

Pillar 3 Report

Second quarter 2020

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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 EBA Guidelines on disclosure requirements under Part Eight of Regulation (EU) No 575/2013. The second-quarter Pillar 3 includes the required semi-annual disclosures and should be read in conjunction with the ABN AMRO Bank N.V. Pillar 3 2019 Report, which provides more comprehensive information about risk, funding and capital management. The templates included in this Pillar 3 Report have been prepared in accordance with the abovementioned regulations and guidelines.

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 figures in the Pillar 3 Report are based on 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.

Pillar 3 disclosure templates

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

- ▶ Template 6 of EBA PIII Guideline "EU INS1 – Non-deducted participations in insurance undertakings" is not applicable, as ABN AMRO does not apply the option 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 as per CRR article 48.
- ▶ Template 30 of EBA Guidelines "EU CCR7 – RWA flow statements of CCR exposures under the IMM" does not apply to ABN AMRO as we do not use the IMM methodology for measuring the EAD for counterparty credit risk exposures. Instead, we use the CEM method (CRR 274) to calculate the EAD for derivatives and the FCCM method for securities financing transactions (CRR 220/222). Template 30 is therefore not disclosed in this report.
- ▶ Template 22 of EBA Pillar III guideline "EU CR7 – IRB approach – Effect on the RWA of credit derivatives used as CRM techniques" relates to credit derivatives in relation to RWA. ABN AMRO does not typically secure its credit exposure by credit derivatives to manage RWA and hence this disclosure is not applicable.
- ▶ EU CR10 – IRB (specialised lending). ABN AMRO does not apply the approach prescribed by CRR 153.5 (specialised lending slotting criteria approach).

New regulation to be implemented

In June 2020, EBA published the final draft of 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 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 will 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.

New disclosure requirements will mostly be taking effect from June 2021. ABN AMRO is currently assessing the impact of ITS disclosure on its Pillar 3 Report.

Covid-19 impact update

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, for the application of the payment moratoria, forbearance measures applied in response to Covid-19 to the existing loans and public guarantees to new lending in response to the Covid-19 pandemic.

Covid-19 related disclosures

This chapter provides more details on the EBA-compliant moratoria and Covid-19 related credit facilities under public guarantee schemes. It also describes how these measures affect credit risk measurement.

Template 1: Information on loans and advances subject to legislative and non-legislative moratoria

		30 June 2020					
		Gross carrying amount					
(in millions)		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)	Non performing	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	17,772	744	6,867	385	176	350
2	Of which: households	2,612	50	894	31	4	28
3	- of which collateralised by residential immovable property	574	13	199	6	1	6
4	Of which: non-financial corporations	15,010	691	5,964	354	172	322
5	- of which SMEs	5,177	199	2,290	89	18	66
6	- of which collateralised by commercial immovable property	9,612	527	3,984	152	64	145

		30 June 2020						
		Accumulated impairment, accumulated negative changes in fair value due to credit risk						
(in millions)		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)	Non performing	Of which: exposures with forbearance measures	Of which: unlikely to pay that are not past-due or past-due ≤ 90 days	Inflows to non-performing exposures
1	Loans and advances subject to moratorium	-160	-15	-128	-62	-25	-57	370
2	Of which: households	-25	-1	-20	-4	-1	-3	31
3	- of which collateralised by residential immovable property	-3	-0	-2	-1	-0	-1	6
4	Of which: non-financial corporations	-134	-14	-108	-58	-24	-55	340
5	- of which SMEs	-60	-5	-50	-19	-7	-16	74
6	- of which collateralised by commercial immovable property	-70	-9	-56	-19	-13	-18	152

Template 2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

30 June 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	74,026	18,156							
2	74,026	18,156	207		301	17,855			
3		2,643				2,643			
4		580				580			
5		15,364	207		301	15,063			
6		5,266			70	5,196			
7		9,764			2	9,763			

The main programme that was started on 1 April 2020 is an automatic (opt-out) deferral for 6 months for corporate clients with a credit limit up to EUR 50 million within the business lines Commercial Banking and Retail Banking. Interest is charged on suspended payments of notional, but not on suspended interest payments. Repayment of revolving credit facilities will take place on or before 31 December 2021, but for corporate loans this will be no earlier than at the original maturity date.

Impact of relief measures on credit risk

The objective, scope and conditions of the relief measures co-determine how the regulatory framework should be applied in the context of these relief measures. Where relevant, application of the appropriate risk classification (e.g. forbearance, default or stage shifts) reflects supervisory guidance issued in the recent period.

Use of relief measures in determining SICR

ABN AMRO uses clearly defined triggers, most importantly 'unlikely-to-pay', 'days-past-due', and 'default', to assess whether a significant increase in credit risk (SICR) applies. Covid-19 and the relief measures we offered to clients illustrate the limitations of determining SICR solely on the basis of predefined triggers. The various regulatory bodies have also indicated that application of classifications (e.g. SICR) should not be based on a purely technical approach. Payment deferrals and moratoria would potentially trigger SICR. ABN AMRO takes the view that opt-out relief measures offered to clients in response to Covid-19 do not automatically indicate a SICR. This assessment is made on a client level. Note that other SICR triggers could still impact the stage and result in a stage transfer for these loans.

Use of relief measures and forbearance

Under the current regulatory framework, the CRR and EBA Guidelines on Payment Moratoria, the opt-out arrangements do not lead to a forbearance classification.

Modification due to relief measures

The relief measures provided by ABN AMRO, including payment moratoria, may result in a modification of the financial asset. The deferred collection of payments without charging compound interest on the delay will have a negative impact on the net present value of the financial asset. If the financial asset is modified, the gross carrying amount of the financial asset is recalculated, based on the net present value of the modified or renegotiated contractual cash flows. It is then discounted at the financial asset's original effective interest rate and accounted for as an adjustment of the financial asset's gross carrying value. The effect is recognised as a modification loss in the income statement. As Covid-19 related relief measures have not resulted in substantial modification, the financial assets have not been derecognised.

Template 3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to Covid-19 crisis

30 June 2020

(in millions)	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		Of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	Newly originated loans and advances subject to public guarantee schemes		102	5
2	Of which: households			
3	<i>- of which collateralised by residential immovable property</i>			
4	Of which: non-financial corporations		100	5
5	<i>- of which SMEs</i>			1
6	<i>- of which collateralised by commercial immovable property</i>			
	119	41		
	2			
	116	40		
	50			
	17			

Clients who face short-term financial difficulty due to Covid-19 and that have been performing on their credit facilities can apply for government supported loans based on the terms and conditions set by the local or central government. 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”) 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. As many corporate clients of ABN AMRO indicated that the automatic payment deferral provided them sufficient liquidity, the number of applications for additional credit has been relatively limited.

Own funds

Capital instruments' main features

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
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	07 July 1905
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, specify instrument type convertible into	N/A
29	If convertible, specify 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
35	Position in subordination hierarchy in liquidation	Junior to Additional Tier 1
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

1. N/A inserted if the question is not applicable

Additional Tier 1

	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
1 Issuer	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.	ABN AMRO Bank N.V.
2 Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1278718686	XS1693822634	XS2131567138
3 Governing law(s) of the instrument	Dutch law	Dutch law	Dutch law
Regulatory treatment			
4 Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5 Post-transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
6 Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7 Instrument type (types to be specified by each jurisdiction)	AT1 EU 575/2013 art 489.5	AT1 EU 575/2013 art 489.5	AT1 EU 575/2013 art 489.5
8 Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 994	EUR 994	EUR 993
9 Nominal amount of instrument (in millions, as of most recent reporting date)	EUR 1,000	EUR 1,000	EUR 1,000
9a Issue price	100%	100%	100%
9b Redemption price	100%	100%	100%
10 Accounting classification	Equity	Equity	Equity
11 Original date of issuance	22 September 2015	10 April 2017	15 June 2020
12 Perpetual or dated	Perpetual	Perpetual	Perpetual
13 Original maturity date	No maturity	No maturity	No maturity
14 Issuer call subject to prior supervisory approval	Yes	Yes	Yes
15 Optional call date, contingent call dates, and redemption amount	22 Sept 2020 (100% nominal amount), regulatory & tax call (prevailing principal amount)	22 Sept 2027 (100% nominal amount), regulatory & tax call (prevailing principal amount)	22 Sept 2025 (100% nominal amount), regulatory & tax call (prevailing principal amount)
16 Subsequent call dates, if applicable	Callable annually after first call date	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	Fixed
18 Coupon rate and any related index	5.75% per year	4.75% per year	4.375% per year
19 Existence of a dividend stopper	No	No	No
20a Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary
20b Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary
21 Existence of step up or other incentive to redeem	No	No	No
22 Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23 Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger(s)	N/A	N/A	N/A
25 If convertible, fully or partially	N/A	N/A	N/A
26 If convertible, conversion rate	N/A	N/A	N/A
27 If convertible, mandatory or optional conversion	N/A	N/A	N/A
28 If convertible, specify instrument type convertible into	N/A	N/A	N/A
29 If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30 Write-down features	Yes	Yes	Yes
31 If write-down, write-down trigger(s)	7%/5.125% CET1	7%/5.125% CET1	7%/5.125% CET1
32 If write-down, full or partial	Partial	Partial	Partial
33 If write-down, permanent or temporary	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	Subject to profit MDA and Max Write up Amount
35 Position in subordination hierarchy in liquidation	Junior to Tier 2	Junior to Tier 2	Junior to Tier 2
36 Non-compliant transitioned features	No	No	No
37 If yes, specify non-compliant features	N/A	N/A	N/A

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)	XS0619548216	XS0619547838
3	Governing law(s) of the instrument	Dutch law	Dutch law
Regulatory treatment			
4	Transitional CRR rules	Tier 2	Tier 2
5	Post-transitional CRR rules	Ineligible	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 (grandfathered) 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 203	EUR 193
9	Nominal amount of instrument (in millions, as of most recent reporting date)	EUR 1,228	USD 595 (EUR 529)
9a	Issue price	99.603%	99.131%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	27 April 2011	27 April 2011
12	Perpetual or dated	Dated	Dated
13	Original maturity date	27 April 2021	27 April 2022
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates, and redemption amount	Tax 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	6.375% per year	6.25% 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, specify instrument type convertible into	N/A	N/A
29	If convertible, specify 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
35	Position in subordination hierarchy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

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)	00080QAD79 (Cusip 144A) USN0028HAP03 (ISIN Reg S)	US00080QAF28 / XS1264600310
3	Governing law(s) of the instrument	Dutch law	Dutch law
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 60	EUR 1,328
9	Nominal amount of instrument (in millions, as of most recent reporting date)	USD 113 (EUR 100)	USD 1,500 (EUR 1.333)
9a	Issue price	100%	99.732%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	30 June 2011	28 July 2015
12	Perpetual or dated	Dated	Dated
13	Original maturity date	15 May 2023	28 July 2025
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates, and redemption amount	Tax 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	7.75% 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)	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, specify instrument type convertible into	N/A	N/A
29	If convertible, specify 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
35	Position in subordination hierarchy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

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)	XS1341466487	US00084DAL47 / XS1392917784
3	Governing law(s) of the instrument	Dutch law	Dutch law
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 286	EUR 885
9	Nominal amount of instrument (in millions, as of most recent reporting date)	SGD 450 (EUR 287)	USD 1,000 (EUR 889)
9a	Issue price	100%	99.827%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	01 April 2016	18 April 2016
12	Perpetual or dated	Dated	Dated
13	Original maturity date	01 April 2026	18 April 2026
14	Issuer call subject to prior supervisory approval	Yes	no
15	Optional call date, contingent call dates, and redemption amount	01 April 2021 (100% nominal 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, specify instrument type convertible into	N/A	N/A
29	If convertible, specify 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
35	Position in subordination hierarchy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

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)	XS1346254573	XS1586330604
3	Governing law(s) of the instrument	Dutch law	Dutch law
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 998	EUR 1,329
9	Nominal amount of instrument (in millions, as of most recent reporting date)	EUR 1,000	USD 1,500 (EUR 1,333)
9a	Issue price	99.383%	99.984%
9b	Redemption price	100%	100%
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	18 January 2016	27 March 2017
12	Perpetual or dated	Dated	Dated
13	Original maturity date	18 January 2028	27 March 2028
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	18 January 2023 (100% nominal amount), tax & regulatory call (100% nominal amount)	27 March 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	2.875% per year	4.4% 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, specify instrument type convertible into	N/A	N/A
29	If convertible, specify 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
35	Position in subordination hierarchy in liquidation	Junior to senior unsecured	Junior to senior unsecured
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

1. N/A inserted if the question is not applicable

Tier 2 (continued)

1	Issuer	ABN AMRO Bank N.V.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1385037558
3	Governing law(s) of the instrument	Dutch law
Regulatory treatment		
4	Transitional CRR rules	Tier 2
5	Post-transitional CRR rules	Tier 2
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-) consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 EU 575/2013 art 63
8	Amount recognised in regulatory capital (in millions, as of most recent reporting date)	EUR 266
9	Nominal amount of instrument (in millions, as of most recent reporting date)	USD 300 (EUR 267)
9a	Issue price	100%
9b	Redemption price	100%
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	08 April 2016
12	Perpetual or dated	Dated
13	Original maturity date	08 April 2031
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates, and redemption amount	Tax & regulatory call (100% nominal amount)
16	Subsequent call dates, if applicable	N/A
Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	5.6% per year
19	Existence of a dividend stopper	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	N/A
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, specify instrument type convertible into	N/A
29	If convertible, specify 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
35	Position in subordination hierarchy in liquidation	Junior to senior unsecured
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

1. N/A inserted if the question is not applicable

Own funds

(in millions)	30 June 2020	31 March 2020	31 December 2019
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
2 Retained earnings	6,271	6,297	4,947
3 Accumulated other comprehensive income (and other reserves)	-1,825	-1,701	-1,419
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)			
5a Independently reviewed interim profits net of any foreseeable charge or dividend	-400	-395	1,377
6 Common Equity Tier 1 (CET1) capital before regulatory adjustments	17,957	18,112	18,815
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7 Additional value adjustments (-)	-39	-136	-48
8 Intangible assets (net of related tax liability) (-)	-132	-165	-171
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (-)	-91	-72	-29
11 Fair value reserves related to gains or losses on cash flow hedges	1,917	1,818	1,648
12 Negative amounts resulting from the calculation of expected loss amounts			-93
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	26	17	39
15 Defined-benefit pension fund assets (-)			
16 Direct and indirect holding by an institution of own CET1 instruments (-)	-10	-10	
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) (-)			
20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative			
20b - of which qualifying holdings outside the financial sector (-)			
20c - of which securitisation positions (-)			
20d - of which free deliveries (-)			
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related eligible tax liabilities) (-)			
22 Amount exceeding the 15% threshold (-)			
23 - of which direct and indirect holding 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			
25a Losses for the current financial year (-)			
25b Foreseeable tax charges relating to CET1 items (-)			
26 Additional deductions of CET1 Capital due to Article 3 CRR	-273	-248	-248
27 Qualifying AT1 deductions that exceed the AT1 capital of the institution (-)			
28 Total regulatory adjustments to Common Equity Tier 1 (CET1)	1,398	1,204	1,097
29 Common Equity Tier 1 (CET1) capital	19,355	19,315	19,913

(in millions)	30 June 2020	31 March 2020	31 December 2019
Additional Tier 1 (AT1) capital: instruments			
30 Capital instruments and the related share premium accounts	2,981	1,988	1,987
31 - of which classified as equity	2,981	1,988	1,987
32 - of which classified as liabilities			
33 Amount of qualifying items referred to in Art. 484 (4) and the related share premium accounts 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	2,981	1,988	1,987
35 - of which instruments issued by subsidiaries subject to phase-out			
36 Additional Tier 1 (AT1) capital before regulatory adjustments	2,981	1,988	1,987
Additional Tier 1 (AT1) capital: regulatory adjustments			
37 Direct and indirect holding 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 by the institution 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 (amount above 10% threshold and net of eligible short positions) (-)			
42 Qualifying T2 deductions that exceed the T2 capital of the institution (-)			
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital	-5	-5	-5
44 Additional Tier 1 (AT1) capital	2,976	1,983	1,982
45 Tier 1 capital (T1 = CET1 + AT1)	22,330	21,298	21,895
Tier 2 (T2) capital: instruments and provisions			
46 Capital instruments and the related share premium accounts	5,546	7,235	7,253
47 Amount of qualifying items referred to in Art. 484 (5) and the related share premium accounts 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	102	156	
51 Tier 2 (T2) capital before regulatory adjustments	5,648	7,391	7,253
Tier 2 (T2) capital: regulatory adjustments			
52 Direct and indirect holding by an institution of own T2 instruments and subordinated loans (-)	-30	-30	-75
53 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 and indirect 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 and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)(-)			
57 Total regulatory adjustments to Tier 2 (T2) capital	-30	-30	-75
58 Tier 2 (T2) capital	5,618	7,361	7,178
59 Total capital (TC = T1 + T2)	27,948	28,659	29,073
60 Total risk weighted assets	112,057	111,704	109,825

(in millions)	30 June 2020	31 March 2020	31 December 2019
61 Common Equity Tier 1 (as a % of total risk exposure amount)	17.3%	17.3%	18.1%
62 Tier 1 (as a % of total risk exposure amount)	19.9%	19.1%	19.9%
63 Total capital (as a % of total risk exposure amount)	24.9%	25.7%	26.5%
64 Institution specific buffer requirement (CET1 requirement in accordance with Article 92 (1) (a) plus capital conservation and counter-cyclical buffer requirements, plus systemic risk buffer, plus systemically important institution buffer expressed as a percentage of risk exposure amount) ¹⁾	8.5%	8.5%	10.1%
65 - of which capital conservation buffer requirement	2.5%	2.5%	2.5%
66 - of which counter-cyclical buffer requirement	0.01%	0.02%	0.10%
67 - of which systemic buffer requirement	1.5%	1.5%	3.0%
67a - of which G-SII or O-SII buffer			
68 Common Equity Tier 1 available to meet buffers (as a % of risk exposure amount) ²⁾	11.6%	11.6%	11.9%
Amounts below the thresholds for deduction			
72 Direct and indirect holdings of the capital 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)	167	138	156
73 Direct and indirect holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	531	522	536
75 Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	716	711	642
Applicable caps on the inclusion of provisions in Tier 2			
77 Cap on inclusion of credit risk adjustments in T2 under Standardised Approach	124	122	109
78 Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	102	156	
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	405	407	388
Capital instruments subject to phase-out arrangements (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			
82 Current cap on AT1 instruments subject to phase-out arrangements			
83 Amount excluded from AT1 due to cap			
84 Current cap on T2 instruments subject to phase-out arrangements			
85 Amount excluded from T2 due to cap			

1. Following the definition of the EBA disclosure template, Pillar 2 CET1 requirement of 1.75% is excluded

2. CET1 amount required to meet the Pillar 2 CET1 requirement of 1.75% is not considered available to meet the Combined Buffer Requirements

Despite a small loss in Q2 2020, Common Equity Tier 1 (CET1) capital increased slightly, mainly reflecting diminished volatility in the financial markets resulting in a lower amount of additional value adjustments for assets measured at fair value which should be deducted from CET1 capital under the Capital Requirements Regulation (CRR). Total RWA increased to EUR 112.1 billion at 30 June 2020 (31 March 2020: EUR 111.7 billion). At 30 June 2020, the CET1, Tier 1 and total capital ratios were 17.3%, 19.9% and 24.5% respectively (31 March 2020: 17.3%, 19.1% and 25.2% respectively). All capital ratios were in line with the bank's risk appetite and were well above regulatory minimum requirements.

In response to Covid-19, the ECB and DNB announced a number of capital relief measures in March 2020 to support banks in serving the economy and addressing operational challenges. The ECB brought forward changes in CRDV, allowing banks to use Additional Tier 1 and Tier 2 to satisfy parts of the Pillar 2 requirements. DNB lowered the systemic risk buffer for ABN AMRO from 3% to 1.5% and the OSII from 2% to 1.5%. As a result, the Maximum Distributable Amount (MDA) trigger level has been temporarily reduced to 9.6%. In the future, DNB is expected to gradually increase the counter-cyclical capital buffer to 2% of Dutch risk-weighted exposures. In response to Covid-19, CRR2 was amended in June to ensure that banks can employ their capital where necessary. The most significant change for ABN AMRO is the earlier application of the extended SME support factor, which is expected to be implemented in the coming quarters and would provide up to EUR 1.5 billion RWA relief.

Leverage ratio

Summary reconciliation of accounting assets and leverage ratio exposures

(in millions)	30 June 2020	31 March 2020	31 December 2019
1 Total assets as per published financial statements	424,733	405,903	375,054
2 Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	309	310	310
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio exposure measure according to Article 429(11) of Regulation (EU) NO. 575/2013			
4 Adjustments for derivative financial instruments	57,687	79,998	67,738
5 Adjustments for securities financing transactions	3,970	5,133	4,376
6 Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	33,435	33,204	36,416
7 Other adjustments	-2,710	-4,645	415
8 Leverage ratio exposure amount	517,424	519,902	484,309

Leverage ratio common disclosure

(in millions)	30 June 2020	31 March 2020	31 December 2019
1 On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	397,276	379,384	361,883
2 Asset amounts deducted in determining Tier 1 capital	-437	-548	-517
3 Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	396,839	378,836	361,366
Derivative exposures			
4 Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	5,286	6,069	4,041
5 Add-on amount for PFE associated with all derivatives transactions (mark-to-market method)	98,933	135,170	115,816
EU5a Exposure determined under Original Exposure Method			
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework			
7 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-3,905	-4,646	-3,375
8 (Exempted CCP leg of client-cleared trade exposures)	-45,030	-60,785	-50,356
9 Adjusted effective notional amount of written credit derivatives			
10 Adjusted effective notional offsets and add-on deductions for written credit derivatives			
11 Total derivatives exposures (sum of lines 4 to 10)	55,284	75,808	66,125
SFT exposures			
12 Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	29,398	29,487	18,115
13 Netted amounts of cash payables and cash receivables of gross SFT assets	-1,503	-2,566	-2,089
14 Counterparty credit risk exposure for SFT assets	3,970	5,133	4,376
EU14a Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013			
15 Agent transaction exposures			
EU15a Exempted CCP leg of client-cleared SFT exposure			
16 Total securities financing transaction exposures (sum of lines 12 to 15a)	31,866	32,054	20,401
Other off-balance sheet exposures			
17 Off-balance sheet exposures at gross notional amount	116,246	111,244	120,851
18 Adjustments for conversion to credit equivalent amounts	-82,811	-78,040	-84,434
19 Other off-balance sheet exposures (sum of lines 17 and 18)	33,435	33,204	36,416
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on- and off-balance sheet)			
EU19a Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on- and off-balance sheet)			
EU19b Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on- and off-balance sheet)			
Capital and total exposure measure			
20 Tier 1 capital	22,330	21,298	21,895
21 Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU19a and EU19b)	517,424	519,902	484,309
Leverage ratio			
22 Leverage ratio	4.3%	4.1%	4.5%
Choice on transitional arrangements and amount of derecognised fiduciary items			
23 Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional	Transitional
24 Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013			

Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

(in millions)	30 June 2020	31 March 2020	31 December 2019
EU1 Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures);	387,245	366,927	354,540
<i>EU2 Of which: trading book exposures</i>	<i>3,397</i>	<i>1,988</i>	<i>1,137</i>
<i>EU3 Of which: banking book exposures</i>	<i>383,848</i>	<i>364,939</i>	<i>353,402</i>
<i>EU4 - of which covered bonds</i>	<i>3,652</i>	<i>3,624</i>	<i>3,757</i>
<i>EU5 - of which exposures treated as sovereigns</i>	<i>100,699</i>	<i>70,882</i>	<i>67,933</i>
<i>EU6 - of which exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns</i>	<i>86</i>		
<i>EU7 - of which institutions</i>	<i>12,968</i>	<i>15,553</i>	<i>10,360</i>
<i>EU8 - of which secured by mortgages of immovable properties</i>	<i>167,455</i>	<i>167,853</i>	<i>168,598</i>
<i>EU9 - of which retail exposures</i>	<i>7,714</i>	<i>8,054</i>	<i>8,414</i>
<i>EU10 - of which corporate</i>	<i>75,312</i>	<i>82,817</i>	<i>80,865</i>
<i>EU11 - of which exposures in default</i>	<i>8,536</i>	<i>7,081</i>	<i>6,521</i>
<i>EU12 - of which other exposures (e.g. equity, securitisations, and other non-credit obligation assets)</i>	<i>7,425</i>	<i>9,076</i>	<i>6,955</i>

The Capital Requirements Regulation (CRR) introduced a non-risk-based leverage ratio, which is expected to become a binding measure with effect from 1 January 2021. Based on the currently applicable rules (i.e. CEM methodology), the leverage ratio increased to 4.3% (31 March 2020: 4.1%), mainly reflecting the AT1 issuance in May 2020 partly offset by an increased balance sheet due to TLTRO participation.

The CRR is expected to amend the rules for calculating the exposure measure by mid-2021, including the use of the SA-CCR calculation methodology for clearing guarantees. ABN AMRO estimates that the cumulative CRR2 adjustments, including the use of SA-CCR, is expected to lower the exposure measure by approximately EUR 56.3 billion, improving the fully-loaded leverage ratio by another 0.5 percentage points. At 30 June 2020, the fully-loaded leverage ratio remained fairly stable at 4.8% based on SA-CCR (31 March 2020: 4.8%), mainly reflecting the AT1 issuance in May 2020, which was offset by a lower SA-CCR impact and an increased balance sheet due to our TLTRO participation. In June CRR2 was amended making it more beneficial to exclude central bank reserves from the exposure measure. Based on Q2 figures, this could potentially improve the fully-loaded leverage ratio by another 0.6 percentage points.

Going forward, ABN AMRO will monitor and report the leverage ratio based on currently applicable rules as well as CRR2, and we expect the leverage ratio to remain above the anticipated regulatory requirements.

Capital requirements

EU OV1 – Overview of RWAs

(in millions)	30 June 2020		31 March 2020		31 December 2019	
	RWAs	Minimum capital requirements	RWAs	Minimum capital requirements	RWAs	Minimum capital requirements
1 Credit risk (excluding CCR)	87,255	6,980	86,003	6,880	84,086	6,727
2 - of which Standardised Approach	8,890	711	8,742	699	8,054	644
3 - of which foundation IRB (FIRB) approach						
4 - of which advanced IRB (AIRB) approach	75,985	6,079	74,959	5,997	73,704	5,896
5 - of which equity IRB under the simple risk-weighted approach or the IMA	2,380	190	2,303	184	2,328	186
6 Counterparty Credit Risk (CCR)	3,522	282	3,687	295	3,372	270
7 - of which mark to market	2,008	161	2,030	162	1,875	150
8 - of which original exposure						
9 - of which Standardised Approach	1,070	86	1,057	85	642	51
10 - of which internal model method (IMM)						
11 - of which risk exposure amount for contributions to the default fund of a CCP	252	20	324	26	484	39
12 - of which CVA	192	15	277	22	370	30
13 Settlement risk						
14 Securitisation exposures in the banking book (after the cap)	40	3	38	3	32	3
15 - of which IRB approach	40	3	38	3	32	3
16 - of which IRB supervisory formula approach (SFA)						
17 - of which internal assessment approach (IAA)						
18 - of which Standardised Approach						
19 Market risk	1,908	153	2,144	172	1,362	109
20 - of which Standardised Approach	7	1	9	1	6	
21 - of which: IMA	1,900	152	2,136	171	1,357	109
22 Large exposures						
23 Operational risk	17,680	1,414	18,148	1,452	19,391	1,551
24 - of which basic indicator approach	678	54	686	55	910	73
25 - of which Standardised Approach						
26 - of which advanced measurement approach	17,002	1,360	17,461	1,397	18,481	1,478
27 Amounts below the thresholds for deduction (subject to 250% risk weight)	1,652	132	1,683	135	1,582	127
28 Floor adjustment						
29 Total RWA	112,057	8,965	111,704	8,936	109,825	8,786

Total RWA increased to EUR 112.1 billion (31 March 2020: EUR 111.7 billion) reflecting an increase in credit risk. This increase was driven by the introduction of the new definition of default and model updates, and was partly offset by business developments and higher allowances. In comparison with the previous quarter, operational risk decreased in line with the declining trend of operational losses. Market risk RWA declined due to a lower capital multiplier and position changes.

EU CR10 – IRB (equities)

							30 June 2020	
(in millions)		On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Capital require- ments	
1	Private equity exposures	592	114	190%	706	1,342	107	
2	Exchange-traded equity exposures	38		290%	38	111	9	
3	Other equity exposures	251		370%	251	927	74	
4	Total	881	114		995	2,380	190	
							31 December 2019	
1	Private equity exposures	657	113	190%	770	1,463	117	
2	Exchange-traded equity exposures	28		290%	28	81	6	
3	Other equity exposures	212		370%	212	785	63	
4	Total	897	113		1,010	2,328	186	

Equity exposure remained fairly stable over the past half year. Private equity positions in CIB decreased while specific new strategic positions were taken by ABN AMRO Venture capital. The increase in equity positions by Venture capital included, among others, companies that detect financial crime and companies investing in financial efficiency solutions.

Credit risk and credit risk mitigation - general information

EU CR1-A – Credit quality of exposures by exposure class and instrument

(in millions)	Gross carrying values of						30 June 2020 Net values a+b-c-d	31 December 2019 Net values
	Defaulted exposures (a)	Non- defaulted exposures (b)	Specific credit risk adjustment (c)	General credit risk adjustment (d) ¹⁾	Accum- lated wri- te-offs (e)	Credit risk adjustment charges for the period (f)		
1 Central governments or central banks		93,724	2				93,721	61,340
2 Institutions		11,195	5				11,190	11,229
3 Corporates	9,097	148,363	2,927		1,026		154,533	156,575
4 - of which specialised lending	1,540	37,609	629		174		38,520	41,940
5 - of which SMEs	2,150	29,444	544		144		31,050	31,131
6 Retail	1,757	177,211	400		117		178,568	180,681
7 Secured by real estate property	1,295	160,442	168		47		161,568	162,545
8 - of which SMEs	101	4,034	40		10		4,095	4,131
9 - of which non-SMEs	1,193	156,408	128		38		157,473	158,414
10 Qualifying revolving	171	9,696	103		29		9,765	10,345
11 Other retail	291	7,073	129		40		7,235	7,791
12 - of which SMEs	237	4,256	99		29		4,395	4,402
13 - of which non-SMEs	54	2,817	31		11		2,841	3,389
14 Equity		995					995	1,010
15 Total IRB approach	10,854	431,487	3,334		1,143		439,008	410,836
16 Central governments or central banks		74					74	250
17 Regional governments or local authorities								
18 Public sector entities								
19 Multilateral development banks		1,078					1,078	942
20 International organisations		5,205					5,205	5,029
21 Institutions		13,704					13,704	15,317
22 Corporates		15,131	62		94		15,069	16,741
23 - of which SMEs		2,643	2		1		2,641	3,149
24 Retail		5,076	25		40		5,051	4,851
25 - of which SMEs		102					102	109
26 Secured by mortgages on immovable property		1,114	1		1		1,113	928
27 - of which SMEs		241					241	113
28 Exposure in default	306		179		134		127	143
29 Items associated with particularly high risk								
30 Covered bonds								
31 Claims on institutions and corporates with a short-term credit assesment								
32 Collective investment undertakings (CIU)		178					178	178
33 Equity exposures								
34 Other exposures		1,980					1,980	1,492
35 Total Standardised Approach	306	43,539	267		268		43,578	45,873
36 Total	11,160	475,027	3,601		1,412	1,814	482,586	456,708

1. Following the opinion of EBA all IFRS 9 provisions should be considered as Specific Credit Adjustments.

EU CR1-B – Credit quality of exposures by industry or counterparty type

(in millions)	Gross carrying values of						30 June 2020 Net values a+b-c-d	31 December 2019 Net values	
	Defaulted exposures (a)	Non- defaulted exposures (b)	Specific credit risk adjustment (c)	General credit risk adjustment (d) ¹⁾	Accumu- lated wri- te-offs (e)	Credit risk adjustment charges for the period (f)			
1	Agriculture, forestry & fishing	477	7,931	103		22	8,304	8,275	
2	Mining & quarrying	1,851	9,398	535		180	10,715	11,512	
3	Manufacturing	1,888	17,517	516		190	18,888	18,313	
4	Electricity, gas, steam & air conditioning supply	4	3,912	9			3,907	4,026	
5	Water supply	80	755	21		26	814	860	
6	Construction	263	6,677	133		16	6,807	7,205	
7	Wholesale & retail trade	1,913	42,928	795		375	44,046	44,667	
8	Transport & storage	1,351	13,859	423		63	14,787	18,552	
9	Accommodation & food service activities	122	1,805	32		11	1,895	1,703	
10	Information & communication	258	4,347	188		162	4,417	4,316	
11	Financial & insurance activities	230	114,908	102		121	115,036	83,488	
12	Real estate activities	157	8,315	56		13	8,416	8,376	
13	Professional, scientific & technical activities	90	3,367	42		8	3,415	2,744	
14	Administrative & support service activities	319	7,047	63		28	7,303	5,280	
15	Public administration & defence, compulsory social security		36,902				36,901	34,080	
16	Education	7	252	4		1	254	252	
17	Human health services & social work activities	344	4,271	50		6	4,565	4,548	
18	Arts, entertainment & recreation	82	938	34		4	986	1,006	
19	Other services	139	14,874	129		34	14,884	17,882	
20	Activities of households as employers; undifferentiated goods - & services producing activities of households for own use	1,584	172,504	365		151	173,723	177,237	
21	Activities of extraterritorial organisations & bodies		2,522	-0			2,522	2,387	
22	Total	11,160	475,027	3,601		1,412	1,814	482,586	456,708

1. Following the opinion of EBA all IFRS 9 provisions should be considered as Specific Credit Adjustments.

EU CR1-C – Credit quality of exposures by geography

(in millions)		Gross carrying values of					30 June 2020 Net values a+b-c-d	31 December 2019 Net values
		Defaulted exposures (a)	Non- defaulted exposures (b)	Specific credit risk adjustment (c)	General credit risk adjustment (d) ¹⁾	Accumu- lated wri- te-offs (e)		
1	Europe	8,872	412,890	2,473		812	419,289	389,521
2	- of which Netherlands	7,205	332,816	1,801		581	338,221	306,387
3	-of which Rest of Europe	1,666	80,074	672		231	81,068	83,133
4	USA	781	29,283	260		140	29,804	31,199
5	Asia	678	20,354	457		368	20,575	20,366
6	Rest of world	829	12,501	411		92	12,919	15,622
7	Total	11,160	475,027	3,601		1,412	482,586	456,708

1. Following the opinion of EBA all IFRS 9 provisions should be considered as Specific Credit Adjustments.

The non-defaulted gross carrying amount increased compared with Q4 2019 primarily because ABN AMRO participated in the ECB's TLTRO to support clients and their potential future liquidity needs. Participation in the TLTRO also results in increased exposure in Central Governments & Central Banks (exposure class), Financial & Insurance activities (sector) and the Netherlands (country). The defaulted gross carrying amount increased compared with Q4 2019 due to Covid-19 and exceptional events. This explains an increase in the defaulted exposure primarily for the corporate exposure class in the mining & quarrying, wholesale & retail trading and manufacturing sectors in the CIB business line. These increases in defaulted exposures are visible primarily in the USA & Asia and, to a lesser extent, in other regions. The increase in the defaulted exposure also led to higher impairment charges, recorded mainly in the energy and off-shore sectors. The increase in impairment charges was related firstly to new inflow and secondly to increases in existing stage 3 impairments.

Template 1: Credit quality of forborne exposures

The previously reported templates EU CR1-D – Ageing of past-due exposures and EU CR1-E – Non-performing and forborne exposures have been replaced by the templates from the EBA guidelines on non-performing and forborne exposures. These guidelines include a proportionality principle based on a threshold of the relative amount of non-performing exposures on the balance sheet. Because ABN AMRO is below this threshold, only the following four templates are presented: 1. Credit quality of forborne exposures; 3. Credit quality of performing and non-performing exposures by past due days; 4. Performing and non-performing exposures and related provisions, and 9. Collateral obtained by taking possession and execution processes.

										30 June 2020					
										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures			
Gross carrying amount/nominal amount of exposures with forbearance measures															
										On performing forborne exposures		On non- performing forborne exposures		Of which: received on non- performing exposures with for- bearance measures	
										Performing forborne		Non-performing forborne			
												Of which: defaulted		Of which: impaired	
(in millions)															
1	Loans and advances	4,530	4,645	4,448	4,448	60	1,285	5,726	2,698						
2	Central banks														
3	General governments	5						5							
4	Credit institutions														
5	Other financial corporations	102	31	31	31		30	44							
6	Non-financial corporations	3,379	3,832	3,808	3,808	35	1,147	4,147	2,101						
7	Households	1,043	782	609	609	25	108	1,530	598						
8	Debt Securities														
9	Loan commitments given	1,452	764	762	762	4	10	335	85						
10	Total	5,982	5,409	5,210	5,210	64	1,294	6,060	2,784						

31 December 2019

	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 forbearance exposures	
	Performing forborne	Non-performing forborne		On performing forborne exposures	On non-performing forborne exposures	Of which: received on non-performing exposures with forbearance measures		
		Of which: defaulted	Of which: impaired					
(in millions)								
1 Loans and advances	2,538	3,827	3,619	3,619	58	1,024	4,117	2,442
2 Central banks								
3 General governments	6						6	
4 Credit institutions								
5 Other financial corporations	37	33	33	33		29	37	1
6 Non-financial corporations	1,889	3,127	3,040	3,040	18	906	3,115	1,904
7 Households	607	667	546	546	39	89	959	537
8 Debt Securities								
9 Loan commitments given	508	393	391	391			182	51
10 Total	3,046	4,219	4,010	4,010	58	1,024	4,298	2,492

The forbore exposure increased significantly, as more clients received a forbearance measure. The inflow was mainly observed in corporate loans in the travel & leisure, industrial goods & services, retail and food & beverage sectors in the Netherlands and Rest of Europe as well as oil & gas clients in the US. The main driver of the inflow in the mortgage portfolio can be attributed to contracts which became forbore after granting moratoria due to Covid-19.

Template 3: Credit quality of performing and non-performing exposures by past due days

30 June 2020

(in millions)	Gross carrying amount/nominal amount		
	Performing exposures	Past due >30 days	
		not past due + past due ≤30 days	≤90 days
1 Loans and advances	293,954	293,199	755
2 Central banks	1,099	1,099	
3 General governments	1,551	1,547	4
4 Credit institutions	16,504	16,504	
5 Other financial corporations	40,025	39,990	35
6 Non-financial corporations	73,880	73,388	492
7 - of which SMEs	16,988	16,903	86
8 Households	160,895	160,671	223
9 Debt securities	48,225	48,225	
10 Central banks	223	223	
11 General governments	41,372	41,372	
12 Credit institutions	5,909	5,909	
13 Other financial corporations	703	703	
14 Non-financial corporations	18	18	
15 Off-balance sheet exposures	109,916		
16 Central banks	33		
17 General governments	1,622		
18 Credit institutions	3,014		
19 Other financial corporations	28,268		
20 Non-financial corporations	58,494		
21 Households	18,483		
22 Total	452,095	341,424	755

30 June 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	8,671	7,042	259	513	256	370	152	80	8,464
2	Central banks									
3	General governments									
4	Credit institutions									
5	Other financial corporations	112	7		29		1	62	13	112
6	Non-financial corporations	6,564	5,570	112	342	183	243	74	41	6,539
7	- of which SMEs	1,649	1,171	60	93	94	145	55	31	1,644
8	Households	1,996	1,465	147	142	73	126	16	26	1,812
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	1,944								1,140
16	Central banks									
17	General governments									
18	Credit institutions									
19	Other financial corporations	3								3
20	Non-financial corporations	1,539								1,097
21	Households	401								40
22	Total	10,615	7,042	259	513	256	370	152	80	9,603

31 December 2019

(in millions)	Gross carrying amount/nominal amount		
	Performing exposures	Gross carrying amount/nominal amount	
		not past due + past due ≤30 days	Past due >30 days ≤90 days
1 Loans and advances	310,985	310,371	614
2 Central banks	28,032	28,032	
3 General governments	1,375	1,375	
4 Credit institutions	9,280	9,280	
5 Other financial corporations	32,123	32,122	1
6 Non-financial corporations	77,347	77,009	338
7 - of which SMEs	17,697	17,637	60
8 Households	162,828	162,553	274
9 Debt securities	44,415	44,415	
10 Central banks			
11 General governments	37,913	37,913	
12 Credit institutions	5,734	5,734	
13 Other financial corporations	747	747	
14 Non-financial corporations	20	20	
15 Off-balance sheet exposures	116,920		
16 Central banks	57		
17 General governments	1,771		
18 Credit institutions	3,190		
19 Other financial corporations	30,752		
20 Non-financial corporations	61,172		
21 Households	19,978		
22 Total	472,320	354,786	614

31 December 2019

Gross carrying amount/nominal amount

		Non-performing exposures								Of which: defaulted
		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		
(in millions)										
1	Loans and advances	6,987	5,434	356	174	421	345	179	78	6,780
2	Central banks									
3	General governments									
4	Credit institutions									
5	Other financial corporations	119	13	28			32	33	13	119
6	Non-financial corporations	5,211	4,291	190	68	273	229	116	43	5,124
7	- of which SMEs	1,674	1,191	70	27	108	163	74	41	1,634
8	Households	1,658	1,130	138	106	147	84	30	23	1,537
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	2,056								1,329
16	Central banks	31								
17	General governments									
18	Credit institutions									
19	Other financial corporations	113								1
20	Non-financial corporations	1,769								1,264
21	Households	144								63
22	Total	9,044	5,434	356	174	421	345	179	78	8,109

Template 4: Performing and non-performing exposures and related provisions

30 June 2020

(in millions)	Gross carrying amount/nominal amount					
	Performing exposures			Non-performing exposures		
		Of which: stage 1 ¹⁾	Of which: stage 2 ¹⁾		Of which: stage 2 ¹⁾	Of which: stage 3 ¹⁾
1 Loans and advances	293,954	256,841	35,885	8,671	207	8,464
2 Central banks	1,099	1,099				
3 General governments	1,551	1,480	66			
4 Credit institutions	16,504	16,497	7			
5 Other financial corporations	40,025	38,468	791	112		112
6 Non-financial corporations	73,880	55,425	17,998	6,564	24	6,539
7 - of which SMEs	16,988	11,091	5,897	1,649	5	1,644
8 Households	160,895	143,872	17,023	1,996	183	1,812
9 Debt securities	48,225	48,208				
10 Central banks	223	223				
11 General governments	41,372	41,372				
12 Credit institutions	5,909	5,909				
13 Other financial corporations	703	703				
14 Non-financial corporations	18	1				
15 Off-balance sheet exposures	109,916	53,167	6,506	1,944	170	1,140
16 Central banks	33	10	23			
17 General governments	1,622	1,600	1			
18 Credit institutions	3,014	2,638	10			
19 Other financial corporations	28,268	7,796	211	3		3
20 Non-financial corporations	58,494	30,896	5,983	1,539	5	1,097
21 Households	18,483	10,227	279	401	165	40
22 Total	452,095	358,215	42,391	10,615	378	9,603

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

30 June 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
	Of which: stage 1 ¹⁾	Of which: stage 2 ¹⁾		Of which: stage 2 ¹⁾	Of which: stage 3 ¹⁾				
(in millions)									
1 Loans and advances	-670	-249	-421	-2,911	-5	-2,906	-47	239,466	4,678
2 Central banks								793	
3 General governments	-0	-0	-0	-0		-0		72	
4 Credit institutions	-2	-2	-0					12,333	
5 Other financial corporations	-15	-10	-5	-93		-93		25,337	15
6 Non-financial corporations	-431	-184	-246	-2,508	-0	-2,508	-46	49,179	3,218
7 - of which SMEs	-131	-37	-94	-422	-0	-422		11,375	909
8 Households	-221	-52	-169	-311	-5	-305	-1	151,752	1,445
9 Debt securities	-1	-1							
10 Central banks									
11 General governments	-1	-1							
12 Credit institutions									
13 Other financial corporations									
14 Non-financial corporations									
15 Off-balance sheet exposures	-31	-15	-9	-79	-0	-10		14,736	370
16 Central banks	-0	-0	-0					20	
17 General governments	-0	-0	-0	-0				18	
18 Credit institutions	-0	-0	-0					152	
19 Other financial corporations	-2	-1	-1	-0				1,163	
20 Non-financial corporations	-18	-11	-7	-78		-10		12,235	366
21 Households	-11	-2	-2	-1	-0	-0		1,148	4
22 Total	-702	-265	-430	-2,990	-5	-2,916	-47	254,202	5,048

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

31 December 2019

(in millions)	Gross carrying amount/nominal amount					
	Performing exposures			Non-performing exposures		
		Of which: stage 1 ¹⁾	Of which: stage 2 ¹⁾		Of which: stage 2 ¹⁾	Of which: stage 3 ¹⁾
1 Loans and advances	310,985	265,931	16,909	6,987	208	6,780
2 Central banks	28,032	1,154				
3 General governments	1,375	1,300	70			
4 Credit institutions	9,280	9,279	1			
5 Other financial corporations	32,123	30,435	492	119		119
6 Non-financial corporations	77,347	69,046	8,236	5,211	87	5,124
7 - of which SMEs	17,697	15,418	2,279	1,674	40	1,634
8 Households	162,828	154,717	8,111	1,658	121	1,537
9 Debt securities	44,415	44,408				
10 Central banks						
11 General governments	37,913	37,913				
12 Credit institutions	5,734	5,734				
13 Other financial corporations	747	747				
14 Non-financial corporations	20	13				
15 Off-balance sheet exposures	116,920	61,172	2,855	2,056	65	1,329
16 Central banks	57	4	53	31		
17 General governments	1,771	1,670	1			
18 Credit institutions	3,190	2,815	9			
19 Other financial corporations	30,752	6,369	139	113		1
20 Non-financial corporations	61,172	38,397	2,561	1,769	15	1,264
21 Households	19,978	11,918	91	144	50	63
22 Total	472,320	371,511	19,764	9,044	273	8,109

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

31 December 2019

	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⁾			
(in millions)									
1 Loans and advances	-436	-180	-256	-1,998	-2	-1,996	-33	229,952	4,108
2 Central banks								797	
3 General governments	-1		-1					143	
4 Credit institutions	-5	-5						4,638	
5 Other financial corporations	-6	-4	-2	-94		-94		19,959	22
6 Non-financial corporations	-227	-121	-105	-1,612	-1	-1,611	-33	51,867	2,851
7 - of which SMEs	-83	-42	-41	-429		-429		11,223	936
8 Households	-197	-48	-149	-292	-1	-291		152,549	1,235
9 Debt securities	-1	-1							
10 Central banks									
11 General governments	-1	-1							
12 Credit institutions									
13 Other financial corporations									
14 Non-financial corporations									
15 Off-balance sheet exposures	-19	-8	-4	-60		-5		16,881	402
16 Central banks								26	
17 General governments								77	
18 Credit institutions								106	
19 Other financial corporations								811	
20 Non-financial corporations	-13	-5	-3	-60		-5		14,490	398
21 Households	-5	-2						1,372	5
22 Total	-456	-188	-260	-2,059	-2	-2,001	-33	246,833	4,510

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

The significant decrease in loans and advances in Q2 2020 was because cash and balances at Central banks and other demand deposits are no longer included. This is in line with changes in regulatory reporting effective from Q2 2020 onwards. Non-performing loans and advances to customers increased strongly, mainly in stage 3. This increase in stage 3 was related to a potential fraud case in Germany, clients in the energy-offshore sector within CIB and clients in the food and retail sectors within CIB and CB.

Template 9: Collateral obtained by taking possession and execution processes

(in millions)	30 June 2020		31 December 2019	
	Collateral obtained by taking possession		Collateral obtained by taking possession	
	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		13	11
3	<i>Residential immovable property</i>			
4	<i>Commercial Immovable property</i>			
5	<i>Movable property (auto, shipping, etc.)</i>		1	
6	<i>Equity and debt instruments</i>		11	11
7	<i>Other</i>		1	
8	Total		13	11

EU CR2-A – Changes in the stock of general and specific credit risk adjustments

(in millions)	Accumulated specific credit risk adjustments	Accumulated general credit risk adjustments ¹⁾
1	Opening balance 1 January 2020 (IFRS 9)	
	2,447	
2	Net amounts set aside for estimated loan losses during the period	
	883	
3	Decreases due to amounts taken against accumulated credit risk adjustments	
	-633	
4	Transfers between credit risk adjustments	
	763	
5	Impact of exchange rate differences	
	-31	
6	Business combinations, including acquisitions and disposals of subsidiaries	
	-20	
7	Other adjustments	
	197	
8	Closing balance 30 June 2020	
	3,606	
9	Recoveries on credit risk adjustments recorded directly to the statement of profit and loss	
	7	
10	Specific credit risk adjustments recorded directly to the statement of profit and loss	
	1,806	

1. Following the opinion of EBA all IFRS 9 provisions should be considered as Specific Credit Adjustments.

Accumulated credit risk adjustments amounted to EUR 1.2 billion in the first half of 2020 and were mainly related to the financial impact of Covid-19, oil price developments and three exceptional client files in the credit portfolio, one of which was related to a large loss in our clearing activity and two of which were fraud cases.

EU CR2-B – Changes in the stock of defaulted and impaired loans and debt securities

(in millions)		Gross carrying value defaulted exposures
1	Opening balance 1 January 2020	6,780
2	Loans and debt securities that have defaulted or impaired since the last reporting period	2,999
3	Loans and debt securities that returned to non-defaulted status	-683
4	Amounts written off	-633
5	Other changes	
6	Closing balance 30 June 2020	8,463

In the first six months of 2020, the stock of defaulted and impaired loans increased strongly. This increase was mainly the result of the inflow of clients in corporate loans which were transferred from stage 1 and stage 2 to stage 3. This inflow was related to a potential fraud case in Germany, CIB clients in the energy-offshore sector and both CIB and CB clients in the food and retail sectors.

EU CR3 – CRM techniques – Overview

(in millions)		30 June 2020				
		Exposures unsecured - carrying amount	Exposures secured – carrying amount	Exposure secured by collateral	Exposure secured by financial guarantees	Exposure secured by credit derivatives
1	Total loans	97,226	259,073	255,183	3,889	
2	Total debt securities	48,212				
3	Total exposure	145,438	259,073	255,183	3,889	
4	<i>- of which defaulted</i>	3,786	4,678	4,439	239	
		31 December 2019				
1	Total loans	66,392	249,146	245,334	3,812	
2	Total debt securities	44,413				
3	Total exposure	110,805	249,146	245,334	3,812	
4	<i>- of which defaulted</i>	2,672	4,107	3,943	164	

The increase in total loans was primarily attributable to larger cash balances held at central banks in relation to ECB's targeted longer-term refinancing operations (TLTRO). ABN AMRO increased its participation in TLTRO in order to support clients' potential future liquidity needs resulting from the Covid-19 crisis. The accompanying increase in the secured portfolio related primarily to seasonal positions with credit institutions within our SFT portfolio.

Note that only exposures covered by eligible collateral are reported as 'secured'.

Credit risk and credit risk mitigation - Standardised Approach

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

30 June 2020

(in millions)	Exposures before CCF and CRM ¹⁾		Exposures post CCF and CRM ¹⁾		RWAs and RWA density		
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWAs	RWA density	
Exposure classes							
1	Central governments or central banks	389	5	332	5	48	14%
2	Regional governments or local authorities						
3	Public sector entities						
4	Multilateral development banks	1,078		1,078			0%
5	International organisations	5,204		5,204			0%
6	Institutions	2,751	11,206	2,751	1,003	239	9%
7	Corporates	3,094	12,446	3,072	1,003	3,624	89%
8	Retail	1,349	3,863	1,349	574	1,438	75%
9	Secured by mortgages on immovable property	895	548	895	282	419	36%
10	Exposures in default	69	57	69	17	114	132%
11	Higher-risk categories						
12	Covered bonds						
13	Institutions and corporates with a short-term credit assessment						
14	Collective investment undertakings	178		178		9	5%
15	Equity						
16	Other items	1,980		1,980		1,021	52%
17	Total	16,987	28,126	16,909	2,884	6,911	

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

31 December 2019

(in millions)	Exposures before CCF and CRM ¹⁾		Exposures post CCF and CRM ¹⁾		RWAs and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWAs	RWA density
Exposure classes						
1	Central governments or central banks	250		275	2	1%
2	Regional governments or local authorities					0%
3	Public sector entities					0%
4	Multilateral development banks	942		942		0%
5	International organisations	5,029		5,029		0%
6	Institutions	1,602	1,372	1,602	14	5%
7	Corporates	3,206	13,515	3,181	836	87%
8	Retail	992	3,859	990	481	75%
9	Secured by mortgages on immovable property	501	426	501	213	36%
10	Exposures in default	80	63	82	130	138%
11	Higher-risk categories					0%
12	Covered bonds					0%
13	Institutions and corporates with a short-term credit assessment					0%
14	Collective investment undertakings	178		178	9	5%
15	Equity					0%
16	Other items	1,492		1,492	1,084	73%
17	Total	14,273	19,235	14,273	1,557	6,161

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

The increase under the standardised approach in exposure and RWA is primarily attributable to business movements in Clearing within CIB and larger positions in the mortgages portfolio within Retail.

EU CR5 – Standardised Approach - Exposures post CCF and CRM

30 June 2020

(in millions)	Exposure classes	Risk weight								Subtotal	
		0%	2%	4%	10%	20%	35%	50%	70%	75%	
1	Central governments or central banks	98				239					337
2	Regional governments or local authorities										
3	Public sector entities										
4	Multilateral development banks	1,078									1,078
5	International organisations	5,205									5,205
6	Institutions		2,260			263		155			2,678
7	Corporates							801			801
8	Retail									1,923	1,923
9	Secured by mortgages on immovable property						1,069	108			1,177
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	Collective investment undertakings										
15	Equity										
16	Other items	959									959
17	Total	7,339	2,260			502	1,069	1,065		1,923	14,157

30 June 2020

(in millions)	Exposure classes	Subtotal	Risk weight						Deducted	Total	Of which: unrated
			100%	150%	250%	370%	1250%	Others			
1	Central governments or central banks	337								337	328
2	Regional governments or local authorities										
3	Public sector entities										
4	Multilateral development banks	1,078								1,078	55
5	International organisations	5,205								5,205	
6	Institutions	2,678								2,678	2,678
7	Corporates	801	3,274							4,075	4,075
8	Retail	1,923								1,923	1,923
9	Secured by mortgages on immovable property	1,177								1,177	1,177
10	Exposures in default			31	56					86	86
11	Exposures associated with particularly high risk										
12	Covered bonds										
13	Institutions and corporates with a short-term credit assessment										
14	Collective investment undertakings							178		178	
15	Equity										
16	Other items	959	1,021							1,980	1,980
17	Total	14,157	4,326	56				178		18,716	12,302

31 December 2019

(in millions)	Risk weight									Subtotal	
	0%	2%	4%	10%	20%	35%	50%	70%	75%		
Exposure classes											
1	Central governments or central banks	273									273
2	Regional governments or local authorities										
3	Public sector entities										
4	Multilateral development banks	942									942
5	International organisations	5,029									5,029
6	Institutions		1,383			202		31			1,616
7	Corporates							913			913
8	Retail								1,471		1,471
9	Secured by mortgages on immovable property						617	98			715
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	Collective investment undertakings										
15	Equity										
16	Other items	409									409
17	Total	6,653	1,383			202	617	1,042		1,471	11,368

31 December 2019

(in millions)	Subtotal	Risk weight						Deducted	Total	Of which: unrated
		100%	150%	250%	370%	1250%	Others			
Exposure classes										
1	Central governments or central banks	273	2						275	265
2	Regional governments or local authorities									
3	Public sector entities									
4	Multilateral development banks	942							942	30
5	International organisations	5,029							5,029	
6	Institutions	1,616							1,616	1,616
7	Corporates	913	3,104						4,017	4,017
8	Retail	1,471							1,471	1,471
9	Secured by mortgages on immovable property	715							715	715
10	Exposures in default		23	72					95	95
11	Exposures associated with particularly high risk									
12	Covered bonds									
13	Institutions and corporates with a short-term credit assessment									
14	Collective investment undertakings						178		178	
15	Equity									
16	Other items	409	1,084						1,492	1,492
17	Total	11,368	4,213	72			178		15,830	9,701

Compared with year-end 2019 an increase in SA exposure is noticed in almost all risk weights and for rated as well as unrated exposures. The main contributor to the increase is Institutions, at EUR 1.2 billion which is primarily related to Clearing activities.

Credit risk and credit risk mitigation - IRB approach

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

30 June 2020

(in millions)	PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF ¹⁾	Average CCF ¹⁾	EAD post CRM and post CCF ¹⁾	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Value adjustments and Provisions
Exposure class													
Central government or central banks	0.00 to <0.15	94,673	1,590	37.4%	95,267	0.0%	833	10.5%	1.80	634	0.7%	1	2
	0.15 to <0.25	31		0.0%	31	0.2%	2	33.7%	4.25	14	46.8%		
	0.25 to <0.50	100		45.0%	100	0.3%	6	42.5%	4.11	74	73.6%		
	0.50 to <0.75	9	6	37.5%	12	0.7%	2	15.9%	3.89	4	37.7%		
	0.75 to <2.50	53	1	35.4%	54	1.6%	5	50.6%	1.38	65	120.9%		
	2.50 to <10.00	38	3	23.0%	39	6.0%	4	60.0%	2.15	89	228.5%	1	
	10.00 to <100.00	31	66	25.9%	48	13.4%	8	60.9%	3.09	160	331.6%	4	
	100.00 (Default)												
Subtotal		94,936	1,666		95,551		860			1,041		7	2
Corporates	0.00 to <0.15	10,430	13,708	31.2%	14,697	0.1%	2,066	23.4%	2.00	1,893	12.9%	2	6
	0.15 to <0.25	3,770	6,255	29.9%	5,634	0.2%	425	23.7%	2.26	1,273	22.6%	2	12
	0.25 to <0.50	13,005	16,227	26.1%	17,226	0.3%	1,894	23.4%	2.46	5,684	33.0%	14	38
	0.50 to <0.75	13,012	12,162	21.1%	15,553	0.7%	3,406	20.3%	2.43	5,703	36.7%	21	44
	0.75 to <2.50	27,431	12,138	23.8%	30,240	1.4%	8,514	17.8%	2.54	12,570	41.6%	76	124
	2.50 to <10.00	10,902	3,730	23.3%	11,753	4.3%	3,947	17.2%	2.52	6,258	53.2%	86	82
	10.00 to <100.00	1,893	1,110	18.5%	2,114	21.1%	16,775	18.3%	2.45	1,997	94.5%	83	32
	100.00 (Default)	6,610	2,033	9.3%	6,763	100.0%	1,576	27.7%	1.97	5,949	88.0%	2,476	2,474
Subtotal		87,053	67,365		103,980		38,603			41,328		2,761	2,811
Institutions	0.00 to <0.15	5,872	2,285	79.9%	7,697	0.1%	521	15.5%	2.95	648	8.4%	1	2
	0.15 to <0.25	596	171	34.3%	655	0.2%	27	28.3%	1.65	158	24.1%		1
	0.25 to <0.50	251	147	35.8%	303	0.3%	52	16.1%	1.94	62	20.5%		
	0.50 to <0.75	10		20.5%	11	0.6%	9	34.3%	0.15	6	53.7%		
	0.75 to <2.50	164	138	18.9%	190	1.7%	21	32.4%	0.76	127	66.7%	1	
	2.50 to <10.00		12	10.0%	1	3.2%	2	42.3%	1.00	1	116.6%		
	10.00 to <100.00	49	11	9.0%	50	24.0%	74	29.1%	0.99	89	178.3%	3	
	100.00 (Default)												
Subtotal		6,942	2,765		8,907		706			1,091		6	4
Retail	0.00 to <0.15	81,454	7,879	27.6%	83,499	0.1%	2,969,528	11.5%	4.86	1,810	2.2%	7	7
	0.15 to <0.25	45,232	570	24.1%	45,231	0.2%	431,409	15.2%	4.93	2,648	5.9%	12	12
	0.25 to <0.50	12,311	424	24.0%	12,458	0.4%	265,276	18.9%	4.82	1,450	11.6%	9	9
	0.50 to <0.75	10,605	732	34.7%	10,782	0.6%	105,941	19.0%	4.57	1,652	15.3%	12	12
	0.75 to <2.50	7,240	476	28.2%	7,418	1.3%	401,527	27.9%	4.12	2,278	30.7%	26	26
	2.50 to <10.00	5,615	342	40.0%	5,716	4.8%	143,157	20.5%	4.09	2,858	50.0%	56	55
	10.00 to <100.00	1,637	69	46.1%	1,655	16.8%	40,050	27.3%	3.84	1,531	92.5%	71	70
	100.00 (Default)	1,695	71	7.9%	1,691	100.0%	79,409	18.7%	4.22	1,175	69.5%	273	210
Subtotal		165,788	10,563		168,449		4,436,297			15,403		466	400
Total		354,720	82,358		376,887		4,476,466			58,864		3,239	3,217

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

31 December 2019

(in millions)	PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF ¹	Average CCF ¹	EAD post CRM and post CCF ¹	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Value adjustments and Provisions
Exposure class													
Central government or central banks	0.00 to <0.15	62,810	959	33.2%	63,128	0.0%	875	13.0%	2.21	444	0.7%	1	1
	0.15 to <0.25	32		6.3%	32	0.2%	3	29.7%	4.35	13	39.7%		
	0.25 to <0.50	85		0.0%	85	0.4%	4	33.9%	4.99	59	69.2%		
	0.50 to <0.75	8	8	42.8%	11	0.7%	3	14.5%	3.92	4	32.8%		
	0.75 to <2.50	111	1	13.8%	112	1.0%	8	41.5%	0.88	78	70.1%		
	2.50 to <10.00			45.0%		3.0%	1	60.0%	1.00		155.4%		
	10.00 to <100.00	47		40.5%	47	12.0%	6	40.0%	0.87	83	176.6%	2	3
	100.00 (Default)												
	Subtotal	63,093	968		63,415		900			681	0.0%	4	4
Corporates	0.00 to <0.15	10,256	15,873	32.7%	15,425	0.1%	2,112	22.1%	1.99	1,727	11.2%	2	1
	0.15 to <0.25	4,242	5,089	29.6%	5,735	0.2%	457	22.6%	2.46	1,216	21.2%	2	3
	0.25 to <0.50	14,153	14,677	27.4%	18,169	0.3%	2,017	21.8%	2.50	5,437	29.9%	14	5
	0.50 to <0.75	13,118	13,652	23.1%	16,251	0.7%	3,450	19.1%	2.43	5,265	32.4%	21	13
	0.75 to <2.50	29,215	11,637	26.5%	32,428	1.4%	9,363	16.1%	2.54	11,483	35.4%	72	57
	2.50 to <10.00	11,565	3,075	27.6%	12,453	4.2%	4,606	15.8%	2.62	5,742	46.1%	83	75
	10.00 to <100.00	1,441	807	18.0%	1,616	20.4%	18,761	16.1%	2.31	1,252	77.5%	54	22
	100.00 (Default)	4,919	1,325	12.0%	5,059	100.0%	1,464	28.2%	2.10	5,024	99.3%	1,511	1,528
	Subtotal	88,911	66,135		107,136		42,230			37,146		1,760	1,704
Institutions	0.00 to <0.15	5,581	729	17.3%	5,707	0.1%	429	20.0%	2.42	394	6.9%	1	1
	0.15 to <0.25	611	2,322	87.6%	2,646	0.2%	52	10.7%	4.02	354	13.4%		
	0.25 to <0.50	413	29	23.7%	420	0.3%	57	7.2%	1.84	41	9.8%		1
	0.50 to <0.75	45	6	29.0%	46	0.6%	18	38.5%	0.49	29	62.5%		
	0.75 to <2.50	198	120	9.6%	210	1.3%	26	31.7%	0.88	128	61.2%	1	
	2.50 to <10.00		17	0.0%		3.2%	2	37.8%	1.00		122.0%		
	10.00 to <100.00	36	11	6.3%	37	24.0%	100	26.6%	0.97	60	163.0%	2	1
	100.00 (Default)												
	Subtotal	6,885	3,234		9,067		684			1,007		4	2
Retail	0.00 to <0.15	79,230	8,163	32.1%	81,308	0.1%	3,202,359	11.9%	4.84	1,811	2.2%	7	
	0.15 to <0.25	46,305	622	25.2%	46,325	0.2%	465,968	15.4%	4.93	2,764	6.0%	13	
	0.25 to <0.50	13,663	522	22.8%	13,828	0.4%	313,656	19.2%	4.82	1,604	11.6%	10	
	0.50 to <0.75	11,002	715	35.0%	11,203	0.6%	122,817	19.2%	4.61	1,725	15.4%	13	
	0.75 to <2.50	7,837	511	28.8%	8,029	1.3%	482,364	28.5%	4.13	2,432	30.3%	29	
	2.50 to <10.00	6,068	386	40.6%	6,190	4.7%	195,667	21.3%	4.04	3,064	49.5%	62	
	10.00 to <100.00	1,966	71	47.2%	1,987	16.5%	53,450	27.6%	3.81	1,830	92.1%	88	4
	100.00 (Default)	1,500	71	6.7%	1,496	100.0%	28,582	21.0%	4.15	1,313	87.8%	254	203
	Subtotal	167,571	11,061		170,365		4,864,863			16,543		477	207
Total		326,459	81,398		349,983		4,908,677			55,378		2,245	1,917

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

The marked increase of EAD post CRM in the first six months of 2020 related entirely to central government or central banks and to ECB's targeted longer-term refinancing operations (TLTRO). ABN AMRO has increased its participation in TLTRO to support clients and potential future liquidity needs resulting from the Covid-19 crisis. This participation is visible in the highest PD scale of central government or central banks. In all other exposure classes, EAD post CRM decreased.

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

(in millions)	30 June 2020		31 March 2020		31 December 2019	
	RWA amounts	Capital require-ments	RWA amounts	Capital require-ments	RWA amounts	Capital require-ments
1 RWAs as at end previous reporting period	81,013	6,481	79,521	6,362	78,923	6,314
2 Asset size	-1,436	-115	1,045	84	-2,453	-196
3 Asset quality	-313	-25	41	3	803	64
4 Model updates	917	73	386	31	2,752	220
5 Methodology and policy	1,893	151			-546	-44
6 Acquisitions and disposals						
7 Foreign exchange movements						
8 Other	-7	-1	20	2	42	3
9 RWAs as at end reporting period	82,066	6,565	81,013	6,481	79,521	6,362

Total IRB RWA increased to EUR 82.1 billion at 30 June 2020 (31 December 2019: EUR 79.5 billion) due to the introduction of the new Definition of Default and model updates, partly offset by business developments and higher allowances.

EU CCR2 – CVA capital charge

(in millions)	30 June 2020		31 December 2019	
	Exposure value	RWAs	Exposure value	RWAs
1 Total portfolios subject to the Advanced Method				
2 (i) VaR component (including the 3x multiplier)				
3 (ii) Stressed VaR component (including the 3x multiplier)				
4 All portfolios subject to the Standardised Method	1,123	192	1,114	370
EU4 Based on Original Exposure Method				
5 Total subject to the CVA capital charge	1,123	192	1,114	370

The decrease in RWA for CVA is mainly explained by the introduction of index hedges.

EU CCR8 – Exposures to CCPs

(in millions)	30 June 2020		31 December 2019	
	EAD post CRM ¹⁾	RWAs	EAD post CRM ¹⁾	RWAs
1 Exposures to QCCPs (total)¹⁾		444		626
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions)	4,973	99	4,753	95
3 <i>of which (i) OTC derivatives</i>	2,779	56	2,530	51
4 <i>of which (ii) exchange-traded derivatives</i>				
5 <i>of which (iii) SFTs</i>	2,194	44	2,223	46
6 <i>of which (iv) netting sets where cross-product netting has been approved</i>				
7 Segregated initial margin	3,867		2,585	
8 Non-segregated initial margin	2,260	45	1,383	28
9 Prefunded default fund contributions	1,250	299	970	503
10 Alternative calculation of own funds requirements for exposures				
11 Exposures to non-QCCPs (total)¹⁾				
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions)				
13 <i>of which (i) OTC derivatives</i>				
14 <i>of which (ii) exchange-traded derivatives</i>				
15 <i>of which (iii) SFTs</i>				
16 <i>of which (iv) netting sets where cross-product netting has been approved</i>				
17 Segregated initial margin				
18 Non-segregated initial margin				
19 Prefunded default fund contributions				
20 Unfunded default fund contributions				

1. QCCP = Qualifying central counterparty; CRM = Credit risk mitigation

The exposure to CCPs decreased slightly over the first half year. The reduction in RWA was primarily attributable to lower default fund contributions in the US. The increase in margins reflects the sentiment in the market over the last months.

EU CCR3 – Standardised Approach – CCR exposures by regulatory portfolio and risk

30 June 2020

(in millions)											Risk weight		Total	Of which: unrated					
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others								
Exposure classes																			
1	Central governments or central banks												9						
2	Regional governments or local authorities																		
3	Public sector entities																		
4	Multilateral development banks										55		55	55					
5	International organisations																		
6	Institutions										4,584	389	1,893	361	7,227	7,166			
7	Corporates												2,356	16	2,373	2,373			
8	Retail																		
9	Institutions and corporates with a short-term credit assessment																		
10	Other items																		
11	Total										55	4,584	389	1,902	361	2,356	16	9,664	9,594

31 December 2019

(in millions)											Risk weight		Total	Of which: unrated					
	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	30					
5	International organisations																		
6	Institutions										4,753		2,246	64	697	7,760	6,656		
7	Corporates												542		1,112	27	1,681	1,681	
8	Retail																		
9	Institutions and corporates with a short-term credit assessment																		
10	Other items																		
11	Total										30	4,753		2,788	64	1,809	27	9,471	8,367

EU CCR4 – IRB approach – CCR exposures by portfolio and PD scale

30 June 2020

Exposure class	PD scale	EAD post CRM ¹⁾	Average PD	Numbers of obligors	Average LGD	Average maturity	RWAs	RWA density
		(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
Central government or central banks	0.00 to <0.15	273	0.01%	19	9.56%	2.15	5	1.91%
	0.15 to <0.25		0.18%	1	33.70%	1.75		28.43%
	0.50 to <0.75		0.66%	1	16.30%	5.00		43.63%
	Subtotal	274		21			5	
Corporates	0.00 to <0.15	2,431	0.06%	305	30.73%	2.01	421	17.32%
	0.15 to <0.25	259	0.18%	55	45.26%	1.34	98	37.99%
	0.25 to <0.50	584	0.35%	190	33.13%	3.12	289	49.55%
	0.50 to <0.75	312	0.67%	291	25.63%	3.08	156	50.05%
	0.75 to <2.50	438	1.47%	683	28.61%	3.28	344	78.72%
	2.50 to <10.00	110	4.16%	255	21.48%	2.83	77	69.81%
	10.00 to <100.00	34	22.97%	459	22.30%	2.98	34	99.82%
	100.00 (Default)	64	100.00%	104	45.40%	2.56	376	590.25%
	Subtotal	4,231		2,342			1,796	
Institutions	0.00 to <0.15	2,651	0.06%	103	37.01%	0.68	333	12.58%
	0.15 to <0.25	203	0.18%	15	42.84%	2.67	127	62.31%
	0.25 to <0.50	223	0.28%	17	39.19%	0.77	96	43.14%
	0.50 to <0.75	1	0.64%	1	42.30%	0.20		66.97%
	0.75 to <2.50	32	1.17%	3	43.28%	0.19	26	82.10%
	10.00 to <100.00	37	24.00%	11	30.18%	1.39	71	192.13%
	Subtotal	3,147		150			654	
Total		7,652		2,513			2,456	

1. CRM = Credit risk mitigation

31 December 2019

Exposure class	PD scale	EAD post CRM ¹⁾	Average PD	Numbers of obligors	Average LGD	Average maturity	RWAs	RWA density
		(in millions)	(in %)	(in units)	(in %)	(in years)	(in millions)	(in %)
Central government or central banks	0.00 to <0.15	261	0.01%	17	8.30%	2.54	2	0.63%
	0.15 to <0.25		0.17%	1	29.70%	2.25		26.68%
	0.50 to <0.75		0.66%	1	14.40%	5.00		37.06%
	Subtotal	261		19			2	
Corporates	0.00 to <0.15	1,973	0.06%	330	29.51%	2.18	337	17.07%
	0.15 to <0.25	229	0.18%	63	44.66%	0.99	74	32.32%
	0.25 to <0.50	608	0.35%	194	35.41%	2.63	281	46.17%
	0.50 to <0.75	249	0.67%	310	24.10%	2.67	109	43.74%
	0.75 to <2.50	590	1.47%	770	25.73%	2.48	371	62.77%
	2.50 to <10.00	188	4.64%	293	22.39%	2.39	135	71.71%
	10.00 to <100.00	40	23.67%	474	29.16%	3.79	66	164.43%
	100.00 (Default)	58	100.00%	83	49.66%	2.93	359	620.70%
	Subtotal	3,936		2,517			1,731	
Institutions	0.00 to <0.15	2,503	0.06%	109	37.43%	0.73	300	12.00%
	0.15 to <0.25	167	0.18%	19	39.83%	1.65	69	41.33%
	0.25 to <0.50	246	0.28%	17	38.15%	0.74	99	40.32%
	0.50 to <0.75	1	0.64%	2	41.74%	0.47	1	65.79%
	0.75 to <2.50	155	1.07%	4	37.80%	0.20	97	62.69%
	10.00 to <100.00	20	24.00%	5	35.89%	1.59	44	224.36%
	Subtotal	3,092		156			611	
Total		7,290		2,692			2,343	

1. CRM = Credit risk mitigation

Overall, the figures for CCR exposure under the IRB approach remained fairly stable. The small increase in exposure and RWA is attributable to increased positions in Financial Corporations.

EU CCR5-A – Impact of netting and collateral held on exposure values

30 June 2020

(in millions)	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
1 Derivatives	17,758	12,656	5,102	380	4,722
2 SFTs	59,075		59,075	55,369	3,706
4 Total	76,833	12,656	64,176	55,748	8,428

31 December 2019

1 Derivatives	52,034	48,359	3,676	1,341	2,334
2 SFTs	37,577		37,577	33,383	3,026
4 Total	89,611	48,359	41,253	34,724	5,360

The decrease in derivatives exposure compared with year-end 2019 is mainly explained by a decrease in exposure to QCCPs. The increase in securities financing transactions compared with year-end 2019 related to the cyclicity of the business.

EU CCR5-B – Composition of collateral for exposures to CCR

		30 June 2020				31 December 2019	
		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		
1	Cash		2,220		4,098	21,291	29,408
2	Securities		62	1,723	1,785	38,761	28,563
3	Total		2,281	1,723	5,883	60,052	57,971
1	Cash		1,473		3,483	11,143	17,520
2	Securities		98	287	385	27,496	18,888
3	Total		1,571	287	3,868	38,639	36,409

The increase in cash collateral used for SFT mainly related to clients in the banking sector. The increase in securities primarily related to pension funds.

EU CCR6 – Credit derivatives exposures

		30 June 2020				31 December 2019	
		Credit derivative hedges		Other credit derivatives	Credit derivative hedges		Other credit derivatives
(in millions)		Protection bought	Protection sold		Protection bought	Protection sold	
1	Notionals	125	25				
2	Single-name credit default swaps		10				
3	Index credit default swaps	125	15				
4	Total return swaps						
5	Credit options						
6	Other credit derivatives						
7	Total notionals	125	25				
8	Fair values	-3					
9	Positive fair value (asset)	-3					
10	Negative fair value (liability)						

Market risk

EU MR1 – Market risk under the Standardised Approach

(in millions)	30 June 2020		31 December 2019	
	RWA	Capital requirements	RWA	Capital requirements
Outright products				
1 Interest rate risk (general and specific)	7	1	6	
2 Equity risk (general and specific)				
3 Foreign exchange risk				
4 Commodity risk				
Options				
5 Simplified approach				
6 Delta-plus method				
7 Scenario approach				
8 Securitisation (specific risk)				
9 Total	7	1	6	

EU MR2-A – Market risk under the IMA

(in millions)	30 June 2020		31 December 2019	
	RWA	Capital requirements	RWA	Capital requirements
1 VaR	287	23	134	11
a Previous day's VaR		8		3
b Average of the daily VaR on each of the past 60 business days x multiplication factor		23		11
2 SVaR	598	48	673	54
a Latest SVaR		17		16
b Average of the SVaR during the past 60 business days x multiplication factor		48		54
3 IRC	1,016	81	549	44
a Most recent IRC value		64		35
b Average of the IRC number over the past 12 weeks		81		44
4 Comprehensive risk measure				
a Most recent risk number for the correlation trading portfolio				
b Average of the risk number for the correlation trading portfolio over the past 12 weeks				
c 8% of own funds requirement in the SA on the most recent risk number for the correlation trading portfolio				
5 Other				
6 Total	1,900	152	1,357	109

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

(in millions)						30 June 2020	31 March 2020	31 December 2019			
	VaR	SVaR	IRC	Compre- hensive risk measure	Other	Total RWAs	Total capital require- ments	Total RWAs	Total capital require- ments	Total RWAs	Total capital require- ments
1 RWAs at previous quarter end	180	869	1,086			2,136	171	1,357	109	1,219	98
1a Regulatory adjustment ¹⁾	45	677				722	58				
1b RWAs at the previous quarter end (end of the day) ¹⁾	135	192	1,086			1,414	113	1,357	109	1,219	98
2 Movement in risk levels		-172	-70			-242	-19	629	50		
3 Model update/changes	107	-100				7	1	150	12		
4 Methodology and policy											
5 Acquisitions and disposals											
6 Foreign exchange movements											
7 Other										138	11
8a RWAs at the end of the reporting period (end of the day)	104	212	797			1,112	89	2,136	171	1,357	109
8b Regulatory adjustment	183	386	219			788	63				
8 RWAs at the end of the reporting period	287	598	1,016			1,900	152	2,136	171	1,357	109

1. The comparative figures for 31 March 2020 and 31 December 2019 with regard to "1a. Regulatory adjustment" and "1b RWAs at the previous quarter-end (end of the day)" have been restated. The RWAs at the previous quarter-end (end of the day) are updated from a 60-day average to the last observation.

Market risk RWA moved from EUR 2.1 million as at 31 March to EUR 1.9 billion as at 30 June 2020. This was due to the following:

- ▶ The 60-day average of the 1-day SVaR multiplier moved from EUR 6.2 million to EUR 5.0 million due to position changes.
- ▶ The Incremental Risk Charge (IRC) including 26% add-on moved from EUR 87 million to EUR 81 million due to position changes.
- ▶ ABN AMRO received approval from the ECB to apply CRR article 500c, which allows the ECB to ignore the 6 Covid-19 related overshootings that occurred in March 2020. Based on this approval, the capital multiplier, which increased from 3 to 3.5 in March 2020 as a result of the overshootings, moved back to 3 as of 30 June 2020.

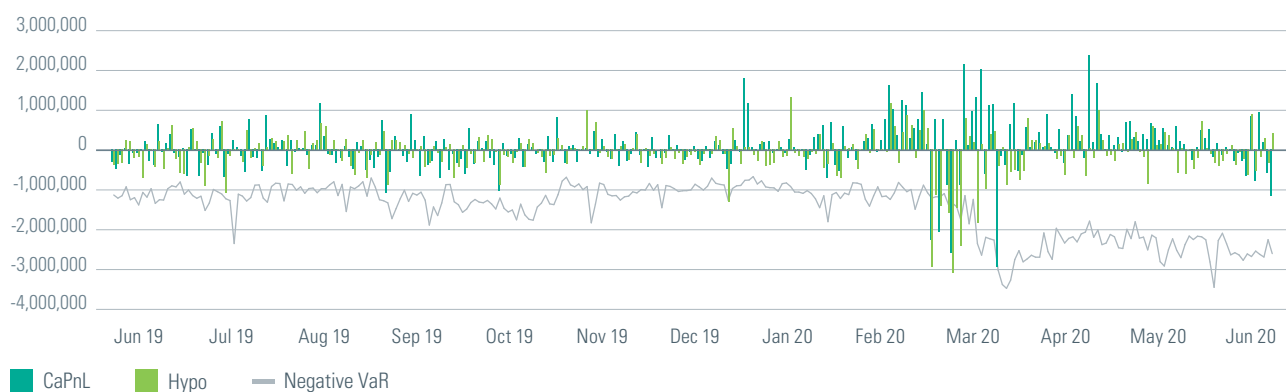
The above causes for the market risk RWA increase were partly offset by the 60-day average of the 1-day VaR moving from EUR 1.3 million to EUR 2.4 million. This was attributable to the VaR increase caused by the addition of the March 2020 scenarios only gradually showing up in the 60-day average used for the capital calculation.

EU MR3 – IMA values for trading portfolios

(in millions)		30 June 2020	31 December 2019
		VaR (10 day 99%)	VaR (10 day 99%)
1	Maximum value	13	7
2	Average value	8	4
3	Minimum value	6	2
4	Period end	8	3
		SVaR (10 day 99%)	SVaR (10 day 99%)
5	Maximum value	24	26
6	Average value	16	17
7	Minimum value	11	10
8	Period end	17	15
		IRC (99.9%)	IRC (99.9%)
9	Maximum value	84	46
10	Average value	66	33
11	Minimum value	51	19
12	Period end	51	32
		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



Analysis of outliers

For COB on 6, 10, 12, 13, 16 and 17 March 2020, ABN AMRO reported a Hypothetical PnL exceeding the 1-day Value at Risk (VaR) on an overall level. In addition, for COB 6, 10 and 13 March 2020, ABN AMRO reported a Clean Actual PnL exceeding the VaR on an overall level. These overshootings were genuine and were caused by EUR interest rates curves moving and credit spread widening during the extreme market environment caused by the Covid-19 outbreak. The Rates & Government Bond Trading and Credit Trading desks were the main contributors to these overshootings.

On 20 July 2020 ABN AMRO received an approval from the ECB to apply CRR article 500c, which allows the ECB to ignore the six Covid-19-related overshootings.

Encumbered Assets

In accordance with the instructions from EBA/RTS/2017/03, disclosures of encumbered assets are valued based on the median values for the last four quarters. As median values are determined per data point, the sum of 'of which' amounts do not necessarily add up.

Encumbered assets

30 June 2020

(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
1	Assets of the reporting institution	77,383	3,075			319,817	70,791		
2	Equity instruments	4		4		828		828	
3	Debt securities	3,147	2,721	3,147	2,721	44,899	42,915	44,899	42,915
4	- of which covered bonds	61	15	61	15	3,952	3,818	3,952	3,818
5	- of which asset-backed securities					6		6	
6	- of which issued by general governments	3,082	2,662	3,082	2,662	37,702	36,547	37,702	36,547
7	- of which issued by financial corporations	65	65	65	65	7,070	6,380	7,070	6,380
8	- of which issued by non-financial corporations	6		6		154		154	
9	Other assets	74,232	354			273,700	27,877		
10	- of which loans on demands	208				28,904	27,590		
11	- of which loans and advances other than loans on demand	74,134	353			226,744	43		
12	- of which mortgage loans	61,367				118,161			

31 December 2019

1	Assets of the reporting institution	68,510	1,985			324,527	71,535		
2	Equity instruments	12		12		906		906	
3	Debt securities	2,012	1,492	2,012	1,492	43,438	41,998	43,438	41,998
4	- of which covered bonds	61	21	61	21	3,997	3,853	3,997	3,853
5	- of which asset-backed securities					7		7	
6	- of which issued by general governments	1,932	1,419	1,932	1,419	36,695	35,695	36,695	35,695
7	- of which issued by financial corporations	73	73	73	73	6,788	6,293	6,788	6,293
8	- of which issued by non-financial corporations	7		7		117		117	
9	Other assets	66,486	493			280,177	28,995		
10	- of which loans on demands	182				30,220	28,689		
11	- of which loans and advances other than loans on demand	66,408	371			233,934	53		
12	- of which mortgage loans	56,471				123,211			

Collateral received by the reporting institution

30 June 2020

(in millions)		Fair value of encumbered collateral received or own debt securities issued	- of which: notionally eligible EHQLA and HQLA	Fair value of collateral recei- ved or own debt securities issued available for encumbrance	- of which: EHQLA and HQLA
1	Collateral received by the reporting institution	41,411	34,823	18,599	12,459
2	Loans on demand				
3	Equity instruments	19,800	14,104	9,377	4,630
4	Debt securities	20,693	19,653	9,513	7,829
5	- of which covered bonds	844	844	94	78
6	- of which asset-backed securities (ABS)	4,611	4,208	454	438
7	- of which issued by general governments	15,153	15,055	7,401	6,846
8	- of which issued by financial corporations	4,719	4,094	1,163	830
9	- of which issued by non-financial corporations	596	305	760	233
10	Loans and advances other than loans on demand				
11	Other collateral received	26		6	
12	Of which:				
13	Own debt securities issued other than own covered bonds or ABS				
14	Own covered bonds and ABS and not yet pledged				
15	Total assets, collateral received and own debt securities issued	118,794	37,818		
31 December 2019					
1	Collateral received by the reporting institution	37,698	27,090	22,364	17,296
2	Loans on demand				
3	Equity instruments	19,660	13,246	11,874	7,430
4	Debt securities	17,176	13,843	10,454	9,214
5	- of which covered bonds	791	786	450	450
6	- of which asset-backed securities (ABS)	3,859	3,525	667	662
7	- of which issued by general governments	11,524	10,855	7,309	7,436
8	- of which issued by financial corporations	4,641	4,059	2,354	1,607
9	- of which issued by non-financial corporations	324	216	724	193
10	Loans and advances other than loans on demand				
11	Other collateral received	355		18	
12	Of which:				
13	Own debt securities issued other than own covered bonds or ABS				
14	Own covered bonds and ABS and not yet pledged				
15	Total assets, collateral received and own debt securities issued	107,161	29,571		

Source of encumbrance

(in millions)	30 June 2020		31 December 2019	
	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABS encumbered	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
1 Carrying amount of selected financial liabilities	68,243	78,271	58,748	68,306
2 of which derivatives	5,822	5,260	4,215	4,333
3 of which repurchase agreements	14,930	17,986	10,904	15,239
4 of which collateralised deposits other than repurchase agreements	11,867	16,971	8,445	11,480
5 of which covered bonds issued	34,437	37,617	34,561	36,699
6 of which asset-backed securities issued			250	271

ABN AMRO manages its balance sheet prudently and incorporates a mix of secured and unsecured funding sources into its funding plan in order to fund its asset base at attractive cost levels, whilst managing liquidity refinancing and repricing risk. The diversity in available funding sources thus results in lower levels of encumbrance of the bank's assets.

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 assets pledged for participation under the TLTRO III program. The mortgages in the cover pool are not considered to be encumbered when the securities are retained within the bank and regarded as part of the unencumbered liquidity buffer.

Furthermore, assets are encumbered as a result of cash and securities posted as margins under derivatives and clearing transactions as well as collateral pledged for collateral swap transactions with bilateral counterparties.

In June 2020, the bank took part in the TLTRO III programme to further support clients with potential future liquidity needs resulting from Covid-19. Retained covered bonds and RMBS were used as collateral under the TLTRO III programme. This resulted in an increase in on-balance encumbrance in Q2 2020 to a level of 24.46% as compared to the median of the past four quarters of 19.41%.

Repurchase agreements and securities lending type activities also lead to encumbrance of assets, but these transactions are largely conducted using securities received in reverse repo or collateral swap transactions. These received securities are not recognised on the balance sheet and are treated as off-balance collateral available for encumbrance.

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