*		*11*	*117.1%*	*1*	*-1*
	20 to <30	*10*		*0.0%*	*10*	*22.5%*	*508*	*44.9%*		*12*	*114.7%*	*1*	
	30.00 to <100.00			*0.0%*		*31.3%*	*4*	*45.1%*			*129.9%*		
	100.00 (Default)	78	15	0.7%	63	100.0%	3,404	50.8%		51	81.5%	29	-31
	Subtotal (exposure class)	**1,497**	**404**	**32.3%**	**2,050**	**4.0%**	**89,039**	**39.3%**		**743**	**36.3%**	**37**	**-41**
Total (all exposures classes)		**348,831**	**56,121**		**369,247**		**2,784,188**			**67,417**		**2,435**	**-2,107**

1 CCF = Credit conversion factor; CRM = Credit risk mitigation

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	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1)] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjust-ments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Central government or central banks	0.00 to <0.15	105,805	1,543	37.7%	106,386	0.0%	174	18.0%	1.60	366	0.3%		
	0.00 to <0.10	*105,363*	*1,540*	*37.7%*	*105,943*	*0.0%*	*169*	*17.9%*	*1.59*	*204*	*0.2%*		
	0.10 to <0.15	*442*	*3*	*33.6%*	*443*	*0.1%*	*5*	*30.0%*	*4.99*	*162*	*36.5%*		
	0.15 to <0.25			0.0%		0.0%	1	0.0%					
	0.25 to <0.50	4		0.0%	4	0.2%	3	45.0%	1.73		2.6%		
	0.50 to <0.75	10	5	32.6%	12	0.7%	3	19.1%	4.69	6	52.2%		
	0.75 to <2.50	62		0.0%	62	1.7%	1	47.6%	0.70	62	100.3%		
	0.75 to <1.75	*62*		*0.0%*	*62*	*1.7%*	*1*	*47.6%*	*0.70*	*62*	*100.3%*		
	1.75 to <2.5			*0.0%*		*0.0%*		*0.0%*					
	2.50 to <10.00	28	3	23.0%	28	6.0%	3	59.7%	1.80	8	27.5%		1
	2.5 to <5			*0.0%*		*0.0%*		*0.0%*					
	5 to <10	*28*	*3*	*23.0%*	*28*	*6.0%*	*3*	*59.7%*	*1.80*	*8*	*27.5%*		*1*
	10.00 to <100.00	7		0.0%	7	23.5%	7	93.6%	4.94	46	637.7%	2	
	10 to <20			*0.0%*		*12.0%*	*4*	*63.7%*	*3.71*	*1*	*361.3%*		
	20 to <30	*7*		*0.0%*	*7*	*24.0%*	*3*	*95.0%*	*5.00*	*45*	*650.2%*	*2*	
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*					
	100.00 (Default)	11		0.0%	11	100.0%	1	96.0%	0.82	58	534.9%	1	1
	Subtotal (exposure class)	**105,926**	**1,551**	**37.6%**	**106,510**	**0.0%**	**193**	**18.0%**	**1.60**	**546**	**0.5%**	**3**	**2**
Corporates - SME	0.00 to <0.15	642	808	24.6%	840	0.1%	709	21.8%	1.50	78	9.3%		
	0.00 to <0.10	*56*	*87*	*72.2%*	*118*	*0.1%*	*25*	*38.6%*	*3.15*	*23*	*19.0%*		
	0.10 to <0.15	*586*	*721*	*18.8%*	*722*	*0.1%*	*684*	*19.0%*	*1.23*	*56*	*7.8%*		
	0.15 to <0.25	516	174	37.4%	582	0.2%	175	38.6%	2.50	171	29.3%		
	0.25 to <0.50	1,335	442	36.8%	1,498	0.4%	998	22.7%	2.57	359	24.0%	1	1
	0.50 to <0.75	3,825	950	36.8%	4,173	0.7%	2,502	21.7%	2.82	1,209	29.0%	6	7
	0.75 to <2.50	11,439	3,142	33.3%	12,485	1.4%	5,844	23.1%	2.80	4,825	38.6%	40	53
	0.75 to <1.75	*6,701*	*1,624*	*35.2%*	*7,273*	*1.1%*	*3,498*	*22.9%*	*2.84*	*2,652*	*36.5%*	*18*	*20*
	1.75 to <2.5	*4,738*	*1,519*	*31.3%*	*5,213*	*1.8%*	*2,346*	*23.4%*	*2.74*	*2,173*	*41.7%*	*22*	*33*
	2.50 to <10.00	3,252	1,201	22.5%	3,522	4.2%	2,040	24.1%	2.55	1,833	52.0%	34	62
	2.5 to <5	*2,403*	*881*	*23.2%*	*2,607*	*3.3%*	*1,466*	*24.3%*	*2.59*	*1,287*	*49.4%*	*20*	*36*
	5 to <10	*849*	*319*	*20.5%*	*914*	*6.6%*	*574*	*23.6%*	*2.43*	*546*	*59.7%*	*14*	*26*
	10.00 to <100.00	652	330	27.0%	741	18.1%	1,408	23.6%	2.53	646	87.2%	31	28
	10 to <20	*318*	*91*	*21.5%*	*338*	*13.2%*	*189*	*24.9%*	*2.43*	*283*	*83.7%*	*10*	*16*
	20 to <30	*333*	*239*	*29.1%*	*403*	*22.2%*	*1,218*	*22.4%*	*2.61*	*363*	*90.1%*	*21*	*12*
	30.00 to <100.00	*1*		*0.0%*	*1*	*30.7%*	*1*	*15.3%*	*1.23*		*56.4%*		
	100.00 (Default)	1,960	365	1.4%	1,965	99.5%	1,047	19.8%	2.18	1,665	84.7%	332	327
	Subtotal (exposure class)	**23,621**	**7,413**	**29.5%**	**25,806**	**9.5%**	**14,722**	**23.0%**	**2.65**	**10,785**	**41.8%**	**445**	**477**
Corporates - Specialised lending	0.00 to <0.15	32	185	27.4%	83	0.1%	2	33.9%	1.87	15	18.4%		
	0.00 to <0.10			*0.0%*		*0.0%*		*0.0%*					
	0.10 to <0.15	*32*	*185*	*27.4%*	*83*	*0.1%*	*2*	*33.9%*	*1.87*	*15*	*18.4%*		
	0.15 to <0.25	95		0.0%	95	0.2%	2	17.2%	3.63	17	18.1%		
	0.25 to <0.50	1,945	629	41.7%	2,208	0.4%	59	17.6%	3.49	645	29.2%	1	
	0.50 to <0.75	2,126	1,553	30.3%	2,597	0.6%	108	16.7%	3.22	873	33.6%	3	3
	0.75 to <2.50	4,590	1,967	23.3%	5,050	1.2%	223	18.1%	2.71	1,979	39.2%	10	10
	0.75 to <1.75	*4,012*	*1,894*	*23.6%*	*4,459*	*1.1%*	*182*	*18.5%*	*2.71*	*1,767*	*39.6%*	*8*	*7*
	1.75 to <2.5	*578*	*73*	*17.0%*	*590*	*1.8%*	*41*	*14.3%*	*2.71*	*212*	*35.9%*	*2*	*4*
	2.50 to <10.00	4,036	760	34.3%	4,296	4.6%	259	14.3%	2.72	1,763	41.0%	27	11
	2.5 to <5	*3,321*	*653*	*32.9%*	*3,536*	*4.3%*	*196*	*14.2%*	*2.76*	*1,405*	*39.7%*	*21*	*5*
	5 to <10	*714*	*107*	*42.6%*	*760*	*5.9%*	*63*	*15.1%*	*2.55*	*358*	*47.1%*	*7*	*6*
	10.00 to <100.00	183	92	44.7%	224	14.6%	19	23.9%	2.68	206	91.9%	6	2
	10 to <20	*41*	*57*	*46.7%*	*67*	*16.2%*	*6*	*51.5%*	*2.85*	*127*	*190.3%*	*3*	*1*
	20 to <30	*141*	*35*	*41.7%*	*156*	*13.8%*	*12*	*12.1%*	*2.62*	*78*	*49.9%*	*2*	*1*
	30.00 to <100.00	*1*		*0.0%*	*1*	*30.7%*	*1*	*17.4%*	*1.68*	*1*	*66.4%*		
	100.00 (Default)	622	120	59.8%	694	100.0%	46	24.7%	1.44	469	67.5%	218	218
	Subtotal (exposure class)	**13,630**	**5,307**	**30.5%**	**15,247**	**6.6%**	**717**	**17.2%**	**2.86**	**5,967**	**39.1%**	**265**	**245**

continued>

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	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Corporates - Other	0.00 to <0.15	6,696	10,458	45.8%	11,488	0.1%	779	40.2%	2.45	2,748	23.9%	3	2
	0.00 to <0.10	*4,288*	*4,511*	*34.2%*	*5,828*	*0.1%*	*384*	*44.8%*	*2.10*	*1,100*	*18.9%*	*1*	*1*
	0.10 to <0.15	*2,408*	*5,947*	*54.7%*	*5,660*	*0.1%*	*395*	*35.5%*	*2.81*	*1,649*	*29.1%*	*2*	*1*
	0.15 to <0.25	2,460	4,471	32.6%	3,913	0.2%	264	35.1%	2.00	1,268	32.4%	2	2
	0.25 to <0.50	5,864	8,599	32.0%	8,598	0.4%	736	37.5%	2.44	4,468	52.0%	11	3
	0.50 to <0.75	4,353	3,603	28.4%	5,359	0.6%	710	32.3%	2.31	3,188	59.5%	11	4
	0.75 to <2.50	8,956	6,195	24.9%	10,426	1.4%	1,689	31.2%	2.19	7,883	75.6%	44	38
	0.75 to <1.75	*6,273*	*5,273*	*25.7%*	*7,575*	*1.2%*	*1,119*	*32.8%*	*2.17*	*5,748*	*75.9%*	*30*	*26*
	1.75 to <2.5	*2,683*	*923*	*20.0%*	*2,852*	*1.8%*	*570*	*26.9%*	*2.23*	*2,135*	*74.9%*	*14*	*12*
	2.50 to <10.00	3,126	2,326	22.5%	3,628	3.7%	570	35.0%	2.13	4,009	110.5%	44	30
	2.5 to <5	*2,371*	*1,696*	*22.4%*	*2,739*	*3.1%*	*421*	*35.9%*	*2.25*	*3,108*	*113.5%*	*30*	*22*
	5 to <10	*755*	*630*	*22.7%*	*889*	*5.5%*	*148*	*32.1%*	*1.77*	*901*	*101.3%*	*14*	*8*
	10.00 to <100.00	975	1,162	20.5%	1,207	16.8%	14,398	33.5%	1.80	2,118	175.5%	59	21
	10 to <20	*343*	*292*	*26.3%*	*419*	*11.9%*	*64*	*36.8%*	*2.30*	*751*	*179.2%*	*17*	*12*
	20 to <30	*632*	*870*	*18.5%*	*788*	*19.4%*	*14,334*	*31.7%*	*1.54*	*1,367*	*173.5%*	*41*	*9*
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*					
	100.00 (Default)	3,133	1,754	3.4%	3,168	99.9%	473	33.1%	1.54	3,437	108.5%	1,077	1,109
	Subtotal (exposure class)	**35,563**	**38,568**	**32.1%**	**47,788**	**7.8%**	**19,619**	**35.4%**	**2.24**	**29,120**	**60.9%**	**1,250**	**1,207**
Institutions	0.00 to <0.15	4,478	151	12.3%	4,496	0.1%	220	26.5%	2.58	478	10.6%	1	
	0.00 to <0.10	*3,734*	*139*	*11.0%*	*3,749*	*0.1%*	*154*	*27.6%*	*2.48*	*332*	*8.9%*		
	0.10 to <0.15	*744*	*13*	*27.0%*	*747*	*0.1%*	*65*	*21.3%*	*3.04*	*145*	*19.4%*		
	0.15 to <0.25	1,168	39	10.0%	1,171	0.2%	28	37.5%	2.85	71	6.0%		
	0.25 to <0.50	646	151	38.4%	704	0.3%	48	31.1%	2.06	241	34.3%	1	
	0.50 to <0.75	15	7	26.3%	17	0.6%	12	45.0%	0.95	12	73.0%		
	0.75 to <2.50	122	109	13.7%	137	2.0%	10	45.0%	0.88	143	104.5%	1	
	0.75 to <1.75	*2*	*2*	*26.9%*	*2*	*1.2%*	*7*	*44.9%*	*0.89*	*2*	*96.6%*		
	1.75 to <2.5	*120*	*107*	*13.4%*	*134*	*2.0%*	*3*	*45.0%*	*0.88*	*141*	*104.7%*	*1*	
	2.50 to <10.00	100	15	26.2%	104	3.7%	11	45.0%	0.45	144	137.7%	2	
	2.5 to <5	*100*	*15*	*26.2%*	*104*	*3.7%*	*11*	*45.0%*	*0.45*	*144*	*137.7%*	*2*	
	5 to <10			*0.0%*		*0.0%*		*0.0%*					
	10.00 to <100.00	31		34.4%	31	24.0%	53	54.3%	0.99	100	322.8%	4	
	10 to <20			*0.0%*		*0.0%*		*0.0%*					
	20 to <30	*31*		*34.4%*	*31*	*24.0%*	*53*	*54.3%*	*0.99*	*100*	*322.8%*	*4*	
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*					
	100.00 (Default)			0.0%		0.0%		0.0%					
	Subtotal (exposure class)	**6,560**	**472**	**21.4%**	**6,661**	**0.3%**	**382**	**29.8%**	**2.49**	**1,189**	**17.8%**	**8**	
Retail - Secured by immovable property SME	0.00 to <0.15	284	113	28.6%	315	0.1%	2,767	12.1%		8	2.7%		2
	0.00 to <0.10	*32*		*4.4%*	*32*	*0.0%*	*164*	*6.1%*			*1.1%*		
	0.10 to <0.15	*252*	*113*	*28.6%*	*282*	*0.1%*	*2,603*	*12.8%*		*8*	*2.9%*		*2*
	0.15 to <0.25	9		0.0%	9	0.2%	46	11.7%			3.4%		
	0.25 to <0.50	5		289.6%	5	0.4%	50	17.3%			8.9%		
	0.50 to <0.75	2,103	218	30.4%	2,149	0.5%	15,238	15.5%		259	12.0%	2	7
	0.75 to <2.50	3		0.0%	3	1.2%	17	29.8%		1	36.0%		
	0.75 to <1.75	*3*		*0.0%*	*3*	*1.1%*	*13*	*33.5%*		*1*	*39.8%*		
	1.75 to <2.5	*1*		*0.0%*	*1*	*1.7%*	*4*	*12.6%*			*18.5%*		
	2.50 to <10.00	933	82	33.6%	948	3.2%	6,762	15.7%		368	38.8%	5	15
	2.5 to <5	*721*	*67*	*33.5%*	*734*	*2.5%*	*5,683*	*14.3%*		*223*	*30.4%*	*3*	*12*
	5 to <10	*212*	*15*	*34.1%*	*214*	*5.6%*	*1,079*	*20.4%*		*144*	*67.3%*	*2*	*4*
	10.00 to <100.00	88	4	44.8%	88	13.1%	610	15.3%		64	71.9%	2	4
	10 to <20	*88*	*4*	*44.8%*	*88*	*13.1%*	*610*	*15.3%*		*64*	*71.9%*	*2*	*4*
	20 to <30			*0.0%*		*0.0%*		*0.0%*					
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*					
	100.00 (Default)	112	9	2.4%	110	100.0%	710	24.1%		49	44.9%	44	23
	Subtotal (exposure class)	**3,538**	**426**	**30.1%**	**3,628**	**4.5%**	**26,200**	**15.5%**		**750**	**20.7%**	**53**	**51**

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													30 June 2021
	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Retail - Secured by immovable property non-SME	0.00 to <0.15	86,783	531	105.9%	86,300	0.1%	485,145	10.1%		1,774	2.1%	7	4
	0.00 to <0.10	*86,404*	*531*	*105.3%*	*85,919*	*0.1%*	*484,128*	*10.0%*		*1,747*	*2.0%*	*7*	*4*
	0.10 to <0.15	*378*		*0.0%*	*382*	*0.1%*	*1,017*	*27.3%*		*27*	*7.1%*		
	0.15 to <0.25	43,548	113	118.2%	43,416	0.2%	194,764	14.4%		2,417	5.6%	11	6
	0.25 to <0.50	10,064	32	235.0%	10,097	0.4%	51,728	16.4%		1,139	11.3%	6	2
	0.50 to <0.75	6,116	17	115.8%	6,108	0.6%	24,622	15.5%		907	14.9%	6	2
	0.75 to <2.50	3,858	25	74.3%	3,857	1.2%	14,843	16.5%		964	25.0%	8	5
	0.75 to <1.75	*2,820*	*22*	*82.9%*	*2,822*	*1.1%*	*11,580*	*16.1%*		*614*	*21.7%*	*5*	*3*
	1.75 to <2.5	*1,037*	*4*	*21.2%*	*1,035*	*1.8%*	*3,263*	*17.7%*		*350*	*33.8%*	*3*	*3*
	2.50 to <10.00	2,620	14	121.1%	2,627	5.2%	13,245	14.1%		1,284	48.9%	19	12
	2.5 to <5	*1,167*	*14*	*62.7%*	*1,167*	*3.2%*	*6,897*	*14.5%*		*468*	*40.1%*	*5*	*5*
	5 to <10	*1,453*		*0.0%*	*1,460*	*6.8%*	*6,348*	*13.8%*		*816*	*55.9%*	*14*	*7*
	10.00 to <100.00	926	4	32.9%	920	17.8%	3,744	15.4%		777	84.5%	25	5
	10 to <20	*787*	*4*	*22.1%*	*780*	*14.1%*	*3,095*	*15.7%*		*665*	*85.3%*	*17*	*3*
	20 to <30	*35*		*0.0%*	*35*	*21.3%*	*167*	*11.5%*		*25*	*69.6%*	*1*	
	30.00 to <100.00	*105*		*27.3%*	*105*	*44.5%*	*482*	*14.7%*		*87*	*83.4%*	*7*	*1*
	100.00 (Default)	1,060	3	125.0%	1,061	100.0%	4,792	8.4%		500	47.1%	56	46
	Subtotal (exposure class)	**154,974**	**740**	**112.5%**	**154,386**	**1.1%**	**792,883**	**12.2%**		**9,762**	**6.3%**	**138**	**81**
Retail - Qualifying revolving	0.00 to <0.15	250	8,816	16.5%	1,703	0.1%	1,471,375	39.8%		30	1.7%		
	0.00 to <0.10	*250*	*8,816*	*16.5%*	*1,703*	*0.1%*	*1,471,375*	*39.8%*		*30*	*1.7%*		
	0.10 to <0.15			*0.0%*		*0.0%*		*0.0%*					
	0.15 to <0.25	165	713	18.0%	294	0.2%	155,157	46.4%		14	4.8%		
	0.25 to <0.50	376	396	17.3%	445	0.3%	125,640	55.7%		44	9.8%	1	
	0.50 to <0.75	230	95	14.0%	243	0.6%	37,233	62.1%		43	17.8%	1	1
	0.75 to <2.50	274	147	16.9%	298	1.2%	64,765	58.1%		82	27.4%	2	1
	0.75 to <1.75	*237*	*126*	*17.3%*	*259*	*1.0%*	*55,908*	*58.0%*		*65*	*25.2%*	*2*	*1*
	1.75 to <2.5	*37*	*20*	*14.5%*	*40*	*2.0%*	*8,857*	*58.9%*		*17*	*41.9%*		
	2.50 to <10.00	72	28	12.2%	75	4.5%	17,992	55.9%		52	68.6%	2	2
	2.5 to <5	*53*	*24*	*12.7%*	*57*	*3.5%*	*14,291*	*55.3%*		*33*	*58.5%*	*1*	*1*
	5 to <10	*19*	*4*	*9.4%*	*19*	*7.4%*	*3,701*	*57.5%*		*19*	*98.6%*	*1*	*1*
	10.00 to <100.00	11	3	5.7%	11	25.4%	2,980	57.0%		19	169.0%	2	
	10 to <20	*4*	*1*	*8.6%*	*4*	*12.8%*	*1,088*	*56.7%*		*5*	*131.7%*		
	20 to <30	*2*		*27.9%*	*2*	*22.0%*	*128*	*58.6%*		*3*	*177.4%*		
	30.00 to <100.00	*6*	*2*	*3.6%*	*6*	*34.7%*	*1,764*	*56.8%*		*11*	*190.5%*	*1*	
	100.00 (Default)	84		16.0%	84	99.9%	48,301	46.1%		112	132.7%	30	10
	Subtotal (exposure class)	**1,462**	**10,198**	**16.6%**	**3,154**	**3.1%**	**1,923,443**	**46.7%**		**395**	**12.5%**	**38**	**15**
Retail - Other SME	0.00 to <0.15	100	536	33.8%	280	0.1%	6,830	28.9%		18	6.6%		2
	0.00 to <0.10	*6*	*13*	*95.1%*	*18*	*0.0%*	*616*	*24.9%*		*1*	*2.7%*		
	0.10 to <0.15	*94*	*522*	*32.3%*	*262*	*0.1%*	*6,214*	*29.2%*		*18*	*6.9%*		*1*
	0.15 to <0.25			0.0%		0.0%		0.0%					
	0.25 to <0.50	1	1	68.9%	2	0.3%	99	46.2%			23.5%		
	0.50 to <0.75	642	297	34.3%	736	0.5%	8,911	26.7%		140	19.1%	1	5
	0.75 to <2.50	765	1	67.6%	766	1.3%	32,808	27.9%		263	34.3%	3	1
	0.75 to <1.75	*674*	*1*	*67.6%*	*674*	*1.2%*	*31,244*	*28.5%*		*226*	*33.6%*	*2*	*1*
	1.75 to <2.5	*92*		*0.0%*	*92*	*2.0%*	*1,564*	*22.8%*		*37*	*40.0%*		
	2.50 to <10.00	774	110	41.9%	814	4.5%	16,823	25.5%		332	40.8%	9	17
	2.5 to <5	*357*	*87*	*40.1%*	*387*	*2.7%*	*6,907*	*25.5%*		*137*	*35.4%*	*3*	*13*
	5 to <10	*417*	*23*	*48.9%*	*426*	*6.1%*	*9,916*	*25.6%*		*195*	*45.7%*	*7*	*5*
	10.00 to <100.00	119	7	48.0%	121	14.4%	1,986	25.5%		64	52.9%	4	5
	10 to <20	*106*	*7*	*48.0%*	*108*	*12.9%*	*1,407*	*25.3%*		*55*	*50.7%*	*4*	*5*
	20 to <30	*13*		*0.0%*	*13*	*27.0%*	*579*	*26.8%*		*9*	*71.0%*	*1*	
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*					
	100.00 (Default)	211	133	1.7%	210	99.9%	4,132	19.0%		96	45.5%	56	61
	Subtotal (exposure class)	**2,612**	**1,084**	**31.0%**	**2,929**	**9.5%**	**71,589**	**26.3%**		**914**	**31.2%**	**73**	**90**

continued>

30 June 2021

	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Retail - Other non-SME	0.00 to <0.15	29	236	73.8%	198	0.0%	4,056	35.2%		10	4.9%		
	0.00 to <0.10	*28*	*231*	*74.4%*	*195*	*0.0%*	*3,795*	*34.9%*		*9*	*4.7%*		
	0.10 to <0.15		*5*	*48.5%*	*3*	*0.1%*	*261*	*56.1%*			*15.8%*		
	0.15 to <0.25	79		9.8%	79	0.2%	9,307	49.4%		16	20.9%		
	0.25 to <0.50	476	70	44.7%	482	0.4%	22,967	45.0%		140	29.1%	1	1
	0.50 to <0.75	154	1	22.0%	154	0.5%	7,832	48.5%		62	40.5%		1
	0.75 to <2.50	342	29	50.9%	346	1.0%	11,351	46.9%		179	51.7%	2	2
	0.75 to <1.75	*317*	*29*	*50.9%*	*322*	*0.9%*	*10,695*	*46.8%*		*162*	*50.4%*	*1*	*1*
	1.75 to <2.5	*24*		*11.8%*	*24*	*2.1%*	*656*	*48.5%*		*17*	*69.9%*		
	2.50 to <10.00	86	14	24.2%	79	4.4%	2,781	37.5%		48	60.7%	1	2
	2.5 to <5	*69*	*14*	*24.2%*	*62*	*3.7%*	*2,117*	*34.4%*		*34*	*54.6%*	*1*	*2*
	5 to <10	*17*		*67.0%*	*17*	*6.7%*	*664*	*49.3%*		*14*	*83.4%*	*1*	*1*
	10.00 to <100.00	12		123.2%	12	18.8%	647	47.8%		14	115.3%	1	
	10 to <20	*12*		*123.2%*	*12*	*18.8%*	*647*	*47.8%*		*14*	*115.3%*	*1*	
	20 to <30			*0.0%*		*0.0%*		*0.0%*					
	30.00 to <100.00			*0.0%*		*0.0%*		*0.0%*					
	100.00 (Default)	62	14	0.6%	48	99.7%	2,093	41.5%		28	58.7%	21	19
	Subtotal (exposure class)	**1,239**	**364**	**61.4%**	**1,397**	**4.3%**	**61,034**	**44.2%**		**498**	**35.6%**	**27**	**25**
Total (all exposures classes)		**349,125**	**66,123**		**367,505**		**2,910,782**			**59,926**		**2,301**	**2,194**

1 CCF = Credit conversion factor; CRM = Credit risk mitigation

31 December 2020

	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Central government or central banks	0.00 to <0.15	97,604	1,695	38.0%	98,248	0.0%	1,118	9.0%	1.72	505	0.5%	1	
	0.00 to <0.10												
	0.10 to <0.15												
	0.15 to <0.25			45.0%		0.2%	1	45.0%	1.60		46.4%		
	0.25 to <0.50	73		0.0%	73	0.4%	2	37.7%	5.00	60	83.1%		
	0.50 to <0.75	8	7	35.9%	11	0.7%	2	16.3%	4.66	5	44.4%		
	0.75 to <2.50	40		45.0%	40	1.6%	4	45.0%	1.05	40	99.3%		
	0.75 to <1.75												
	1.75 to <2.5												
	2.50 to <10.00	32		0.0%	32	6.0%	1	60.0%	2.04	76	235.2%	1	
	2.5 to <5												
	5 to <10												
	10.00 to <100.00	7		45.0%	7	23.5%	6	4.6%	4.96	2	28.7%		
	10 to <20												
	20 to <30												
	30.00 to <100.00												
	100.00 (Default)	9		0.0%	9	100.0%	1	96.0%	0.99	107	1186.6%		1
	Subtotal (exposure class)	**97,774**	**1,703**		**98,420**		**1,135**			**795**	**0.0%**	**3**	**1**

continued>

31 December 2020

	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjust-ments and provisions
		(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
Corporates	0.00 to <0.15	9,015	11,823	31.6%	12,751	0.1%	1,713	22.2%	2.10	1,697	13.3%	2	31
	0.00 to <0.10												
	0.10 to <0.15												
	0.15 to <0.25	2,558	5,054	28.4%	3,989	0.2%	457	20.4%	2.37	809	20.3%	1	
	0.25 to <0.50	10,829	11,284	31.7%	14,389	0.3%	1,896	22.5%	2.54	4,640	32.2%	11	1
	0.50 to <0.75	11,889	8,262	25.6%	13,993	0.7%	3,452	19.7%	2.59	4,893	35.0%	19	33
	0.75 to <2.50	23,803	11,318	25.3%	26,608	1.4%	8,110	18.2%	2.54	10,571	39.7%	69	293
	0.75 to <1.75												
	1.75 to <2.5												
	2.50 to <10.00	10,287	3,613	23.5%	11,123	4.3%	3,112	17.0%	2.52	5,451	49.0%	80	75
	2.5 to <5												
	5 to <10												
	10.00 to <100.00	1,628	1,491	16.4%	1,881	20.7%	17,244	22.3%	2.21	2,119	112.7%	88	31
	10 to <20												
	20 to <30												
	30.00 to <100.00												
	100.00 (Default)	6,682	1,930	9.9%	6,835	100.0%	1,610	29.5%	1.86	6,843	100.1%	2,249	2,247
	Subtotal (exposure class)	**76,691**	**54,776**		**91,570**		**37,594**			**37,022**		**2,519**	**2,711**
Institutions	0.00 to <0.15	4,717	355	9.3%	4,750	0.1%	285	15.9%	2.67	336	7.1%		
	0.00 to <0.10												
	0.10 to <0.15												
	0.15 to <0.25	759	157	35.1%	814	0.2%	34	20.3%	2.23	142	17.5%		1
	0.25 to <0.50	117	65	39.1%	143	0.3%	47	11.7%	2.16	23	16.3%		
	0.50 to <0.75	13	7	62.0%	18	0.7%	7	12.0%	1.14	4	22.6%		
	0.75 to <2.50	130	122	15.8%	150	1.7%	21	31.2%	0.92	105	70.3%	1	
	0.75 to <1.75												
	1.75 to <2.5												
	2.50 to <10.00	54	30	16.8%	59	3.4%	11	36.6%	0.45	65	110.3%	1	
	2.5 to <5												
	5 to <10												
	10.00 to <100.00	36	1,445	99.3%	1,471	11.4%	63	16.7%	4.90	480	32.6%	4	
	10 to <20												
	20 to <30												
	30.00 to <100.00												
	100.00 (Default)												
	Subtotal (exposure class)	**5,826**	**2,182**		**7,403**		**468**			**1,156**		**6**	**1**
Retail	0.00 to <0.15	83,276	7,620	27.3%	84,884	0.1%	3,132,659	11.3%	4.91	1,822	2.1%	7	9
	0.00 to <0.10												
	0.10 to <0.15												
	0.15 to <0.25	44,163	512	24.6%	44,149	0.2%	470,642	14.9%	4.94	2,534	5.7%	12	9
	0.25 to <0.50	11,651	375	25.1%	11,775	0.4%	274,234	18.4%	4.84	1,345	11.4%	8	6
	0.50 to <0.75	10,191	694	34.4%	10,358	0.6%	114,430	18.8%	4.62	1,596	15.4%	12	13
	0.75 to <2.50	6,440	425	28.6%	6,598	1.3%	380,627	27.3%	4.57	2,004	30.4%	23	21
	0.75 to <1.75												
	1.75 to <2.5												
	2.50 to <10.00	5,001	280	39.1%	5,078	4.8%	122,976	19.4%	4.22	2,470	48.6%	47	47
	2.5 to <5												
	5 to <10												
	10.00 to <100.00	1,459	54	45.8%	1,476	17.0%	30,081	25.3%	4.52	1,339	90.7%	59	28
	10 to <20												
	20 to <30												

continued>

PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF[1]	Exposure weighted average CCF[1]	Exposure post CCF[1] and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity	RWEA after supporting factors	Density of RWEA	Expected loss amount	Value adjustments and provisions
												31 December 2020
	(in millions)	(in millions)	(in %)	(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)	(in millions)	(in millions)
30.00 to <100.00												
100.00 (Default)	1,750	86	5.5%	1,741	100.0%	99,587	20.7%	4.45	1,318	75.7%	319	233
Subtotal (exposure class)	**163,931**	**10,045**		**166,059**		**4,625,236**			**14,427**		**486**	**367**
Total (all exposures classes)	**344,221**	**68,706**		**363,452**		**4,664,433**			**53,400**		**3,014**	**3,080**

1 CCF = Credit conversion factor; CRM = Credit risk mitigation

EU CR6-A – Scope of the use of IRB and SA approaches[1]

	(in millions)	Exposure value as defined in Article 166 CRR for exposrues subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposure-value subject to a roll-out plan (%)
						31 December 2021
1	Central governments or central banks	109,444	41,006	0%	100%	0%
1.1	*- of which Regional governments or local authorities*		*2,774*	*0%*	*100%*	*0%*
1.2	*- of which Public sector entities*		*1,449*	*0%*	*100%*	*0%*
2	Institutions	20,605	33,986	45%	34%	21%
3	Corporates	108,309	87,612	4%	94%	2%
3.1	*- of which Corporates - Specialised lending, excluding slotting approach*		*11,408*	*0%*	*100%*	*0%*
3.2	*- of which Corporates - Specialised lending under slotting approach*		*11,408*	*0%*	*100%*	*0%*
4	Retail	171,492	169,308	1%	98%	1%
4.1	*- of which Retail – Secured by real estate SMEs*		*3,463*	*0%*	*100%*	*0%*
4.2	*- of which Retail – Secured by real estate non-SMEs*		*156,822*	*0%*	*100%*	*0%*
4.3	*- of which Retail – Qualifying revolving*		*1,399*	*0%*	*100%*	*0%*
4.4	*- of which Retail – Other SMEs*		*5,735*	*0%*	*100%*	*0%*
4.5	*- of which Retail – Other non-SMEs*		*1,889*	*0%*	*100%*	*0%*
5	Equity	1,246	1,246	0%	100%	0%
6	Other non-credit obligation assets	1,778	1,778	0%	100%	0%
7	**Total**	**412,875**	**334,936**	**5%**	**93%**	**2%**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques[1]

A-IRB

The table shows that the majority of our exposure at 31 December 2021 was covered by eligible collateral consisting mainly of immovable property and other physical collateral. Unfunded credit protection was only applicable to Retail, where guarantees were in place, mainly for the exposure class Retail - Secured by immovable property non-SME. Credit derivatives were not used as a credit risk mitigation technique. Compared to 30 June 2021, RWEA with substitution effects mainly grew in Retail - Immovable property non-SMEs and in Corporates - Other.

31 December 2021

		Total exposures	Credit risk mitigation techniques								
			Funded credit protection (FCP)								
			Part of exposures covered by								
			Financial collaterals	Other eligible collaterals				Other funded credit protection			
(in millions)					Of which: Immovable property collaterals	Of which: By receivables	Of which: Other physical collateral		Of which: Cash on deposit	Of which: Life insurance policies	Of which: Instruments held by a third party
1	Central governments and central banks	102,810									
2	Institutions	4,659		2%	2%						
3	Corporates	98,866	11%	81%	41%	8%	32%				
3.1	*- of which Corporates - SMEs*	27,410	10%	131%	79%	13%	39%				
3.2	*- of which Corporates - Specialised lending*	15,453	1%	113%	47%	1%	64%				
3.3	*- of which Corporates - Other*	56,003	14%	48%	21%	7%	20%				
4	Retail	169,544	5%	201%	199%	1%	1%				
4.1	*- of which Retail - Immovable property SMEs*	3,510		228%	184%	15%	28%				
4.2	*- of which Retail - Immovable property non-SMEs*	159,824	5%	206%	206%						
4.3	*- of which Retail - Qualifying revolving*	1,321									
4.4	*- of which Retail - Other SMEs*	2,823	6%	91%	18%	39%	35%				
4.5	*- of which Retail - Other non-SMEs*	2,065	38%	8%	7%	1%					
5	**Total**	**375,879**	**5%**	**112%**	**100%**	**3%**	**9%**				

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

31 December 2021

		Credit risk mitigation techniques		Credit risk mitigation methods in the calculation of RWEA	
		Unfunded credit protection (UFCP)			
		Part of exposures covered by			
(in millions)		Guarantees[2]	Credit derivatives	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
1	Central governments and central banks			838	838
2	Institutions			1,081	1,081
3	Corporates			49,807	49,807
3.1	*- of which Corporates - SMEs*			11,377	11,377
3.2	*- of which Corporates - Specialised lending*			5,944	5,944
3.3	*- of which Corporates - Other*			32,486	32,486
4	Retail	20%		16,574	16,574
4.1	*- of which Retail - Immovable property SMEs*	1%		540	540
4.2	*- of which Retail - Immovable property non-SMEs*	21%		14,306	14,306
4.3	*- of which Retail - Qualifying revolving*			140	140
4.4	*- of which Retail - Other SMEs*	2%		838	838
4.5	*- of which Retail - Other non-SMEs*			750	750
5	**Total**	**9%**		**68,300**	**68,300**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.
2 As per the new ITS regulation and associated mapping with supervisory reporting, this column contains guarantees that are used in the estimation of LGD.

30 June 2021

	(in millions)	Total exposures	Credit risk mitigation techniques – Funded credit protection (FCP) – Part of exposures covered by: Financial collaterals	Other eligible collaterals	Of which: Immovable property collaterals	Of which: By receivables	Of which: Other physical collateral	Other funded credit protection	Of which: Cash on deposit	Of which: Life insurance policies	Of which: Instruments held by a third party
1	Central governments and central banks	109,664									
2	Institutions	5,520									
3	Corporates	88,048	9%	89%	43%	10%	37%				
3.1	*- of which Corporates - SMEs*	*25,550*	*10%*	*132%*	*77%*	*14%*	*40%*				
3.2	*- of which Corporates - Specialised lending*	*14,471*	*2%*	*126%*	*44%*	*4%*	*79%*				
3.3	*- of which Corporates - Other*	*48,026*	*12%*	*56%*	*24%*	*10%*	*22%*				
4	Retail	169,893	5%	185%	183%	1%	1%				
4.1	*- of which Retail - Immovable property SMEs*	*3,628*		*221%*	*178%*	*15%*	*27%*				
4.2	*- of which Retail - Immovable property non-SMEs*	*159,463*	*5%*	*191%*	*191%*						
4.3	*- of which Retail - Qualifying revolving*	*1,778*									
4.4	*- of which Retail - Other SMEs*	*2,929*	*6%*	*91%*	*18%*	*40%*	*33%*				
4.5	*- of which Retail - Other non-SMEs*	*2,096*	*34%*	*7%*	*6%*						
5	**Total**	**373,125**	**5%**	**106%**	**93%**	**3%**	**9%**				

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

30 June 2021

	(in millions)	Credit risk mitigation techniques – Unfunded credit protection (UFCP) – Part of exposures covered by: Guarantees[2]	Credit derivatives	Credit risk mitigation methods in the calculation of RWEA: RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
1	Central governments and central banks			807	807
2	Institutions			1,215	1,215
3	Corporates			45,937	45,937
3.1	*- of which Corporates - SMEs*			*10,806*	*10,806*
3.2	*- of which Corporates - Specialised lending*			*5,864*	*5,864*
3.3	*- of which Corporates - Other*			*29,267*	*29,267*
4	Retail	21%		12,411	12,411
4.1	*- of which Retail - Immovable property SMEs*	*1%*		*750*	*750*
4.2	*- of which Retail - Immovable property non-SMEs*	*22%*		*9,944*	*9,944*
4.3	*- of which Retail - Qualifying revolving*			*250*	*250*
4.4	*- of which Retail - Other SMEs*	*2%*		*914*	*914*
4.5	*- of which Retail - Other non-SMEs*			*554*	*554*
5	**Total**	**9%**		**60,369**	**60,369**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.
2 As per the new ITS regulation and associated mapping with supervisory reporting, this column contains guarantees that are used in the estimation of LGD.

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

		31 December 2021	30 September 2021	31 December 2020
(in millions)		RWEA	RWEA	RWEA
1	**RWEA as at the end of the previous reporting period**	**79,076**	**75,090**	**82,717**
2	Asset size (+/-)	665	-169	-2,860
3	Asset quality (+/-)	-3,934	862	-229
4	Model updates (+/-)	3,533	2,387	1,151
5	Methodology and policy (+/-)	7,412	744	306
6	Acquisitions and disposals (+/-)	-91		
7	Foreign exchange movements (+/-)	80	162	-314
8	Other (+/-)			
9	**RWEA as at the end of the reporting period**	**86,739**	**79,076**	**80,771**

In Q4 2021, credit risk RWEA under the IRB approach increased to EUR 86.7 billion (30 September 2021: EUR 79.1 billion). This was due to the impact of the DNB mortgage floor (methodology and policy) and implementation of new models and regulatory add-ons (model updates), partly offset by asset quality improvements (asset quality).

EU CR9 – IRB approach – Backtesting of PD per exposure class (fixed PD scale)[1]

This table gives more insight into the numbers of clients per PD bucket and the defaults during the year compared to the average historical annual default rate.

							31 December 2021
	PD range	Number of obligors at the end of previous year	Of which: number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Exposure class							
Central governments and central banks	0.00 to <0.15	220		0.0%	0.0%	0.0%	0.0%
	0.00 to <0.10	*212*		*0.0%*	*0.0%*	*0.0%*	*0.0%*
	0.10 to <0.15	*8*		*0.0%*	*0.1%*	*0.1%*	*0.0%*
	0.15 to <0.25			0.0%	0.0%	0.0%	0.0%
	0.25 to <0.50	1		0.0%	0.3%	0.2%	0.0%
	0.50 to <0.75	4		0.0%	0.7%	0.5%	0.0%
	0.75 to <2.50	4		0.0%	1.6%	1.5%	0.0%
	0.75 to <1.75	*4*		*0.0%*	*1.6%*	*1.5%*	*0.0%*
	1.75 to <2.5			*0.0%*	*0.0%*	*0.0%*	*0.0%*
	2.50 to <10.00	1		0.0%	6.0%	6.0%	0.0%
	2.5 to <5			*0.0%*	*0.0%*	*0.0%*	*0.0%*
	5 to <10	*1*		*0.0%*	*6.0%*	*6.0%*	*0.0%*
	10.00 to <100.00	7		0.0%	24.0%	18.9%	1.6%
	10 to <20	*3*		*0.0%*	*12.0%*	*12.0%*	*3.4%*
	20 to <30	*4*		*0.0%*	*24.0%*	*24.0%*	*0.0%*
	30.00 to <100.00			*0.0%*	*0.0%*	*0.0%*	*0.0%*
	100.00 (Default)	1		0.0%	100.0%	100.0%	0.0%
Institutions	0.00 to <0.15	565	7	1.2%	0.1%	0.0%	0.3%
	0.00 to <0.10	*418*	*7*	*1.7%*	*0.1%*	*0.0%*	*0.4%*
	0.10 to <0.15	*147*		*0.0%*	*0.1%*	*0.1%*	*0.0%*
	0.15 to <0.25	66		0.0%	0.2%	0.1%	0.0%
	0.25 to <0.50	97		0.0%	0.3%	0.2%	0.0%
	0.50 to <0.75	7		0.0%	0.7%	0.6%	0.0%
	0.75 to <2.50	26		0.0%	1.8%	1.1%	0.0%

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31 December 2021

	PD range	Number of obligors at the end of previous year	Of which: number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
	0.75 to <1.75	20		0.0%	1.2%	0.9%	0.0%
	1.75 to <2.5	6		0.0%	2.0%	1.8%	0.0%
	2.50 to <10.00	13		0.0%	4.9%	3.6%	0.0%
	2.5 to <5	12		0.0%	3.7%	3.3%	0.0%
	5 to <10	1		0.0%	7.3%	6.6%	0.0%
	10.00 to <100.00	53		0.0%	24.0%	29.2%	0.0%
	10 to <20	1		0.0%	0.0%	11.1%	0.0%
	20 to <30	52		0.0%	24.0%	29.5%	0.0%
	30.00 to <100.00			0.0%	0.0%	0.0%	0.0%
	100.00 (Default)			0.0%	100.0%	0.0%	0.0%
Corporates - SME	0.00 to <0.15	734	2	0.3%	0.1%	0.1%	0.1%
	0.00 to <0.10	43	1	2.3%	0.1%	0.0%	0.4%
	0.10 to <0.15	691	1	0.1%	0.1%	0.1%	0.1%
	0.15 to <0.25	169	1	0.6%	0.2%	0.2%	1.1%
	0.25 to <0.50	1,019	3	0.3%	0.3%	0.4%	0.4%
	0.50 to <0.75	2,685	15	0.6%	0.7%	0.6%	0.7%
	0.75 to <2.50	6,421	66	1.0%	1.4%	1.3%	1.1%
	0.75 to <1.75	3,655	30	0.8%	1.1%	1.0%	0.7%
	1.75 to <2.5	2,766	36	1.3%	1.8%	1.7%	1.5%
	2.50 to <10.00	2,561	93	3.6%	4.1%	4.0%	3.6%
	2.5 to <5	1,826	43	2.4%	3.4%	3.1%	2.4%
	5 to <10	735	50	6.8%	6.7%	6.4%	6.1%
	10.00 to <100.00	1,578	50	3.2%	19.8%	20.3%	5.7%
	10 to <20	203	28	13.8%	13.4%	12.5%	13.6%
	20 to <30	1,374	22	1.6%	24.5%	21.5%	2.7%
	30.00 to <100.00	1		0.0%	30.7%	30.7%	25.0%
	100.00 (Default)	1,119		0.0%	100.0%	94.3%	0.0%
Corporates - Specialised lending	0.00 to <0.15	6		0.0%	0.0%	0.1%	0.0%
	0.00 to <0.10	1		0.0%	0.0%	0.1%	0.0%
	0.10 to <0.15	5		0.0%	0.0%	0.1%	0.0%
	0.15 to <0.25	9		0.0%	0.2%	0.2%	0.0%
	0.25 to <0.50	138		0.0%	0.4%	0.3%	0.4%
	0.50 to <0.75	269		0.0%	0.7%	0.5%	0.5%
	0.75 to <2.50	403	1	0.2%	1.2%	1.2%	1.9%
	0.75 to <1.75	252		0.0%	1.1%	0.9%	1.3%
	1.75 to <2.5	151	1	0.7%	1.8%	1.6%	3.0%
	2.50 to <10.00	317	11	3.5%	4.6%	4.1%	3.4%
	2.5 to <5	240	9	3.8%	4.4%	3.8%	2.4%
	5 to <10	77	2	2.6%	5.6%	5.3%	8.7%
	10.00 to <100.00	24	6	25.0%	21.9%	22.5%	9.2%
	10 to <20	5	1	20.0%	13.2%	14.4%	6.2%
	20 to <30	19	5	26.3%	24.0%	24.6%	11.6%
	30.00 to <100.00			0.0%	0.0%	0.0%	11.1%
	100.00 (Default)	68		0.0%	100.0%	85.3%	0.0%

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31 December 2021

	PD range	Number of obligors at the end of previous year	Of which: number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates - Other	0.00 to <0.15	1,156	12	1.0%	0.1%	0.1%	0.1%
	0.00 to <0.10	605	12	2.0%	0.1%	0.0%	0.1%
	0.10 to <0.15	551		0.0%	0.1%	0.1%	0.0%
	0.15 to <0.25	344		0.0%	0.2%	0.1%	0.5%
	0.25 to <0.50	936	3	0.3%	0.3%	0.3%	0.7%
	0.50 to <0.75	1,008	4	0.4%	0.6%	0.6%	0.8%
	0.75 to <2.50	2,301	29	1.3%	1.4%	1.3%	1.8%
	0.75 to <1.75	1,304	11	0.8%	1.2%	1.0%	1.1%
	1.75 to <2.5	997	18	1.8%	1.9%	1.7%	2.8%
	2.50 to <10.00	735	36	4.9%	3.8%	4.0%	5.6%
	2.5 to <5	540	23	4.3%	3.2%	3.1%	4.8%
	5 to <10	195	13	6.7%	5.5%	6.4%	7.5%
	10.00 to <100.00	16,059	14	0.1%	21.4%	23.6%	0.2%
	10 to <20	69	8	11.6%	11.4%	12.7%	6.4%
	20 to <30	15,990	6	0.0%	24.1%	23.7%	0.1%
	30.00 to <100.00			0.0%	41.2%	0.0%	0.0%
	100.00 (Default)	680		0.0%	100.0%	95.1%	0.0%
Retail - Secured by immovable property SME	0.00 to <0.15	2,772	1	0.0%	0.1%	0.1%	0.1%
	0.00 to <0.10	103		0.0%	0.0%	0.1%	0.0%
	0.10 to <0.15	2,669	1	0.0%	0.1%	0.1%	0.1%
	0.15 to <0.25	40		0.0%	0.2%	0.2%	0.0%
	0.25 to <0.50	48		0.0%	0.4%	0.4%	0.0%
	0.50 to <0.75	15,981	24	0.2%	0.6%	0.5%	0.2%
	0.75 to <2.50	11		0.0%	1.2%	1.1%	5.0%
	0.75 to <1.75	9		0.0%	0.9%	0.9%	2.1%
	1.75 to <2.5	2		0.0%	2.2%	1.8%	15.4%
	2.50 to <10.00	6,666	89	1.3%	6.2%	3.0%	1.4%
	2.5 to <5	5,608	62	1.1%	4.2%	2.5%	1.3%
	5 to <10	1,058	27	2.6%	8.5%	5.6%	1.9%
	10.00 to <100.00	687	60	8.7%	16.6%	13.3%	7.9%
	10 to <20	684	57	8.3%	16.6%	13.2%	7.8%
	20 to <30			0.0%	21.6%	0.0%	0.0%
	30.00 to <100.00	3	3	100.0%	0.0%	45.2%	100.0%
	100.00 (Default)	725		0.0%	100.0%	100.0%	0.0%
Retail - Qualifying revolving	0.00 to <0.15	2,346,568	2,045	0.1%	0.1%	0.0%	0.1%
	0.00 to <0.10	2,155,514	1,640	0.1%	0.1%	0.0%	0.1%
	0.10 to <0.15	191,054	405	0.2%	0.0%	0.0%	0.2%
	0.15 to <0.25	147,033	785	0.5%	0.2%	0.0%	0.4%
	0.25 to <0.50	130,968	995	0.8%	0.3%	0.1%	0.6%
	0.50 to <0.75	45,025	673	1.5%	0.6%	0.1%	1.0%
	0.75 to <2.50	185,007	2,079	1.1%	1.1%	0.9%	1.2%
	0.75 to <1.75	158,247	1,391	0.9%	1.0%	0.8%	1.0%
	1.75 to <2.5	26,760	688	2.6%	2.0%	1.4%	2.1%
	2.50 to <10.00	51,879	1,956	3.8%	4.3%	3.5%	5.0%
	2.5 to <5	40,182	1,095	2.7%	3.3%	3.2%	3.9%
	5 to <10	11,697	861	7.4%	6.9%	4.7%	7.0%
	10.00 to <100.00	19,288	2,039	10.6%	26.7%	14.0%	17.9%

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	PD range	Number of obligors at the end of previous year	Of which: number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
							31 December 2021
	10 to <20	15,580	902	5.8%	12.4%	13.7%	13.3%
	20 to <30	2,870	545	19.0%	21.1%	19.7%	21.2%
	30.00 to <100.00	838	592	70.6%	34.5%	0.3%	46.0%
	100.00 (Default)	43,846		0.0%	100.0%	98.7%	0.0%
Retail - Secured by immovable property non-SME	0.00 to <0.15	481,005	1,220	0.3%	0.1%	0.1%	0.2%
	0.00 to <0.10	479,760	1,217	0.3%	0.1%	0.1%	0.2%
	0.10 to <0.15	1,245	3	0.2%	0.1%	0.1%	0.2%
	0.15 to <0.25	201,906	796	0.4%	0.2%	0.2%	0.4%
	0.25 to <0.50	56,045	417	0.7%	0.4%	0.4%	0.6%
	0.50 to <0.75	27,405	319	1.2%	0.6%	0.6%	1.0%
	0.75 to <2.50	17,697	399	2.3%	1.1%	1.2%	1.9%
	0.75 to <1.75	13,418	238	1.8%	1.1%	1.1%	1.6%
	1.75 to <2.5	4,279	161	3.8%	1.9%	1.8%	2.8%
	2.50 to <10.00	15,037	1,221	8.1%	4.8%	5.3%	6.3%
	2.5 to <5	7,248	401	5.5%	3.4%	3.3%	4.2%
	5 to <10	7,789	820	10.5%	7.0%	7.1%	8.2%
	10.00 to <100.00	4,212	924	21.9%	24.5%	18.9%	18.5%
	10 to <20	3,304	590	17.9%	14.5%	14.2%	14.6%
	20 to <30	331	91	27.5%	24.2%	22.4%	27.7%
	30.00 to <100.00	577	243	42.1%	56.7%	44.0%	31.1%
	100.00 (Default)	5,305		0.0%	100.0%	100.0%	0.0%
Retail - Other SME	0.00 to <0.15	20,351	9	0.0%	0.1%	0.1%	0.1%
	0.00 to <0.10	8,504	1	0.0%	0.0%	0.1%	0.0%
	0.10 to <0.15	11,847	8	0.1%	0.1%	0.1%	0.1%
	0.15 to <0.25	2,780		0.0%	0.2%	0.2%	0.1%
	0.25 to <0.50	140	3	2.1%	0.4%	0.4%	0.4%
	0.50 to <0.75	17,457	62	0.4%	0.7%	0.6%	0.5%
	0.75 to <2.50	42,411	599	1.4%	1.3%	1.3%	1.2%
	0.75 to <1.75	40,696	554	1.4%	1.1%	1.2%	1.2%
	1.75 to <2.5	1,715	45	2.6%	2.1%	1.9%	0.7%
	2.50 to <10.00	35,501	990	2.8%	5.8%	4.5%	7.9%
	2.5 to <5	23,911	205	0.9%	3.8%	3.6%	7.8%
	5 to <10	11,590	785	6.8%	6.9%	6.3%	8.0%
	10.00 to <100.00	4,520	421	9.3%	15.7%	13.6%	11.0%
	10 to <20	4,004	191	4.8%	14.3%	11.6%	7.2%
	20 to <30	516	230	44.6%	28.6%	29.6%	25.6%
	30.00 to <100.00			0.0%	0.0%	0.0%	38.0%
	100.00 (Default)	12,169		0.0%	100.0%	100.0%	0.0%
Retail - Other non-SME	0.00 to <0.15	166,360	29	0.0%	0.1%	0.0%	0.1%
	0.00 to <0.10	139,742	29	0.0%	0.0%	0.0%	0.0%
	0.10 to <0.15	26,618		0.0%	0.1%	0.1%	0.4%
	0.15 to <0.25	33,543	45	0.1%	0.2%	0.2%	0.2%
	0.25 to <0.50	28,132	196	0.7%	0.4%	0.3%	0.3%
	0.50 to <0.75	15,589	196	1.3%	0.6%	0.6%	0.7%
	0.75 to <2.50	122,771	177	0.1%	1.3%	1.2%	2.2%
	0.75 to <1.75	122,083	144	0.1%	1.2%	1.2%	2.2%
	1.75 to <2.5	688	33	4.8%	2.1%	2.1%	2.6%
	2.50 to <10.00	16,609	309	1.9%	4.6%	3.8%	5.2%

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						31 December 2021
PD range	Number of obligors at the end of previous year	Of which: number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
2.5 to <5	*15,734*	*201*	*1.3%*	*3.6%*	*3.7%*	*6.7%*
5 to <10	*875*	*108*	*12.3%*	*6.2%*	*6.6%*	*1.2%*
10.00 to <100.00	2,064	209	10.1%	19.8%	17.8%	18.7%
10 to <20	*2,010*	*187*	*9.3%*	*17.0%*	*17.7%*	*17.1%*
20 to <30	*54*	*22*	*40.7%*	*22.5%*	*21.5%*	*21.8%*
30.00 to <100.00			*0.0%*	*31.3%*	*0.0%*	*8.0%*
100.00 (Default)	37,766		0.0%	100.0%	99.7%	0.0%

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

Specialised lending

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

(in millions)		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure amount	RWEA	Expected loss amount
							31 December 2021
1	Private equity exposures	570	68	190%	638	1,212	97
2	Exchange-traded equity exposures	49		290%	49	142	11
3	Other equity exposures	154		370%	154	570	46
4	**Total**	**773**	**68**		**841**	**1,924**	**154**
							30 June 2021
1	Private equity exposures	733	69	190%	802	1,523	122
2	Exchange-traded equity exposures	60		290%	60	175	14
3	Other equity exposures	147		370%	147	545	44
4	**Total**	**940**	**69**		**1,009**	**2,243**	**179**
							31 December 2020
1	Private equity exposures	635	84	190%	720	1,367	109
2	Exchange-traded equity exposures	45		290%	45	130	10
3	Other equity exposures	133		370%	133	493	39
4	**Total**	**813**	**84**		**898**	**1,990**	**159**

Private equity positions in CIB decreased related to the CIB non-core wind-down, while specific new strategic positions were taken by ABN AMRO Venture Capital.

Counterparty credit risk

EU CCRA – Qualitative disclosure requirements related to counterparty credit risk (CCR)

Specific counterparty credit risk

Counterparty credit risk (CCR) refers to the risk that the counterparty to a transaction defaults before final settlement of the transaction's cash flows. In line with the regulatory definition of CCR, ABN AMRO incurs counterparty credit risk in two business activities, firstly through over-the-counter (OTC) derivatives and securities financing transactions with other financial institutions (including positions taken to manage our interest rate hedging and liquidity position) and secondly in the business of ABN AMRO Clearing. These two main sources of CCR are managed separately and are subject to various different features of risk management.

OTC derivative instruments

OTC derivatives are financial instruments that are used to cover current and/or future financial risks or to achieve additional return on an investment. They consist of transactions entered into between two parties and where the value is based on an underlying base value (such as interest rates, foreign exchange rates, commodities or equities).

Securities financing transactions

The balance sheet item Securities financing refers to securities lending, a market activity whereby securities are temporarily transferred from a lender to a borrower, subject to the commitment to redeliver the securities, usually in the short term. The borrower collateralises the transaction with cash or other securities of equal or greater value than the borrowed securities in order to protect the lender against counterparty credit risk. As an intermediary between clients and the market, we act both as lender and borrower.

ABN AMRO has implemented a Counterparty Credit Risk policy which stipulates the rules and requirements for identifying, measuring, monitoring and managing CCR within ABN AMRO covering all third party exposures including Central Counterparties (CCP) exposures.

Limit setting

Limit setting for positions subject to counterparty credit risk is specifically addressed in ABN AMRO's risk management policy. With respect to CCR, this policy provides the principles for setting specific risk limits for each derivative portfolio and for each counterparty, subject to further specifications. Limits for CCR are set within the general risk management framework for counterparty limits.

These limits take into account a range of factors, including the mark-to-market of transactions and the potential future exposure of transactions. The limits for CCR (pre-settlement stage) are monitored on a daily basis.

For exposures to CCP, ABN AMRO sets limits following standard credit risk processes for potential future exposures, Default Fund (DF) exposures and Initial Margin (IM) exposures. The (credit) decision for CCP exposure limits is based on a thorough quantitative and qualitative analysis of the various risk elements of a CCP, such as the CCP's annual financial figures, the risk and control framework of the CCP, membership criteria, margin models of the CCP, default management, investment risk, liquidity risk, operational risk, concentration risk and capital requirement.

Master netting agreements and collateral management

Master netting agreements and collateral support annexes are an important aspect of the risk management of positions that give rise to CCR for both ABN AMRO Bank and ABN AMRO Clearing. Where master netting agreements are relevant, measurement of the net position takes place at least at the level set for netting and, where relevant and possible, at sublevels (such as the level for collateral). Collateral received under collateral support annexes to master netting agreements provides additional risk mitigation.

ABN AMRO has centralised its collateral management with respect to derivative contracts. This includes management of initial margins and variation margins, both for bilateral derivative trades and for cleared trades with a central clearing party. The main risk factors that drive the collateral requirements are interest rate risks and foreign exchange risks. Any additional collateral payments to counterparties due to a rating downgrade of ABN AMRO are monitored. Two main types of clauses may result in a liquidity outflow linked to ABN AMRO's external credit rating:

- Ratings tables linked to threshold and minimum transfer amounts in credit support annexes to the ISDA master agreements (or other similar collateral addenda) may result in additional collateral postings in a downgrade scenario; and
- The triggering of an additional downgrade in a termination event clause in the schedule to the ISDA master agreement may result in the termination of the underlying derivative contracts and payment of an early termination amount.

Currently a one-notch downgrade does not have any material impact on the collateral outflow. The collateral impact associated with any downgrade of three notches or fewer is taken into account in the liquidity coverage ratio calculation.

Wrong-way risk

This risk refers to transactions where the counterparty credit exposure arising from OTC or securities lending transactions is positively correlated to the counterparty's probability of default. In other words, the credit exposure increases when the credit quality of the counterparty deteriorates. In general, we do not engage in such wrong-way risk transactions. We are also prudent in considering transactions in which this correlation is less obvious, such as transactions with a general wrong way risk component, or where a counterparty and the underlying issuer are in a similar industry, or in the same country or geographical region.

Regulatory and economic exposure calculation for specific counterparty credit risk

Credit Valuation Adjustments (CVA) are taken into account for non-collateralised OTC derivative transactions to reflect the cost associated with the risk that the counterparty with whom ABN AMRO has closed a transaction will fail to honour its contractual obligations.

Measurement of regulatory capital requirements for OTC derivative transactions within ABN AMRO takes place by using the Standardized Approach for Counterparty Credit Risk (SA-CCR) method specified in the CRR. Put simply, the exposure value is calculated as the sum of the current replacement cost (MtM) and the potential future credit exposure, based on prescribed percentages of the notional values.

For economic capital purposes, counterparty credit risk exposure calculations for OTC derivative instruments are based on a methodology used for the calculation of the capital credit valuation adjustment as described in the CRR, taking into account the full scope of the OTC derivative book.

For the purpose of determining capital requirements for securities financing transactions (SFT) ABN AMRO uses the Financial Collateral Comprehensive Method (FCCM) specified in the CRR. ABN AMRO does not use the options provided for in the CRR to apply internal models to estimate market risk effects related to SFT or master netting agreements. For economic counterparty exposure calculations, ABN AMRO applies the FCCM calculation with additional conservatism.

EU CCR1 – Analysis of CCR exposure by approach[1]

	(in millions)	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
									31 December 2021
EU1	EU - Original Exposure Method (for derivatives)								
EU2	EU - Simplified SA-CCR (for derivatives)								
1	SA-CCR (for derivatives)	4,642	2,595		1.4	5,277	5,860	5,860	3,815
2	IMM (for derivatives and SFTs)								
2a	*- of which securities financing transactions netting sets*								
2b	*- of which derivatives and long settlement transactions netting sets*								
2c	*- of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					7,903	7,903	7,903	2,225
5	VaR for SFTs								
6	**Total**					**13,181**	**13,763**	**13,763**	**6,040**
									30 June 2021
EU1	EU - Original Exposure Method (for derivatives)								
EU2	EU - Simplified SA-CCR (for derivatives)								
1	SA-CCR (for derivatives)	8,170	3,806		1.4	10,939	8,534	8,534	5,279
2	IMM (for derivatives and SFTs)								
2a	*- of which securities financing transactions netting sets*								
2b	*- of which derivatives and long settlement transactions netting sets*								
2c	*- of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					11,635	11,635	11,635	3,097
5	VaR for SFTs								
6	**Total**					**22,574**	**20,170**	**20,170**	**8,376**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

CCR by approach

This table provides insight into the counterparty credit risk (CCR) of ABN AMRO. It makes a distinction between approach and CCR type. Compared to June 2021, the exposure relating to counterparty credit risk decreased. This was related to an outflow of derivative/SFTs exposures, mostly within ABN AMRO Clearing Bank N.V., and business movements related to seasonality.

EU CCR2 – Transactions subject to own funds requirements for CVA risk

		31 December 2021		30 June 2021		31 December 2020	
	(in millions)	Exposure value	RWEA	Exposure value	RWEA	Exposure value	RWEA
1	Total transactions subject to the Advanced method						
2	(i) VaR component (including the 3x multiplier)						
3	(ii) Stressed VaR component (including the 3x multiplier)						
4	Transactions subject to the Standardised method	633	202	682	198	978	175
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)						
5	**Total transactions subject to own funds requirements for CVA risk**	**633**	**202**	**682**	**198**	**978**	**175**

CVA

The credit valuation adjustment (CVA) of ABN AMRO is calculated using the standardised approach. The CVA capital charge increased by 2% in RWEA terms, while exposure came down by 7%. This was due to changes in risk factors such as maturity and UCR.

EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

		31 December 2021											
		Risk weight											Total
	(in millions)	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
	Exposure classes												
1	Central governments or central banks												
2	Regional governments or local authorities												
3	Public sector entities												
4	Multilateral development banks	26											26
5	International organisations												
6	Institutions		1,979			4,303	121						6,404
7	Corporates						9			2,200			2,209
8	Retail												
9	Institutions and corporates with a short-term credit assessment												
10	Other items												
11	**Total exposure value**	**26**	**1,979**			**4,303**	**130**			**2,200**			**8,638**

													30 June 2021
		Risk weight											Total
	(in millions)	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
	Exposure classes												
1	Central governments or central banks												
2	Regional governments or local authorities												
3	Public sector entities												
4	Multilateral development banks	30											30
5	International organisations												
6	Institutions		2,884			4,738	104						7,726
7	Corporates					7				3,415			3,422
8	Retail												
9	Institutions and corporates with a short-term credit assessment												
10	Other items												
11	**Total exposure value**	**30**	**2,884**			**4,745**	**104**			**3,415**			**11,178**

													31 December 2020
		Risk weight											Total
	(in millions)	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
	Exposure classes												
1	Central governments or central banks					1							1
2	Regional governments or local authorities												
3	Public sector entities												
4	Multilateral development banks	37											37
5	International organisations												
6	Institutions		3,322	158		2,583	189			3			6,256
7	Corporates									2,211			2,211
8	Retail												
9	Institutions and corporates with a short-term credit assessment												
10	Other items												
11	**Total exposure value**	**37**	**3,322**	**158**		**2,583**	**189**			**2,215**			**8,505**

Compared to 30 June 2021, the decrease is mainly explained by seasonal movements within ABN AMRO Clearing Bank N.V.

EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

The table discloses that the exposure classes Corporates - Other and Institutions contained the majority of our CCR exposure at 31 December 2021. In the second half of the year, total exposure value and RWEA decreased. The RWEA density for Corporates - SME increased to 128% at 31 December 2021 (30 June 2021: 89%) due to higher default RWEA. However, the main part of corporate CCR exposure falls within the mid-range PD bucket. For institutions, the CCR exposure is primarily visible in the high-range PD buckets.

									31 December 2021
		PD scale	Exposure value	Exposure-weighted average PD	Numbers of obligors	Exposure-weighted average LGD	Exposure-weighted average maturity	RWEA	RWEA density
			(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
	Exposure class								
1	Central government or central banks	0.00 to <0.15	341	0.01%	15	14.67%	2.01	3	0.75%
2		*0.00 to <0.10*	*337*	*0.01%*	*13*	*14.47%*	*2.03*	*2*	*0.62%*
3		*0.10 to <0.15*	*4*	*0.12%*	*2*	*30.00%*	*0.15*		*10.51%*
4		0.15 to <0.25				0.00%			
5		0.25 to <0.50				0.00%			
6		0.50 to <0.75	1	0.66%	1	15.40%	4.93		43.53%
7		0.75 to <2.50				0.00%			
8		*0.75 to <1.75*				*0.00%*			
9		*1.75 to <2.50*				*0.00%*			
10		2.50 to <10.00				0.00%			
11		*2.50 to <5.00*				*0.00%*			
12		*5.00 to <10.00*				*0.00%*			
13		10.00 to <100.00				0.00%			
14		*10.00 to <20.00*				*0.00%*			
15		*20.00 to <30.00*				*0.00%*			
16		*30.00 to <100.00*				*0.00%*			
17		100.00 (Default)				0.00%			
18		**Subtotal**	**342**	**0.01%**	**16**	**14.68%**	**2.01**	**3**	**0.83%**
19	Corporates - SME	0.00 to <0.15	10	0.08%	10	64.90%	3.10	3	34.01%
20		*0.00 to <0.10*	*5*	*0.05%*	*4*	*82.50%*	*2.73*	*2*	*31.16%*
21		*0.10 to <0.15*	*5*	*0.11%*	*6*	*45.25%*	*3.50*	*2*	*37.19%*
22		0.15 to <0.25		0.17%	1	42.00%	0.49		20.50%
23		0.25 to <0.50	3	0.36%	19	56.85%	2.16	1	52.39%
24		0.50 to <0.75	12	0.66%	105	49.80%	2.22	7	59.45%
25		0.75 to <2.50	35	1.36%	246	46.05%	2.75	27	78.39%
26		*0.75 to <1.75*	*23*	*1.11%*	*143*	*45.87%*	*2.69*	*17*	*73.42%*
27		*1.75 to <2.50*	*12*	*1.83%*	*103*	*46.37%*	*2.86*	*11*	*87.72%*
28		2.50 to <10.00	8	4.58%	81	46.36%	2.32	9	103.97%
29		*2.50 to <5.00*	*5*	*3.33%*	*51*	*48.69%*	*2.20*	*5*	*101.34%*
30		*5.00 to <10.00*	*3*	*6.65%*	*30*	*42.56%*	*2.52*	*3*	*108.27%*
31		10.00 to <100.00	6	23.11%	115	63.20%	1.97	15	252.38%
32		*10.00 to <20.00*		*13.30%*	*7*	*41.79%*	*0.40*	*1*	*132.81%*
33		*20.00 to <30.00*	*5*	*24.01%*	*108*	*65.17%*	*2.12*	*14*	*263.39%*
34		*30.00 to <100.00*				*0.00%*			
35		100.00 (Default)	13	100.00%	43	28.46%	4.06	49	370.03%
36		**Subtotal**	**86**	**17.86%**	**620**	**47.51%**	**2.80**	**111**	**128.45%**
37	Corporates - Specialised Lending	0.00 to <0.15		0.00%		0.00%			
38		*0.00 to <0.10*				*0.00%*			
39		*0.10 to <0.15*		*0.00%*		*0.00%*			
40		0.15 to <0.25		0.00%		0.00%			
41		0.25 to <0.50	240	0.34%	35	19.57%	4.82	86	35.77%

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									31 December 2021
		PD scale	Exposure value	Exposure-weighted average PD	Numbers of obligors	Exposure-weighted average LGD	Exposure-weighted average maturity	RWEA	RWEA density
			(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
42		0.50 to <0.75	88	0.66%	38	21.61%	3.91	44	50.55%
43		0.75 to <2.50	69	1.22%	40	25.28%	3.78	51	73.17%
44		0.75 to <1.75	63	1.16%	35	26.19%	3.73	47	74.80%
45		1.75 to <2.50	6	1.83%	5	15.96%	4.25	3	56.43%
46		2.50 to <10.00	69	4.58%	35	18.70%	2.80	38	54.65%
47		2.50 to <5.00	56	4.29%	29	19.80%	2.93	31	55.42%
48		5.00 to <10.00	13	5.85%	6	13.86%	2.20	7	51.23%
49		10.00 to <100.00	29	16.27%	3	45.57%	0.40	66	227.08%
50		10.00 to <20.00	29	16.28%	2	46.12%	0.37	66	229.98%
51		20.00 to <30.00	1	15.44%	1	14.41%	2.52		62.05%
52		30.00 to <100.00				0.00%			
53		100.00 (Default)	6	100.00%	3	14.10%	0.59	11	183.26%
54		**Subtotal**	**501**	**3.18%**	**154**	**22.04%**	**3.93**	**295**	**58.93%**
55	Corporates - Other	0.00 to <0.15	2,784	0.06%	233	54.07%	2.30	964	34.64%
56		0.00 to <0.10	2,184	0.04%	172	51.12%	2.08	526	24.07%
57		0.10 to <0.15	600	0.11%	61	64.79%	3.09	438	73.11%
58		0.15 to <0.25	250	0.18%	51	47.42%	1.23	97	38.77%
59		0.25 to <0.50	268	0.34%	118	45.25%	2.15	173	64.76%
60		0.50 to <0.75	141	0.63%	73	45.71%	1.54	106	75.32%
61		0.75 to <2.50	93	1.22%	140	48.41%	2.22	108	116.06%
62		0.75 to <1.75	82	1.14%	111	49.61%	2.32	97	118.61%
63		1.75 to <2.50	11	1.83%	29	39.07%	1.42	10	96.23%
64		2.50 to <10.00	203	2.90%	43	45.46%	4.20	337	165.99%
65		2.50 to <5.00	199	2.85%	29	45.10%	4.27	329	165.23%
66		5.00 to <10.00	4	5.21%	14	62.73%	0.81	8	201.85%
67		10.00 to <100.00	38	23.44%	175	51.23%	1.34	117	311.13%
68		10.00 to <20.00	1	12.36%	4	53.73%	1.48	3	254.57%
69		20.00 to <30.00	36	23.84%	171	51.14%	1.34	114	313.20%
70		30.00 to <100.00				0.00%			
71		100.00 (Default)	25	100.00%	26	29.94%	2.12	96	389.19%
72		**Subtotal**	**3,800**	**1.17%**	**859**	**51.92%**	**2.28**	**1,998**	**52.59%**
73	Institutions	0.00 to <0.15	2,012	0.06%	139	45.45%	0.50	302	15.02%
74		0.00 to <0.10	1,631	0.05%	107	44.99%	0.56	217	13.28%
75		0.10 to <0.15	381	0.12%	32	47.44%	0.22	85	22.42%
76		0.15 to <0.25	139	0.19%	23	45.53%	0.41	46	33.43%
77		0.25 to <0.50	177	0.31%	20	45.69%	0.73	96	54.03%
78		0.50 to <0.75				0.00%			
79		0.75 to <2.50	42	2.01%	2	45.00%	0.07	48	115.31%
80		0.75 to <1.75		1.22%	1	45.00%	0.01		93.57%
81		1.75 to <2.50	42	2.01%	1	45.00%	0.07	48	115.31%
82		2.50 to <10.00				0.00%			
83		2.50 to <5.00				0.00%			
84		5.00 to <10.00				0.00%			
85		10.00 to <100.00	5	24.00%	4	47.13%	0.66	15	287.58%
86		10.00 to <20.00				0.00%			
87		20.00 to <30.00	5	24.00%	4	47.13%	0.66	15	287.58%
88		30.00 to <100.00				0.00%			
89		100.00 (Default)		100.00%	1	8.49%	4.93		110.40%
90		**Subtotal**	**2,375**	**0.18%**	**189**	**45.47%**	**0.50**	**507**	**21.37%**
91	**Total**		**7,104**		**1,838**			**2,915**	

		PD scale	Exposure value	Exposure-weighted average PD	Numbers of obligors	Exposure-weighted average LGD	Exposure-weighted average maturity	RWEA	RWEA density
									30 June 2021
			(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
	Exposure class								
1	Central government or central banks	0.00 to <0.15	370	0.01%	12	12.42%	2.06	3	0.92%
2		0.00 to <0.10	363	0.01%	10	12.08%	2.09	3	0.73%
3		0.10 to <0.15	7	0.12%	2	30.00%	0.15	1	10.57%
4		0.15 to <0.25	5	0.16%	1	45.00%		1	19.73%
5		0.25 to <0.50		0.00%		0.00%			
6		0.50 to <0.75		0.67%	1	19.10%	5.00		50.00%
7		0.75 to <2.50		0.00%		0.00%			
8		0.75 to <1.75		0.00%		0.00%			
9		1.75 to <2.50		0.00%		0.00%			
10		2.50 to <10.00		0.00%		0.00%			
11		2.50 to <5.00		0.00%		0.00%			
12		5.00 to <10.00		0.00%		0.00%			
13		10.00 to <100.00		0.00%		0.00%			
14		10.00 to <20.00		0.00%		0.00%			
15		20.00 to <30.00		0.00%		0.00%			
16		30.00 to <100.00		0.00%		0.00%			
17		100.00 (Default)		0.00%		0.00%			
18		**Subtotal**	**376**	**0.01%**	**14**	**12.87%**	**2.03**	**4**	**1.19%**
19	Corporates - SME	0.00 to <0.15	26	0.00%	10	65.90%	4.13	8	31.15%
20		0.00 to <0.10	25	0.00%	6	66.80%	4.22	8	31.61%
21		0.10 to <0.15	1	0.10%	4	39.20%	0.99		15.79%
22		0.15 to <0.25	5	0.20%	2	46.10%	4.72	3	52.32%
23		0.25 to <0.50	15	0.40%	19	57.50%	4.76	13	87.50%
24		0.50 to <0.75	17	0.70%	122	47.50%	2.43	10	58.68%
25		0.75 to <2.50	49	1.40%	294	45.90%	2.99	40	81.90%
26		0.75 to <1.75	30	1.10%	162	43.70%	2.74	22	72.12%
27		1.75 to <2.50	19	1.80%	132	49.70%	3.40	18	97.90%
28		2.50 to <10.00	13	4.60%	108	62.50%	2.71	20	161.55%
29		2.50 to <5.00	10	3.90%	74	67.00%	2.47	17	172.37%
30		5.00 to <10.00	3	6.70%	34	47.60%	3.51	4	125.42%
31		10.00 to <100.00	5	20.40%	131	56.70%	2.41	11	207.23%
32		10.00 to <20.00	2	13.30%	9	56.60%	3.08	4	209.36%
33		20.00 to <30.00	3	24.00%	122	56.80%	2.08	7	206.16%
34		30.00 to <100.00		0.00%		0.00%			
35		100.00 (Default)	16	100.00%	60	27.70%	4.06	24	152.81%
36		**Subtotal**	**146**	**12.50%**	**746**	**50.80%**	**3.44**	**129**	**88.55%**
37	Corporates - Specialised Lending	0.00 to <0.15		0.00%		0.00%			
38		0.00 to <0.10		0.00%		0.00%			
39		0.10 to <0.15		0.00%		0.00%			
40		0.15 to <0.25		0.00%		0.00%			
41		0.25 to <0.50	269	0.30%	29	19.70%	4.75	97	36.17%
42		0.50 to <0.75	109	0.70%	36	20.20%	4.21	53	48.78%
43		0.75 to <2.50	185	1.40%	43	28.90%	2.70	130	70.68%
44		0.75 to <1.75	173	1.30%	38	29.70%	2.61	124	71.60%
45		1.75 to <2.50	11	1.80%	5	16.30%	4.10	6	56.44%
46		2.50 to <10.00	221	4.50%	47	34.20%	1.30	222	100.38%
47		2.50 to <5.00	169	3.60%	37	34.10%	1.36	153	90.68%
48		5.00 to <10.00	53	7.50%	10	34.50%	1.13	69	131.26%
49		10.00 to <100.00	13	16.30%	2	46.60%	0.51	30	233.80%

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		PD scale	Exposure value	Exposure-weighted average PD	Numbers of obligors	Exposure-weighted average LGD	Exposure-weighted average maturity	RWEA	RWEA density
									30 June 2021
			(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
50		*10.00 to <20.00*	*13*	*16.30%*	*2*	*46.60%*	*0.51*	*30*	*233.80%*
51		*20.00 to <30.00*		*0.00%*		*0.00%*			
52		*30.00 to <100.00*		*0.00%*		*0.00%*			
53		100.00 (Default)	15	100.00%	6	11.70%	0.75	23	151.71%
54		**Subtotal**	**811**	**3.80%**	**163**	**26.10%**	**3.13**	**556**	**68.48%**
55	Corporates - Other	0.00 to <0.15	3,123	0.10%	210	53.40%	2.29	1,047	33.52%
56		*0.00 to <0.10*	*2,571*	*0.00%*	*164*	*50.30%*	*1.97*	*592*	*23.02%*
57		*0.10 to <0.15*	*552*	*0.10%*	*46*	*68.00%*	*3.76*	*455*	*82.46%*
58		0.15 to <0.25	238	0.20%	43	47.70%	1.15	93	38.93%
59		0.25 to <0.50	433	0.30%	125	46.80%	2.01	291	67.11%
60		0.50 to <0.75	152	0.60%	74	46.50%	2.02	128	83.94%
61		0.75 to <2.50	129	1.40%	155	50.60%	2.54	164	127.56%
62		*0.75 to <1.75*	*115*	*1.30%*	*115*	*51.90%*	*2.58*	*149*	*130.36%*
63		*1.75 to <2.50*	*14*	*1.80%*	*40*	*40.10%*	*2.24*	*15*	*104.93%*
64		2.50 to <10.00	289	3.20%	57	45.40%	4.29	492	169.95%
65		*2.50 to <5.00*	*241*	*2.80%*	*41*	*45.00%*	*4.76*	*412*	*170.56%*
66		*5.00 to <10.00*	*48*	*5.20%*	*16*	*47.20%*	*1.92*	*80*	*166.90%*
67		10.00 to <100.00	70	23.40%	184	48.40%	1.81	193	276.46%
68		*10.00 to <20.00*	*5*	*10.40%*	*9*	*59.90%*	*1.01*	*13*	*260.94%*
69		*20.00 to <30.00*	*65*	*24.40%*	*175*	*47.60%*	*1.88*	*180*	*277.63%*
70		*30.00 to <100.00*		*0.00%*		*0.00%*			
71		100.00 (Default)	33	100.00%	29	29.80%	2.30	126	387.38%
72		**Subtotal**	**4,467**	**1.40%**	**877**	**51.40%**	**2.32**	**2,533**	**56.72%**
73	Institutions	0.00 to <0.15	2,658	0.10%	74	45.40%	0.36	377	14.20%
74		*0.00 to <0.10*	*2,110*	*0.10%*	*54*	*45.00%*	*0.38*	*253*	*12.01%*
75		*0.10 to <0.15*	*547*	*0.10%*	*20*	*47.10%*	*0.27*	*124*	*22.66%*
76		0.15 to <0.25	97	0.20%	12	45.80%	0.45	33	33.98%
77		0.25 to <0.50	399	0.30%	16	46.00%	0.49	194	48.60%
78		0.50 to <0.75		0.70%	1	45.00%			71.43%
79		0.75 to <2.50	19	2.00%	2	45.00%	0.20	22	117.42%
80		*0.75 to <1.75*		*1.20%*	*1*	*45.00%*			*66.67%*
81		*1.75 to <2.50*	*19*	*2.00%*	*1*	*45.00%*	*0.20*	*22*	*117.51%*
82		2.50 to <10.00		0.00%		0.00%			
83		*2.50 to <5.00*		*0.00%*		*0.00%*			
84		*5.00 to <10.00*		*0.00%*		*0.00%*			
85		10.00 to <100.00	20	24.00%	4	45.00%	0.82	55	273.81%
86		*10.00 to <20.00*		*0.00%*		*0.00%*			
87		*20.00 to <30.00*	*20*	*24.00%*	*4*	*45.00%*	*0.82*	*55*	*273.81%*
88		*30.00 to <100.00*		*0.00%*		*0.00%*			
89		100.00 (Default)		0.00%		0.00%			
90		**Subtotal**	**3,192**	**0.30%**	**109**	**45.50%**	**0.38**	**681**	**21.33%**
91	**Total**		**8,991**		**1,909**			**3,904**	

									31 December 2020
		PD scale	Exposure value	Exposure-weighted average PD	Numbers of obligors	Exposure-weighted average LGD	Exposure-weighted average maturity	RWEA	RWEA density
			(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
	Exposure class								
1	Central government or central banks	0.00 to <0.15	220	0.01%	15	8.15%	2.23	1	0.68%
2		0.15 to <0.25							
3		0.50 to <0.75		0.66%	1	16.30%	5.00		46.07%
4		0.75 to <2.50							
5		2.50 to <10.00							
6		10.00 to <100.00							
7		100.00 (Default)							
8		**Subtotal**	**221**		**16**			**2**	
9	Corporates	0.00 to <0.15	1,923	0.05%	251	31.92%	2.34	402	20.88%
10		0.15 to <0.25	220	0.18%	57	46.46%	1.39	89	40.60%
11		0.25 to <0.50	499	0.33%	166	30.68%	3.18	225	45.06%
12		0.50 to <0.75	294	0.67%	281	25.90%	2.95	146	49.80%
13		0.75 to <2.50	443	1.55%	576	29.61%	3.45	374	84.29%
14		2.50 to <10.00	134	3.97%	209	23.26%	2.27	93	69.14%
15		10.00 to <100.00	49	23.04%	392	33.94%	1.86	91	185.84%
16		100.00 (Default)	39	100.00%	105	28.43%	2.44	145	369.59%
17		**Subtotal**	**3,601**		**2,037**			**1,564**	
18	Institutions	0.00 to <0.15	2,682	0.06%	102	37.46%	0.63	332	12.38%
19		0.15 to <0.25	133	0.18%	18	41.67%	1.30	54	40.47%
20		0.25 to <0.50	274	0.28%	15	40.08%	0.90	126	46.04%
21		0.50 to <0.75		0.66%	1	42.30%	0.07		66.07%
22		0.75 to <2.50	33	1.11%	3	37.80%	0.20	26	78.20%
23		10.00 to <100.00	12	24.00%	6	29.77%	0.93	22	185.03%
24		**Subtotal**	**3,134**		**145**			**560**	
25	**Total**		**6,956**		**2,198**			**2,125**	

EU CCR5 – Composition of collateral for exposures to CCR[1]

		31 December 2021							
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	(in millions)	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
	Collateral type								
1	Cash – domestic currency	13,434	3,062		5,258	827	15,792		14,736
2	Cash – other currencies	1,936	208		265	170	14,464		18,188
3	Domestic sovereign debt		8		102		2,033		1,851
4	Other sovereign debt	48	84	43	716		20,343		20,451
5	Government agency debt						347		599
6	Corporate bonds				40		1,395		1,366
7	Equity securities	30,244				17,715	9,449		5,094
8	Other collateral						7,446		7,357
9	**Total**	**45,663**	**3,362**	**43**	**6,380**	**18,711**	**71,269**		**69,642**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

		30 June 2021							
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	(in millions)	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
	Collateral type								
1	Cash – domestic currency	5,510	3,095		5,921	310	17,647		19,576
2	Cash – other currencies	1,698	263		355	1,159	17,901		23,609
3	Domestic sovereign debt				203		3,924		4,127
4	Other sovereign debt		90		622		28,443		26,898
5	Government agency debt						519		524
6	Corporate bonds				30		1,100		1,030
7	Equity securities	30,628				18,082	13,169		6,279
8	Other collateral						5,598		5,555
9	**Total**	**37,836**	**3,448**		**7,132**	**19,550**	**88,302**		**87,597**

1 Comparative figures for 31 December 2020 are not available due to first-time reporting under the ITS regulation effective from Q2 2021 reporting.

Collateral composition

The above table provides an overview of the collateral composition for the counterparty credit risk exposures. At year-end 2021, cash related to segregated collateral received used in derivative transactions increased, although posted collateral decreased. The collateral used in SFTs decreased compared with 30 June 2021. This was mainly related to the cyclicality of the business.

EU CCR6 – Credit derivatives exposures

(in millions)		31 December 2021		30 June 2021		31 December 2020	
		Protection bought	Protection sold	Protection bought	Protection sold	Protection bought	Protection sold
	Notionals						
1	Single-name credit default swaps	7		7		7	
2	Index credit default swaps	245	35	175	40	155	40
3	Total return swaps						
4	Credit options						
5	Other credit derivatives						
6	**Total notionals**	**252**	**35**	**182**	**40**	**162**	**40**
	Fair values						
7	Positive fair value (asset)		1	-8		-6	
8	Negative fair value (liability)	-10			1		

Credit derivatives

The above table shows ABN AMRO's credit derivative hedges, split by sold and bought. Compared to 30 June 2021, credit derivative hedges increased due to business movements.

EU CCR8 – Exposures to CCPs

(in millions)		31 December 2021		30 June 2021		31 December 2020	
		Exposure value	RWEA	Exposure value	RWEA	Exposure value	RWEA
1	**Exposures to QCCPs (total)**[1]		**577**		**516**		**548**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions)	900	38	1,749	35	3,484	70
3	*- of which (i) OTC derivatives*	*271*	*23*	*269*	*5*	*2,381*	*48*
4	*- of which (ii) Exchange-traded derivatives*						
5	*- of which (iii) SFTs*	*629*	*15*	*1,480*	*30*	*1,103*	*22*
6	*- of which (iv) Netting sets where cross-product netting has been approved*						
7	Segregated initial margin	6,176		3,843		3,604	
8	Non-segregated initial margin	7,619	163	3,220	64	1,956	39
9	Prefunded default fund contributions	1,571	376	1,064	417	1,112	439
10	Unfunded default fund contributions						
11	**Exposures to non-QCCPs (total)**[1]						
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions)						
13	*- of which (i) OTC derivatives*						
14	*- of which (ii) Exchange-traded derivatives*						
15	*- of which (iii) SFTs*						
16	*- of which (iv) Netting sets where cross-product netting has been approved*						
17	Segregated initial margin						
18	Non-segregated initial margin						
19	Prefunded default fund contributions						
20	Unfunded default fund contributions						

1 QCCP = Qualifying central counterparty

The table shows exposures to several CCPs, primarily due to ABN AMRO's clearing business. In the second half of 2021, the RWEA of exposures to QCCPs increased as the majority of the RWEA came from the default fund contributions. The segregated initial margin doubled due to the increased volatility observed in December in the power and gas markets. This triggered the IM requirements for client trading to increase.

Exposures to securitisation positions

EU SECA - Qualitative disclosure requirements related to securitisation exposures

The following sections include qualitative and quantitative disclosures on securitised exposure as well as on securitisations positions held by the bank. The bank is primarily engaged in securitisation transactions as an originator and to a lesser extent as an investor in securitisations arranged by others. ABN AMRO does not act as a sponsor of securitisations.

Investor securitisations

ABN AMRO provides securitisation lending solutions as part of its client lending activities in CIB and Commercial Banking. The resulting exposures reside on ABN AMRO's balance sheet and are treated as securitisation exposures for regulatory purposes. The majority of the positions are treated under the standardised approach (SEC-SA) and a very small number under the external ratings-based approach (SEC-ERBA).

Originator securitisations

Own-originated securitisations are primarily used for funding and liquidity purposes. We do not achieve significant risk transfers for any of the securitisations.

In 2021, ABN AMRO had only traditional securitisation transactions outstanding. In such transactions, assets are sold to a Special Purpose Vehicle (SPV) which, in turn, issues securitisation notes in a subordinated tranche and a senior tranche. As ABN AMRO continues to recognise the assets after the legal title has been sold, no derecognition takes place and the entity remains within the consolidation scope of ABN AMRO.

ABN AMRO has one securitisation programme for residential mortgages (Dolphin Master Issuer B.V.). Notes issued under this programme are rated by S&P, Moody's and DBRS and are currently all retained on the bank's own books and not transferred to third-party investors.

When structuring the transaction, we aspire to issue simple, transparent and standardised (STS) securitisations, as defined in the regulatory framework, but only where such issues are in line with market practice. Current securitisation programmes do not make use of the Simple Transparent and Standardised (STS) securitisation framework.

Risks associated with the roles in the securitisation process

Through our role in the securitisation process, ABN AMRO is exposed to credit risk and liquidity risk.

Credit risk relates to the risk of credit losses on securitised assets. ABN AMRO retains part of the credit risk by retaining notes and other securitisation positions such as liquidity facilities, swaps and first loss tranches. Regulatory capital is held for all retained securitisation positions in accordance with the applicable regulation.

Liquidity risk relates to the risk that ABN AMRO may incur additional cash outflows. Any potential future cash outflows relating to these positions, including collateral requirements, are taken into account in stress tests and are integrated into the liquidity ratios, where required. This includes the potential impact of the liquidity facilities or swap agreements that form part of certain securitisation transactions, most of which relate to transactions where ABN AMRO is the originator of the underlying assets.

EU SEC1 - Securitisation exposures in the non-trading book

Details of total notes outstanding per structured entity

The following table provides details of the outstanding notes issued by consolidated structured entities established by ABN AMRO for securitisation purposes. Compared to 30 June 2021, total outstandings decreased by 30% to EUR 9.5 billion at 31 December 2021. This was attributable to two notes that were called for EUR 4 billion.

		31 December 2021						
		Bank acts as originator						
		Tradtional				Synthetic		Subtotal
		STS		Non-STS				
(in millions)			Of which: SRT		Of which: SRT		Of which: SRT	
1	**Total exposures**			**9,533**				**9,533**
2	**Retail (total)**			**9,533**				**9,533**
3	*- of which residential mortgage*			*9,533*				*9,533*
4	*- of which credit card*							
5	*- of which other retail exposures*							
6	*- of which re-securitisation*							
7	**Wholesale (total)**							
8	*- of which loans to corporates*							
9	*- of which commercial mortgages*							
10	*- of which lease and receivables*							
11	*- of which other wholesale*							
12	*- of which re-securitisation*							

		31 December 2021							
		Bank acts as sponsor				Bank acts as investor			
		Tradtional		Synthetic	Subtotal	Tradtional		Synthetic	Subtotal
(in millions)		STS	Non-STS			STS	Non-STS		
1	**Total exposures**					**815**	**201**		**1,016**
2	**Retail (total)**					**158**	**181**		**339**
3	*- of which residential mortgage*						*181*		*181*
4	*- of which credit card*					*158*			*158*
5	*- of which other retail exposures*								
6	*- of which re-securitisation*								
7	**Wholesale (total)**					**656**	**20**		**677**
8	*- of which loans to corporates*								
9	*- of which commercial mortgages*								
10	*- of which lease and receivables*					*656*	*20*		*677*
11	*- of which other wholesale*								
12	*- of which re-securitisation*								

		30 June 2021						
		Bank acts as originator						
		Tradtional				Synthetic		Subtotal
		STS		Non-STS				
	(in millions)		Of which: SRT		Of which: SRT		Of which: SRT	
1	**Total exposures**			**13,533**				**13,533**
2	**Retail (total)**			**13,533**				**13,533**
3	*- of which residential mortgage*			*13,533*				*13,533*
4	*- of which credit card*							
5	*- of which other retail exposures*							
6	*- of which re-securitisation*							
7	**Wholesale (total)**							
8	*- of which loans to corporates*							
9	*- of which commercial mortgages*							
10	*- of which lease and receivables*							
11	*- of which other wholesale*							
12	*- of which re-securitisation*							

		30 June 2021							
		Bank acts as sponsor				Bank acts as investor			
		Tradtional		Synthetic	Subtotal	Tradtional		Synthetic	Subtotal
	(in millions)	STS	Non-STS			STS	Non-STS		
1	**Total exposures**					**600**	**21**		**621**
2	**Retail (total)**								
3	*- of which residential mortgage*								
4	*- of which credit card*								
5	*- of which other retail exposures*								
6	*- of which re-securitisation*								
7	**Wholesale (total)**					**600**	**21**		**621**
8	*- of which loans to corporates*								
9	*- of which commercial mortgages*								
10	*- of which lease and receivables*					*600*	*21*		*621*
11	*- of which other wholesale*								
12	*- of which re-securitisation*								

		31 December 2020						
		Bank acts as originator						
		Tradtional				Synthetic		Subtotal
		STS		Non-STS				
	(in millions)		Of which: SRT		Of which: SRT		Of which: SRT	
1	**Total exposures**			**13,533**				**13,533**
2	**Retail (total)**			**13,533**				**13,533**
3	*- of which residential mortgage*			*13,533*				*13,533*
4	*- of which credit card*							
5	*- of which other retail exposures*							
6	*- of which re-securitisation*							
7	**Wholesale (total)**							
8	*- of which loans to corporates*							
9	*- of which commercial mortgages*							
10	*- of which lease and receivables*							
11	*- of which other wholesale*							
12	*- of which re-securitisation*							

		31 December 2020							
		Bank acts as sponsor				Bank acts as investor			
		Tradtional		Synthetic	Subtotal	Tradtional		Synthetic	Subtotal
	(in millions)	STS	Non-STS			STS	Non-STS		
1	**Total exposures**					**407**	**357**		**764**
2	**Retail (total)**						**350**		**350**
3	*- of which residential mortgage*						*350*		*350*
4	*- of which credit card*								
5	*- of which other retail exposures*								
6	*- of which re-securitisation*								
7	**Wholesale (total)**					**407**	**7**		**414**
8	*- of which loans to corporates*								
9	*- of which commercial mortgages*								
10	*- of which lease and receivables*					*407*	*7*		*414*
11	*- of which other wholesale*								
12	*- of which re-securitisation*								

EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

The securitisation exposures in the non-trading book increased in the second half of 2021 as a result of new inflow in both STS and non-STS exposures. However, the majority of the positions are still STS exposures. The new inflow was mainly attributable to residential mortgages and credit cards within Retail.

		31 December 2021								
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)			
(in millions)		≤ 20% RW	> 20% to 50% RW	> 50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**996**	**20**					**46**	**970**	
2	**Traditional securitisation**	**996**	**20**					**46**	**970**	
3	Securitisation	996	20					46	970	
4	*Of which: retail underlying*	*339*							*339*	
5	*- of which STS*	*158*							*158*	
6	*Of which: wholesale*	*656*	*20*					*46*	*630*	
7	*- of which STS*	*656*						*46*	*610*	
8	Re-securitisation									
9	**Synthetic securitisation**									
10	Securitisation									
11	*Of which: retail underlying*									
12	*Of which: wholesale*									
13	Re-securitisation									

		31 December 2021							
		RWEA (by regulatory approach)				Capital charge after cap			
(in millions)		SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**		**5**	**111**				**9**	
2	**Traditional securitisation**		**5**	**111**				**9**	
3	Securitisation		5	111				9	
4	*Of which: retail underlying*			*43*				*3*	
5	*- of which STS*			*16*					
6	*Of which: wholesale*		*5*	*68*				*5*	
7	*- of which STS*		*5*	*61*				*5*	
8	Re-securitisation								
9	**Synthetic securitisation**								
10	Securitisation								
11	*Of which: retail underlying*								
12	*Of which: wholesale*								
13	Re-securitisation								

30 June 2021

(in millions)		Exposure values (by RW bands/deductions) ≤ 20% RW	> 20% to 50% RW	> 50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	Exposure values (by regulatory approach) SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**601**	**20**					**33**	**588**	
2	**Traditional securitisation**	**601**	**20**					**33**	**588**	
3	Securitisation	601	20					33	588	
4	*Of which: retail underlying*									
5	*- of which STS*									
6	*Of which: wholesale*	*601*	*20*					*33*	*588*	
7	*- of which STS*	*600*						*32*	*568*	
8	Re-securitisation									
9	**Synthetic securitisation**									
10	Securitisation									
11	*Of which: retail underlying*									
12	*Of which: wholesale*									
13	Re-securitisation									

30 June 2021

(in millions)		RWEA (by regulatory approach) SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	Capital charge after cap SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**		**5**	**65**				**5**	
2	**Traditional securitisation**		**5**	**65**				**5**	
3	Securitisation		5	65				5	
4	*Of which: retail underlying*								
5	*- of which STS*								
6	*Of which: wholesale*		*5*	*65*				*5*	
7	*- of which STS*		*5*	*59*				*5*	
8	Re-securitisation								
9	**Synthetic securitisation**								
10	Securitisation								
11	*Of which: retail underlying*								
12	*Of which: wholesale*								
13	Re-securitisation								

31 December 2020

	(in millions)	Exposure values (by RW bands/deductions) ≤ 20% RW	> 20% to 50% RW	> 50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	Exposure values (by regulatory approach) SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**757**	**7**					**67**	**697**	
2	**Traditional securitisation**	**757**	**7**					**67**	**697**	
3	Securitisation	757	7					67	697	
4	*Of which: retail underlying*	*350*							*350*	
5	*- of which STS*									
6	*Of which: wholesale*	*407*	*7*					*67*	*347*	
7	*- of which STS*	*407*						*65*	*342*	
8	Re-securitisation									
9	**Synthetic securitisation**									
10	Securitisation									
11	*Of which: retail underlying*									
12	*Of which: wholesale*									
13	Re-securitisation									

31 December 2020

	(in millions)	RWEA (by regulatory approach) SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	Capital charge after cap SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**		**10**	**91**			**1**	**5**	
2	**Traditional securitisation**		**10**	**91**			**1**	**5**	
3	Securitisation		10	91			1	5	
4	*Of which: retail underlying*			*53*				*2*	
5	*- of which STS*								
6	*Of which: wholesale*		*10*	*38*			*1*	*3*	
7	*- of which STS*		*9*	*36*			*1*	*3*	
8	Re-securitisation								
9	**Synthetic securitisation**								
10	Securitisation								
11	*Of which: retail underlying*								
12	*Of which: wholesale*								
13	Re-securitisation								

EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

The percentage of exposures in default remained unchanged at 31 December 2021. Compared to 30 June 2021, this was stable at 0.8%, resulting in an exposure of EUR 76 million in default (30 June 2021: EUR 107 million) on total outstandings of EUR 9.5 billion.

(in millions)		31 December 2021		
		Exposures securitised by the Bank - Bank acts as originator or as sponsor		
		Total outstanding nominal amount	Of which: Exposures in default	Total amount of specific credit risk adjustments made during the period
1	**Total exposures**	**9,533**	**76**	
2	**Retail (total)**	**9,533**	**76**	
3	*- of which residential mortgage*	*9,533*	*76*	
4	*- of which credit card*			
5	*- of which other retail exposures*			
6	*- of which re-securitisation*			
7	**Wholesale (total)**			
8	*- of which loans to corporates*			
9	*- of which commercial mortgages*			
10	*- of which lease and receivables*			
11	*- of which other wholesale*			
12	*- of which re-securitisation*			

(in millions)		30 June 2021		
		Exposures securitised by the Bank - Bank acts as originator or as sponsor		
		Total outstanding nominal amount	Of which: Exposures in default	Total amount of specific credit risk adjustments made during the period
1	**Total exposures**	**13,533**	**107**	
2	**Retail (total)**	**13,533**	**107**	
3	*- of which residential mortgage*	*13,533*	*107*	
4	*- of which credit card*			
5	*- of which other retail exposures*			
6	*- of which re-securitisation*			
7	**Wholesale (total)**			
8	*- of which loans to corporates*			
9	*- of which commercial mortgages*			
10	*- of which lease and receivables*			
11	*- of which other wholesale*			
12	*- of which re-securitisation*			

(in millions)		31 December 2020		
		Exposures securitised by the Bank - Bank acts as originator or as sponsor		
		Total outstanding nominal amount	Of which: Exposures in default	Total amount of specific credit risk adjustments made during the period
1	**Total exposures**	**13,533**	**119**	
2	**Retail (total)**	**13,533**	**119**	
3	*- of which residential mortgage*	*13,533*	*119*	
4	*- of which credit card*			
5	*- of which other retail exposures*			
6	*- of which re-securitisation*			
7	**Wholesale (total)**			
8	*- of which loans to corporates*			
9	*- of which commercial mortgages*			
10	*- of which lease and receivables*			
11	*- of which other wholesale*			
12	*- of which re-securitisation*			

Market risk

EU MRA – Qualitative disclosure requirements related to market risk
Within ABN AMRO, market risk is present in both the banking book and trading book.

Market risk in the banking book
Market risk in the banking book is the risk that the economic value of equity or the income of the bank declines because of unfavourable market movements. Market risk in the banking book consists predominantly of interest rate risk and credit spread risk in the liquidity portfolio. Funding spread risk and foreign exchange risk are also recognised as market risks in the banking book. However, these are relatively immaterial.

Market risk management for the banking book
ABN AMRO has a detailed risk management framework in place to identify, measure and control market risk in the banking book. This framework provides assurance that the banking book activities remain consistent with the bank's strategy to pursue a moderate risk profile. The day-to-day management is delegated from the Asset & Liability Committee to Asset and Liability Management, while Treasury is responsible for the execution of hedge transactions. These departments form the first line of defence. Market & ALM/T Risk Management acts as the second line of defence.

The risk appetite is articulated in terms of net interest income, the economic value of equity and the economic capital for market risk in the banking book, and expresses the maximum loss the bank is willing to accept. The risk appetite is cascaded into a limit framework.

To manage the interest rate sensitivity in the banking book and keep in line with the bank's strategy and risk appetite, ABN AMRO uses a combination of portfolio (macro) hedges and specific asset or liability (micro) hedges. Micro hedges are used to swap fixed funding transactions and fixed investments in the liquidity buffer for floating interest rate positions. In addition, macro hedging is applied in order to align with the bank's strategy to contribute to a stable NII while protecting the economic value of equity.

Market risk measurement for the banking book
Market risk in the banking book consists predominantly of interest rate risk, followed by credit spread risk, funding spread risk and foreign exchange risk.

Interest rate risk in the banking book
Interest rate risk is the risk of losses in the economic value of equity or the bank's net interest income (NII) due to yield curve developments, including changes in the volatility of the yield curve. In order to measure interest rate risk, models are used and assumptions on client behaviour are made, most importantly with respect to the maturity of savings and the prepayment of mortgages. These assumptions influence the anticipated interest cash flow pattern. Interest rate risk is continuously managed in line with the risk appetite as the profile of assets and liabilities on the balance sheet can change if client behaviour changes. More details on how we measure and manage interest rate risk in the banking book is provided in section EU IRRBBA - Interest rate risks of non-trading book activities.

Credit spread risk in the banking book
Credit spread risk is the risk of losses due to adverse movements in the credit spread of assets. The main source is from bonds held for liquidity purposes. It is measured as the impact on economic value of a 1bp change in spreads to a swap rate. The sensitivity is measured for individual term points, as well as for a parallel shift of the curve.

Funding spread risk
Funding spread risk is the risk of losses due to adverse movements in the term structure of rates at which ABN AMRO can fund itself – expressed as a spread to a benchmark such as EURIBOR. Funding spread movements can arise due to changes in, for example, the perceived credit quality of ABN AMRO, changes in the competitive environment or changes in liquidity premiums. They may be entity-specific or systemic by nature. If funding spreads widen, it costs more to fund assets on the balance sheet. Unless this increased spread is passed on to clients by increasing client rates, the projected net interest

income will decrease. The funding spread risk is measured using an NII-at-risk approach whereby the funding spread increases.

Foreign exchange risk
Foreign exchange (FX) risk is the risk arising from adverse movements in FX spot and forward rates and/or FX volatility. It is managed within the bank by ALM and Treasury. As a general rule, foreign exchange risk is hedged by using cross-currency swaps to swap the exposure in foreign currency to EUR. If, for operational reasons, it is inefficient to hedge exposures in foreign currencies, an open currency position (OCP) remains. This is measured by the aggregated net position per currency, except for EUR.

Economic capital
Economic capital for market risk in the banking book is calculated using a parametric Monte Carlo simulation model that determines the economic capital needed to absorb losses resulting from adverse movements in interest rates, client behaviour for mortgages and non-maturing deposits, volatility, credit spreads and foreign exchange rates.

Market risk in the trading book
Positions held with trading intent and hedges for positions held with trading intent must be included in the bank's trading book. The Central Trading Risk policy describes the positions included in the trading book and the criteria for transferring risk and positions between the trading and banking books. As part of its business strategy, ABN AMRO facilitates client orders, acts as a market maker in key markets and provides liquidity to clients, including institutional investors and private clients. Market risk in the trading book is the risk of losses in market value due to adverse market movements. The following market risks are inherent in the trading book:
- Interest rate risk, arising from adverse changes in interest rate risk curves and/or interest rate volatilities;
- Credit spread risk, arising from adverse changes in the term structure of credit spreads and/or from changes in the credit quality of debt securities or CDS reference entities, with an impact on default probabilities;
- Equity risk, arising from adverse changes in equity prices, dividends and volatilities;
- Foreign exchange risk, arising from adverse changes in FX spot and forward rates and/or FX volatility.

Market risk management for the trading book
ABN AMRO has a detailed risk management framework in place to identify, measure and control market risk in the trading book. This framework provides assurance that the bank's trading activities are consistent with its client-focused business strategy and moderate risk profile. In accordance with the strategy, the Business Risk Committee Trading annually approves trading mandates which define the nature and amount of the permitted transactions and risks, and the associated constraints. The Business Risk Committee Trading is a subsidiary committee of the Group Risk Committee.

Market risk measurement for the trading book
ABN AMRO measures and manages market risk in the trading book on a daily basis. The key metrics used are economic capital, regulatory capital, Value-at-Risk (VaR), Stressed VaR (SVaR) and Incremental Risk Charge (IRC), together with a wide array of stress and scenario tests, sensitivity measures, concentration limits and notional limits. These metrics are measured and monitored on a daily basis. Appropriate limits are set at bank level in the Risk Appetite Statement and at bank and business-line levels in the limit framework, in line with the general risk principles in the Central Trading Risk policy.

Metrics and models are managed, reviewed, assessed and, if required, adjusted in a similar way as in the banking book. Other important tools to ensure the adequacy of the models, alongside the formal validation and review of models, are the daily explanation of risk reporting figures, periodic portfolio reviews and regular back-testing.

More information on the key metrics Value-at-Risk, Stressed VaR and Incremental Risk Charge can be found in EU MRB - Qualitative disclosure requirements for institutions using the internal Market Risk Models.

Economic capital
The calculation of economic capital for market risk in the trading book is based on a daily Value-at-Risk (VaR) market risk measure and historical scenarios simulating stress events such as 'Black Monday' and the financial markets crisis.

EU MR1 – Market risk under the standardised approach

		31 December 2021	30 June 2021	31 December 2020
(in millions)		RWEA	RWEA	RWEA
	Outright products			
1	Interest rate risk (general and specific)	4	6	8
2	Equity risk (general and specific)	2		
3	Foreign exchange risk			
4	Commodity risk			
	Options			
5	Simplified approach			
6	Delta-plus method			
7	Scenario approach			
8	Securitisation (specific risk)			
9	**Total**	**6**	**6**	**8**

EU MRB – Qualitative disclosure requirements for institutions using the Internal Market Risk Models

On 5 March 2018, the ECB granted permission for ABN AMRO to continue using the Internal Model Approach (IMA) for calculating the own funds requirements for market risk. The bank uses the IMA to calculate market risk capital for its trading book, which includes all positions held with trading intent and hedges for those positions. The Central Trading Risk policy describes the positions included in the trading book and the criteria for transferring risk and positions between the trading and banking books, in line with Article 104 of the CRR. This policy applies to ABN AMRO Bank N.V. as well as its subsidiaries, branches, representative offices and legal entities under its control. The following activities are excluded from the IMA capital and are calculated by means of the Standardised Approach (SA):

- Trading activities in Brazil;
- Residential mortgage-backed securities trading.

The next section explains the main components of the IMA approach. The key metrics used are Value-at-Risk (VaR), Stressed VaR (SVaR) and Incremental Risk Charge (IRC), together with a wide array of stress and scenario tests, sensitivity measures, concentration limits and notional limits. These metrics are measured and monitored on a daily basis. Other important tools to ensure the adequacy of the models, alongside the formal validation and review of models, are the daily explanation of risk reporting figures, periodic portfolio reviews and regular back-testing.

Value-at-Risk (VaR)

ABN AMRO uses the historical simulation VaR methodology as one of its primary risk measures. The VaR for market risk quantifies, with a one-sided confidence level of 99%, the maximum one-day loss that could occur due to changes in risk factors if positions remained unchanged for a period of one day. The VaR also incorporates market data movements for specific movements in the underlying issuer of securities. The impact of historical market movements on today's portfolio is estimated on the basis of equally weighted market movements observed in the previous 300 days, using a full revaluation method for the majority of risk factors. The market data for VaR is updated on a weekly basis, i.e. five out of the 300 scenarios are updated every week.

Depending on the risk factor, either relative or absolute changes are used for forecasting. For instance, our rates shocks are absolute changes rather than relative, due to the low interest rate environment. Our implementation is limited to relative or absolute changes as a dynamic setup is considered overly complex. Moreover, shocks scaled by volatility are not used. Where data are not available for risk factors, we have to rely on proxies, which are assumed to be fair representations of the proxied risk factors. Aggregation is performed by adding all P&L vectors from the different risk systems used. The bank uses the VaR with a one-day horizon for internal risk measurement, control and back-testing, and the VaR with a ten-day horizon to determine regulatory capital. The latter is derived by scaling the one-day VaR by the square root of ten. This is an assumption which is tested on a regular basis. The daily VaR is back-tested against the actual mark-to-market changes calculated for each subsequent trading day, as well as against hypothetical mark-to-market changes assuming no trading activities over the same horizon. The number of outliers is used to assess the reliability of the VaR model.

Stressed Value at Risk (SVaR)
The purpose of the SVaR is to replicate a VaR calculation that would be generated on the bank's current portfolio with inputs calibrated to historical data for a continuous 12-month period of significant financial stress relevant to the bank's portfolio. To calculate the SVaR, ABN AMRO uses the same model as those used for the VaR, based on historical simulation. The current historical data period includes the credit crisis of 2008 and is reviewed at least annually. In this annual review, the VaR is approximated for the current portfolios over a long historical period.

Incremental Risk Charge (IRC)
By calculating the IRC, ABN AMRO calculates an estimate of the default and migration risks for credit products in the trading book for which ABN AMRO has IMA approval. The model uses a one-year capital horizon with a 99.9% confidence level. Potential profits and losses over the one-year time horizon are created by simulating scenarios showing how the issuer's credit ratings may change (including possible defaults), taking correlations between different issuers into account and repricing the positions. The underlying model for the rating migrations and defaults is a t-copula model. The simulated scenarios correspond to an instantaneous shock over the one-year period; in this way, ABN AMRO uses a one-year liquidity horizon for all its positions under the scope of the IRC model. The average liquidity horizon is therefore currently also one year. Rating transitions and defaults are dependent upon individual issuer rating transition probabilities and correlations between issuer migrations. For the individual transition matrices, data from external vendors are used. Given that there is no long history of defaults and migrations in our current portfolio, it is not possible to properly back-test IRC. The model risk is therefore relatively high and the outcome of the IRC is based on the assumption of the correlation structure (t-copula) and its corresponding parameters.

Validation procedure
For all models, including market risk models, we have a model risk policy in place. This policy requires that model assumptions and limitations are documented and independently validated by Model Validation. For material changes, the regulator performs an onsite investigation before such a model change is applied in production.

Stress testing and scenario analysis
Stress testing and scenario analysis are designed to focus specifically on the impact of tail events that are outside the VaR confidence interval. We perform daily stress tests for large movements in risk factors. Scenario analyses are also conducted frequently to evaluate the impacts of extreme market events that cover multiple risk factors, and the results of these tests are monitored. These scenarios can be based on historical or hypothetical events, or on a combination of the two.

For each risk type, sensitivities are monitored against limits. This includes all risk types mentioned above and the base risks in the trading portfolio. In addition, the holding period is monitored as a measure of the liquidity of the positions.

Valuation adjustments
For the trading book, we take into account adjustments for counterparty risk on our clients (Credit Valuation Adjustment), ABN AMRO funding costs (Funding Valuation Adjustment) and ABN AMRO credit risk (Debt Valuation Adjustment).

Trading book positions are subject to prudent valuation standards in accordance with regulatory requirements (Article 105 of the CRR). The prudent value is derived from IFRS accounting fair value and includes additional valuation adjustments. ABN AMRO has developed models for additional valuation adjustments, for instance regarding bid-ask spreads and model risk. These models are subject to model validation, which includes an assessment of adherence to the regulation. To ensure robust reporting, the IFRS and additional valuation adjustments are subject to a control framework, including a control sheet, the four-eyes principle and sign-off by the validating party.

EU MR2-A – Market risk under the Internal Market Approach (IMA)

(in millions)		31 December 2021 RWEA	31 December 2021 Own funds requirements	30 June 2021 RWEA	30 June 2021 Own funds requirements	31 December 2020 RWEA	31 December 2020 Own funds requirements
1	**VaR**	**150**	**12**	**300**	**24**	**253**	**20**
a	Previous day's VaR		3		6		4
b	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		12		24		20
2	**SVaR**	**839**	**67**	**856**	**68**	**481**	**38**
a	Latest available SVaR		17		18		16
b	Multiplication factor (mc) x average of previous 60 working days (sVaRavg)		67		68		38
3	**IRC**	**673**	**54**	**765**	**61**	**593**	**47**
a	Most recent IRC measure		38		56		42
b	12 weeks average IRC measure		54		61		47
4	**Comprehensive risk measure**						
a	Most recent risk measure of comprehensive risk measure						
b	12 weeks average of comprehensive risk measure						
c	Comprehensive risk measure floor						
5	**Other**						
6	**Total**	**1,662**	**133**	**1,921**	**154**	**1,327**	**106**

EU MR2-B – RWEA flow statements of market risk exposures under the IMA

(in millions)		31 December 2021 VaR	SVaR	IRC[1]	Compre-hensive risk measure	Other	Total RWEA	Total own funds requi-rements	30 September 2021 Total RWEA	Total own funds requi-rements	31 December 2020 Total RWEA	Total own funds requi-rements
1	**RWEA at previous quarter end**	**141**	**935**	**778**			**1,854**	**148**	**1,921**	**154**	**1,810**	**145**
1a	*Regulatory adjustment*	*-83*	*-735*				*-817*	*-65*	*-913*	*-73*	*-658*	*-53*
1b	*RWEA at the previous quarter-end (end of the day)*	*58*	*200*	*778*			*1,037*	*83*	*1,008*	*81*	*1,152*	*92*
2	Movement in risk levels	-22	9	-219			-233	-19	46	4	-330	-26
3	Model updates/changes			-80			-80	-6	-17	-1	-47	-4
4	Methodology and policy											
5	Acquisitions and disposals											
6	Foreign exchange move-ments											
7	Other											
8a	*RWEA at the end of the disclosure period (end of the day)*	*36*	*209*	*479*			*725*	*58*	*1,037*	*83*	*775*	*62*
8b	*Regulatory adjustment*	*114*	*630*	*194*			*937*	*75*	*817*	*65*	*552*	*44*
8	**RWEA at the end of the disclosure period**	**150**	**839**	**673**			**1,662**	**133**	**1,854**	**148**	**1,327**	**106**

1 Market risk RWEA figures include the other risk exposure amount related to an application of CRR Article 459 with respect to the own funds requirements for market risk.

Market risk RWEA under the Internal Model Approach

RWEA decreased from EUR 1.9 billion at 30 September 2021 to EUR 1.7 billion at 31 December 2021. The decrease was mainly due to a decrease in RWEA for Stressed Value at Risk (SVaR) and a decrease of RWEA for Incremental Risk Charge (IRC).

The decrease in SVaR was the result of position changes. Note that, for VaR and SVaR, the capital multipliers are 3.25 and

3.5, respectively. This results in the 12-week average, multiplied by capital multipliers, always exceeding the latest observations. This is reflected in the regulatory adjustments.

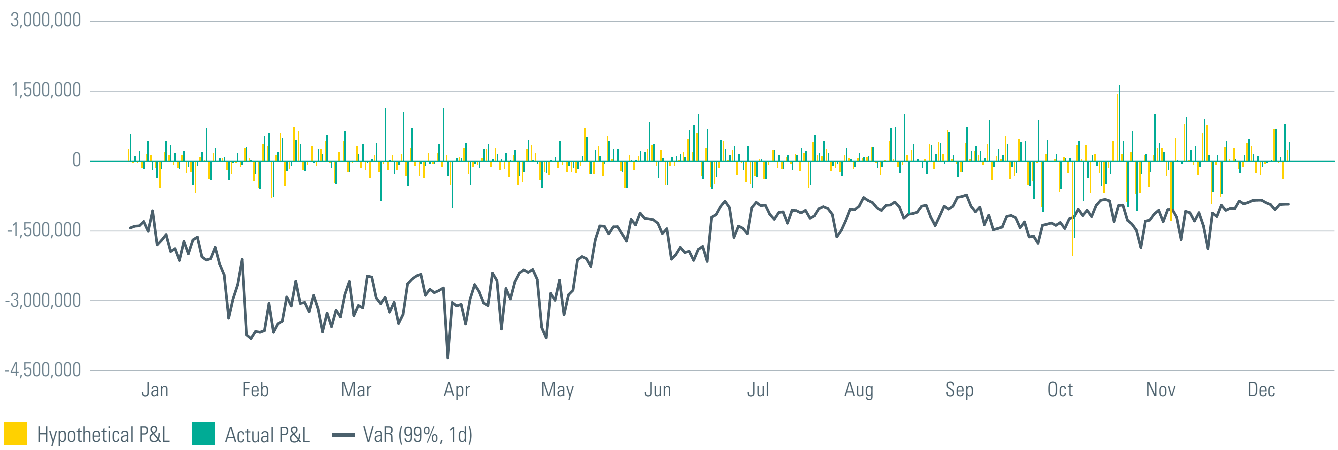
The decrease in IRC was caused by position changes and reclassification of a self-imposed add-on, which is now reported separately and is no longer included in the RWEA calculation. Note that at 31 December 2021 the 12-week average, which provides a regulatory floor, exceeded the latest observation, which was not the case at 30 September 2021. This is reflected in the regulatory adjustment increasing from nil to EUR 194 million.

EU MR3 – IMA values for trading portfolios

(in millions)		31 December 2021	30 June 2021	31 December 2020
		VaR (10 day 99%)	VaR (10 day 99%)	VaR (10 day 99%)
1	Maximum value	6	13	11
2	Average value	4	7	7
3	Minimum value	3	4	3
4	Period end	3	6	4
		SVaR (10 day 99%)	SVaR (10 day 99%)	SVaR (10 day 99%)
5	Maximum value	30	24	16
6	Average value	19	20	13
7	Minimum value	12	16	10
8	Period end	16	22	16
		IRC (99.9%)	IRC (99.9%)	IRC (99.9%)
9	Maximum value	63	60	50
10	Average value	49	50	38
11	Minimum value	34	43	27
12	Period end	35	43	34
		Comprehensive risk capital charge (99.9%)	Comprehensive risk capital charge (99.9%)	Comprehensive risk capital charge (99.9%)
13	Maximum value			
14	Average value			
15	Minimum value			
16	Period end			

EU MR4 – Comparison of VaR estimates with gains/losses

Comparison of VaR estimates with gains/losses 2021



Analysis of outliers
ABN AMRO reported two outliers during the 250 days ending on 31 December 2021. At close of business (COB) on 26 October 2021, the hypothetical and actual P&L both exceeded the 1-day Value at Risk (VaR) on an overall level. At COB on 25 November 2021, the hypothetical P&L exceeded the 1-day VaR. These were genuine overshootings. The former was mainly driven by the flattening of interest rate curves, while the latter was driven by the flattening of interest rate curves and widening corporate credit spreads. Credit spreads for highly rated government bonds also tightened (flight-to-safety) in response to news about the omicron variant. As a result of these overshootings, the VaR and SVaR multipliers remained at 3.25 and 3.5, respectively.

EU IRRBBA - Qualitative information on interest rate risk of non-trading book activities
Interest rate risk is the risk of losses in the economic value of equity or the bank's net interest income (NII) due to yield curve developments, including changes in the volatility of the yield curve. In order to measure interest rate risk, models are used and assumptions on client behaviour are made, most importantly with respect to the maturity of savings and the prepayment of mortgages. These assumptions influence the anticipated interest cash flow pattern. Interest rate risk is continuously managed in line with the risk appetite as the profile of assets and liabilities on the balance sheet can change if client behaviour changes.

The main sources of interest rate risk are:
- The maturity mismatch between assets and liabilities. ABN AMRO provides mortgages and commercial loans with fixed interest terms. These assets are funded by non-maturing deposits and wholesale funding with a shorter average interest maturity than the assets;
- Client behaviour, which determines the maturity profile of some of our products. As we use models to predict this behaviour, we are exposed to model risk.

Key assumptions for modelling client behaviour
From an interest rate risk perspective, the following aspects of client behaviour are the most important:
- Client behaviour with respect to early redemption of residential mortgages. This has a significant impact on the average interest maturity of the mortgage portfolio. Clients have the option to fully or partially prepay mortgages before maturity. Prepayments may be triggered by, for example, relocation, redemption or curtailment. An important driver of prepayments is the interest rate incentive, i.e. the difference between a client's current mortgage rate and prevailing mortgage rates. Future mortgage rates are simulated using a Monte Carlo approach. In addition to the interest rate incentive, other drivers such as loan age, seasonality and house price developments are also taken into account;
- Client acceptance of the volume offered and the deviation between the offered rate and the actual coupon on an offered residential mortgage;
- Client behaviour with respect to non-maturing deposits that are callable on demand. Future client rates for savings and current accounts are modelled using a replicating portfolio model. Modelled client rates depend on current or lagged yield curves and funding costs. A maximum maturity of 10 years is assumed. The resulting duration depends on product type and client behaviour. The average duration for our non-maturing deposits is around 2.7 years, well below the regulatory 5-year cap. The longest duration for a non-maturity deposit portfolio is 5.4 years.

The metrics used for market risk in the banking book are dependent upon the assumptions made in the behavioural models. Models must therefore be based on extensive research, including historical data regarding observed client behaviour. Models must be independently validated and approved by the mandated risk committees. Models are periodically assessed to determine whether they behave appropriately and are statistically sound; if required, they are adjusted.

Risk measurement for interest rate risk
Interest rate risk is measured by net interest income (NII) at risk, the present value of one basis point (PV01), and the economic value of equity (EVE) at risk.

NII-at-Risk is the difference in NII between a base scenario and an alternative scenario observed over a 1-year horizon. In addition to the regulatory prescribed scenarios, the internal metric is defined as the worst outcome of the following scenarios: a gradual increase or decrease in interest rates by 200bps, measured over a one-year period, and an instantaneous increase or decrease of 100bps. NII-at-Risk includes all expected cash flows, including commercial margins and other spread components, from all interest rate-sensitive assets, liabilities and off-balance sheet items in the banking book. The NII-at-Risk calculation contains assumptions about the future balance sheet, including the reinvestment of maturing positions.

PV01 measures the average value changes resulting from a 1bp parallel upward and downward shift of the yield curve. We also measure the value sensitivity to changes in individual term points on the yield curve.

EVE-at-Risk is the loss in economic value of equity as a result of various yield curve shocks. In addition to the regulatory prescribed shocks, the EVE-at-risk is based on the following internal shocks: bow up, bow down, steepening, flattening and tilt short-end up and down. The impact is calculated for cash flows from all interest-bearing assets, liabilities and off-balance sheet items in the banking book. An assumption of a run-off balance sheet is made, where banking book positions amortise and are not replaced by new business. The projected cash flows include commercial margins and other spread components and are discounted at the risk-free rate.

To ensure a comprehensive approach to risk management and identify potential weaknesses, the metrics are complemented by stress testing and scenario analysis. Stress testing and scenario analyses go beyond determining the impact of alternative developments of interest rates. Assumptions with respect to modelling and client behaviour are also tested. A combination of market and product floors is applied. These floors are reviewed periodically.

For management purposes, the interest rate risk position is monitored by the Asset & Liability Committee (ALCO) on a monthly basis. The above metrics are also regularly reported to the Executive Board.

EU IRRBB1 - Interest rate risks of non-trading book activities

		Changes of the economic value of equity			Changes of the net interest income		
	(in millions)	31 December 2021	30 June 2021	31 December 2020	31 December 2021	30 June 2021	31 December 2020
	Supervisory shock scenarios						
1	Parallel up	-2,274	-1,976	-2,190	382	324	326
2	Parallel down	21	1	40	-157	-198	-10
3	Steepener	-350	-125	-339			
4	Flattener	-507	-414	-75			
5	Short rates up	-587	-458	-275			
6	Short rates down	98	110	46			

The table shows the changes in the economic value of equity (EVE) resulting from various yield curve shocks, as calculated under the six supervisory shock scenarios. Also shown are the changes in net interest income (NII), i.e. the difference in NII between a base scenario and an alternative scenario, as calculated under the two supervisory shock scenarios. The scenarios are as described in the EBA guidelines.

The most stringent EVE-at-Risk scenario increased, in absolute terms, to EUR -2.3 billion in 2021. This increase was the aggregate result of various developments in markets and the balance sheet, including an increase in interest rates, the longer average maturity of the mortgage portfolio and volume increases in savings deposits. ABN AMRO actively manages interest rate risk to keep it within the risk appetite.

The NII-at-Risk at 31 December 2021 increased to EUR -157 million, reflecting a reduction in NII in the parallel down scenario. The increase in NII-at-Risk was attributable to market movements, business developments and alignment of mortgage prepayment compensation fees with the accounting treatment. The latter was the main driver of the higher negative NII-at-risk at 30 June 2021.

Operational risk

EU ORA - Qualitative information on operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition is in line with the definition applied by the Basel Committee on Banking Supervision (BCBS). Operational risk covers multiple non-financial risks, such as HR risk, information risk, compliance risk, legal risk and model risk.

Operational risk management

ABN AMRO has a holistic approach to operational risk management, providing the business with a clear and fair view on the operational risks that the bank faces and the way these should be managed. For this purpose, ABN AMRO has in place a framework that enables operational risks to be managed within its moderate risk profile. The Information and Operational Risk Management (I&ORM) department sets this framework for the bank in line with the requirements of the BCBS and the Advanced Measurement Approach (AMA). This framework evolves and is kept current as experience gained is incorporated. The main components of the framework are shown in the following figure.

Framework for operational risk

Management Control Statement

Strategic risk assessment

Operational risk management overview
- Non-financial (operational) risk
- Risk appetite reporting
- Operational risk capital

Operational risk assessments
- Business-as-usual (including scenarios)
- Changes

Monitoring
- Operational risk events
- Effectiveness of controls
- Key Risk Indicators

Operational risk responses
- Mitigation
- Avoidance
- Transfer
- Risk acceptance

ABN AMRO's operational risk management framework is supported by the three lines of defence (3LoD) model. The division and clarity in roles and responsibilities across the three lines of defence reflect the bank's view that managing operational risk requires a concerted effort from all. Operational risk views are provided in risk reports at various levels within the bank, up to the Executive Board and Supervisory Board.

Framework for operational risk management

Risk identification, assessments, response and monitoring activities are at the heart of our operational risk management framework. Despite preventive measures being in place, incidents and operational losses are inherent to our business. ABN AMRO systematically tracks and analyses such events in order to learn from them and use them as early warnings. We scan external developments and identify emerging risks for further assessment. Key Risk Indicators (KRIs) are monitored to signal adverse risk developments.

Managers in the first line perform assessments to identify and assess risks, including scenarios for rare events. Assessments are executed for business-as-usual activities and for new initiatives. Assessments also enhance risk awareness throughout the organisation. If a risk exceeds or is predicted to be outside the risk appetite, the manager in the first line takes appropriate actions.

At least once a year, managers in the first line monitor the effectiveness of the controls in their areas of responsibility and update them as necessary. Management may also decide to avoid risks by terminating certain operations, consciously tolerate a certain risk or transfer a risk to insurance companies or within the group. With respect to the latter option, the bank has in place a global insurance programme which is reviewed annually by the Group Risk Committee.

Once a year, senior management also reviews the strategic business objectives and the measures taken from a risk perspective. At the end of each year, based on the effectiveness of the control environment and on the strategic risk outlook, senior management signs a Management Control Statement (MCS).

Operational risk measurement

In line with the Advanced Measurement Approach (AMA), the bank has in place an internally developed model to define the own funds required in relation to operational risk (i.e. operational risk capital). The AMA model estimates potential operational risk losses (annually aggregated) by combining forward-looking and backward-looking views on operational risk events.

Risk self-assessments and scenario analyses provide a forward-looking view. Experts use these tools to build scenarios to evaluate future risks and estimate the severity of potential losses that could occur. The resulting estimates are used as data input for the model. In these scenarios, experts take into consideration the quality of the bank's control environment, its processes, systems and people, as well as external circumstances and changes that may have an influence. The ongoing relevance of the estimations (and hence of the capital) is safeguarded by reviewing the scenarios at regular intervals as well as when major changes occur in the risk profile.

Alongside these expert-based estimations, the model also uses historical loss data from ABN AMRO and the banking industry. Historical loss data are included as these are assumed to provide some level of predictive information about future losses.

Capital for operational risk

The level of AMA capital is derived from the results of the model calculations. The bank applies a 99.95% confidence level to the annually aggregated losses when calculating the operational risk economic capital, whereas a 99.9% confidence level is applied to calculate regulatory operational risk capital. The adequacy of the capital levels is monitored on a quarterly basis; if issues occur – for example, regarding the reliability of data – add-ons can be applied.

Operational RWEA, calculated using the Advanced Measurement Approach (AMA), slightly decreased in 2021 to EUR 16.0 billion (2020: EUR 16.7 billion). The decrease was mainly attributable to the removal of a regulatory capital add-on. As the ECB's finding on the model validation process was resolved by ABN AMRO, the associated capital add-on could be removed. During 2021, some drivers of capital decrease (e.g. exclusion from capital of the estimated AML fine) were also offset by drivers of capital increase (legacy cases, claim risk).

ABN AMRO's current operational risk capital level (measured against the bank's gross income) is in line with that of peer banks with a moderate risk profile (based on updated ORX benchmark data).

Insurance

Under the Basel Framework, banks using an Advanced Measurement Approach (AMA) are permitted to recognise the impact of insurance mitigation under certain conditions. Insurance premiums and the use of insurance could be seen as a replacement of capital. However, ABN AMRO does not use insurance to reduce the operational risk capital charge.

EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

						31 December 2021
		Relevant indicator			Own funds requirements	RWEA
	(in millions)	Year-3	Year-2	Last year		
	Banking activities					
1	Banking activities subject to basic indicator approach (BIA)	397	314	256	48	604
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches					
3	*Subject to TSA:*					
4	*Subject to ASA:*					
5	Banking activities subject to advanced measurement approaches AMA	8,488	8,028	7,436	1,236	15,444

						31 December 2020
		Relevant indicator			Own funds requirements	RWEA
	(in millions)	Year-3	Year-2	Last year		
	Banking activities					
1	Banking activities subject to basic indicator approach (BIA)	372	386	327	54	678
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches					
3	*Subject to TSA:*					
4	*Subject to ASA:*					
5	Banking activities subject to advanced measurement approaches AMA	8,552	8,500	8,015	1,281	16,007

Compared to 31 December 2020, operational RWEA slightly decreased, mainly due to the removal of a regulatory capital add-on relating to an ECB finding on the model validation process.

Remuneration policy

The Remuneration policy section presents the amounts paid in the financial year in accordance with the EBA requirement.

EU REMA - Remuneration policy
Letter from the Chair of the Remuneration Committee

Dear shareholder,

We hereby present our remuneration report for the year 2021. In this letter, I would like to reflect briefly on some key topics and considerations for the Remuneration Committee in the past year.

In 2021, we made progress in executing our strategy to be a personal bank in the digital age, serving clients where we have scale in the Netherlands and Northwest Europe. ABN AMRO aims to pursue a responsible remuneration policy within the regulatory boundaries and considering the interests of our stakeholders. As a value-driven organisation, our decisions and behaviour need to be in line with our purpose and strategy. Our remuneration policy should enable us to attract and retain the right talent and ensure that we meet our responsibilities to clients and other stakeholders, both now and in the future. We need well-trained, engaged and entrepreneurial employees with the right expertise, as well as flawless processes and technologies. We need to enable our employees to develop new skills by investing in employee development. We also need to be able to continue to create value for our stakeholders and society at large. We strive to embed new remuneration regulations effectively and efficiently in our reward policies and principles.

Strategy execution

As part of the simplification of our organisational structure, and to better serve our clients, the Executive Committee was changed into an extended Executive Board. We welcomed Choy van der Hooft-Cheong (CCO Wealth Management), Dan Dorner (CCO Corporate Banking) and Gerard Penning (Chief Human Resources Officer) as members of the Executive Board from 24 November 2021. We also announced Annerie Vreugdenhil as a candidate for the position of CCO Personal & Business Banking, for which regulatory approval has been obtained. The Executive Committee ceased to exist from the same date. The former Executive Committee members Daphne de Kluis and Rutger van Nouhuijs resigned in 2021, and the employment contracts of Pieter van Mierlo and Frans van der Horst are due to end during 2022. In early 2022, Christian Bornfeld resigned as at 1 May 2022. In Q4 2021, as part of the implementation of the new structure, a reorganisation was conducted at the level of the Extended Leadership Team (i.e. all direct reports to the Executive Board with managerial responsibility). All members of the Extended Leadership Team were appointed with effect from 1 January 2022.

Executive Board Remuneration Policy

In 2022, with the new Executive Board members and the Extended Leadership Team having been installed, the focus will continue to be on strategy execution, also in the organisational layers below the Extended Leadership Team. In 2022, we will initiate internal and external stakeholder engagements on a proposal for adjusting our Executive Board Remuneration Policy, and more specifically the performance KPIs for Executive Board members, in order to achieve more alignment with our strategy and expected legislation.

Negotiations Collective Labour Agreement (CLA)

In the Netherlands, our Collective Labour Agreements (comprising the CLA employment conditions and the Social Plan) are applicable to the vast majority of the employees. The CLA employment conditions and the Social Plan both reached the end of their term on 1 January 2022. Following extensive negotiations with the unions, agreement was reached on CLA employment conditions for the period from 1 January 2022 to 1 July 2022, with a specific focus on arrangements for hybrid working, wellbeing and employability. The transportation arrangements were also updated to take into account hybrid working and our sustainability strategy. The Social Plan, which is a separate CLA, has been extended for a period of three years.

Settlement agreed with the Netherlands Public Prosecution Service (NPPS) April 2021

On 19 April 2021, it was announced that ABN AMRO had accepted a settlement offer from the NPPS relating to the previously announced investigation into the the bank's AML activities in the Netherlands over the period 2014-2020. As part of this settlement, we paid a fine of EUR 300 million and EUR 180 million as a disgorgement. ABN AMRO deeply regrets the situation and recognises the seriousness of the matter, in which we fell short in fulfilling our role as a gatekeeper seeking to combat money laundering. The settlement was taken into account when deciding on the award of variable remuneration for 2021, as described in the report below.

Diversity & equal pay

We aim to provide a working environment where everyone can be themselves and feel safe, regardless of their race, ethnicity, gender, religion, age, disability, sexual orientation, gender identity or gender expression. In 2021, we were given the first ever Diamond Award for cultural diversity by the 'Talent to the Top Foundation'. This award recognises our broad-ranging efforts to promote diversity, including our programmes that support employees with different cultural backgrounds and offer jobs to refugees with residence permits. In 2022 we will introduce a pilot in which employees can swap two public holidays for two days off that are of significance to their religious or philosophical beliefs.

Equal pay for equal work is an important principle within ABN AMRO and progress in equal pay is continuously monitored. During the past few years, ABN AMRO has achieved good results on equal pay within the CLA population in the Netherlands. In 2021, preparations were made to adjust the remuneration methodology for the Dutch CLA+ employees (i.e. employees appointed at a job level that exceeds the CLA job levels) and to improve arrangements ensuring equal pay for equal work or work of equal value. These changes were implemented with effect from 1 January 2022.

Aside from paying equally for equal work or work of equal value, good progress has been achieved on diversity in appointments within our Dutch CLA+ population. The gender diversity of the Extended Leadership Team increased from 44% to 47% female employees as at 1 January 2022 as a result of the reorganisation at the level of the Extended Leadership Team. The Executive Board consisted of 33.33% female members until 24 November 2021. From that date, the Executive Board consisted of 28% female members and will increase to 37.5% female members upon appointment of Annerie Vreugdenhil. For most of 2021, the Supervisory Board consisted of 43% female members. The current composition of the Supervisory Board complies with the Act on Gender Balance in Management and Supervisory Boards (*Wet Evenwichtiger verhouding tussen mannen en vrouwen in bestuur en raden van commissarissen*), which came into force on 1 January 2022.

As Covid-19 continues to affect the way we live and work, I would like to thank our staff for their ceaseless dedication to our clients. I am pleased to report that our employee engagement remains high at 82%. This was after another challenging year, in which our employees were once again challenged to combine their work and private lives. I appreciate how challenging it can be to keep doing your job well in these circumstances. Although we continuously strive to support our colleagues in these difficult circumstances, we also realise that this period has demanded a lot from our employees. I would therefore like to thank all our employees most sincerely for their continuous efforts. Please allow me to emphasise how important it is to continue taking good care of yourselves and each other.

On behalf of the Remuneration Committee of the Supervisory Board,

Arjen Dorland
Chair of the Remuneration Committee

Remuneration principles and policies

General

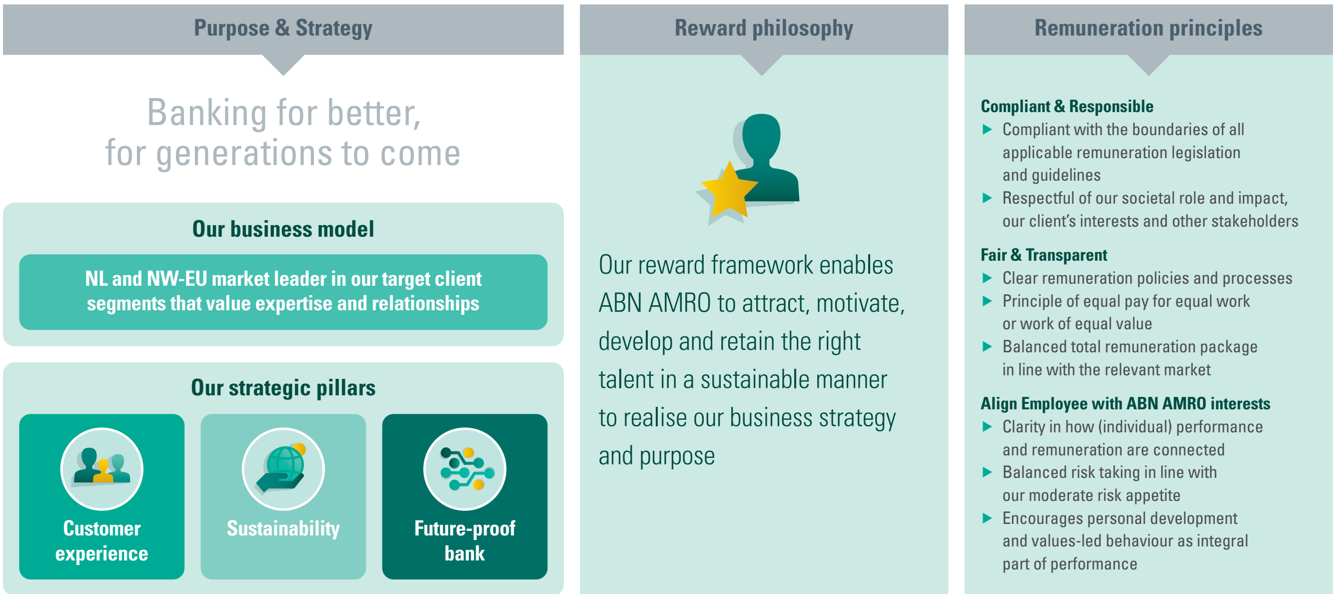
The only way to successfully execute our strategy is to create conditions in which all our employees can use their talents to contribute to our goals and to develop or acquire the right skills. We strive to achieve a future-proof workforce, with an excellent employee experience and leadership that inspires, alongside efficient organisational structures, processes and IT systems that help our employees work more effectively.

ABN AMRO aims to be a bank at the heart of society that is relevant and responsible, now and in the future. Our purpose is clearly defined as 'Banking for better, for generations to come'. Our strategy is based on our purpose and the three strategic pillars:

- Customer experience;
- Sustainability;
- Future-proof bank.

We want to create value for society, not only as a provider of financial services to our clients but also as an employer.

Remuneration principles



ABN AMRO has embedded its long-term corporate strategy in its remuneration policy and principles. Our remuneration principles are set out in ABN AMRO's Global Reward Policy, which is designed to support the bank's business and risk strategy, objectives, values and long-term interests. ABN AMRO's Global Reward Policy and remuneration principles apply to all of our employees at all levels and in all countries of ABN AMRO's international network (including branch offices) and underscore our goal of nurturing a culture of engaged, well-trained, knowledgeable and high-performing people and processes.

The Supervisory Board approves the general remuneration principles laid down in the Global Reward Policy. The policy is reviewed regularly, taking into consideration the company's strategy and culture (and any changes in these), as well as factors such as risk awareness, targets, corporate values and any updates due to laws and regulations.

Composition of remuneration packages

A typical remuneration package for ABN AMRO employees consists of an annual base salary, annual variable remuneration (if the relevant market practice so requires, mainly outside the Netherlands) and fringe benefits. Different ranges apply to the various salary scales in each country, but we always position our remuneration levels around the median of the relevant labour market, while keeping labour costs under control.

ABN AMRO's collective labour agreement (CLA) governs the remuneration packages for employees based in the Netherlands (including Identified Staff), unless they have been appointed to a CLA+ position.

Limitations on variable remuneration

As a financial institution, ABN AMRO is subject to many guidelines and restrictions with respect to remuneration. Since 2015, additional limitations with respect to remuneration and particularly variable remuneration have applied to the Dutch financial sector, impacting all staff of ABN AMRO, with even more restrictions applying to financial institutions of which shares are held by the Dutch State. In alignment with the Act on the Remuneration Policy for Financial Undertakings (Wbfo), the variable compensation is capped at (an average of) 20% of base salary for those employed in the Netherlands.

The maximum variable compensation percentage for employees working outside the Netherlands in another European Economic Area ('EEA') state is 100%; for employees working outside the EEA, more than 100% is allowed, with a maximum of 200% and subject to shareholder approval. As ABN AMRO has not requested shareholder approval to increase the maximum variable compensation percentage to 200%, a cap of 100% applies outside the Netherlands.

Bonus prohibition

As long as the Dutch State holds any interest in ABN AMRO, ABN AMRO is required to apply the bonus prohibition to a specific group of senior employees, as defined in the Wbfo. Senior employees in scope of the bonus prohibition are not allowed to be granted any variable remuneration or individual salary increases until the Dutch State no longer holds an interest in ABN AMRO ('Bonus Prohibition').

Remuneration details Identified Staff

Staff whose professional activities could have a material impact on the bank's risk profile are defined as Identified Staff. Within ABN AMRO, the group of Identified Staff consists of:

- Members of the Executive Board or Supervisory Board;
- Members of the Executive Committee, not being a member of the Executive Board (until 24 November 2021);
- Members who hold a position at CLA+ level (including staff responsible for independent control functions);
- Other risk takers. The definition of the group of other risk takers follows from their impact on the economic capital of ABN AMRO (EC threshold), membership of certain risk committees, having credit authority above a certain threshold or fulfilling specific roles;
- Other employees whose total remuneration exceeds specific thresholds.

All variable remuneration awards for Identified Staff are subject to and structured in accordance with the applicable Variable Compensation Plan.

Before any variable remuneration is granted to Identified Staff, ABN AMRO applies an ex-ante risk assessment consisting of collective quantitative risk adjustment mechanisms (such as the solvency check) and a qualitative individual check (the gatekeeper). The gatekeeper procedure is part of the performance management framework and provides for an assessment of each individual Identified Staff member by the control functions (Risk, Compliance and Audit) on the basis of several behavioural elements. This assessment results in an advice to the Executive Board, which ultimately decides on whether variable compensation can indeed be granted to the Identified Staff member concerned. The Executive Board's decision must be formally approved by the Supervisory Board, based on the advice of the Remuneration Committee.

The variable remuneration is awarded over time and split between an up-front portion (60%) and a deferred portion (40%), with all portions divided equally between a cash and a non-cash instrument. Up-front variable remuneration is awarded in the first quarter of the year following the relevant performance year, while deferred variable remuneration vests in equal instalments in the years following the first payment. This remuneration vests only after an explicit ex-post risk assessment: the 'malus assessment'. This assessment is performed by the Control functions and also results in an advice to the Executive Board, which decides whether a malus is applicable. The Executive Board's decision must be formally approved by the Supervisory Board, based on the advice of the Remuneration Committee.

Equal pay

ABN AMRO aims to create an environment where staff can express their identity and where equal work or work of equal value is rewarded equally. Through its diversity and inclusion policy, ABN AMRO aims to be an organisation where people feel safe and welcome. Rewarding equal work equally is of fundamental importance and has ABN AMRO's full attention.

Internal research shows that, for several years in a row, and within the CLA population in the Netherlands, men and women in the same salary scale have – on average – been paid equally and have had the same opportunities for promotion. In the case of the CLA+ positions, however, salary differences between men and women have been identified. In 2021, therefore, a new equal pay methodology was prepared, and then implemented with effect from 1 January 2022. As preparation for this new methodology, the job grades in the CLA+ positions have been (or will shortly be) regraded and the midpoints of the salary scales have been benchmarked against the market. Going forward, discretionary salary increases are being replaced by pre-set salary increases linked to the position in the salary scale in combination with the individual performance score, in line with market practice for these job grades.

Performance management and KPI setting

General

In line with the general trend toward less hierarchy and more teamwork, ABN AMRO wants to subject employees to fewer controls, empower them more, and offer them tools that will keep them well-equipped for their job and help them deal with the ever-changing environment. We are striving to make our staff's work more meaningful, while at the same time ensuring their duties are aligned with all the bank's current and future priorities. Our performance management aims to support our employees' ambitions, to build expertise and knowledge and to seek alignment with our goals (including reskilling and upskilling), thus creating long-term value for all our stakeholders. We aim to use Performance Management as a driving force for a culture of performance and accountability, characterised by clear expectations, single-point accountability, honest and courageous dialogues and recognition for outstanding performance.

Our performance management aims to create a clear link between performance (realistic, sustainable results) and reward in such a way that reward is aligned with both the employee's and the bank's performance. KPIs used are financial and non-financial, as well as qualitative and quantitative.

Identified Staff

For Identified Staff (CLA and CLA+) a specific KPI framework applies, linked to the strategy of ABN AMRO and approved by the Executive Board and Supervisory Board. For 2021, the group non-financial KPIs consisted of sustainability assets, while the group financial KPI was the CET1 ratio. The business line non-financial KPIs were gender diversity in the sub-top, net growth in strategic segments and rNPS, while the business line financial KPIs were cost level and segment ROE. At an individual level, objectives were set for results, behaviour and development. In the final performance scores, conveying the desired compliance and risk culture is taken into account at a business line and individual level.

Executive Board

The annual KPI framework is approved by the Supervisory Board. The performance criteria for Executive Board members are based on financial and non-financial measures at an organisation, business line and individual level, as set out in the Executive Board Remuneration Policy. The performance criteria and targets set reflect and contribute to key elements of the strategy of ABN AMRO and long-term value creation, especially Sustainability and House in Order. Annual targets are set for all KPIs. The performance of Executive Board members against these KPIs is continually monitored by the Supervisory Board. In consultation with all relevant departments within ABN AMRO, the Supervisory Board assesses Executive Board members' performance against the KPIs and targets set.

Regulatory developments and business events 2021

Collective Labour Agreements

ABN AMRO's Dutch collective labour agreement applied until 1 January 2022. Negotiations on the collective labour agreement to apply from 1 January 2022 started during 2021. On 26 November 2021, a new CLA was agreed upon for the period from 1 January to 1 July 2022.

Retention related to wind-down non-European Corporate & Institutional Banking activities

As announced on 12 August 2020, all non-European CIB client activities (except for Clearing) are currently being wound down. To mitigate the risk of staff leaving, and to ensure a compliant, controlled and client-focused wind-down, retention packages were awarded in 2020 to non-European CIB employees. The first payment of these retention awards was included in the remuneration report of 2020. The second payment of the retention awards, if applicable, was made in 2021 and is included in the remuneration report for the year.

Settlement agreed with the Netherlands Public Prosecution Service April 2021

On 19 April 2021, ABN AMRO published details of its settlement with the NPPS. The fine and disgorgement pertaining to this settlement were explicitly considered when the award of variable remuneration for 2021 was being determined.

Relevant regulatory developments

The EBA Guidelines on Sound Remuneration Policies, applying from 31 December 2021, were published on 2 July 2021. The revised guidelines require institutions, inter alia, to apply sound and gender-neutral remuneration policies to all staff and to incorporate changes introduced by CRD V (which entered into force on 28 December 2020).

On 21 April 2021, the European Commission also published its Implementing Regulation (EU) 2021/637. This requires institutions, from 28 June 2021, to disclose the information regarding their remuneration policy and practices required by Article 450 of Regulation (EU) No 575/2013 (i.e. Pillar 3 disclosure).

On 19 October 2021, the Restrained Remuneration Policy Decree (Financial Supervision Act) 2021 (*Regeling beheerst beloningsbeleid Wft 2021*) replaced the Restrained Remuneration Policy Decree (Financial Supervision Act) 2017 (*Regeling beheerst beloningsbeleid Wft 2017*). This followed the entry into force of EU Directive 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms, which applies solely to investment firms.

On 27 October 2021, the European Commission adopted a review of EU banking rules. The new rules – comprising the Banking Package 2021, including proposed changes to the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD) – will ensure that EU banks become more resilient to potential future economic shocks, while also contributing to Europe's recovery from the Covid-19 pandemic and the transition to climate neutrality. The proposed amendments in the CRD relate, inter alia, to gender-neutral remuneration policies and the responsibilities of the Remuneration Committee in relation to senior staff in internal control functions.

The Dutch Corporate Governance Code Monitoring Committee has provided further guidance on how to include information regarding the pay ratio in the remuneration report, starting from the financial year beginning on or after 1 January 2021.

On 14 June 2021, the Regulatory Technical Standards for Identified Staff 2021 replaced the Regulatory Technical Standards for Identified Staff 2014, supplementing Directive 2013/36/EU of the European Parliament and of the Council, with regard to regulatory technical standards. These standards set out the criteria for defining managerial responsibility, control functions, material business units and a significant impact on a material business unit’s risk profile, and set out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution’s risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive.

In the ex ante risk assessment in 2021, the impact of the award of variable remuneration on the total capital position of ABN AMRO was taken into account, as requested by the ECB in its letter dated 15 December 2020.

The Sustainable Finance Disclosure Regulation (SFDR) came into force on 10 March 2021. This focuses on the need for the remuneration policy applicable to staff, especially those involved in ABN AMRO’s investment products and services, to be consistent with the integration of sustainability risks. ABN AMRO is currently implementing this by taking a sustainability KPI into account when awarding variable remuneration.

Forecast 2022

Legislation expected in 2022

Environmental, social and governance (ESG) issues remain highly important for credit institutions. The ESG-related regulations, guidelines and other publications (such as the Taxonomy Regulation, SFDR, NFRD, CRD V, CRR II, EBA guidelines and reports, ECB guidance and reports and the European Commission’s proposals and delegated acts) include ESG disclosure requirements applying, inter alia, to remuneration policies. Some of those requirements entered into force in 2020 and during 2021, while others apply from 2022 onwards or even later. Proposals on new legislation in the Netherlands are also pending, but it is still unclear whether and when any amendments will take effect (*Nadere beloningsregels financiële sector*).

On 21 January 2022, the EBA launched two consultations for updating (i) its Guidelines on the remuneration benchmarking exercise, and (ii) its Guidelines for collecting data on high earners.

The above list of legislation and regulations is a non-exhaustive summary. If needed, ABN AMRO will adjust its remuneration policies to ensure compliance with applicable legislation and regulations. Shareholders’ approval will also be requested, when required.

Executive Board Remuneration Policy
In 2022, we will initiate internal and external stakeholder engagements on a proposal for adjusting our Executive Board Remuneration Policy, and more specifically the performance KPIs for Executive Board members, in order to achieve more alignment with our strategy and expected legislation on sustainability.

Remuneration all staff and Identified Staff
Remuneration for all staff
In general, the remuneration packages for all staff are structured in accordance with regulations and restrictions applying to the financial sector. A remuneration package for all staff may consist of the following components (depending on local market practice):
- Fixed salary;
- Variable remuneration;
- Pension contribution;
- Benefits and other entitlements.

For all staff based outside the Netherlands, ABN AMRO takes into account relevant business dynamics (e.g. market conditions, and local labour and tax legislation) when deciding on the composition of remuneration packages.

Gender pay gap
The gender pay gap is the difference in average gross salaries between men and women. ABN AMRO calculates the overall gender pay gap, as well as the gender pay gap corrected per salary scale, for its employees in the Netherlands. The gender pay gap corrected per salary scale represents the average gross salary differences between men and women in the same salary scale. For ABN AMRO employees in the Netherlands, the gender pay gap corrected per salary scale amounts to 0.27% in favour of men. The overall gender pay gap (uncorrected per salary scale) in 2021 amounted to 14.7%. The overall gender pay gap is mainly caused by more men than women holding positions in the higher job grades. ABN AMRO will continue focusing on increasing gender diversity in the higher job levels so as to reduce the overall gender pay gap. The increased diversity in the appointments at ELT level is an example of this.

Remuneration details Identified Staff
Variable remuneration awarded to Identified Staff is awarded in line with the terms and conditions of the Variable Compensation Plan, which imposes restrictions on variable remuneration. The variable remuneration is split into an upfront award of 60% and a deferred award of 40%. Deferred variable remuneration in the current Variable Remuneration Plan (applicable from December 2020) vests in equal instalments in the four years after the first payment. The instrument underlying the non-cash award consists of performance certificates. The value of the performance certificates depends on the share price of ABN AMRO and hence fluctuates in line with the market. The value of the performance certificates will be paid out in cash. A one-year retention period applies to the non-cash award.

Variable remuneration awards related to the performance years 2016 to November 2020 (inclusive) vest in equal instalments in the three years after the first payment. The instrument underlying the non-cash award consists of Depositary Receipts (DRs). The value of the DRs depends on the development of the share price of ABN AMRO and can be paid out in cash or by releasing the original number of DRs to the employee. A two-year retention period applies to the non-cash award. Variable remuneration awards with respect to the performance years up to and including 2015 consisted of performance certificates as a non-cash instrument. The value of these performance certificates fluctuated in line with the net asset value of ABN AMRO. The final deferred pay-out of the value of performance certificates was made in March 2021.

Malus assessment 2021
The malus assessment is conducted by the Executive Board and Supervisory Board upon analysis and advice of the control functions Risk, Compliance and Audit, and also based on input from all other relevant ABN AMRO departments, including HR and Finance. The malus assessment includes determining whether any new information is available that prevents the vesting of deferred variable remuneration, such as:
- evidence of misconduct or serious error by the staff member (e.g. breach of a code of conduct or other internal rules, especially concerning risks);
- a significant downturn in the financial performance of the institution or business unit (based on specific indicators);
- a significant failure of risk management in the institution or business unit in which the Identified Staff member works;
- significant changes in the institution's economic or regulatory capital base.

In addition, the Supervisory Board has the discretionary power to reduce any variable remuneration to a suitable amount if, in its opinion, payment of such remuneration would be unacceptable under the principle of reasonableness and fairness. The Supervisory Board is also authorised to reclaim any variable remuneration for any performance period if the award, calculation or payment was based on incorrect data or if, in hindsight, the performance conditions were not achieved. The recipient will then be required to repay the relevant amount to the bank. Lastly, personal hedging or insurance linked to remuneration and liability and designed to circumvent the effects of the risk controls that have been embedded in the bank's Variable Compensation Plan is not permitted.

For the performance period 2021, the Supervisory Board decided that, based on the reassessment performed by the control functions, there was no reason to apply a collective malus with respect to the vesting of:
- The first tranche of deferred variable compensation for the 2020 performance period;
- The second tranche of deferred variable compensation for the 2019 performance period;
- The third tranche of deferred variable compensation for the 2018 performance period.

For performance period 2021, the Supervisory Board decided in three individual cases to apply a malus with respect to the vesting of any remaining deferred variable compensation for the 2018, 2019 and 2020 performance periods. As the staff members have left the bank and any entitlements to receive deferred variable remuneration have been forfeited, the malus has no further financial consequences.

The other deferred variable compensation awards with respect to the above three performance periods will be granted to the relevant Identified Staff members in line with the terms and conditions of the Variable Compensation Plan.

Remuneration details of Identified Staff
The award of performance-related variable remuneration is linked to the performance of the bank and the underlying business lines. As ABN AMRO's financial results in 2021 improved significantly in comparison to its financial results in 2020, the overall award of performance-related variable remuneration increased. This increase was subsequently corrected for the settlement agreed with the NPPS. As the settlement was specifically related to our activities in the Netherlands, it was decided to apply a reduction of 25% to the award of variable remuneration for CLA+ employees on a Dutch employment contract and to the bonus pool for eligible employees in the Netherlands. As a result, the performance-related variable remuneration of all staff, including Identified Staff, increased from EUR 16 million in 2020 to EUR 45 million in 2021.

Total retention payments increased from EUR 14 million in 2020 to EUR 33 million in 2021, mainly due to the retention payments made in respect of the wind-down of certain non-European CIB activities.

Executive Board
Executive Board Remuneration Policy
The Supervisory Board is responsible for the execution of the Executive Board Remuneration Policy. In line with the policy, an increase of 1.4% in the fixed salary was applied with effect from 1 July 2021 following the CLA for the banking sector.

Executive Board Remuneration Policy - scenario analyses
Scenario analyses are the analyses conducted by the Supervisory Board at the time the remuneration policy was formulated and before determining the remuneration of individual Executive Board members. They show the possible outcomes of the variable remuneration components and the way in which these affect the remuneration of the Executive Board members. The Supervisory Board establishes whether the scenario analyses result in appropriate levels of remuneration, and whether measures are required to limit the remuneration.

As a matter of principle, the total target remuneration of the Executive Board members is below the median in the relevant benchmarking population. It was decided to continue of the previous remuneration policy with only some refinements to safeguard alignment with the new Shareholders Rights Directive. Moreover, considering that no variable remuneration is awarded and the remuneration restrictions that apply to ABN AMRO, the Supervisory Board is of the opinion that scenario analyses have resulted in the appropriate levels of remuneration and that further scenario analyses are less relevant.

Contractual elements
All members of the Executive Board have a services agreement (overeenkomst van opdracht) with ABN AMRO for an unlimited period of time which constitutes the contractual relationship between ABN AMRO and the Executive Board member. The Executive Board member may terminate the agreement subject to a notice period of three months, whereas ABN AMRO must observe a notice period of six months.

Fixed remuneration
ABN AMRO strives to position the overall level of direct compensation for Executive Committee members and positions at above-CLA level around the market median levels. In line with the Executive Board Remuneration policy, a 1.4% increase, following the CLA for the banking sector, was applied to the fixed remuneration with effect from 1 July 2021.

From 1 January 2021 until 1 July 2021:
- Membership of the Executive Board: EUR 645,163 (EUR 759,978 for the CEO)

From 1 July 2021 until 1 January 2022:
- Membership of the Executive Board: EUR 654,195 (EUR 770,618 for the CEO)

Variable remuneration
As long as the Dutch State holds shares in ABN AMRO, the Executive Board members are not entitled to variable remuneration. As this continued to be the case in the 2021 performance year, the Executive Board did not receive any variable remuneration.

Benefits
The Chair and members of the Executive Board participate in ABN AMRO's pension schemes applicable to all employees in the Netherlands. For pensionable salary up to the applicable threshold, which for 2021 amounted to EUR 112,189, a collective defined contribution (CDC) pension scheme applies. The pension contribution is 37%, of which 5.5% is an employee contribution. In the event of death or when the Executive Board member becomes eligible for the state old-age pension (AOW), the services agreement automatically terminates by operation of law. The intended pension accrual is 1.875%, based on a pension age of 68. In 2021, the pension accrual was 1.76%. For pensionable salary in excess of EUR 112,189, employees receive an allowance that can be used to build up a net pension in a group defined contribution (DC) plan. The allowance amounted to 30% in 2021. In addition to pension benefits, Executive Board members are eligible for benefits such as a company car and a chauffeur.

Severance
The remuneration policy for Executive Board members provides for a severance payment up to a maximum of one year's gross salary if their contract is terminated at ABN AMRO's initiative. The current Executive Board members all have the same contractual right to a severance payment equal to three months' gross fixed salary. No severance was paid to Executive Board members in 2021.

Pay ratio
The pay ratio is the comparison between the total annual remuneration of the CEO and the average salary of all employees. In line with our overall remuneration philosophy, we strive for a moderate pay ratio. The salary of our CEO does not fluctuate as it has been set in line with the Executive Board Remuneration Policy and does not contain any variable elements.

The ratio of the mean annual employee remuneration and the total annual remuneration of the CEO has been calculated in line with the guidance from the Corporate Governance Code Monitoring Committee, whereby temporary agency workers and external contractors have been excluded. The ratio was 8.78 in 2021. The ratio represents the CEO's total remuneration, including pension costs and social security charges, divided by the mean employee remuneration including pension costs and social security charges during 2021. This ratio is considered to be a fair reflection of ABN AMRO's current position. The ratios published in 2016, 2017, 2018, 2019 and 2020 were 11.4, 10, 9.6, 9.6 and 10.2 respectively.

In line with the Guidance from the Corporate Governance Code Monitoring Committee for 2021, the social security charges have been taken into consideration, whereas these charges were not taken into consideration in previous years. Without social security charges, the pay ratio in 2021 would have been 9.62.

The pay ratio within ABN AMRO is substantially lower than in other AEX and AMX companies.

2021 Performance Executive Board

The performance targets for 2021 were set by the Executive Board and approved by the Supervisory Board. The non-financial KPIs Sustainability and House in Order are specifically focused on the long-term strategy of ABN AMRO. The KPI Sustainability, its targets and measures are linked to the Dow Jones Sustainability Index (DJSI). The KPI House in Order means actively conveying the desired compliance and risk culture, effective risk management and solution management. The KPI Employee Engagement, its targets and measures are linked to the results obtained in the respective annual employee engagement survey and focused on both the short- and long-term achievements. All financial KPIs are focused on long-term profitable growth, a healthy balance of capital and the need to control our costs in order to be sustainable.

The Supervisory Board has assessed the performance of each Executive Board member, based on the performance targets, and has concluded that all members of the Executive Board had a good overall performance in 2021.

Supervisory Board

Supervisory Board Remuneration Policy

The remuneration of the Supervisory Board is set in line with the Supervisory Board Remuneration Policy. In line with this policy, a 1.5% indexation of the annual fees was applied as at 1 January 2021, as well as an increase of 1.4% with effect from 1 July 2021, following the CLA for the banking sector.

Fixed remuneration

The annual fees for 2021 were as follows:

From 1 January 2021 until 1 July 2021:

- Membership of the Supervisory Board: EUR 52,780 (EUR 68,614 for the Chair)
- Membership of a Committee: EUR 13,195 (EUR 15,834 for the Chair)

From 1 July 2021 until 1 January 2022:

- Membership of the Supervisory Board: EUR 53,519 (EUR 69,575 for the Chair)
- Membership of a Committee: EUR 13,380 (EUR 16,056 for the Chair)

The remuneration for Supervisory Board committee membership is limited to two committee memberships. ABN AMRO does not grant any variable remuneration or equity to Supervisory Board members. Supervisory Board members are appointed by the General Meeting upon nomination by the Supervisory Board. The initial appointment period is four years unless a shorter period is set at the time of appointment. Supervisory Board members can be reappointed.

Stakeholder views

Annual General Meeting 2020

The Annual General Meeting in 2020 was an opportunity for all shareholders and depositary receipt holders to express their views on our remuneration policy for the Executive Board and Supervisory Board. The remuneration policies for the Executive Board and Supervisory Board were adopted, with 99.56% and 99.51%, respectively, of the votes cast. These new remuneration policies apply as of 1 January 2020 for a period of four years. The Remuneration Committee may ask the general meeting to adopt an amendment at an earlier date if this is considered appropriate.

During the Annual General Meeting of 21 April 2021, the 2020 remuneration report was put to an advisory vote, with 99.59% of the votes cast being in favour of a positive advice. ABN AMRO was pleased to note the positive advisory vote.

Works Council meetings 2021

In 2021, several requests for advice were submitted to the Works Council, including requests on the reorganisation of the Extended Leadership Team, the equal pay requirements for CLA+ employees and various other topics. The adjusted remuneration methodology for Dutch CLA+ employees - to improve on equal pay for equal work or work of equal value - was discussed with the Works Council, which issued a positive advice on implementation.

The Works Council has given consent for equal pay requirements to be implemented in the CLA+ employment conditions.

Additional Pillar 3 disclosures

In 2021, ABN AMRO received external advice on the remuneration framework from 2 external consultants. The first consultant is a global consulting firm, which advised on genderneutral remuneration policies. The commission of this global consulting firm was approved by the Executive Board. The second consultant is a law firm with thorough specialisation in remuneration restrictions for financial institutions. The law firm is currently part of the law firm panel of the bank and therefore commissioned to advice whenever needed by the HR department and Legal.

In line with our Global Reward Policy, ABN AMRO requires that performance criteria for employees in control functions are not linked to the business unit they oversee.

EU REM1 - Remuneration awarded for the financial year

		31 December 2021				31 December 2020			
(In thousands)		MB Supervisory function	MB Management function	Other senior management	Other identified staff	MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Fixed remuneration								
1	Number of identified staff[1]	8	8	17	317	8	11	21	316
2	**Total fixed remuneration**	**654**	**3,778**	**11,480**	**76,331**	**576**	**7,854**	**8,489**	**81,690**
3	*Of which: cash-based*	*654*	*2,916*	*8,898*	*62,112*	*576*	*5,911*	*6,390*	*64,780*
EU-4a	*Of which: shares or equivalent ownership interests*								
5	*Of which: share-linked instruments or equivalent non-cash instruments*								
EU-5x	*Of which: other instruments*								
7	*Of which: other forms*		*862*	*2,582*	*14,219*		*1,943*	*2,099*	*16,910*
	Variable remuneration								
9	Number of identified staff				169				48
10	**Total variable remuneration**				**13,243**				**9,672**
11	Of which: cash-based				8,152				8,317
12	- of which deferred				2,037				542
EU-13a	Of which: shares or equivalent ownership interests								
EU-14a	- of which deferred								
EU-13b	Of which: share-linked instruments or equivalent non-cash instruments				5,092				1,354
EU-14b	- of which deferred				2,037				542
EU-14x	Of which: other instruments								
EU-14y	- of which deferred								
15	Of which: other forms								
16	- of which deferred								
17	**Total remuneration (2 + 10)**								

1 The number of identified staff is defined as the number of FTE throughout the year.

2021

The total variable remuneration consists of different elements, including sign-on and severance payments. In 2021, the total amount of EUR 13,243 thousand included sign-on and severance payments of EUR 3,059 thousand. These amounts were paid out directly and therefore not granted as a share-linked instrument. The remaining amount of EUR 10,184 thousand was subject to deferrals. From these deferrals, 50% was non-cash as a share-linked instrument, resulting in EUR 5,092 thousand.

2020

In 2020, the total amount of EUR 9,672 thousand consisted of EUR 6,963 thousand for sign-on and severance payments. These amounts were paid out directly and not subject to deferrals. The remaining amount of EUR 2,708 thousand was subject to deferrals. This amount was for 50% granted in non-cash as a share-linked instrument, resulting in a share-linked instrument amount of EUR 1,354 thousand.

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

		31 December 2021				31 December 2020			
	(In thousands)	MB Supervisory function	MB Management function	Other senior management	Other identified staff	MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards								
1	Guaranteed variable remuneration awards - Number of identified staff								
2	Guaranteed variable remuneration awards -Total amount								
3	*- of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap*								
	Severance payments awarded in previous periods, that have been paid out during the financial year								
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				2		1	1	1
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				674		190	244	1,204
	Severance payments awarded during the financial year								
6	Severance payments awarded during the financial year - Number of identified staff				6			1	12
7	Severance payments awarded during the financial year - Total amount				2,375			157	4,758
8	*- of which paid during the financial year*								
9	*- of which deferred*								
10	*- of which severance payments paid during the financial year, that are not taken into account in the bonus cap*								
11	*- of which highest payment that has been awarded to a single person*								

EU REM3 - Deferred remuneration

	(In thousands)	Total amount of deferred remuneration awarded for previous performance periods	Of which: due to vest in the financial year	Of which: vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
									31 December 2021
1	**MB Supervisory function**								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	**MB Management function**	**81**	**40**	**41**			**- 24**	**39**	**20**
8	Cash-based	40	20	20				20	
9	Shares or equivalent ownership interests	41	20	21			-24	19	20
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								
12	Other forms								
13	**Other senior management**	**85**	**59**	**26**			**- 53**	**71**	**29**
14	Cash-based	42	29	13				29	
15	Shares or equivalent ownership interests	43	30	13			-53	42	29
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	**Other identified staff**	**11,167**	**6,388**	**10,160**			**- 4,376**	**11,036**	**2,803**
20	Cash-based	5,517	3,160	2,357				3,160	
21	Shares or equivalent ownership interests	4,239	2,314	7,306			-6,439	2,387	2,314
22	Share-linked instruments or equivalent non-cash instruments	1,411	914	497			2,063	5,489	489
23	Other instruments								
24	Other forms								
25	**Total amount**								

31 December 2020

	(In thousands)	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	**MB Supervisory function**								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	**MB Management function**								
8	Cash-based								
9	Shares or equivalent ownership interests								
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								
12	Other forms								
13	**Other senior management**	**325**	**196**	**129**			**- 96**	**157**	**98**
14	Cash-based	162	98	65				98	98
15	Shares or equivalent ownership interests	163	98	65			-96	59	
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	**Other identified staff**	**19,333**	**10,801**	**8,532**			**- 3,331**	**7,474**	**5,472**
20	Cash-based	9,541	5,328	4,212				5,329	5,472
21	Shares or equivalent ownership interests	9,792	5,473	4,320			-3,331	2,145	
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments								
24	Other forms								
25	**Total amount**								

MB Management Function

The amounts related to Dan Dorner and Choy van der Hooft-Cheong whose outstanding deferrals related to their activities prior to their ExBo appointment. Specific for Dan Dorner he was subject to the bonus prohibition prior to his appointment as interim ExCo member and later appointment as ExBo member. The deferrals related to his activities prior to the period that he was in scope of the bonus prohibition.

EU REM4 - Remuneration of EUR 1 million or more per year

		31 December 2021	31 December 2020
(In units)		Identified staff that are high earners as set out in Article 450(i) CRR	Identified staff that are high earners as set out in Article 450(i) CRR
1	EUR 1,000,000 to below EUR 1,500,000	3	4
2	EUR 1,500,000 to below EUR 2,000,000		
3	EUR 2,000,000 to below EUR 2,500,000		
4	EUR 2,500,000 to below EUR 3,000,000		
5	EUR 3,000,000 to below EUR 3,500,000		
6	EUR 3,500,000 to below EUR 4,000,000		
7	EUR 4,000,000 to below EUR 4,500,000		
8	EUR 4,500,000 to below EUR 5,000,000		
9	EUR 5,000,000 to below EUR 6,000,000		
10	EUR 6,000,000 to below EUR 7,000,000		
11	EUR 7,000,000 to below EUR 8,000,000		

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

											31 December 2021
		Management body remuneration			Business areas						
(In thousands)		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	**Total number of identified staff**										**350**
2	*- of which members of the MB*	*8*	*8*	*16*							
3	*- of which other senior management*				*4*	*2*		*9*	*2*		
4	*- of which other identified staff*				*75*	*98*		*52*	*92*		
5	**Total remuneration of identified staff**	**654**	**3,778**	**4,432**	**33,251**	**27,074**		**21,869**	**18,861**		
6	*- of which variable remuneration*				*7,862*	*2,477*		*1,593*	*1,312*		
7	*- of which fixed remuneration[1]*	*654*	*3,778*	*4,432*	*25,389*	*24,597*		*20,277*	*17,549*		

1 The severance payment is included in fixed remuneration.

											31 December 2020
		Management body remuneration			Business areas						
(In thousands)		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	**Total number of identified staff**										**350**
2	*- of which members of the MB*	*8*	*11*	*19*							
3	*- of which other senior management*				*5*	*2*		*5*	*3*		
4	*- of which other identified staff*				*84*	*99*	*2*	*44*	*87*		
5	**Total remuneration of identified staff**	**576**	**8,288**	**8,864**	**33,597**	**30,582**	**255**	**15,565**	**19,417**		
6	*- of which variable remuneration*		*434*	*434*	*2,978*	*4,699*	*30*	*796*	*735*		
7	*- of which fixed remuneration[1]*	*576*	*7,854*	*8,430*	*30,619*	*25,883*	*225*	*14,769*	*18,683*		

1 The severance payment is included in fixed remuneration.

Encumbered and unencumbered assets

EU AE1 - Encumbered and unencumbered assets

	(in millions)	Carrying amount of encumbered assets	Of which: notionally eligible EHQLA and HQLA	Fair value of encumbered assets	Of which: notionally eligible EHQLA and HQLA	Carrying amount of unencumbered assets	Of which: EHQLA and HQLA	Fair value of unencumbered assets	Of which: EHQLA and HQLA
									31 December 2021
10	Assets of the reporting institution	104,744	6,080			306,966	88,330		
30	Equity instruments	10	10	10	11	576		576	
40	Debt securities	5,909	5,579	5,909	5,579	39,363	33,371	39,363	16,584
50	*- of which covered bonds*	31		31		3,489	3,390	3,489	1,753
60	*- of which securitisations*								
70	*- of which issued by general governments*	5,809	5,480	5,809	5,408	32,081	30,489	32,081	16,092
80	*- of which issued by financial corporations*	76	70	76	70	6,716	6,180	6,716	3,260
90	*- of which issued by non-financial corporations*					190		190	
120	Other assets	98,826	491			267,509	69,449		
									31 December 2020
10	Assets of the reporting institution	100,895	4,086			318,594	99,416		
30	Equity instruments	1		1		828		828	
40	Debt securities	4,675	3,749	4,675	3,749	44,349	42,878	44,349	42,878
50	*- of which covered bonds*	*36*	*4*	*36*	*4*	*3,888*	*3,716*	*3,888*	*3,716*
60	*- of which securitisations*					*5*		*5*	
70	*- of which issued by general governments*	*4,560*	*3,641*	*4,560*	*3,641*	*36,821*	*36,090*	*36,821*	*36,090*
80	*- of which issued by financial corporations*	*114*	*114*	*114*	*114*	*7,209*	*6,422*	*7,209*	*6,422*
90	*- of which issued by non-financial corporations*	*5*		*5*		*178*		*178*	
120	Other assets	96,219	336			273,700	56,323		

EU AE2 - Collateral received and own debt securities issued

(in millions)		Fair value of encumbered collateral received or own debt securities issued	Of which: notionally eligible EHQLA and HQLA	Unencumbered: Fair value of collateral received or own debt securities issued available for encumbrance	Of which: EHQLA and HQLA
					31 December 2021
130	Collateral received by the reporting institution	44,669	38,658	18,825	9,496
140	Loans on demand				
150	Equity instruments	21,750	15,953	8,882	3,451
160	Debt securities	20,720	20,632	8,058	6,353
170	*- of which covered bonds*	88	79	2	2
180	*- of which securitisations*	5,047	4,361	65	26
190	*- of which issued by general governments*	15,334	16,467	6,862	6,111
200	*- of which issued by financial corporations*	4,862	4,127	570	137
210	*- of which issued by non-financial corporations*	524	436	697	145
220	Loans and advances other than loans on demand				
230	Other collateral received	79		1,681	
240	Own debt securities issued other than own covered bonds or securitisations				
241	Own covered bonds and asset-backed securities issued and not yet pledged				
250	**Total assets, collateral received and own debt securities issued**	**149,413**	**44,738**		
					31 December 2020
130	Collateral received by the reporting institution	41,628	35,462	18,599	10,845
140	Loans on demand				
150	Equity instruments	18,860	14,163	9,085	3,125
160	Debt securities	21,541	20,346	9,513	7,642
170	*- of which covered bonds*	*769*	*759*	*51*	*43*
180	*- of which securitisations*	*5,003*	*4,663*	*114*	*114*
190	*- of which issued by general governments*	*15,712*	*15,696*	*7,503*	*6,734*
200	*- of which issued by financial corporations*	*4,974*	*4,185*	*838*	*507*
210	*- of which issued by non-financial corporations*	*657*	*323*	*882*	*175*
220	Loans and advances other than loans on demand				
230	Other collateral received	45		1	
240	Own debt securities issued other than own covered bonds or securitisations				
241	Own covered bonds and asset-backed securities issued and not yet pledged				
250	**Total assets, collateral received and own debt securities issued**	**142,523**	**39,548**		

EU AE3 - Sources of encumbrance

(in millions)		31 December 2021		31 December 2020	
		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
1	Carrying amount of selected financial liabilities	87,983	106,030	85,643	101,702

EU AE4 - Accompanying narrative information

Encumbered assets are assets that have been pledged or are subject to any form of arrangement to secure, collateralise or credit enhance any transaction from which they cannot be freely withdrawn. The extent of asset encumbrance provides insight into the on- and off-balance sheet collateral used and available for funding to be raised or for other reasons. There is no difference between the regulatory consolidation scope used for the purpose of disclosures on all asset encumbrance information and the prudential regulatory scope for Consolidated scope Liquidity Reporting Requirements.

Encumbered assets on the bank's balance sheet consist primarily of mortgages, which are used as a cover pool for the covered bond programme and for retained securities pledged for participation under the TLTRO III programme. The cover pool of mortgages is not considered to be encumbered if the securities are retained within the bank and regarded as part of the unencumbered liquidity buffer. Assets are also encumbered as a result of cash and securities posted as margins under derivative and clearing transactions, as well as when collateral is pledged for collateral swap transactions with bilateral counterparties.

Repurchase agreements and securities lending type activities also result in encumbrance of assets, but these transactions are largely conducted using securities received in reverse repurchase or collateral swap transactions. These received securities are not recognised on the balance sheet and are considered part of the off-balance sheet collateral, available for encumbrance. Covered bonds involve over-collateralisation, which means that the volume of encumbered mortgages exceeds the notional principal of the covered bond.

As part of its overall liquidity and funding planning framework, the bank deploys several established secured and unsecured funding programmes to maintain access to diversified funding sources across different currencies, maturities and geographical locations. Over-reliance on secured funding is monitored and controlled through a limit on overall on-balance asset encumbrance levels. The shift in the encumbrance ratio over time is kept to a minimum, unless driven by special circumstances such as access to TLTRO programmes or a market-driven need to post collateral for margin purposes. The median asset encumbrance ratio for 2021 amounted to 25.4%, which is below the risk appetite threshold limit.

Covid-19-related disclosures

This chapter provides information on the EBA-compliant moratoria and Covid-19-related credit facilities under public guarantee schemes. It also describes the way forward and the additional process changes we have made.

EBA/GL/2020/02 Template 1: Information on loans and advances subject to legislative and non-legislative moratoria

As at 31 December 2021, there were no active loans and advances subject to EBA-compliant moratoria since all applicable loans had expired. As at 1 October 2020, ABN AMRO decided not to further extend collective measures, but to serve clients affected by Covid-19 by tailored measures. The measures offered take into account the viability of the client's business and the resilience of the client's sector to the economic challenges posed by Covid-19. Due to different requirements, these measures are not reported in Pillar 3, but are included in ABN AMRO's quarterly reports.

		31 December 2021					
		Gross carrying amount					
		Performing			Non-performing		
(in millions)			Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days
1	Loans and advances subject to moratorium						
2	Of which: households						
3	*- of which collateralised by residential immovable property*						
4	Of which: non-financial corporations						
5	*- of which SMEs*						
6	*- of which collateralised by commercial immovable property*						

		31 December 2021						
		Accumulated impairment, accumulated negative changes in fair value due to credit risk						Gross carrying amount
		Performing			Non-performing			Inflows to non-performing exposures
(in millions)			Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days	
1	Loans and advances subject to moratorium							
2	Of which: households							
3	*- of which collateralised by residential immovable property*							
4	Of which: non-financial corporations							
5	*- of which SMEs*							
6	*- of which collateralised by commercial immovable property*							

								30 June 2021
		Gross carrying amount						
			Performing			Non-performing		
(in millions)				Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days
1	Loans and advances subject to moratorium							
2	Of which: households							
3	*- of which collateralised by residential immovable property*							
4	Of which: non-financial corporations							
5	*- of which SMEs*							
6	*- of which collateralised by commercial immovable property*							

									30 June 2021
		Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
			Performing			Non-performing			Inflows to non-performing exposures
(in millions)				Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days	
1	Loans and advances subject to moratorium								
2	Of which: households								
3	*- of which collateralised by residential immovable property*								
4	Of which: non-financial corporations								
5	*- of which SMEs*								
6	*- of which collateralised by commercial immovable property*								

31 December 2020

(in millions)		Gross carrying amount						
			Performing			Non-performing		
				Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days
1	Loans and advances subject to moratorium	3	3					
2	Of which: households							
3	*- of which collateralised by residential immovable property*							
4	Of which: non-financial corporations	3	3					
5	*- of which SMEs*							
6	*- of which collateralised by commercial immovable property*	*1*	*1*					

31 December 2020

(in millions)		Accumulated impairment, accumulated negative changes in fair value due to credit risk						Gross carrying amount
		Performing			Non-performing			Inflows to non-performing exposures
			Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days	
1	Loans and advances subject to moratorium							
2	Of which: households							
3	*- of which collateralised by residential immovable property*							
4	Of which: non-financial corporations							
5	*- of which SMEs*							
6	*- of which collateralised by commercial immovable property*							

EBA/GL/2020/02 Template 2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

This template provides further details on the residual maturity of the EBA-compliant moratoria. Since all loans have expired, as can be seen in Template 1, the breakdown is no longer applicable.

31 December 2021

	(in millions)	Number of obligors	Gross carrying amount	Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria ≤ 3 months	> 3 months ≤ 6 months	> 6 months ≤ 9 months	> 9 months ≤ 12 months	> 1 year
1	Loans and advances for which moratorium was offered	56,277	14,335							
2	Loans and advances subject to moratorium (granted)	56,277	14,335		14,335					
3	Of which: households		2,258		2,258					
4	*- of which collateralised by residential immovable property*		*381*		*381*					
5	Of which: non-financial corporations		11,994		11,994					
6	*- of which SMEs*		*4,240*		*4,240*					
7	*- of which collateralised by commercial immovable property*		*8,702*		*8,702*					

30 June 2021

	(in millions)	Number of obligors	Gross carrying amount	Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria ≤ 3 months	> 3 months ≤ 6 months	> 6 months ≤ 9 months	> 9 months ≤ 12 months	> 1 year
1	Loans and advances for which moratorium was offered	68,412	15,549							
2	Loans and advances subject to moratorium (granted)	68,412	15,549		15,549					
3	Of which: households		2,387		2,387					
4	*- of which collateralised by residential immovable property*		*443*		*443*					
5	Of which: non-financial corporations		13,087		13,087					
6	*- of which SMEs*		*4,573*		*4,573*					
7	*- of which collateralised by commercial immovable property*		*9,289*		*9,289*					

31 December 2020

	(in millions)	Number of obligors	Gross carrying amount	Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria ≤ 3 months	> 3 months ≤ 6 months	> 6 months ≤ 9 months	> 9 months ≤ 12 months	> 1 year
1	Loans and advances for which moratorium was offered	69,592	16,379							
2	Loans and advances subject to moratorium (granted)	69,592	16,379		16,376	3				
3	Of which: households		2,503		2,503					
4	*- of which collateralised by residential immovable property*		*507*		*507*					
5	Of which: non-financial corporations		13,778		13,775	3				
6	*- of which SMEs*		*4,673*		*4,673*					
7	*- of which collateralised by commercial immovable property*		*9,169*		*9,168*	*1*				

EBA/GL/2020/02 Template 3: Information on newly originated loans and advances provided under public guarantee schemes introduced in response to the Covid-19 crisis

					31 December 2021
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
(in millions)			Of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	**Newly originated loans and advances subject to public guarantee schemes**	**342**	**196**	**298**	**10**
2	Of which: households	3			
3	*- of which collateralised by residential immovable property*				
4	Of which: non-financial corporations	339	195	296	10
5	*- of which SMEs*	*106*			
6	*- of which collateralised by commercial immovable property*	*19*			

					30 June 2021
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
(in millions)			Of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	**Newly originated loans and advances subject to public guarantee schemes**	**438**	**265**	**378**	**7**
2	Of which: households	3			
3	*- of which collateralised by residential immovable property*				
4	Of which: non-financial corporations	435	263	375	7
5	*- of which SMEs*	*117*			*1*
6	*- of which collateralised by commercial immovable property*	*59*			

					31 December 2020
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
(in millions)			Of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	**Newly originated loans and advances subject to public guarantee schemes**	**402**	**230**	**331**	**15**
2	Of which: households	3			
3	*- of which collateralised by residential immovable property*				
4	Of which: non-financial corporations	399	229	329	15
5	*- of which SMEs*	*106*			*3*
6	*- of which collateralised by commercial immovable property*	*33*			*1*

Clients facing short-term financial difficulties due to Covid-19 and who fulfilled their credit obligations in the past can apply for government-supported loans, based on the terms and conditions set by the local or central government. The final application date ended on 31 December 2021. However, the Dutch government announced on 14 December 2021 that it intended to reopen the public guarantee schemes in the first quarter of 2022 and to keep them available until the second quarter of 2022. The guarantee covers a significant amount of the financial asset exposure. In return for the credit guarantee, the client pays a fee to ABN AMRO, which subsequently transfers the fee to the government (the credit guarantor). In the Netherlands, these facilities include the SME Credit Guarantee Scheme (BMKB-C) scheme, the Corporate Finance Guarantee Scheme (GO-C), the Guarantee Credit for Agriculture (BL-C) Scheme and the Small Credit Facility (Klein Krediet Corona, or KKC) for self-employed individuals. Similar facilities are offered in other countries in which we operate, most notably in France.

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