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IR/Press Release

Stress test confirms ABN AMRO's resilient capital position

- **The EBA has performed an EU-wide stress test which resulted in a decline of ABN AMRO Bank's CET1 capital ratio of 4.18% to 13.51% at year-end 2023 under the adverse scenario**
- **The stress test does not contain a pass or fail threshold**
- **The regulator will use the result of the stress test in the upcoming SREP process**

Today, the European Banking Authority (EBA) published the results of the 2021 EU-wide stress test for European banks, including ABN AMRO. The starting point for the stress test was a 17.69% CET1 ratio at year-end 2020. The stress test resulted in a CET1 capital ratio of 19.08% under the baseline scenario and a CET1 capital ratio of 13.51% under the adverse scenario, both at year-end 2023.

The stress test is designed by regulators and is used in determining capital requirements as part of the upcoming Supervisory Review and Evaluation Process (SREP). It allows the regulator to assess the ability to meet prudential requirements under stressed scenarios. It supports the regulator in discussing risk mitigating actions. The stress test also aims to enhance transparency among banks. This stress test does not contain a pass or fail threshold.

Scenarios and assumptions

The adverse stress test scenario was set by the European Central Bank and the European Systemic Risk Board and covers a three-year time horizon (2021-2023). The 2021 adverse scenario is very severe having in mind the weaker macroeconomic starting point in 2020 as a result of the severe pandemic-induced recession.

The stress test has been carried out applying a static balance sheet assumption and therefore does not take into account future management actions. It is not a forecast of ABN AMRO profits.

The baseline scenario, mainly impacting net interest income, resulted in a fully loaded CET1 ratio of 19.08% and a leverage ratio of 5.46%, both at year-end 2023. The adverse scenario, also impacting loan impairments, operating costs and risk-weighted assets, resulted in a decline of the CET1 ratio to 13.51% and a leverage ratio of 4.26%.

| Key capital ratios | Starting point | EBA EU-wide stress test results | |
|--------------------------|--------------------|---------------------------------|----------------------------|
| | Reported YE2020 | Baseline scenario YE2023 | Adverse scenario YE2023 |
| CET1 ratio, fully loaded | 17.69% | 19.08% | 13.51% |
| Leverage ratio | 5.00% | 5.46% | 4.26% |

The CET1 ratio in both scenarios was well above the SREP requirement for 2021 of 9.6%. The outcome of this stress test will be taken in consideration by the regulator when determining the SREP requirements for 2022. ABN AMRO continues to aim for strong capital ratios, even under stress, in accordance with its risk profile.

Templates with detailed results of the EBA EU-wide stress test are available on <https://www.abnamro.com/en/news/press-releases> and www.eba.europa.eu.

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