



NatWest
Group

RBS Holdings N.V. H1 2024 Pillar 3

Contents	Page
Forward-looking statements	2
Presentation of information	2
Annex I: Key metrics and overview of risk-weighted exposure amounts	
RBS Holdings N.V. - Key points	5
EU KM1: Key metrics template	6
EU OV1: Overview of risk weighted exposure amounts	7
EU CR8: RWA flow statements of credit risk exposures under the IRB approach	8
EU CCR7: RWA flow statements of CCR exposures under the IMM	8
EU MR2-B - RWA flow statements of market risk exposures under the IMA	9
Annex VII: Own funds	
EU CC1: Composition of regulatory own funds	10
EU CC2: Reconciliation of regulatory own funds to balance sheet in the audited financial statements	14
Annex IX: Countercyclical capital buffers	
EU CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	15
EU CCyB2: Amount of institution-specific countercyclical capital buffer	19
Annex XI: Leverage ratio	
EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures	20
EU LR2 - LRCom: Leverage ratio common disclosure	21
EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	24
Annex XIII: Liquidity requirements	
EU LIQ2: Net Stable Funding Ratio	25
EU LIQB: Qualitative information on LCR	27
Annex XV: Credit risk quality	
EU CQ1: Credit quality of forborne exposures	28
EU CQ4: Quality of performing and non-performing exposures by geography	30
EU CQ5: Credit quality of loans and advances by industry	30
EU CR1: Performing and non-performing exposures and related provisions	32
EU CR1-A: Maturity of exposures	34
Annex XVII: Credit risk mitigation techniques	36
EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	37
Annex XIX: Use of standardised approach	
EU CR4: Standardised approach – Credit risk exposure and CRM effects	37
Annex XXI: Use of IRB approach to credit risk	
EU CR7: IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques	38
EU CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques	
Annex XXIII: Specialised lending	39
EU CR10: Specialised lending and equity exposures under the simple risk weighted approach	40
ESG disclosures	
Qualitative information on environmental risk, social risk and governance risk	46
Table 1: Qualitative information on environmental risks	46
Table 2: Qualitative information on social risks	56
Table 3: Qualitative information on governance risk	62
Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	64
Template 2 – Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	75
Template 3 – Banking book – Climate change transition risk: Alignment metrics	77
Template 4 – Banking book – Climate change transition risk: Exposures to top 20 carbon-intensive firms	78
Template 5 – Banking book – Climate change physical risk: Exposures subject to physical risk	79
Common Narratives for GAR Templates	82
Template 6 - Summary of GAR KPIs	82
Template 7 - Mitigating actions – Assets for the calculation of GAR	83
Template 8 - GAR%	89
Template 10 - Other climate change mitigating actions that are not covered in the EU Taxonomy	91
Important information in relation to the ESG disclosures	93

Forward-looking statements

This document may contain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements that include, without limitation, the words ‘expect’, ‘estimate’, ‘project’, ‘anticipate’, ‘commit’, ‘believe’, ‘should’, ‘intend’, ‘will’, ‘plan’, ‘could’, ‘probability’, ‘risk’, ‘Value-at-Risk (VaR)’, ‘target’, ‘goal’, ‘objective’, ‘may’, ‘endeavour’, ‘outlook’, ‘optimistic’, ‘prospects’ and similar expressions or variations on these expressions. These statements concern or may affect future matters, such as RBS Holdings N.V.’s future economic results, business plans and strategies. In particular, this document may include forward-looking statements relating to RBS Holdings N.V. in respect of, but not limited to: its capital, liquidity and funding risk; its market risk; its credit risk; its compliance and conduct risk; its financial crime risk; its climate risk; its operational risk; its model risk; and its reputational risk. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, the outcome of legal, regulatory and governmental actions and investigations, the level and extent of future impairments and write-downs, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations, general economic and political conditions, the impact of climate related risks and the transitioning to a net zero economy. These and other factors, risks and uncertainties that may impact any forward-looking statement or RBS Holdings N.V.’s actual results are discussed in RBS Holdings N.V.’s 2023 Annual Report and Accounts (ARA), and other public filings. The forward-looking statements contained in this document speak only as of the date of this document and RBS Holdings N.V. does not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required.

Presentation of information

This document presents the interim Pillar 3 disclosures for RBS Holdings N.V. (RBSH N.V.) as at 30 June 2024.

RBSH N.V. is wholly owned subsidiary of NatWest Markets Plc. NatWest Markets N.V. ('NWM N.V.') and RBS International Depository Services S.A. ('RBSI DS S.A.') are wholly owned subsidiaries of RBSH N.V. and therefore included in the consolidated disclosures presented in this report. The ultimate holding company is NatWest Group plc.

NatWest Group, as a third-country group with two or more subsidiary banking institutions in the European Union ('EU'), was approved by the ECB to establish a dual Intermediate EU Parent Undertaking ('IPU') structure on behalf of its European subsidiaries. As a result, RBSH N.V. will act as the non-ring fenced IPU. On 1 December 2023, RBSI DS S.A.'s immediate parent company changed from Royal Bank of Scotland International (Holdings) Limited ('RBSIH') to RBSH N.V. following supervisory approval. In November 2023, the ECB confirmed that RBSH N.V. and its subsidiaries NWM N.V. and RBSI DS S.A. were classified as a "significant supervised group". As a result, the ECB assumed direct supervision of all three entities on 1 January 2024.

A subset of the Pillar 3 templates that are required to be disclosed on a semi-annual basis were not applicable to RBS Holdings N.V. at 30 June 2024 and have therefore not been included in the document. These excluded templates are listed below, together with a summary of the reason for their exclusion.

EBA template reference	Template name	Reasons for exclusion
EU LIQ1	Quantitative information of LCR	The quantitative information for LCR on an average basis will be provided in the 2024 annual Pillar III report and going forward. LCR is disclosed as the average of month end observations for 12 months preceding the end of each quarter. This document includes the required and qualitative information on LCR (i.e. EU LIQB).
EU CR2/CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	No reportable exposures
EU CQ2	Quality of forbearance	Disclosure threshold not met
EU CQ6	Collateral valuation - loans and advances	Disclosure threshold not met
EU CQ7	Collateral obtained by taking possession and execution processes	No reportable exposures
EU CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	No reportable exposures
EU CR10.3	Specialised Lending: Object finance (Slotting approach)	No reportable exposures
EU CR10.4	Specialised Lending: Commodities finance (Slotting approach)	No reportable exposures
EU CR10.5	Specialised Lending and equity exposures under the simple risk weighted approach	No reportable exposures
ESG Template 9	Mitigation actions: BTAR	The first disclosure reference date of this template is as of 31 December 2024

In this report, in line with the regulatory framework, the term credit risk excludes counterparty credit risk, unless specifically indicated otherwise.

The Pillar 3 disclosures in this document are presented in Euros and have not been subject to external audit.

Refer to the Glossary for definitions of terms available on natwestgroup.com.

Annex I: Key metrics and overview of risk-weighted assets

RBS Holdings N.V. - Key points

CET1 ratio

20.0%

(Q1 2024 – 19.6%)

The CET1 ratio increased by 40 basis points to 20.0%. The increase can be mainly attributed to a reduction in RWAs during the quarter.

RWAs

€7.9bn

(Q1 2024 - €8.1bn)

Total RWAs decreased by €148 million to €7.9 billion, mainly reflecting:

- a decrease in credit risk RWAs due to matured positions, partly offset by an increase in market risk RWAs.

Leverage ratio

6.5%

(Q1 2024 – 7.2%)

The leverage ratio decreased by 70 basis points to 6.5% mainly due to larger balances at central banks with €3.7 billion offset with a minor increase in Tier 1 capital.

NSFR Spot

148%

(Q1 2024 - 120%)

The Net Stable Funding Ratio (NSFR) increased from 120% to 148%. Required stable funding increased as a result of the additional funding obtained.

Annex I: Key metrics and overview of risk-weighted exposure amounts continued

EU KM1: Key metrics template

The table below provides a summary of the main prudential regulation ratios and measures. RBS Holdings N.V. does not apply any transitional IFRS 9 adjustments in respect to ECL provisions.

		RBSH N.V.		
		30 June	31 March	31 December
		2024	2024	2023
		€m	€m	€m
Available own funds (amounts)				
1	Common equity tier 1 (CET1) capital	1,591	1,587	1,584
2	Tier 1 capital	1,841	1,837	1,834
3	Total capital	1,993	1,988	1,986
Risk-weighted exposure amounts				
4	Total risk exposure amount (1)	7,941	8,089	8,253
Capital ratios (as a percentage of risk-weighted exposure amount)				
5	Common equity tier 1 ratio (%)	20.0	19.6	19.2
6	Tier 1 ratio (%)	23.2	22.7	22.2
7	Total capital ratio (%)	25.1	24.6	24.1
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)				
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.0	3.0	3.0
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.7	1.7	1.7
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.2	2.2	2.2
EU 7d	Total SREP own funds requirements (%)	6.2	6.2	6.2
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)				
8	Capital conservation buffer (%)	2.5	2.5	2.5
9	Institution specific countercyclical capital buffer (%) (2)	1.0	0.9	0.7
EU 10a	Other Systemically Important Institution buffer (%)	-	-	-
11	Combined buffer requirement (%)	3.5	3.4	3.2
EU 11a	Overall capital requirements (%)	14.5	14.3	14.2
12	CET1 available after meeting the total SREP own funds requirements (%) (3)	13.4	13.2	13.0
Leverage ratio				
13	Total exposure measure	28,515	25,602	26,121
14	Leverage ratio	6.5	7.2	7.0
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)				
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirements (as a percentage of total exposure measure)				
EU 14d	Leverage ratio buffer requirement (%)	-	-	-
EU 14e	Overall leverage ratio requirements (%)	3.0	3.0	3.0
Liquidity coverage ratio (4)				
15	Total high-quality liquid assets (HQLA) (Weighted value-average)			
EU 16a	Cash outflows - Total weighted value			
EU 16b	Cash inflows - Total weighted value (4)			
16	Total net cash outflows (adjusted value)			
17	Liquidity coverage ratio (%)			
Net stable funding ratio (5)				
18	Total available stable funding	9,132	6,196	6,270
19	Total required stable funding	6,176	5,156	4,723
20	NSFR ratio (%)	148	120	133

(1) RWAs include a DNB add on obligation of €1974 million, aligning RBSH N.V. to the standardised approach.

(2) The institution-specific countercyclical capital buffer requirement is based on the weighted average of the buffer rates in effect for the countries in which institutions have exposures.

(3) Represents the CET1 ratio less CET1 currently used to meet SREP requirements (Pillar 1 & 2A).

(4) The disclosure rules require institutions to calculate LCR as the simple averages of month-end observations over the twelve months preceding the end of each quarter. First disclosure will be completed in 2024.

(5) The NSFR% ratio is presented on a spot basis.

(6) The following rows are not presented in the table above because they are not applicable: EU8a, EU9a and 10.

Annex I: Key metrics and overview of risk-weighted exposure amounts continued

EU OV1: Overview of risk-weighted exposure amounts

The table below shows RWAs and total own funds requirements by risk type. Total own funds requirements are calculated as 8% of RWAs.

		RBSH N.V.		
		a	b	c
		Total risk exposure amounts (TREA)		Total own funds requirements
		30 June 2024	31 March 2024	30 June 2024
		€m	€m	€m
1	Credit risk (excluding counterparty credit risk)	2,044	2,128	164
2	Of which: standardised approach	984	1,048	79
3	Of which: the foundation IRB (FIRB) approach			
4	Of which: slotting approach	15	15	1
EU 4a	Of which: equities under the simple risk-weighted approach			
5	Of which: the advanced IRB (AIRB) approach	1,045	1,065	84
6	Counterparty credit risk	2,269	2,489	181
7	Of which: standardised approach	75	90	6
8	Of which: internal model method (IMM)	1,437	1,581	115
EU 8a	Of which: exposures to a CCP	18	15	1
EU 8b	Of which: credit valuation adjustment (CVA)	426	471	34
9	Of which: other counterparty credit risk	313	333	25
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	391	399	31
17	Of which: SEC-IRBA approach	-	-	-
18	Of which: SEC-ERBA (including IAA)	160	163	13
19	Of which: SEC-SA approach	228	234	18
EU 19a	Of which: 1,250%/deduction	2	2	-
20	Position, foreign exchange and commodities risk (market risk)	853	688	68
21	Of which: standardised approach		-	-
22	Of which: IMA	853	688	68
EU 22a	Large exposures		-	-
23	Operational risk	411	411	33
EU 23a	Of which: basic indicator approach	411	411	33
EU 23b	Of which: standardised approach	-	-	-
EU 23c	Of which: advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk-weight)	-	-	-
25	Other Risk Exposure Amounts (1)	1,974	1,973	158
25a	Of which: Additional risk exposure amount due to Article 3 of Regulation (EU) No 575/2013	1,974	1,973	158
29	Total	7,941	8,089	635

(1) RWAs include a DNB add on obligation of €1,974mn, aligning RBSH N.V. to the standardised approach.

Annex I: Key metrics and overview of risk-weighted exposure amounts continued

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

The table below shows movements in RWAs for credit risk exposures under the internal ratings based (IRB) approach. It excludes counterparty credit risk, securitisations, equity exposures and non-credit obligation assets.

	a
	RWAs
	€'m
9 At 31 December 2023	1,067
2 Asset size	25
3 Asset quality	(10)
7 Foreign exchange movements	(2)
9 At 31 March 2024	1,080
2 Asset size	(16)
3 Asset quality	4
7 Foreign exchange movements	(8)
9 At 30 June 2024	1,060

(1) The following rows are not presented because they had zero values: (4) model updates; (5) methodology and policy; (6) acquisitions and disposals; and (8) other.

EU CCR7: RWA flow statements of CR exposures under the IMM

The table below shows movements in RWAs for counterparty credit risk exposures under the internal model method (IMM). It excludes the CVA capital charge, exposures to central counterparties and securitisations.

	a
	RWAs
	€m
9 At 31 December 2023	1,793
2 Asset size	(188)
7 Foreign exchange movements	(24)
9 At 31 March 2024	1,581
2 Asset size	(99)
7 Foreign exchange movements	(9)
9 At 30 June 2023	1,473

(1) The following rows are not presented because they had zero values: (3) credit quality of counterparties; (4) model updates; (5) methodology and policy; (6) acquisitions and disposals; and (8) other.

Annex I: Key metrics and overview of risk-weighted exposure amounts continued

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

The table below shows movements in RWAs and own funds requirements for market risk exposures under the internal model approach (IMA).

	a	b	c	e	f	g
	Value-at-risk (VaR) €m	Stressed value-at-risk (SVaR) €m	Incremental risk charge €m	Other risks-not-in-VaR (RNIV) €m	Total RWAs €m	Total own funds requirements €m
8 At 31 December 2023	170	324	77	29	600	48
1a <i>Regulatory adjustment (1)</i>	<i>(141)</i>	<i>(256)</i>	<i>(63)</i>	<i>-</i>	<i>(460)</i>	<i>(37)</i>
1b <i>RWAs at 31 December 2023 (end of day)</i>	<i>29</i>	<i>68</i>	<i>14</i>	<i>29</i>	<i>140</i>	<i>11</i>
2 <i>Movement in risk levels</i>	<i>12</i>	<i>(2)</i>	<i>(3)</i>	<i>79</i>	<i>86</i>	<i>7</i>
8a <i>RWAs at 31 March 2024 (end of day)</i>	<i>41</i>	<i>66</i>	<i>11</i>	<i>108</i>	<i>226</i>	<i>18</i>
8b <i>Regulatory adjustment (1)</i>	<i>117</i>	<i>281</i>	<i>64</i>	<i>-</i>	<i>462</i>	<i>37</i>
8 At 31 March 2024	158	347	75	108	688	55
1a <i>Regulatory adjustment (1)</i>	<i>(118)</i>	<i>(281)</i>	<i>(1)</i>	<i>-</i>	<i>(400)</i>	<i>(32)</i>
1b <i>RWAs at 31 March 2024 (end of day)</i>	<i>40</i>	<i>66</i>	<i>74</i>	<i>108</i>	<i>289</i>	<i>23</i>
2 <i>Movement in risk levels</i>	<i>2</i>	<i>41</i>	<i>1</i>	<i>76</i>	<i>120</i>	<i>10</i>
8a <i>RWAs at 30 June 2024 (end of day)</i>	<i>42</i>	<i>107</i>	<i>75</i>	<i>184</i>	<i>408</i>	<i>33</i>
8b <i>Regulatory adjustment (1)</i>	<i>124</i>	<i>320</i>	<i>-</i>	<i>-</i>	<i>444</i>	<i>63</i>
8 At 30 June 2024	167	427	75	184	853	68

- (1) Regulatory adjustments in rows 1a and 8b represent the difference in RWA terms between the risk spot measure at the end of the reporting period and the 60-day average of that measure, multiplied by the multiplication factor.
- (2) The following rows and/or columns are not presented in the table because they had zero values for the period or are not used by RBSH N.V.: column (d) comprehensive risk measure; row (3) model updates/changes; row (4) methodology and policy; row (5) acquisitions and disposals; and row (7) other. In addition, row (6) foreign exchange movements is not presented. This is because changes in market risk arising from foreign currency retranslation are included within row (2) movement in risk levels as they are managed together with portfolio changes.

Q2 2024

- The increase in market risk RWAs was largely driven by interest rate risk in the SVaR component and the conservative stress RNIV related to traded repo deals in Capital Markets.

Annex VII: Own funds

EU CC1: Composition of regulatory own funds

The table below shows the capital resources for RBS Holdings N.V. on an end-point basis. Regulatory adjustments comprise deductions from own funds and prudential filters. The table also includes a cross reference to the corresponding rows in template EU CC2 to facilitate full reconciliation of accounting and regulatory own funds.

		RBSH N.V.	
		30 June 2024 €m	31 December 2023 €m
		Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	
CET1 capital: instruments and reserves			
1	Capital instruments and the related share premium accounts <i>Of which: ordinary shares</i> <i>Of which: share premium</i>	1,550	-
		(a)	-
		(k)	1,550
2	Retained earnings	103	103
		(b)	
3	Accumulated other comprehensive income (and other reserves)	26	70
		(c)	
EU-3a	Funds for general banking risk		-
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		-
5	Minority interests (amount allowed in consolidated CET1)		-
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend		-
6	CET1 capital before regulatory adjustments	1,679	1,723
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	(-) Additional value adjustments	(9)	(9)
8	(-) Intangible assets (net of related tax liability)	(1)	(1)
		(d)	
10	(-) Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met)	(57)	(63)
		(e)	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(1)	(26)
		(i)	
12	(-) Negative amounts resulting from the calculation of expected loss amounts	-	-
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	(20)	(40)
15	(-) Defined-benefit pension fund assets	-	-
		(f) & (g)	
16	(-) Direct, indirect and synthetic holdings by an institution of own CET1 instruments	-	-
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 (above the 10% threshold and net of eligible short positions)	-	-
19	(-) Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	-	-
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-
EU-20b	(-) <i>Of which: qualifying holdings outside the financial sector</i>	-	-
EU-20c	(-) <i>Of which: securitisation positions</i>	-	-

Annex VII: Own funds continued

EU CC1: Composition of regulatory own funds continued

		RBSH N.V.	
		Source based on reference number/letters of the balance	
		sheet under the regulatory scope of consolidation	31 December 2023
		30 June 2024 €m	€m
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
EU-20d	<i>(-) Of which: free deliveries</i>	-	-
21	<i>(-) Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)</i>	-	-
22	<i>(-) Amount exceeding the 17.65% threshold</i>	-	-
23	<i>(-) Of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities</i>	-	-
25	<i>(-) Of which: deferred tax assets arising from temporary differences</i>	-	-
EU-25a	<i>(-) Losses for the current financial period</i>	-	-
EU-25b	<i>(-) Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items in so far as such tax charges reduce the amount up to which those items may be used to cover risks or losses</i>	-	-
27	<i>(-) Qualifying Additional Tier 1 (AT1) deductions that exceed the AT1 items of the institution</i>	-	-
27a	<i>Other regulatory adjustments</i>	-	-
28	Total regulatory adjustments to CET1	(88)	(139)
29	CET1 capital	1,591	1,584
AT1 capital: instruments			
30	Capital instruments and the related share premium accounts	250	250
31	<i>Of which: classified as equity under applicable accounting standards</i>	250	250
32	<i>Of which: classified as liabilities under applicable accounting standards</i>	-	-
33	Amount of qualifying items referred to in Article 484(4) and the related share premium accounts subject to phase out from AT1	-	-
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	-
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	-
34	Qualifying tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5 CET1) issued by subsidiaries and held by third parties	-	-
35	<i>Of which: instruments issued by subsidiaries subject to phase out</i>	-	-
36	AT1 capital before regulatory adjustments	250	250
AT1 capital: regulatory adjustments			
37	<i>(-) Direct, indirect and synthetic holdings by an institution of own AT1 instruments</i>	-	-
38	<i>(-) 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</i>	-	-
39	<i>(-) Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions)</i>	-	-
40	<i>(-) Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)</i>	-	-

Annex VII: Own funds continued
EU CC1: Composition of regulatory own funds continued

		RBSH N.V.	
		Source based on reference number/letters of the balance	31 December
		sheet under the regulatory scope of consolidation	2023
		30 June 2024 €m	2023 €m
T2 capital: instruments			
42	(-) Qualifying T2 deductions that exceed the T2 items of the institution		-
42a	Other regulatory adjustments to AT1 capital		-
43	Total regulatory adjustments to AT1 capital		-
44	AT1 capital	250	250
45	Tier 1 capital (T1 = CET1 + AT1)	1,841	1,834
46	Capital instruments and the related share premium accounts	150	(j) 150
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR		(j) -
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2		-
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2		(j) -
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in 5 or 34) issued by subsidiaries and held by third parties		-
49	<i>Of which: instruments issued by subsidiaries subject to phase out</i>		-
50	Credit risk adjustments	2	2
51	T2 capital before regulatory adjustments	152	152
T2 capital: regulatory adjustments			
52	(-) Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans		-
53	(-) Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution		-
54	(-) Direct 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 the 10% threshold and net of eligible short positions)		-
55	(-) Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)		-
EU-56a	(-) Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution		-
EU-56b	(-) Other regulatory adjustments to T2 capital		-
57	Total regulatory adjustments to T2 capital		-
58	T2 capital	152	152
59	Total capital (TC = T1 + T2)	1,993	1,986
60	Total risk exposure amount	7,941	8,253
Capital ratios and buffers			
61	Common Equity Tier 1 capital	20.0%	19.2%
62	Tier 1 capital	23.2%	22.2%
63	Total capital	25.1%	24.1%
64	Institution CET1 overall capital requirements	14.5%	14.2%

Annex VII: Own funds continued

EU CC1: Composition of regulatory own funds continued

		RBSH N.V.	
		Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2023
		30 June 2024 €m	€m
65	<i>Of which: capital conservation buffer requirement</i>	2.5%	2.5%
66	<i>Of which: counter cyclical buffer requirement</i>	1.0%	0.7%
67	<i>Of which: systemic risk buffer requirement</i>		-
EU-67a	<i>Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer</i>	0.0%	0.0%
EU-67b	<i>Of which: additional own funds requirements to address the risks other than the risk of excessive leverage</i>	0.0%	0.0%
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	13.9%	13.0%
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		-
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% threshold and net of eligible short positions)		-
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR met)		-
Available caps on the inclusion of provisions in T2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)		-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach		-
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings based approach (prior to the application of the cap)	2	2
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	6	6
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements		-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		-
82	Current cap on AT1 instruments subject to phase out arrangements		-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		-
84	Current cap on T2 instruments subject to phase out arrangements		-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		-

(1) Row 68: represents the CET1 ratio less CET1 currently used to meet SREP requirements (Pillar 1 & 2A).

(2) The references (a) to (k) identify balance sheet components in table EU CC2 that are used in the calculation of regulatory capital in table EU CC1. Amounts between EU CC2 and EU CC1 are not always directly comparable due to differences in definitions and application of Capital Requirements Directive for the calculation of regulatory capital. The reference (d) is part of other assets in CC2. The reference (b) is smaller due to foreseeable dividend.

(3) The following lines are not presented as they are not applicable under the EBA disclosure guidelines: 9, 20, 24, 26, 41, 54a, 56, 69, 70, 71 and 74.

Annex VII: Own funds continued

EU CC2: reconciliation of regulatory own funds to balance sheet in the audited financial statements

The table below shows the reconciliation between the accounting and regulatory consolidation with references showing the linkage between this table and EU CC1.

	RBSH N.V.		References
	As at period end 30 June 2024		
	a	b	
	Balance sheet as in published financial statements as at period end (1)	Under regulatory scope of consolidation as at period end	
	€m	€m	
Assets			
Cash and balances at central banks	10,080	10,080	
Trading assets	5,472	5,472	
Derivatives	9,198	9,198	
Settlement balances	1,851	1,851	
Loans to banks - amortised cost	234	190	
Loans to customers - amortised cost	802	802	
Amounts due from ultimate holding company and fellow subsidiaries	1,794	1,794	
Other financial assets	2,595	2,576	
Property, plant and equipment	8	8	
Current and deferred tax assets	57	57	
<i>of which: DTAs that rely on future profitability and do not arise from temporary differences</i>	57	57	(e)
Prepayments, accrued income and other assets	32	132	
<i>of which: defined benefit pension fund assets</i>	-	-	(f)
Total assets	32,123	32,160	
Liabilities			
Bank deposits	478	478	
Customer deposits	5,469	5,508	
Amounts due to ultimate holding company and fellow subsidiaries	2,260	2,260	
Settlement balances	2,541	2,541	
Trading liabilities	7,278	7,278	
Derivatives	7,726	7,726	
Other financial liabilities	4,034	4,034	
Subordinated liabilities	291	291	(j)
Provisions, deferred income and other liabilities	57	57	
Current and deferred tax liabilities	7	5	
<i>of which: defined benefit pension scheme assets</i>			
Total liabilities	30,141	30,178	
Shareholders' Equity			
Owners' equity			
Called up share capital	-	-	(a)
Reserves	1,982	1,982	
<i>of which: amount eligible for retained earnings</i>	103	103	(b)
<i>of which: amount eligible for accumulated OCI and other reserves</i>	26	70	(c) & (i)
<i>of which: amount of other equity instruments</i>			(h)
<i>of which: share premium accounts</i>	1,550	1,550	(k)
Non-controlling interests			
Total shareholders' equity	1,982	1,982	

- RBSH N.V. publishes audited financial statements on an annual basis. For H1 disclosures, the reconciliation shown in EU CC2 is completed in accordance with Financial Reporting outcomes (i.e. FINREP).
- The references (a) to (k) identify balance sheet components in table EU CC2 that are used in the calculation of regulatory capital in table EU CC1. Amounts between tables EU CC2 and EU CC1 are not always directly comparable due to differences in definitions and application of Capital Requirements Directive for the calculation of regulatory capital.

Annex IX: Countercyclical capital buffers

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

As part of the banking reforms introduced by Basel III, a countercyclical capital buffer is required to ensure banks take account of the macro-financial environment when assessing adequate capital requirements. The buffer is to help protect banks during periods of excess aggregate credit growth that have often been associated with the build-up of system-wide risk. This regime is intended to help reduce the risk that the supply of credit will be constrained during a period of economic downturn, which in turn could undermine the performance of the real economy and consequently result in additional credit losses in the banking system. The table below summarises RBS Holdings N.V. total exposures and own funds requirements based on country of economic operation of the customer. Where applicable, a countercyclical capital buffer rate is applied to the own funds requirement for the geographic region to capture an additional countercyclical requirement. General credit and trading book exposures exclude those with central governments/banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions. The exposures below therefore differ from those presented in the credit and counterparty credit risk sections.

	RBSH N.V.													
	a	b	c	d	e	f	g	h	i	j	k	l	m	
	Relevant credit exposures -						Own fund requirements							
	General credit exposures		Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures -		Relevant credit exposures -		Risk weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate	
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non trading book	Total				
30 June 2024	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
Breakdown by country (with existing CCyB rates)														
Denmark	151	13	-	-	-	164	12	-	-	12	156	3.07%	2.50%	
Norway	-	44	-	-	-	44	1	-	-	1	14	0.27%	2.50%	
Netherlands	541	547	-	-	170	1,258	54	-	9	63	792	15.60%	2.00%	
Sweden	133	237	-	1	97	468	19	-	2	21	265	5.23%	2.00%	
United kingdom	54	25	-	3	-	82	6	-	-	5	63	1.25%	2.00%	
Czech republic	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.75%	
Ireland	14	11	-	-	491	516	2	-	39	41	515	10.15%	1.50%	
Slovakia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.50%	
Croatia	-	-	-	-	-	-	-	-	-	-	-	-	1.50%	
France	529	1,237	-	-	602	2,368	66	-	48	114	1,422	28.03%	1.00%	
Australia	-	9	-	-	-	9	1	-	-	1	6	0.13%	1.00%	
Cyprus	-	-	-	-	-	-	-	-	-	-	-	-	1.00%	
Hong kong	-	-	-	-	-	-	-	-	-	-	-	-	1.00%	
Lithuania	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%	
Romania	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%	
Germany	82	706	-	-	-	788	19	-	-	19	243	4.79%	0.75%	
Luxembourg	106	44	-	-	-	150	10	-	-	10	128	2.53%	0.50%	
Belgium	13	4	-	-	86	103	1	-	7	8	100	1.97%	0.50%	
Total (countries with existing CCyB rates)	1,623	2,877	-	4	1,446	5,950	191	-	105	295	3,704	73.02%		

Annex IX: Countercyclical capital buffers continued

EU CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer continued

	RBSH N.V.												
	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures	Total exposure	Own fund requirements			Total	Risk weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	value	Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non trading book	€m	€m	%	%
30 June 2024	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
Breakdown by country (with zero CCyB rates and with own funds requirement weights 1% and above)													
Spain	-	399	-	-	321	720	13	-	26	39	488	9.61%	0%
Switzerland	101	2	-	-	1	104	20	-	-	20	253	4.98%	0%
United States	54	170	-	2	179	405	8	-	14	22	278	5.47%	0%
Italy	16	147	-	1	119	283	9	-	10	19	235	4.62%	0%
Total (Countries with zero CCyB rate and with own funds requirement weights 1% and above)	171	718	-	3	620	1,512	50	-	50	100	1,254	24.69%	
Total (rest of the world with zero CCyB rate and below 1% requirement)	37	173	-	1	-	211	9	1	-	11	116	2.29%	0.00%
Total	1,831	3,768	-	8	2,066	7,673	250	1	155	406	5,074	100.00%	

Annex IX: Countercyclical capital buffers continued

EU CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer continued

RBSH N.V.													
a	b	c		d	e	f	g	h	i	j	k	l	m
General credit exposures		Relevant credit exposures -			Securitisations exposures	Total exposure value	Own fund requirements			Risk weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate	
Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Relevant credit risk exposures - Credit risk			Relevant credit exposures - Market risk	Relevant credit exposures - Securitisations positions in the non trading book	Total				
€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
31 December 2023													
Breakdown by country (with existing CCyB rates)													
Norway	2	46	-	-	-	48	1	-	-	1	14	0.26%	2.50%
Denmark	191	11	-	-	-	202	16	-	-	16	194	3.54%	2.50%
Czech Republic	-	-	-	-	-	-	-	-	-	-	-	-	2.00%
Great Britain	65	81	-	-	-	146	7	-	-	7	89	1.62%	2.00%
Sweden	154	256	-	-	106	516	21	-	2	23	291	5.32%	2.00%
Slovakia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.50%
Netherlands	606	574	-	-	184	1,364	62	-	10	72	903	16.49%	1.00%
Ireland	19	12	-	-	382	413	2	-	31	33	409	7.46%	1.00%
Australia	-	12	-	-	-	12	1	-	-	1	9	0.16%	1.00%
Hong Kong	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%
Croatia	-	-	-	-	-	-	-	-	-	-	-	-	1.00%
Lithuania	-	-	-	-	-	-	-	-	-	-	-	-	1.00%
Romania	-	-	-	-	-	-	-	-	-	-	-	-	1.00%
Germany	58	879	-	-	-	937	22	-	-	22	282	5.14%	0.75%
France	660	1,217	-	-	790	2,667	69	-	56	125	1,567	28.62%	0.50%
Luxembourg	112	40	-	-	-	152	11	-	-	11	136	2.49%	0.50%
Cyprus	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
Total (countries with existing CCyB rates)	1,867	3,128	-	-	1,462	6,457	212	-	99	311	3,894	71.10%	

Annex IX: Countercyclical capital buffers continued

EU CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer continued

	RBSH N.V.														
	a	b	c	d	e	f	g	h	i	j	k	l	m		
	General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures	Total exposure value	Own fund requirements			Relevant credit exposures - Securitisation positions in the non trading book	Total	Risk weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate	
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	€m	Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk		€m	€m	€m	€m	%	%
31 December 2023	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
Breakdown by country (with zero CCyB rates and with own funds requirement weights 1% and above)															
Spain	-	366	-	-	345	711	12	-		28	40	505	9.23%		
Switzerland	129	5	-	-	-	134	26	-		-	26	323	5.89%		
United States	64	221	-	-	174	459	9	-		14	23	289	5.27%		
Italy	9	116	-	-	158	283	6	-		12	18	230	4.20%		
Belgium	16	47	-	-	85	148	2	-		7	9	111	2.02%		
Total (Countries with zero CCyB rate and with own funds requirement weights 1% and above)	218	755	-	-	762	1,735	55	-		61	116	1,458	26.61%		
Total (rest of the world with zero CCyB rate and below 1% requirement)	43	168	-	-	-	211	11	-		-	11	126	2.29%		
Total	2,128	4,051	-	-	2,224	8,403	278	-		160	438	5,478	100.00%		

Annex IX: Countercyclical capital buffers continued

EU CCyB2: Amount of institution-specific countercyclical capital buffer

		RBSH N.V.
		30 June
		2024
		€m
1	Total risk exposure amount	7,941
2	Institution specific countercyclical capital buffer rate	1.02%
3	Institution specific countercyclical capital buffer requirement	81

		RBSH N.V.
		31 December
		2023
		€m
1	Total risk exposure amount	8,253
2	Institution specific countercyclical capital buffer rate	0.67%
3	Institution specific countercyclical capital buffer requirement	55

Annex XI: Leverage ratio

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

The table below shows a reconciliation between total assets under IFRS standards and the leverage exposure measure.

		RBSH N.V.	
		30 June 2024 €m	31 December 2023 €m
1	Total assets as per published financial statements	32,123	28,205
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	37	37
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (1) of Article 429a(1) of the CRR)	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(2,682)	(831)
7	Adjustment for eligible cash pooling transactions	-	-
8	Adjustment for derivative financial instruments	(5,012)	(5,415)
9	Adjustment for securities financing transactions (SFTs)	149	128
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	3,958	4,061
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	(58)	(64)
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-	-
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	-	-
12	Other adjustments	-	-
13	Total exposure measure	28,515	26,121

Annex XI: Leverage ratio continued

EU LR2 - LRCom: Leverage ratio common disclosure

		RBSH N.V.	
		CRR leverage ratio exposures	
		30 June 2024	31 December 2023
		€m	€m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	18,497	13,146
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework		-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	(1,882)	(1,924)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital (leverage))	(58)	(64)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	16,557	11,158
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	1,607	1,653
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for PFE associated with SA-CCR derivatives transactions	4,460	4,746
EU-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	6,067	6,399
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	4,466	5,206
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	149	128
EU-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	-	-
EU-17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposures)	-	-
18	Total securities financing transaction exposures	4,615	5,334
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	7,436	7,543
20	(Adjustments for conversion to credit equivalent amounts)	(3,478)	(3,481)
21	(General provisions deducted in determining Tier 1 and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	3,958	4,062

Annex XI: Leverage ratio continued

EU LR2 - LRCom: Leverage ratio common disclosure continued

		RBSH N.V.	
		30 June 2024	31 December 2023
		€m	€m
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	Tier 1 capital	1,841	1,834
24	Total exposure measure	28,515	26,121
Leverage ratio			
25	Leverage ratio (%)	6.5%	7.0%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.5%	7.0%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	6.5%	7.0%
26	Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital		
27	Required leverage buffer (%)	0.0%	0.0%
EU-27a	Overall leverage ratio requirement (%)	3.0%	3.0%

Annex XI: Leverage ratio continued

EU LR2 - LRCom: Leverage ratio common disclosure continued

		RBSH N.V.	
		30 June 2024	31 December 2023
		€m	€m
Choice on transitional arrangements and relevant exposures			
EU-27b Choice on transitional arrangements for the definition of the capital measure			
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable (1)	4,590	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	4,466	5,206
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment sale accounting transactions and netted of amounts of associated cash payables for and cash receivables)	28,639	26,121
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	28,639	26,121
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.4%	7.0%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.4%	7.0%

(1) Disclosure was not applicable at 31 December 2023

Annex XI: Leverage ratio continued

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

		CRR leverage	
		RBSH N.V.	
		30 June 2024	31 December 2023
		€m	€m
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	13,932	10,390
EU-2	Trading book exposures	73	421
EU-3	Banking book exposures, of which:	13,859	9,969
EU-4	Covered bonds		-
EU-5	Exposures treated as sovereigns	10,420	6,317
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	159	-
EU-7	Institutions	245	310
EU-8	Secured by mortgages of immovable properties		-
EU-9	Retail exposures		-
EU-10	Corporates	907	1,053
EU-11	Exposures in default		-
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	2,128	2,289

Annex XIII: Liquidity requirements

EU LIQ2: Net Stable Funding Ratio

30 June 2024		RBSH N.V.				
		a	b	c	d	e
(In currency amount)		Unweighted value by residual maturity				Weighted Value
		No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	1,994			150	2,144
2	Own funds	1,994			150	2,144
3	Other capital instruments					
4	Retail Deposits					
5	Stable deposits					
6	Less stable deposits					
7	Wholesale funding		9,592	2,468	3,884	6,988
8	Operational deposits					
9	Other wholesale funding		9,592	2,468	3,884	6,988
10	Interdependent liabilities					
11	Other liabilities	82	3,182	-	-	-
12	NSFR derivative liabilities	82				
13	All other liabilities and capital instruments not included in the above categories		3,182	-	-	0
14	Total available stable funding (ASF)					9,132
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					46
EU-15a	Assets encumbered for more than 12 months in cover pool					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:		1,967	315	5,210	5,177
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut.		1,158	-	39	39
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		807	213	2,763	2,923
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		2	100	390	382
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		-	3	2,019	1,833
25	Interdependent assets					
26	Other assets:		6,158	-	454	610
27	Physical traded commodities					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				105	89
29	NSFR derivative assets					
30	NSFR derivative liabilities before deduction of variation margin posted		3,450			172
31	All other assets not included in the above categories		2,709		349	349
32	Off-balance sheet items				7,342	343
33	Total RSF					6,176
34	Net Stable Funding Ratio (%)					147.9%

Annex XIII: Liquidity requirements continued

EU LIQ2: Net Stable Funding Ratio continued

(In currency amount)		RBSH N.V.				
		a	b	c	d	e
		Unweighted value by residual maturity				Weighted Value
No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr			
Available stable funding (ASF) Items						
1	Capital items and instruments	2,039	-	-	150	2,190
2	Own funds	2,039	-	-	150	2,190
3	Other capital instruments	-	-	-	-	-
4	Retail Deposits	-	-	-	-	-
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	-	-	-	-
7	Wholesale funding	-	8,429	2,075	1,726	4,080
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	8,429	2,075	1,726	4,080
10	Interdependent liabilities	-	-	-	-	-
11	Other liabilities	-	1,446	-	-	-
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and capital instruments not included in the above categories	-	-	-	-	-
14	Total available stable funding (ASF)					6,270
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					51
EU-15a	Assets encumbered for more than 12 months in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		4,758	239	3,625	3,625
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut.		1,595	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		3,141	238	927	1,214
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		23	-	562	489
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
22	Performing residential mortgages, of which:		-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		-	2	2,134	1,923
25	Interdependent assets		-	-	-	-
26	Other assets:		-	4,389	-	530
27	Physical traded commodities		-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	140	119
29	NSFR derivative assets		20	-	-	20
30	NSFR derivative liabilities before deduction of variation margin posted		3,487	-	-	174
31	All other assets not included in the above categories		883	-	390	390
32	Off-balance sheet items		-	-	7,376	343
33	Total RSF					4,723
34	Net Stable Funding Ratio (%)					132.7%

Annex XIII: Liquidity requirements continued

EU LIQB: Qualitative information on LCR

LCR inputs & results

The LCR aims to ensure that banks hold a sufficient reserve of High-Quality Liquid Assets (HQLA) to survive a period of liquidity stress lasting 30 calendar days.

The spot LCR ratio for 30 June 2024 is 240.8% (31 March 2024 – 216.2 %).

Concentration of funding sources

RBSH N.V. covers its funding requirements with secured and unsecured wholesale funding from a wide depositor and investor base. Repos, short positions, and derivative cash collateral provide approximately half of the balance sheet funding with the remainder funded by capital instruments (issued and down streamed by NatWest Group plc), term unsecured, short term unsecured and secured funding.

Wholesale unsecured funding includes a range of products including but not limited to bank deposits, commercial paper (CP), medium-term notes (MTN). Deposits, CP have tenors typically less than a year and are accepted from various corporate counterparties and financial institutions. MTN issuance is through both public benchmark transactions and smaller private placements, and typically has a tenor beyond a year.

The primary risk to funding stability is refinancing, the ability to replace maturing funding with new or rolled transactions. The risk is mitigated through diversification to prevent concentrations and mismatches in the funding profile. RBSH N.V. monitors and manages funding concentration risk across tenors, counterparties, currencies, products and markets.

Liquidity buffer composition

HQLA (€10.8 billion) is primarily held in Level 1 cash and central bank reserves (92%) and Level 1 high quality securities (7%). Level 2 securities account for 1%.

Derivative exposures and potential collateral calls

RBSH N.V. actively manages its derivative exposures and potential calls, including both due collateral and excess collateral with derivative outflows under stress are captured under the Historical Look-Back Approach which considers the impact of an adverse market scenario on derivatives. Potential collateral calls under a 3-notch downgrade of the NWM N.V. credit rating are also captured, RBSH N.V. is the parent entity and therefore does not have its own standalone rating.

Currency mismatch in the LCR

The LCR is calculated for euro, US dollar and sterling, which have been identified as significant currencies (having liabilities greater than, or equal to, 5% of total group liabilities excluding regulatory capital and off-balance sheet liabilities) in accordance with the LCR Delegated Regulation (EU) 2015/61. RBSH N.V. manages currency mismatch for significant currencies according to its internal liquidity adequacy assessment framework.

Annex XV: Credit risk quality

EU CQ1: Credit quality of forborne exposures

The table below shows gross carrying amount of forborne exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk and collateral and financial guarantees received by portfolio and exposure class.

		RBSH N.V.								
		a	b	c	d	e	f	g	h	
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	Of which: collateral and financial guarantees received on non-performing exposures with forbearance measures	
		Performing forborne	Non-performing forborne	Of which: defaulted	Of which: impaired	On performing forborne exposures	On non-performing forborne exposures			
		€m	€m	€m	€m	€m	€m	€m	€m	
30 June 2024										
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010	Loans and advances	-	-	-	-	-	-	-	-	-
020	Central banks	-	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-	-
050	Other financial corporations	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	-	-	-	-	-	-	-	-	-
070	Households	-	-	-	-	-	-	-	-	-
080	Debt securities	-	-	-	-	-	-	-	-	-
090	Loan commitments given	5	-	-	-	-	-	-	-	-
100	Total	5	-	-	-	-	-	-	-	-

Annex XV: Credit risk quality continued
EU CQ1: Credit quality of forborne exposures continued

		RBSH N.V.								
		a	b	c	d	e		f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	<i>Of which: collateral and financial guarantees received on non-performing exposures with forbearance measures</i>	
		Performing forborne	Non-performing forborne	<i>Of which: defaulted</i>	<i>Of which: impaired</i>	On performing forborne exposures	On non-performing forborne exposures			
31 December 2023		€m	€m	€m	€m	€m	€m	€m	€m	
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010	Loans and advances	23	-	-	-	-	-	19	-	-
020	Central banks	-	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-	-
050	Other financial corporations	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	23	-	-	-	-	-	19	-	-
070	Households	-	-	-	-	-	-	-	-	-
080	Debt securities	-	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-	-
100	Total	23	-	-	-	-	-	19	-	-

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

Annex XV: Credit risk quality continued

EU CQ4: Quality of performing and non-performing exposures by geography

The table below shows gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions and accumulated change in fair value due to credit risk by geography. Geographical analysis is based on the country of operation of the customer.

		RBSH N.V.						
		a	b	c	d	e	f	g
		Gross carrying/nominal amount €m	Of which: non-performing €m	Of which: defaulted €m	Of which: subject to impairment €m	Accumulated impairment €m	Provisions on off-balance-sheet commitments and financial guarantees given €m	Accumulated negative changes in fair value due to credit risk on non-performing exposures €m
30 June 2024								
010	On-balance sheet exposures	6,141	-	-	3,433	(7)	-	-
020	<i>UK</i>	924	-	-	73	-	-	-
030	<i>Rol</i>	497	-	-	496	-	-	-
040	<i>Other Western Europe</i>	4,141	-	-	2,291	(6)	-	-
050	<i>US</i>	412	-	-	406	(1)	-	-
060	<i>Other countries</i>	167	-	-	167	-	-	-
070	Off-balance sheet exposures	7,436	-	-	-	-	(1)	-
080	<i>UK</i>	22	-	-	-	-	-	-
090	<i>Rol</i>	14	-	-	-	-	-	-
100	<i>Other Western Europe</i>	7,325	-	-	-	-	(1)	-
110	<i>US</i>	70	-	-	-	-	-	-
120	<i>Other countries</i>	5	-	-	-	-	-	-
130	Total	13,577	-	-	3,433	(7)	(1)	-

Annex XV: Credit risk quality continued

EU CQ4: Quality of performing and non-performing exposures by geography continued

		RBSH N.V.						
		a	b	c	d	e	f	g
		Gross carrying/nominal amount	Of which: non-performing	Of which: defaulted	Of which: subject to impairment	Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
31 December 2023		€m	€m	€m	€m	€m	€m	€m
010	On-balance sheet exposures	4,477	-	-	3,595	(8)	-	-
020	<i>UK</i>	531	-	-	240	-	-	-
030	<i>Rol</i>	386	-	-	386	-	-	-
040	<i>Other Western Europe</i>	3,109	-	-	2,544	(7)	-	-
050	<i>US</i>	421	-	-	395	(1)	-	-
060	<i>Other countries</i>	30	-	-	30	-	-	-
070	Off-balance sheet exposures	7,557	-	-	-	-	(1)	-
080	<i>UK</i>	141	-	-	-	-	-	-
090	<i>Rol</i>	12	-	-	-	-	-	-
100	<i>Other Western Europe</i>	7,310	-	-	-	-	(1)	-
110	<i>US</i>	94	-	-	-	-	-	-
120	<i>Other countries</i>	-	-	-	-	-	-	-
130	Total	12,034	-	-	3,595	(8)	(1)	-

(1) The geographical breakdown disclosed is based on combined on and off-balance sheet exposures and represent greater than 99% (31 December 2023 – 99%) of total exposure.

(2) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions. Cash balances at central banks and other demand deposits are also excluded.

Annex XV: Credit risk quality continued

EU CQ5: Credit quality of loans and advances by industry

The table below shows gross carrying amount of performing and non-performing exposures to non-financial corporations and the related accumulated impairment, provisions and accumulated change in fair value due to credit risk by industry.

		RBSH N.V.					
		a	b	c	d	e	f
		Gross carrying amount	Of which: non-performing	Of which: defaulted	Of which: subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		€m	€m	€m	€m	€m	€m
30 June 2024							
010	Agriculture, forestry and fishing	-	-	-	-	-	-
020	Mining and quarrying	-	-	-	-	-	-
030	Manufacturing	93	-	-	93	(3)	-
040	Electricity, gas, steam and air conditioning supply	106	-	-	105	-	-
050	Water supply	20	-	-	20	-	-
060	Construction	2	-	-	2	-	-
070	Wholesale and retail trade	21	-	-	21	-	-
080	Transport and storage	64	-	-	64	-	-
090	Accommodation and food service activities	1	-	-	1	-	-
100	Information and communication	55	-	-	55	(1)	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	21	-	-	21	-	-
130	Professional, scientific and technical activities	40	-	-	39	(1)	-
140	Administrative and support service activities	46	-	-	46	(1)	-
150	Public administration and defence, compulsory social security	-	-	-	-	-	-
160	Education	7	-	-	7	-	-
170	Human health services and social work activities	21	-	-	21	-	-
180	Arts, entertainment and recreation	2	-	-	2	-	-
190	Other services	-	-	-	-	-	-
200	Total	499	-	-	497	(6)	-

Annex XV: Credit risk quality continued

EU CQ5: Credit quality of loans and advances by industry continued

		RBSH N.V.					
		a	b	c	d	e	f
		Gross carrying amount	Of which: non-performing	Of which: defaulted	Of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
31 December 2023		€m	€m	€m	€m	€m	€m
010	Agriculture, forestry and fishing	1	-	-	1	-	-
020	Mining and quarrying	-	-	-	-	-	-
030	Manufacturing	141	-	-	141	(3)	-
040	Electricity, gas, steam and air conditioning supply	130	-	-	130	-	-
050	Water supply	20	-	-	20	-	-
060	Construction	2	-	-	2	-	-
070	Wholesale and retail trade	23	-	-	23	-	-
080	Transport and storage	67	-	-	67	-	-
090	Accommodation and food service activities	1	-	-	1	-	-
100	Information and communication	57	-	-	57	(1)	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	26	-	-	26	-	-
130	Professional, scientific and technical activities	44	-	-	44	(1)	-
140	Administrative and support service activities	35	-	-	35	-	-
150	Public administration and defence, compulsory social security	-	-	-	-	-	-
160	Education	9	-	-	9	-	-
170	Human health services and social work activities	36	-	-	36	(1)	-
180	Arts, entertainment and recreation	2	-	-	2	-	-
190	Other services	-	-	-	-	-	-
200	Total	594	-	-	594	(6)	-

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

Annex XV: Credit risk quality continued

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

The table below shows gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, accumulated partial write-off and collateral and financial guarantees received by portfolio and exposure class.

		RBSH N.V.																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o		
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions										
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Collateral and financial guarantees received				
		Total	Of which: Stage 1	Of which: Stage 2	Total	Of which: Stage 2	Of which: Stage 3	Total	Of which: Stage 1	Of which: Stage 2	Total	Of which: Stage 2	Of which: Stage 3	Accumulated partial write-off	On performing exposures	On non-performing exposures		
30 June 2024		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m		
005	Cash balances at central banks and other demand deposits	10,264	10,262	2	-	-	-	-	-	-	-	-	-	-	-	-		
010	Loans and advances	3,564	3,413	151	-	-	(6)	(3)	(3)	-	-	-	-	-	269	-		
020	Central banks	94	94	-	-	-	-	-	-	-	-	-	-	-	-	-		
030	General governments	39	39	-	-	-	-	-	-	-	-	-	-	-	-	-		
040	Credit institutions	1,561	1,561	-	-	-	-	-	-	-	-	-	-	-	-	-		
050	Other financial corporations	1,371	1,330	41	-	-	-	-	-	-	-	-	-	-	2	-		
060	Non-financial corporations	499	389	110	-	-	(6)	(3)	(3)	-	-	-	-	-	267	-		
070	Of which: SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
080	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
090	Debt securities	2,577	2,576	1	-	-	(1)	(1)	-	-	-	-	-	-	-	-		
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
110	General governments	490	490	-	-	-	-	-	-	-	-	-	-	-	-	-		
120	Credit institutions	10	10	-	-	-	-	-	-	-	-	-	-	-	-	-		
130	Other financial corporations	2,017	2,017	-	-	-	(1)	(1)	-	-	-	-	-	-	-	-		
140	Non-financial corporations	60	59	1	-	-	-	-	-	-	-	-	-	-	-	-		
150	Off-balance sheet exposures	7,436	7,238	198	-	-	(1)	(1)	-	-	-	-	-	-	1,150	-		
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
180	Credit institutions	727	727	-	-	-	-	-	-	-	-	-	-	-	514	-		
190	Other financial corporations	366	340	26	-	-	-	-	-	-	-	-	-	-	-	-		
200	Non-financial corporations	6,343	6,171	172	-	-	(1)	(1)	-	-	-	-	-	-	636	-		
210	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
220	Total	23,841	23,489	352	-	-	(8)	(5)	(3)	-	-	-	-	-	1,419	-		

Annex XV: Credit risk quality continued

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

RBSH N.V.																	
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o		
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions										
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Collateral and financial guarantees received				
	Total	Of which: Stage 1	Of which: Stage 2	Total	Of which: Stage 2	Of which: Stage 3	Total	Of which: Stage 1	Of which: Stage 2	Total	Of which: Stage 2	Of which: Stage 3	Accumulated partial write-off	On performing exposures	On non-performing exposures		
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
31 December 2023																	
005 Cash balances at central banks and other demand deposits	6,201	6,200	1	-	-	-	-	-	-	-	-	-	-	-	-	-	
010 Loans and advances	1,935	1,795	140	-	-	-	(6)	(4)	(2)	-	-	-	-	286	-	-	
020 Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
030 General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
040 Credit institutions	398	397	1	-	-	-	-	-	-	-	-	-	-	-	-	-	
050 Other financial corporations	943	942	1	-	-	-	-	-	-	-	-	-	-	2	-	-	
060 Non-financial corporations	594	456	138	-	-	-	(6)	(4)	(2)	-	-	-	-	284	-	-	
070 Of which: SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
080 Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
090 Debt securities	2,542	2,542	-	-	-	-	(2)	(2)	-	-	-	-	-	-	-	-	
100 Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
110 General governments	338	338	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
120 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
130 Other financial corporations	2,146	2,146	-	-	-	-	(2)	(2)	-	-	-	-	-	-	-	-	
140 Non-financial corporations	58	58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
150 Off-balance sheet exposures	7,557	7,516	41	-	-	-	(1)	(1)	-	-	-	-	-	1,354	-	-	
160 Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
170 General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
180 Credit institutions	748	748	-	-	-	-	-	-	-	-	-	-	-	508	-	-	
190 Other financial corporations	613	613	-	-	-	-	-	-	-	-	-	-	-	240	-	-	
200 Non-financial corporations	6,196	6,155	41	-	-	-	(1)	(1)	-	-	-	-	-	606	-	-	
210 Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
220 Total	18,235	18,053	182	-	-	-	(9)	(7)	(2)	-	-	-	-	1,640	-	-	

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

Annex XV: Credit risk quality continued

EU CR1-A: Maturity of exposures

The table below shows the maturity breakdown of gross carrying amount net of related accumulated impairment, provisions and accumulated change in fair value due to credit risk.

		RBSH N.V.						
		a	b	c		d	e	f
		Net exposure value						
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total	
		€m	€m	€m	€m	€m	€m	
30 June 2024								
1	Loans and advances	2,710	344	467	37	-	3,558	
2	Debt securities	-	529	46	2,001	-	2,576	
3	Total	2,710	873	513	2,038	-	6,134	

		RBSH N.V.						
		a	b	c		d	e	f
		Net exposure value						
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total	
		€m	€m	€m	€m	€m	€m	
31 December 2023								
1	Loans and advances	883	372	622	52	-	1,929	
2	Debt securities	-	357	158	2,025	-	2,540	
3	Total	883	729	780	2,077	-	4,469	

(1) Exposures classified as held-for-trading are excluded in accordance with FINREP definitions. Cash balances at central banks and other demand deposits are also excluded.

Annex XVII: Credit risk mitigation techniques

EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

The table below shows net carrying values of credit risk exposures analysed by use of different credit risk mitigation techniques as recognised under the applicable accounting framework regardless of whether these techniques are recognised under CRR. Counterparty credit risk exposures are excluded.

		RBSH N.V.				
		a	b	c	d	e
		Unsecured carrying amount	Secured carrying amount	Of which: secured by collateral	Of which: secured by financial guarantees	Of which: secured by credit derivatives
		€m	€m	€m	€m	€m
30 June 2024						
1	Loans and advances	13,486	336	-	269	-
2	Debt securities	2,576	-	-	-	-
3	Total	16,062	336	-	269	-
4	<i>Of which: non-performing exposures</i>	-	-	-	-	-
EU-5	<i>Of which: defaulted</i>	-	-	-	-	-

		RBSH N.V.				
		a	b	c	d	e
		Unsecured carrying amount	Secured carrying amount	Of which: secured by collateral	Of which: secured by financial guarantees	Of which: secured by credit derivatives
		€m	€m	€m	€m	€m
31 December 2023						
1	Loans and advances	7,776	354	-	286	-
2	Debt securities	2,540	-	-	-	-
3	Total	10,316	354	-	286	-
4	<i>Of which: non-performing exposures</i>	-	-	-	-	-
EU-5	<i>Of which: defaulted</i>	-	-	-	-	-

(1) Exposures classified as held-for-trading are excluded in accordance with FINREP definitions and Basel disclosure requirements.

Annex XIX: Use of standardised approach

EU CR4: standardised approach – Credit risk exposure and CRM effects

The table below shows the effect of CRM techniques on credit risk exposures under the standardised approach. It shows exposures both pre and post CRM and CCFs as well as associated RWAs and RWA density, split by exposure class. It excludes counterparty credit risk and securitisations.

		RBSH N.V.					
		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet	RWAs	RWAs density
		€m	€m	€m	€m	€m	%
30 June 2024							
1	Central governments or central banks	10,422	-	10,422	508	-	-
2	Regional government or local authorities	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-
4	Multilateral development banks	10	-	10	-	-	-
5	International organisations	149	-	149	-	-	-
6	Institutions	245	727	245	119	125	38
7	Corporates	324	686	324	324	570	88
8	Retail	-	-	-	-	-	-
9	Secured by mortgages on immovable property	-	-	-	-	-	-
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	101	-	101	-	254	250
16	Other items	35	-	35	-	35	99
17	Total	11,286	1,413	11,286	951	984	8

		RBSH N.V.					
		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet	RWAs	RWAs density
		€m	€m	€m	€m	€m	%
31 December 2023							
1	Central governments or central banks	6,317	-	6,317	508	-	-
2	Regional government or local authorities	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	317	745	334	137	166	35
7	Corporates	416	572	399	286	580	85
8	Retail	-	-	-	-	-	-
9	Secured by mortgages on immovable property	-	-	-	-	-	-
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	130	-	130	-	327	251
16	Other items	40	-	40	-	38	96
17	Total	7,220	1,317	7,220	931	1,111	14

Annex XXI: Use of IRB approach to credit risk

EU CR7: IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

The table below shows the effect of credit derivatives on the calculation of IRB approach capital requirements by AIRB exposure class. The table excludes counterparty credit risk, securitisations, equity exposures and non-credit obligation assets.

		RBSH N.V.	
		30 June 2024	
		a	b
		Pre-credit derivatives RWAs	Actual RWAs
		€m	€m
5	Exposures under AIRB	1,045	1,045
6	Central governments and central banks	-	-
7	Institutions	-	-
8	Corporates	1,045	1,045
8.1	Of which: SME	-	-
8.2	Of which: specialised lending	-	-
8.3	Of which: Other	1,045	1,045
9	Retail	-	-
9.1	Of which: secured by real estate SME - secured by immovable property collateral	-	-
9.2	Of which: secured by real estate non-SME - secured by immovable property collateral	-	-
9.3	Of which: qualifying revolving	-	-
9.4	Of which: other SMEs	-	-
9.5	Of which: other non-SME	-	-
10	Total	-	-

		RBSH N.V.	
		31 December 2023	
		a	b
		Pre-credit derivatives RWAs	Actual RWAs
		€m	€m
5	Exposures under AIRB	1,051	1,051
6	Central governments and central banks	-	-
7	Institutions	-	-
8	Corporates	1,051	1,051
8.1	Of which: SME	-	-
8.2	Of which: specialised lending	-	-
8.3	Of which: Other	1,051	1,051
9	Retail	-	-
9.1	Of which: secured by real estate SME - secured by immovable property collateral	-	-
9.2	Of which: secured by real estate non-SME - secured by immovable property collateral	-	-
9.3	Of which: qualifying revolving	-	-
9.4	Of which: other SMEs	-	-
9.5	Of which: other non-SME	-	-
10	Total	-	-

Annex XXI: Use of IRB approach to credit risk continued

EU CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques

A-IRB		RBSH N.V.													
		Credit risk mitigation techniques										Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWAs	
		Funded credit protection (FCP)													
		Total exposures	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals	Part of exposures covered by immovable property collaterals	Part of exposures covered by receivables	Part of exposures covered by other physical collaterals	Part of exposures covered by other funded credit protection	Part of exposures covered by cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees	Part of exposures covered by credit derivatives	RWEA with substitution effects both reduction and substitution effects	RWEA without substitution effects only
€m	%	%	%	%	%	%	%	%	%	%	%	€m	€m		
30 June 2024		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporates	2,966	-	13	13	-	-	-	-	-	-	5	20	1,045	1,045
3.1	Of which: SME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3	Of which: other	2,966	-	13	13	-	-	-	-	-	-	5	20	1,045	1,045
4	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Of which: immovable property SME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which: immovable property non-SME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3	Of which: qualifying revolving	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.4	Of which: other SME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which: other non-SME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Total	2,966	-	13	13	-	-	-	-	-	-	5	20	1,045	1,045

Annex XXI: Use of IRB approach to credit risk continued

EU CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

A-IRB

		RBSH N.V.													
		Credit risk mitigation techniques										Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWAs	
		Funded credit protection (FCP)													
Total exposures	€m	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals	Part of exposures covered by immovable property collaterals	Part of exposures covered by receivables	Part of exposures covered by other physical collaterals	Part of exposures covered by other funded credit protection	Part of exposures covered by cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees	Part of exposures covered by derivatives	RWEA with substitution effects both reduction and substitution effects	RWEA without substitution effects only	
															€m
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
30 June 2024															
6	Specialised lending under the slotting approach	27	-	-	-	-	-	-	-	-	-	-	-	15	15
7	Equity exposures														

Annex XXI: Use of IRB approach to credit risk continued

EU CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

A-IRB		RBSH N.V.													
		Credit risk mitigation techniques										Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWAs	
Total exposures		Funded credit protection (FCP)										Part of exposures covered by credit derivatives		RWEA with substitution effects and reduction effects only	
		Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals	Part of exposures covered by immovable property collaterals	Part of exposures covered by receivables	Part of exposures covered by other physical collaterals	Part of exposures covered by other funded credit protection	Part of exposures covered by cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees				
€m	%	%	%	%	%	%	%	%	%	%	%	%	€m	€m	
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	
31 December 2023															
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporates	3,103	-	13	13	-	-	-	-	-	6	3	1,051	1,051	
3.1	Of which: SME	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.2	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.3	Of which: other	3,103	-	13	13	-	-	-	-	-	6	3	1,051	1,051	
4	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.1	Of which: immovable property SME	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.2	Of which: immovable property non-SME	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.3	Of which: qualifying revolving	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.4	Of which: other SME	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.5	Of which: other non-SME	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Total	3,103	-	13	13	-	-	-	-	-	6	3	1,051	1,051	

Annex XXI: Use of IRB approach to credit risk continued

EU CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

A-IRB

RBSH N.V.

	Credit risk mitigation techniques													Credit risk mitigation methods in the calculation of RWAs	
	Funded credit protection (FCP)										Unfunded credit protection (UFCP)				
	Total exposures €m	Part of exposures covered by financial collaterals %	Part of exposures covered by other eligible collaterals %	Part of exposures covered by immovable property collaterals		Part of exposures covered by other physical collaterals		Part of exposures covered by other funded credit protection %	Part of exposures covered by cash on deposit %	Part of exposures covered by life insurance policies %	Part of exposures covered by instruments held by a third party %	Part of exposures covered by guarantees %	Part of exposures covered by credit derivatives %	RWEA with substitution effects and substitution effects only €m	RWEA without substitution effects €m
				covered by %	covered by %	covered by %	covered by %								
31 December 2023	a	b	c	d	e	f	g	h	i	j	k	l	m	n	
6 Specialised lending under the slotting approach	28	-	-	-	-	-	-	-	-	-	--	-	-	15	15
7 Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Annex XXIII: Specialised lending

EU CR10: Specialised lending and equity exposures under the simple risk weighted approach

The table below shows specialised lending exposures subject to the supervisory slotting approach analysed by type of lending and regulatory category.

		RBSH N.V.					
		30 June 2024					
		a	b	c	d	e	f
		Specialised lending: project finance (slotting approach)					
Regulatory categories	Remaining maturity	On-balance sheet exposure €m	Off-balance sheet exposure €m	Risk-weight %	Exposure value €m	Risk-weighted exposure amount €m	Expected loss amount €m
Category 1	Less than 2.5 years	-	-	50%	-	-	-
	Equal to or more than 2.5 years	28	-	70%	28	19	-
Category 2	Less than 2.5 years	1	-	70%	1	-	-
	Equal to or more than 2.5 years	14	2	90%	14	12	1
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	1	-	-	1	-	-
Total	Less than 2.5 years	1	-	-	1	-	-
	Equal to or more than 2.5 years	43	2	-	43	31	1

		RBSH N.V.					
		31 December 2023					
		a	b	c	d	e	f
		Specialised lending: project finance (slotting approach)					
Regulatory categories	Remaining maturity	On-balance sheet exposure €m	Off-balance sheet exposure €m	Risk-weight %	Exposure value €m	Risk-weighted exposure amount €m	Expected loss amount €m
Category 1	Less than 2.5 years	39	-	50%	39	20	-
	Equal to or more than 2.5 years	21	-	70%	21	14	-
Category 2	Less than 2.5 years	15	-	70%	15	10	-
	Equal to or more than 2.5 years	4	3	90%	7	5	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	2	-	250%	2	5	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	54	-	-	54	30	-
	Equal to or more than 2.5 years	27	3	-	30	24	-

Annex XXIII: Specialised lending

EU CR10: Specialised lending and equity exposures under the simple risk weighted approach continued

		RBSH N.V.					
		30 June 2024					
		a	b	c	d	e	f
		Specialised lending: income-producing real estate and high volatility commercial real estate (slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
Regulatory categories	Remaining maturity	€m	€m	%	€m	€m	€m
Category 1	Less than 2.5 years	20	-	50%	20	10	-
	Equal to or more than 2.5 years	-	-	70%	-	-	-
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	20	-	-	20	10	-
	Equal to or more than 2.5 years	-	-	-	-	-	-

		RBSH N.V.					
		31 December 2023					
		a	b	c	d	e	f
		Specialised lending: Income-producing real estate and high volatility commercial real estate (slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
Regulatory categories	Remaining maturity	€m	€m	%	€m	€m	€m
Category 1	Less than 2.5 years	20	-	50%	20	10	-
	Equal to or more than 2.5 years	-	-	70%	-	-	-
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	20	-	-	20	10	-
	Equal to or more than 2.5 years	-	-	-	-	-	-

Qualitative information on ESG risks

(as at 30 June 2024, unless otherwise stated and in accordance with EBA ITS relating to CRR2 Pillar III Disclosures)

Introduction

As clarified by the EBA/ITS/2022/01, institutions should make the Pillar III ESG related disclosures at the highest level of consolidation in the EU, as regulated in Article 13 CRR. ‘NatWest Group’ (NatWest Group plc and its subsidiaries), as a third-country group with two or more subsidiary banking institutions in the European Union (EU), was approved by the ECB to establish a dual Intermediate EU Parent Undertaking (IPU) structure on behalf of its European subsidiaries. As a result, RBS Holdings N.V. (RBSH N.V.) acts as the non-ring fenced IPU and thus is responsible for making the disclosures within this report.

RBSH N.V., a financial holding company, is a wholly owned subsidiary of NatWest Markets plc (NWM plc), which is a wholly owned subsidiary of NatWest Group plc (NWM plc and NatWest Group plc both based in the UK). The term ‘NWM Group’ refers to NWM plc, its subsidiaries, and associated undertakings.

‘RBSH N.V. Group’ refers to RBSH N.V. and its wholly owned subsidiaries NatWest Markets N.V. (NWM N.V.) and RBS International Depository Services S.A. (RBSI DS S.A.) NWM N.V., registered in Amsterdam, The Netherlands, is a licensed bank operating as an investment bank providing global market access, financing, risk management and trading solutions to corporates and financial institutions via products and services in currencies, rates, financing, and lending. ‘NWM N.V. Group’ refers to NWM N.V. and its subsidiary and associated undertakings. On 1 December 2023, following supervisory approval, RBSH N.V. also acquired RBSI DS S.A. from Royal Bank of Scotland International (Holdings) Limited (RBSIH).

The following disclosures focusses on qualitative information regarding the strategy of NWM N.V. Group, as the main operating subsidiary of the RBSH N.V., to assess the impact of Environmental, Social and Governance (ESG) factors on its business environment and business model and to integrate these factors into its strategy, governance, risk management and financial planning. As an indirect subsidiary of NWM Plc, and as part of the Commercial & Institutional (C&I) franchise of NatWest Group, the strategy and policies of RBSH N.V. Group, particularly those relating to climate and environmental risks, are in alignment (as permitted by local regulation) with strategies and policies of NWM Group, C&I and ultimately, NatWest Group. Whilst RBSH N.V. Group, has made some progress towards the integration of ESG factors within its strategy and operations, most of this progress has been made in relation to climate-related matters, as it is a part of a UK based group, which has climate as its strategic area of focus, in line with applicable regulatory requirements. RBSH N.V. Group, however, recognises that there is still much work to do in the fields of other non-climate ESG risks. Going forward, RBSH N.V. Group aims to take a deeper dive into understanding the impact of these topics on its business environment, operations and risk management, and integrating them into its policies and processes.

Table 1 - Qualitative information on environmental risks

<p>General information with regards to environmental risks</p>	<p>RBSH N.V. Group, through its' capital market products, provides public and private capital market access, structuring and funding solutions to its clients. It's trading products focus on risk management services through trading in rates, currencies and credit based derivatives and secondary market debt securities. These two service lines form the bulk of RBSH N.V. Group's business. As at 30 June, 2024, its trading book and exposure to central banks or sovereigns make up 79% of its assets, with nostro and settlement balances making up another 11%. The environment related impact of RBSH N.V. Group's business activities in terms of Greenhouse Gas (GHG) Emissions can be classified as:</p> <p>Financed emissions - Given the smaller size of the banking book relative to RBSH N.V. Group's underwriting activities and trading book, financed emissions currently play a limited role within RBSH N.V. Group. Drawn lending exposures, as defined by the Partnership for Carbon Accounting Financials (PCAF) standard, account for approximately 9% of RBSH N.V. Group's total assets; and exposure to non-financial corporates is even smaller (2%), as at 30 June 2024. The undrawn loan commitments are currently excluded, and therefore could potentially increase the financed emission estimations during challenging market conditions if called up by customers.</p> <p>Trading book emissions - Trading book activities, which mostly involve taking very short term positions in various instruments, may also have some impact on climate-related risks. Preliminary analysis carried out in 2022 indicated that climate risk drivers were not likely to put NWM Group (including RBSH N.V. Group) out of appetite for market risk. During 2023, NWM Group's (including RBSH N.V. Group's) scenario analysis work continued to build internal capability and mitigate some of the limitations identified in previous scenario exercises. As it relates to market risk stress testing for issuer risk, counterparty risk and macro-parameters, NWM Group (including RBSH N.V. Group) continues to be resilient to climate driven market moves.</p> <p>Due to the size of the trading book within RBSH N.V. Group, the associated carbon emissions have the potential to be significant. However, at present, the scale of these emissions is uncertain given that trading book positions are typically shorter term and more dynamic than those in the banking book. This is currently an industry-wide challenge with no agreed approach on quantification of trading book related emissions.</p>
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Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

	<p>Facilitated emissions - Emissions attributable to off-balance sheet activities that involve temporary association with transactions. RBSH N.V. Group focuses more towards facilitated emissions which it aims to tackle by interacting with, training and advising its counterparties and stakeholders.</p> <p>Emission from operational value chain - Emissions attributable to RBSH N.V. Group's own operational value chain are not measured separately and are subsumed into NatWest Group's estimation of own operation footprint for the consolidated group.</p>
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EBA Questions	Response
Business Strategy and Processes	
<p>(a) Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning</p>	<p>RBSH N.V. is committed to acting sustainably and responsibly. It actively supports customers in their transition to achieving broader climate and environmental goals and works with issuers and investors to develop holistic sustainability strategies.</p> <p>In 2022, NatWest Group became the first UK bank to have science-based targets validated by the Science Based Targets initiative (SBTi). NatWest Group (including RBSH N.V. Group) has an ambition to be net zero by 2050 across its financed emissions, assets under management and its operational value chain. NatWest Group (including RBSH N.V. Group) aims to support its customers' transition to a net-zero economy, noting that there is significant dependency on factors and uncertainties beyond its direct control, including timely and appropriate government policies, technology developments, as well as supplier, customer, and societal response in order to achieve its climate ambitions. As a subsidiary of NatWest Group, RBSH N.V. Group aligns its strategy to further support NatWest Group's ambition within the context of its operations, customers, and other stakeholders.</p> <p>To assess climate-related physical and transition risk, RBSH N.V. Group together with NWM Group undertook a high-level analysis of political, economic, social, technological and legal (PESTL) factors to facilitate a more informed understanding of the wider business environment. In 2023, RBSH N.V. Group extended this assessment to also consider environmental factors beyond climate, including water, pollution, waste management and biodiversity loss. The outcomes of these quantitative assessments aim to support the development of RBSH N.V. Group's overall business strategy, including the assessment of business risks and opportunities, product development, the allocation of resources and approach to scenario analysis. RBSH N.V. Group plans to update these assessments periodically in response to the changing regulatory requirements and relevant developments in business environment.</p> <p>In 2023, RBSH N.V. Group formulated its own high level aspirational strategic direction to become one of the forward-thinking banks in Europe with a key focus on climate and sustainability matters, to help its customers and the EU capital markets to advance sustainability objectives. This strategy is centred around four pillars:</p> <ul style="list-style-type: none"> - Customer - Continually engaging with customers to understand their evolving aspirations and needs. - Propositions - Deepening and growing propositions across sustainable asset classes. - Market Presence - Building market recognition and contributing to application of sustainability principles in capital markets. - Tools and portfolio - Developing and embedding tools that enable risk management, portfolio transition and decision-making. <p>Customers, propositions, and market presence RBSH N.V. Group aims to support its clients' strategic sustainability objectives through a suite of climate and sustainability focused products and services, across fixed income and risk management asset classes. In addition, RBSH N.V. aims to expand environmental products and solutions, and build its carbon markets activities.</p> <p>RBSH N.V. Group continues to support its customers by lead managing a broad range of green, social, and sustainability (GSS) bonds, sustainability-linked bonds (SLBs) and underwriting sustainability-linked loans (SLLs), with the aim to improve their sustainability performance across climate-related, environmental, and social matters.</p>

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Business Strategy and Processes continued	
	<p>NWM Group (including RBSH N.V. Group) also supports its clients through ESG advisory. ESG advisory provides advice, analysis, and insights on the ESG ratings and regulatory developments. This engagement aims to help its clients to improve their ESG reporting, sustainability performance and engagement with stakeholders.</p> <p>In 2023, NWM Group (including RBSH N.V. Group) continued to develop its proposition for voluntary carbon markets, to help customers use carbon credits as a tool to support climate transition plans.</p> <p>RBSH N.V. Group also continues to build out its market presence by taking on roles in relevant industry bodies and working groups, attending key industry events and publishing thought leadership pieces on relevant topics.</p> <p>Tools & Portfolio</p> <p>RBSH N.V. Group aims to embed climate decisioning tools into portfolio management and develop environmental risk mapping. In addition, it intends to leverage tools to identify new customer funding and financing opportunities as well as to inform sustainability decisions.</p> <p>During 2023, NWM Group (including RBSH N.V. Group) enhanced internal data availability to support customer facing staff, with the development of a climate and ESG data exploration tool of external data on instruments, counterparties, and sovereigns.</p> <p>In H1 2024 NWM Group (including RBSH N.V. Group) rolled out a tool for the risk assessment, reporting and origination of ESG labelled debt transactions.</p> <p>NatWest Group (including RBSH N.V. Group) has also developed Climate Decisioning Framework (CDF) tools, to further embed climate within customer journeys and for enhanced decision making. For further details on CDF refer to the Risk Management section. In addition, we have developed a first generation environmental risk scorecard for large corporate customers, which is currently being tested and refined.</p>
<p>(b) Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes</p>	<p>Climate and Sustainable Funding and Financing (CSFF)</p> <p>NatWest Group (including RBSH N.V. Group) has a target to provide £100 billion climate and sustainable funding and financing between 1 July 2021 and the end of 2025. NatWest Group uses its Climate and Sustainable Funding and Financing Inclusion (CSFFI) criteria⁽¹⁾ to determine the assets, activities and companies that are eligible to be included within its climate and sustainable funding and financing target.</p> <p>Since the £100 billion target came into effect in July 2021, NatWest Group has provided £61.9 billion of climate and sustainable funding and financing (£29.3 billion in 2023), comprising of €17.9 billion⁽²⁾ (£15.4 billion) from transactions booked by RBSH N.V. Group (€8.9 billion or £7.8 billion in 2023).</p> <p>ESE Risk Ratings</p> <p>NatWest Group's Environmental, Social and Ethical (ESE) risk assessment, which applies to all legal entities within NatWest Group, including RBSH N.V. Group, requires enhanced due diligence to be performed for certain customers, transactions, activities, and projects at the time of onboarding and during the lifecycle of the relationship. Based on the assessment, an ESE risk rating is assigned. These ratings define the level of ESE risk the bank is prepared to accept. The risk rating determines approval requirements and when the next ESE assessment is required in the customer lifecycle. In case of Prohibited rating, new customer/transaction may not be supported and approval to exit existing ones may be triggered. More details on the ESE Risk Framework are mentioned in the Risk Management section.</p>

(1) Based on NatWest Group CSFFI criteria published in December 2022. Full details about CSFFI available at natwestgroup.com.

(2) €17.9 billion cumulative CSFF consists of €1.4 billion in lending and €16.5 billion in underwriting transactions.

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Business Strategy and Processes continued	
	<p>Supplier Assessments</p> <p>Practices of suppliers can have environmental and social impacts, and therefore, can be sources of reputational and operational risks for NatWest Group (including RBSH N.V. Group). To help understand and measure the sustainability performance of its suppliers, NatWest Group continued to work with EcoVadis, a leading provider of evidence-based assessments of sustainability performance. In 2023, 528 of NatWest Group’s suppliers participating in the EcoVadis assessments, scoring an average of 57.6% against the Global EcoVadis average of 45.9%. Where suppliers performed below the global average, corrective improvement plans were implemented to support them in improving their performance on key sustainability topics. A EcoVadis also conducted the annual sustainability assessment of NatWest Group, where it scored 67%, which is higher than the global EcoVadis average of 52%. During H1 2023 a standardised set of questions was developed to assess sustainability as part of the procurement process. This enables suppliers who are committed to sustainability, but do not use EcoVadis, to be evaluated. In H2 2023, a small pilot to allocate a weighting criterion to sustainability as part of the tender selection process was undertaken. NatWest Group’s (including RBSH N.V. Group’s) ambition is to include a weighting into all tenders by the end of 2024.</p> <p>Own Operations Assessments</p> <p>EcoVadis also conducted the annual sustainability assessment of NatWest Group in 2023, in which NatWest Group scored 67% (up from 62% in 2022) which is higher than the global EcoVadis average of 52%. This ranks NatWest Group in the 91st percentile.</p>
(c) Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	Currently no investment activities or targets specifically earmarked at RBSH N.V. Group level.
(d) Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	<p>Customer Engagement</p> <p>An essential part of NatWest Group’s (including RBSH N.V. Group’s) strategy is to engage with existing and new customers, to understand their evolving sustainability-related aspirations and needs. Direct engagement is performed via CSFF and the ESG Advisory Team, as detailed in responses to questions (b) and (a) respectively, of this Environmental Risk section. Indirect engagement with customers is done through participation in various industry bodies and events, as mentioned in response to question (a) of this Environmental Risk section.</p> <p>Supplier Engagement</p> <p>In 2023, NatWest Group updated its Supplier Charter to ensure it acts as a useful and accessible guide to working as a supplier with NatWest Group (including RBSH N.V. Group). It covers environmental sustainability and other social and governance topics. Regular review meetings were held with key suppliers, with a standing agenda point to discuss the Supplier Charter. All of NatWest Group’s suppliers, are asked to meet or exceed the requirements of responsible business practice and behaviour set out in this charter, and where possible, share best practices. Non-compliance with the bank policy is dealt with on a case-by-case basis and includes engaging with the supplier to identify potential remediation measures.</p>

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response																					
Governance																						
<p>(e) Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels</p>	<p>The roles and responsibilities of NWM N.V.'s ESG related governance structure, as the main operating subsidiary of RBSH N.V. are summarized below:</p> <table border="1" data-bbox="432 421 1479 1574"> <thead> <tr> <th data-bbox="432 421 624 472">Level</th> <th data-bbox="624 421 799 472">Forum</th> <th data-bbox="799 421 1479 472">Role/Responsibilities</th> </tr> </thead> <tbody> <tr> <td data-bbox="432 472 624 607">Board Level Governance</td> <td data-bbox="624 472 799 607">Supervisory Board</td> <td data-bbox="799 472 1479 607">oversees delivery against strategy and objectives of NWM N.V., including tracking progress towards ESG goals, within the ambitions of the wider NatWest Group. It also responsible for approving risk appetite.</td> </tr> <tr> <td data-bbox="432 607 624 741"></td> <td data-bbox="624 607 799 741">Board Risk Committee</td> <td data-bbox="799 607 1479 741">advises on current and future risk exposures, oversees NWM N.V.'s risk management and tracks its progress towards meeting regulatory expectations over environmental and social matters.</td> </tr> <tr> <td data-bbox="432 741 624 909"></td> <td data-bbox="624 741 799 909">Audit Committee</td> <td data-bbox="799 741 1479 909">oversees all NWM N.V.'s material external disclosures, (financial or non-financial), and regulatory compliance. It also reviews and monitors internal controls required to manage risks, including those related to ESG, across functions and business areas.</td> </tr> <tr> <td data-bbox="432 909 624 1245">Executive Level Governance</td> <td data-bbox="624 909 799 1245">Managing Board</td> <td data-bbox="799 909 1479 1245">reports to Supervisory Board and is the principal decision-making corporate body for the day-to-day activities of NWM N.V. It is responsible for: <ul style="list-style-type: none"> - implementing the ESG strategy, and receiving reports on progress from Business Heads; - managing how ESG related risks are identified, measured, monitored, and mitigated; - setting risk appetite for final approval by Supervisory Board, and monitoring the risk management response; - identifying ESG related opportunities throughout the business. </td> </tr> <tr> <td data-bbox="432 1245 624 1469"></td> <td data-bbox="624 1245 799 1469">Risk and Control Committee</td> <td data-bbox="799 1245 1479 1469">is responsible for: <ul style="list-style-type: none"> - the review and challenge of all risks, including ESG risks; - the implementation of and compliance with risk management framework, and reporting to Managing Board on its performance and issues observed; - providing inputs on setting of risk appetite, overseeing its management, and escalating any excesses. </td> </tr> <tr> <td data-bbox="432 1469 624 1574"></td> <td data-bbox="624 1469 799 1574">Disclosure Committee</td> <td data-bbox="799 1469 1479 1574">Is responsible for all material financial and non-financial disclosures, including those on ESG topics. It monitors, evaluates, and enhances disclosure procedures & controls.</td> </tr> </tbody> </table>	Level	Forum	Role/Responsibilities	Board Level Governance	Supervisory Board	oversees delivery against strategy and objectives of NWM N.V., including tracking progress towards ESG goals, within the ambitions of the wider NatWest Group. It also responsible for approving risk appetite.		Board Risk Committee	advises on current and future risk exposures, oversees NWM N.V.'s risk management and tracks its progress towards meeting regulatory expectations over environmental and social matters.		Audit Committee	oversees all NWM N.V.'s material external disclosures, (financial or non-financial), and regulatory compliance. It also reviews and monitors internal controls required to manage risks, including those related to ESG, across functions and business areas.	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	Disclosure Committee	Is responsible for all material financial and non-financial disclosures, including those on ESG topics. It monitors, evaluates, and enhances disclosure procedures & controls.																				
<p>(f) Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions</p>	<p>NWM N.V. Climate & ESG Programme Board was set up in 2022, under the authority of the NWM N.V. Managing Board, to oversee the embedding of climate-related, environmental, and social theme into the functioning of NWM N.V. Group. It provides risk related updates, that form part of the Chief Risk Officer (CRO) report presented to the Risk and Control Committee, as well as the NWM N.V. Managing Board. The Managing Board considers ESG related matters at each of its regular meetings (generally monthly). The CRO report regarding key risks is also provided to the Board Risk Committee and the Supervisory Board on bimonthly basis.</p> <p>The NWM N.V. Climate & ESG Programme Board also used to provide sustainability related business and progress updates for the monthly NWM plc Climate and Sustainability Committee (CSC) meetings up till recently. NWM plc CSC was the executive level forum which had the objective of assessing and managing environment and social risks and opportunities. The NWM plc CSC updates relating to NWM N.V. Group used to be presented to the NWM N.V. Managing and Supervisory Boards. The NatWest Markets plc CSC is in the process of being discharged with its responsibilities being allocated to existing BAU governance structures. The new reporting structure, which will be applicable after the discharge of NWM plc CSC, is being determined.</p>																					

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Governance continued	
	<p>In order to support management’s response to ESG related risks and opportunities, as part of learning program for board members, trainings on ESG related topics continue to be provided. Besides the completion of the Climate Change Fundamentals Program, which is mandatory for all staff, the NWM N.V. Managing Board and NWM N.V. Supervisory Board members were also provided with the following additional training sessions:</p> <ul style="list-style-type: none"> – Another deep dive session on the requirements for the upcoming CSRD, provided by external experts in April 2024, on top of the one provided in September 2023; – Sessions on ESG regulations and on climate transition planning, provided by External Counsels in April 2024; – Session on greenwashing risks by External Counsel in April 2024, following the training received on the same topic in November 2023 by the internal Litigation and Investigations Legal team; – Session on nature & biodiversity led by the World Wildlife Fund (WWF) in December 2023, followed by another internal session on business opportunities relating to nature & biodiversity.
(g) Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	Please refer to the responses of question (e) and (f) in this Environmental Risk section.
(h) Lines of reporting and frequency of reporting relating to environmental risk	Please refer to the responses of question (e) and (f) in this Environmental Risk section.
(i) Alignment of the remuneration policy with institution's environmental risk-related objectives	<p>NWM N.V. Group’s approach to remuneration, in line with NatWest Group’s approach, promotes effective risk management through having clear risk input into incentive plan design, performance goals, performance reviews, determination of variable pay and the application of malus and clawback. It comprises of a fixed component, which reflects the role undertaken by an individual, and a variable component, which is directly linked to risk-adjusted performance. In addition to financial measures, there is alignment between progress on ESG priorities and variable pay across the NatWest Group.</p> <p>For NWM N.V.’s executive directors and executive management team, variable remuneration comprises of annual bonus and Restricted Share Plan (RSP). A bonus scorecard, including ESG targets, is used to compute annual bonus. In a number of areas, NWM N.V. Group’s ESG ambitions stretch over several years. However, there are specific measures and targets set for each year. The measures and targets are reviewed and approved annually to align with latest strategic focus areas of NWM N.V. Group. RSP awards are granted, provided performance has been satisfactory, based on NWM N.V. Group’s internal performance management ratings scale. Checks take place before grant and again after three years to ensure sustained performance has been achieved. RSP awards are delivered in shares over multiple years to align with long-term performance.</p>

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Risk Management	
(j) Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework.	<p>RBSH N.V. Group recognises that climate change and nature loss (including environmental degradation) are global issues which can have significant implications for its customers, colleagues, suppliers and partners, as well as for RBSH N.V. Group itself. Climate change and nature loss are inextricably linked, and each require immediate and significant action to avert potentially irreversible impacts. Climate and nature-related risks have the potential to affect asset values, operational costs and business models not only through increasing frequency and severity of extreme weather events and biodiversity loss, but also as the transition to a net-zero economy accelerates. These risks continue to evolve reflecting increasing regulatory, legislative, political and societal change.</p> <p>Climate and nature-related risks have the potential to increase the likelihood and/or magnitude of principal risks within the NatWest Group Risk Directory over short (0-5 years), medium (5-15 years) and long (15+ years) time horizons. Climate risk was thus, included in the risk directory in 2021 alongside an iterative multi-year approach to mature capabilities. The integration of climate-related risk into the risk management policies and processes across the NatWest Group (including RBSH N.V.), is detailed in the Enterprise Wide Risk Management Framework (EWRMF). This framework sets out the requirements on how risk appetite is implemented through risk policies and standards and translated into operational procedures.</p> <p>During 2023, NatWest Group expanded the scope of climate risk within the EWRMF to include nature-related risks. NatWest Group (including RBSH N.V. Group) is focussed on developing its underlying capabilities, to effectively manage nature-related risks, with implementation of the expanded framework planned during 2024 and beyond.</p>
(k) Definitions, methodologies and international standards on which the environmental risk management framework is based	<p>NatWest Group's (including RBSH N.V. Group's) climate strategy is informed and guided by multiple internationally recognized frameworks and standards such as:</p> <ul style="list-style-type: none"> - UN Principles of Responsible Banking (UN PRB) - UN Sustainable Development Goals (SDGs) - UN Global Compact (UNGCP) - 2015 Paris Agreement - Science Based Targets initiative (SBTi)
(l) Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels	<p>To assess climate risk exposure, an evolving programme of climate scenario analysis has been adopted by RBSH N.V. Group as part of the NatWest Group. Further, sector and counterparty level assessments, also help in identification of exposures to climate risk.</p> <p>Scenario Analysis</p> <p>Scenario analysis allows RBSH N.V. Group, as part of NatWest Group, to test a range of possible future climate pathways, and understand the nature and magnitude of the risks they present, in order to be prepared to manage such risks.</p> <p>NatWest Group leads the development of credit risk scenario modelling capabilities for NatWest Group as a whole, including legal entities such as RBSH N.V. Group. NatWest Group's scenario generation capability were materially enhanced in 2023. In addition to the maturing of sectoral and corporate transition risk modelling capabilities, development work on physical scenario analysis capabilities has also commenced. There are several challenges with climate scenario analysis, including access to climate data. NatWest Group continued to develop its specialist climate data capabilities, including bringing in new data sets to increase the granularity for which climate risks are assessed. RBSH N.V. Group as part of NatWest Group continues to work with industry and customers to develop solutions.</p> <p>The RBSH N.V. Group, as part of NWM Group, updated the traded market risk stress test, from a carbon intensity approach to an internal Gross Value Add (GVA) stress approach. The new methodology uses credit spread adjustments derived from the GVA shocks developed by NatWest Group, capturing both the costs and opportunities associated with the climate transition and their impact on the trading book. Stress exposures continue to be calculated and monitored monthly.</p> <p>Within RBSH N.V. Group, climate-related and environmental risk drivers are also included in liquidity stress testing, including a scenario in the form of major environmental disruption in the UK and northern Europe.</p>

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Risk Management continued	
	<p>Sector and Counterparty Level Assessment</p> <p>NatWest Group's (including RBSH N.V. Group's) heightened climate risk related sector assessment seeks to identify sectors that are likely to see increased credit risks as a result of climate-related factors, over a 10-to-15-year horizon.</p> <p>Informed by the results of the Climate Biennial Exploratory Scenario (CBES) stress testing run by NatWest Group, in 2023, RBSH N.V. Group undertook an analysis of key high climate risk sectors in its portfolio, starting with a deep dive into the power and utilities sector, forming the most sizeable proportion of its portfolio. Furthermore, RBSH N.V. Group has expanded this methodology to include a full deep dive of the oil and gas sector. Additional sectors, including land transport, auto, and telecommunications, are being reviewed in 2024. The result of this assessment has led to identifying of key indicators for measuring climate risk management and developing a balanced scorecard to assess counterparties, which is expected to inform future client actions and exposure decisions.</p> <p>To supplement the sector assessments mentioned above, RBSH N.V. Group piloted an initial, limited, environmental risk materiality assessment in 2022, with the aim to understand how environmental risks could potentially impact its lending book. The initial assessment was undertaken: (i) at the sector level, the top-down assessment, which helped RBSH N.V. Group in identifying sectors with high and very high environmental risk; and (ii) at the counterparty level, a bottom-up assessment, which provided insights on the sensitivities of financial performance of a small sample of selected counterparties towards environmental risk. The assessment was expanded throughout 2023 which encompassed a refresh of the oil and gas sector, the assessment of technology, media and telecom sector, and a bottom-up assessment of five more counterparties. This analysis intends to support RBSH N.V. Group's credit risk assessments specifically, and our strategic and business model risk more broadly.</p> <p>A double materiality assessment may further help in identifying RBSH N.V. Group's exposures to environmental risk. Work on this double materiality assessment has started in Q3 2024.</p>
(m) Activities, commitments and exposures contributing to mitigate environmental risks	<p>In addition to the processes that have been setup to monitor exposures to climate/environmental risk, as described in response to question (l) in this Environmental Risk section, the following activities have been undertaken at NatWest Group and RBSH N.V. Group to manage/mitigate risks.</p> <p>NatWest Group, in 2023, undertook two climate scenarios as part of a dedicated end-to-end transition-driven exercise focused on large and mid-corporates. This is in addition to capturing transition-driven risk in its ICAAP P2B and IFRS 9 exercises, The exercise provided an up-to-date view of NatWest Group's (including RBSH N.V. Group's) corporate exposures.</p> <p>NatWest Group (including RBSH N.V. Group) uses climate risk scorecards to provide a consistent and structured approach for assessing customer specific exposure to climate-related risks. During 2023, NatWest Group completed a review and recalibration exercise to enhance the quality of the insights generated by the qualitative climate risk scorecards. This included providing refined guidance to the customer relationship managers. Through this process, NatWest Group (including RBSH N.V. Group) continues to build capability among first- and second-line risk colleagues, and a culture where consideration of climate risk is part of the credit journey.</p> <p>In 2023, RBSH N.V. Group also started the implementation of the environmental risk scorecards to support the assessment of customer-specific risk exposure across different environmental physical and transition risks. These scorecards were applied to three priority sectors: electricity generation, land transport and logistics and commercial real estate, with the aim to expand the scorecards sector coverage, as RBSH N.V. Group develops its capabilities to identify and assess environmental risks further.</p> <p>As part of its climate-related and environmental due diligence, RBSH N.V. Group aims to expand its client onboarding process with a Climate and Environment (C&E) Risk Assessment, both at the inception of a client relationship and on an ongoing basis. A pilot phase was initiated for a two-month period during 2023 for new clients onboarded to RBSH N.V. Group. The process and results were reviewed and updated in early 2024 and operationalized regularly from March 2024.</p>

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Risk Management continued	
	<p>In addition, changes to the onboarding process were made which affect customers linked to high-risk ESE sectors. Lending and underwriting customers, which fall into one of the high-risk sectors as outlined in the ESE Risk framework, need to follow a separate onboarding process and are excluded from the C&E client risk assessment process described above.</p> <p>To manage ESE risks, Risk Acceptance Criteria (RAC) were developed for nine sectors which present heightened ESE risk, and the level of ESE risk NatWest Group is prepared to accept were defined. It reflects applicable national & international laws and standards that its customers are expected to adhere to. This includes ensuring that customers have relevant policies and procedures which demonstrate a good understanding of ESE issues and have the capacity to manage these risks through good governance and controls. The ESE RAC are applicable to all legal entities within the NatWest Group including RBSH N.V. Group. The suite of sector ESE RAC is reviewed and updated regularly to ensure it reflects the evolving risk landscape. As the first step, an initial screening is completed by relationship management team via the ESE Risk Assessment questionnaire for customers/transactions falling under the Risk Assessment Criteria sectors. The nine sectors for which Risk Assessment Criteria are available are:</p> <ul style="list-style-type: none"> - Adult Entertainment - Animal Welfare - Defence - Forest, Fisheries and Agribusiness - Gambling - Mining & Metals - Oil & Gas - Power Generation - Private Security Companies <p>NatWest Group also has an ESE Risk Concerns process which seeks to ensure that ESE risk is identified and managed for customers and transactions in sectors which are not covered by RAC, or where there may be multiple issues or complexities.</p>
(n) Implementation of tools for identification, measurement and management of environmental risks	<p>Over 2023, in parallel with the roll-out of the initial suite of qualitative climate risk scorecards, NatWest Group (including RBSH N.V. Group) has further enhanced the scorecards to incorporate more quantitative inputs as part of a new set of customer credit risk related decisioning tools within CDF. The new tools sit within existing systems and aim to enhance quantification in the assessment by leveraging internal and external data points where available e.g. customer emissions data. CDF has been launched and the implementation has started in a phased, test and-learn basis from early 2024, starting initially with the largest customers in the corporate and financial institutions sectors. When fully operational, CDF is expected to provide enhanced capabilities and will support effective management of the potential risks.</p> <p>To aid the ESE risk assessment process, an online questionnaire has been created to help colleagues assess customer activities in order to determine an ESE risk rating. An ESE Risk Assessment should be undertaken at the time of on-boarding a new customer, in case of material change in existing customer's operations, and if any adverse information is received about a customer which suggest an ESG risk concern.</p>
(o) Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile	<p>For 2023, outputs from the scenario of major environmental disruption in UK and northern Europe were not the most severe and did not directly impact the internal stress testing results. Climate risk impact was also not very material to the overall stress test result under the 2023 ICAAP stress testing scenarios.</p> <p>The implementation of other risk management tools, such as CDF, is recent or still at a nascent stage. Result and outcome will have to be observed and analysed over time to derive actionable conclusions.</p>

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Risk Management continued	
<p>(p) Data availability, quality and accuracy, and efforts to improve these aspects</p>	<p>Climate metrics and data (including data required to report climate-related risks and opportunities and their potential impacts), the models, scenarios used to create them and the measurement technologies, analytical methodologies and services that support them remain in a relatively incipient stage. Accordingly, the quality and interoperability of these models, technologies and methodologies are also at relatively early stages. The financial sector is grappling with risks related to data availability, quality and access to such data on a timely and verifiable basis.</p> <p>Due to the diverse nature of RBSH N.V. Group’s clients, both in terms of activities and size, availability and quality of client specific non-financial data remains a challenge. Although a small proportion of its client base is already subject to the Non-Financial Reporting Directive (NFRD), and as such already required to disclose certain non-financial information, the quality of the data relied upon for the purposes of climate and sustainability-related reporting is often not yet of the same standard as more traditional financial reporting, is derived from management systems that are generally considerably less sophisticated than the systems and controls for financial reporting and also include manual processes. This may result in non-comparable information between organisations and between reporting periods within organisations as methodologies develop.</p> <p>Most of RBSH N.V. Group’s clients will be/become subject to the CSRD and EU Taxonomy regulation and will likely need to disclose non-financial information from financial year 2025 onwards. This will greatly improve the availability and quality of data, and therefore, effectiveness of its risk management processes as well as the quality of its own non-financial disclosures. In the meantime, it will continue integrating non-financial data requirements into its client onboarding and management processes; keep improving the measurement, analysis and assessment of relevant information to add consistency and transparency to its reporting and decision-making process; and to keep working with industry and customers to develop solutions.</p>
<p>(q) Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits</p>	<p>Climate risk appetite has been determined at NatWest Group level, on a quantitative basis and seeks to avoid financed emissions on lending exposures (both drawn and undrawn) and own operations, outside of set tolerance levels. These tolerance levels are set in line with the NatWest Group EWRMF. Towards the end of 2023, tolerance levels were refreshed to reflect updated Climate transition plan forecasts. These updates took effect in January 2024.</p> <p>Under the ESE Risk Framework, based on the activity which the customer/transaction is involved in, the relationship management team conducts the initial screening and assigns one of the ESE risk ratings. In case the initial risk rating is “Restricted”, a specialist ESE assessments team conducts enhanced due diligence on the customer relationship or transaction and confirms the ESE risk rating.</p> <p>The risk rating determines approval requirements and when the next ESE assessment is required in the customer lifecycle. Risk ratings and associated governance processes are detailed below:</p> <ul style="list-style-type: none"> – Normal - For new customers, if rating is confirmed as Normal, no further action required. Existing Normal rated customers to be evaluated every 5 years. Continuation of the relationship is automatically approved in case there is no change to Normal rating. – Restricted - For new customers with Restricted rating, enhanced due diligence is conducted by the ESE assessments team and result is sent to the accountable Executive for approval. Ratings of existing customers are reassessed every year or every two years based on specific risk concern. – Prohibited - New customer/transaction cannot be supported/processed. For existing customers/transactions that have moved to the Prohibited category, an approval to exit has to be taken from the accountable Executive.

Qualitative information on ESG risks continued

Table 1 - Qualitative information on environmental risks continued

EBA Questions	Response
Risk Management continued	
<p>(r) Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework</p>	<p>Climate risk is recognised as a principal risk as well as a factor affecting other financial and non-financial risks. Climate risk is considered relatively significant where RBSH N.V. Group's exposure to a principal risk could be taken outside of appetite due to climate related risk factors. During 2023, NatWest Group reviewed its assessment of the relative significance of climate-related risk factors to other principal risks. RBSH N.V. Group reviewed the NatWest Group assessment and adapted it to the RBSH N.V. Group activity and risk profile. This assessment used the judgement of risk subject matter experts combined with scenario analysis, portfolio level assessments and counterparty level assessments to understand the current and potential impact of physical and transition climate-related risk as a causal factor to other principal risks. Climate-related factors were identified as having a relatively significant impact on the following five principal risks:</p> <ul style="list-style-type: none"> – credit risk, – operational risk, – reputational risk, – conduct risk, and – regulatory compliance risk. <p>As a result, the respective risk management process may require further enhancements to ensure adequate response to climate related risk. Some of the enhancement work is underway. Within credit risk, the development of CDF tools, encompassing more quantitative climate risk scorecards, have been launched in 2024 and is getting implementation on a phased basis. Within reputational risk this included reviewing and updating ESE RAC, where applicable, for identified sectors with increased climate-related impacts. Within conduct risk this involves undertaking non-financial risk scenario analysis relating to greenwashing to identify climate-related risk impacts and reviewing and applying product flow controls and regulatory requirements to align products with strategic objectives, address customer needs, and substantiate any climate-related product claims. The impact of climate-related risk as a causal factor to other principal risks is planned to be reassessed and managed through the annual refresh of the EWRMF and its individual components.</p> <p>In 2023 RBSH N.V. Group undertook an assessment of the impact of environmental risk upon the non-financial risk profile. This extended the non-financial climate risk assessment undertaken in 2022 by NWM Group to include an environmental risk assessment. This exercise identified enhancements required to the respective non-financial risk management framework. RBSH N.V. Group intend to implement the identified enhancements in 2024.</p>

Table 2 - Qualitative information on social risk

EBA Questions	Response
Business strategy and processes	
<p>(a) Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning</p>	<p>RBSH N.V. Group recognizes that its own activities, the activities of its customers, and those of its suppliers, can exacerbate social risks. Therefore, RBSH N.V. Group is committed to adopting socially responsible practices across its own operations and support its customers and suppliers to act in a similar socially sustainable way.</p> <p>Customers and prospective customers associated with lending and loan underwriting activities, and belonging to certain high risk sectors, are evaluated using the ESE Risk Framework as detailed in responses to questions (b), (m) and (q) in the Environmental Risk section. Advisory services, trainings and facilitation of funding is also provided to help customers tackle social risks.</p> <p>RBSH N.V. has an ambition to create a diverse and responsible supply chain. The NatWest Group Supplier Charter acts as a guide on socially responsible practices for existing and new suppliers. It also sets out NatWest Group's progress to date and NatWest Group's ask from its suppliers in relation to ethical business conduct, real living wage, prompt payment, human rights, modern slavery, environmental sustainability, diversity, equity and inclusion. All NatWest Group's (including RBSH N.V. Group's) suppliers, direct and indirect, are asked to meet or exceed the expectations of responsible business practice and behaviour set out in this charter, and where possible, share best practices. The charter plays a key part in any tender or contract renewal process. To help understand and measure the sustainability performance of suppliers, EcoVadis, a leading provider of evidence-based assessments, is engaged to conduct an annual sustainability assessment.</p>

Qualitative information on ESG risks continued

Table 2 - Qualitative information on social risk continued

EBA Questions	Response
	<p>Business strategy and processes continued</p> <p>Across its own operations, NatWest Group (including RBSH N.V. Group) is committed to maintaining a highly engaged workforce where colleagues feel empowered and well-equipped to deliver on Group strategy. Championing Diversity, Equity & Inclusions (DE&I), being a fair wages employer, encouraging employee learning, and contributing to employee physical and mental wellbeing, are key focus areas for NatWest Group (including RBSH N.V. Group).</p> <p>In addition to the above measures, NatWest Group (including RBSH N.V. Group) continues to work with its colleagues, customers and suppliers, to promote and respect human rights. NatWest Group annually publishes a Human Rights Position Statement, and a Modern Slavery and Human Trafficking Statement, which sets out its approach to respecting human rights, and the steps that it is taking to identify and address modern slavery and human trafficking within its own operations and throughout its value chain. Copies of both these statements are available on NatWestGroup.com website.</p> <p>In December 2023, six salient human rights issues were identified which have the most potential to occur if action is not taken to prevent or address them. These are:</p> <ul style="list-style-type: none"> - data protection and privacy - labour rights issues and unjust working conditions - discrimination and lack of support for the vulnerable - contribution to climate change - land rights - conflict and security. <p>Identification of these salient human rights issues enables us to understand which actual and potential human rights impacts NatWest Group (including RBSH N.V. Group) should address with the greatest urgency and is an essential first step in human rights due diligence in line with the United Nations Guiding Principles (UNGPs). NatWest Group (including RBSH N.V. Group) will continue to review its salient human rights issues as its business, value chain and operating environment evolve.</p> <p>As its understanding of social risks and ways of mitigating them develops, RBSH N.V. Group intends to further update its strategy around social risks and opportunities.</p>
<p>(b) Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes</p>	<p>To assess social impacts of the activities of its customers, the RBSH NV. Group has integrated NatWest Group's ESE Risk Framework into its business processes and risk management. Based on the ESE risk assessment, a risk rating is determined for each customer, transaction, activity or project. The risk rating determines whether RBSH N.V. Group can support the transaction, the approval requirements for the transaction, and when the next ESE assessment is required in the customer lifecycle. Further details about the ESE risk assessment are provided in responses to questions (b), (m) and (q) in the Environmental risk section. The suite of sector ESE RAC is reviewed and updated regularly to ensure it reflects the evolving risk landscape. During 2023 NatWest Group also developed a new ESE Human Rights RAC, which applies requirements around human rights due diligence to a range of sectors with heightened risk around human rights and modern slavery, not already covered by the other ESE RACs.</p> <p>Most supplier relationships are managed centrally at NatWest Group level for all entities including RBSH N.V. Group. To help understand and measure the sustainability performance of its suppliers, NatWest Group worked with EcoVadis. Suppliers received scores on their sustainability performance and where suppliers performed below the global average, corrective improvement plans were implemented to support them in improving their performance on key sustainability topics. Further details on EcoVadis assessment is provided in response to question (b) in the Environmental risk section.</p> <p>EcoVadis also conducted the annual sustainability assessment of NatWest Group, where it scored 67%, which is higher than the global EcoVadis average of 52%. With regards to workplace practices, colleague sentiment, as per Our View survey on diversity and inclusivity conducted at NatWest Group level, remained strong at 93% in 2023, 7% over the Global High Performance Norms and 10% over Global Financial Services Norm. Balanced gender representation is another of NatWest Group's key focus areas. NatWest Group has a target to have full gender balance in its CEO-3 and above global roles by 2030.</p>

Qualitative information on ESG risks continued

Table 2 - Qualitative information on social risk continued

EBA Questions	Response
Business strategy and processes continued	
	<p>As of 31 December 2023, there were, on aggregate, 41% women in NatWest Group's CEO-3 and above global roles. This represents an increase of 1 percentage point since 2022, and an increase of 12 percentage points since targets were introduced in 2015. RBSH N.V. Group will work with the NatWest Group to translate and implement these assessments and targets to its own level.</p> <p>RBSH N.V. Group expects to explore further measures to assess and address social risks across its value chain in the future.</p>
<p>(c) Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities</p>	<p>RBSH N.V. Group engages with existing and prospective customers by:</p> <ul style="list-style-type: none"> - managing the issuance of GSS bonds and SLBs; - underwriting SLLs; - providing insights, analysis, and advice on sustainability performance, ESG ratings, ESG reporting and regulatory developments through NatWest Group's ESG Advisory Team; and - by taking on roles in relevant industry bodies and working groups, attending key industry events and publishing thought leadership pieces. <p>Regular review meetings were held with key suppliers, with a standing agenda point to discuss NatWest Group's Supplier Charter (updated 1 December 2023), which covers topics such as ethical business conduct, real living wage, modern slavery, human rights, diversity, equity, and inclusion. All NatWest Group's (including RBSH N.V. Group's) suppliers, direct and indirect, are asked to meet or exceed the requirements of responsible business practice and behaviour set out in this charter, and where possible, share best practices. Non-compliance with the bank policy is dealt with on a case-by-case basis and includes engaging with the supplier to identify potential remediation measures.</p> <p>NatWest Group (including RBSH N.V. Group) engages and works with stakeholders to promote respect for human rights. It is a member of the Thun Group and UN Global Compact and Modern Slavery Act Statement Peer Review Programme, a forum where businesses can discuss the challenges of producing a Modern Slavery Act Statement. NatWest Group's Supplier Charter sets out its aims and expectations in the area of human rights. NatWest Group expects suppliers to uphold the same values and encourage them to implement the standards with their own subcontractors. Completion of a standalone modern slavery e-learning module was made a mandatory requirement for supply chain managers, so that they can appropriately identify, report and guide suppliers on these issues.</p>
Governance	
<p>(d) Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to:</p> <ul style="list-style-type: none"> (i) Activities towards the community and society (ii) Employee relationships and labour standards (iii) Customer protection and product responsibility (iv) Human rights 	<p>The governance structure, and its roles and responsibilities around strategy and management of Social Risk at NWM N.V., as the main operating subsidiary of RBSH N.V., are the same as those for Environment Risk.</p> <p>Therefore, please refer to the response to question (e) in the Environmental Risk section for the answer to this question.</p>

Qualitative information on ESG risks continued

Table 2 - Qualitative information on social risk continued

EBA Questions	Response
Governance continued	
(e) Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	Please refer to the responses to questions (e) and (f) in the Environmental Risk section for the answer to this question.
(f) Lines of reporting and frequency of reporting relating to social risk	Please refer to the responses to questions (e) and (f) in the Environmental Risk section for the answer to this question.
(g) Alignment of the remuneration policy in line with institution's social risk-related objectives	Please refer to the response to question (i) in the Environmental Risk section for the answer to this question.
Risk management	
(h) Definitions, methodologies and international standards on which the social risk management framework is based	<p>Neither RBSH N.V., nor NatWest Group has a formal social risk framework yet. However, they do have a set of policies and procedures designed to mitigate the threats posed by Social Risks. NatWest Group's (including RBSH N.V. Group's) social risk related policies and procedures aim to be informed and guided by multiple internationally recognized frameworks/standards such as:</p> <ul style="list-style-type: none"> - UN Principles of Responsible Banking (PRB) - UN Sustainable Development Goals (SDGs) - UN Global Compact - UN Guiding Principles on Business and Human Rights (UNGPs) - International Labour Organization Fundamental Conventions - The Equator Principles
(i) Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	<p>Processes followed at NatWest Group (including RBSH N.V. Group) to measure and monitor social risks arising from the activities of:</p> <p>customers or prospective customers - ESE Risk Framework, as described in responses to questions (b), (m) and (q) in the Environment Risk section.</p> <p>suppliers – Supplier Charter and EcoVadis sustainability assessments, as described in responses to questions (b) and (d) in this Social Risk section.</p>

Qualitative information on ESG risks continued

Table 2 - Qualitative information on social risk continued

EBA Questions	Response
Risk management continued	
<p>(j) Activities, commitments and assets contributing to mitigate social risk</p>	<p>Apart from the customer, suppliers and human rights focused activities mentioned in responses to questions (a), (b), (c) and (i) of this Social Risk section, following other policies/procedures are in place at RBSH N.V. Group to mitigate social risks around its own operation:</p> <p>RBSH N.V. Group recognizes that its colleagues are the heart of its business, and supporting them to champion their potential, is fundamental to delivering long-term, sustainable performance. One of NatWest Group’s priorities remains championing Diversity, Equity & Inclusion and creating an inclusive attractive workplace that provides its people with the best opportunities to thrive at work. NatWest Group’s inclusion guidelines apply to all entities and colleagues globally, and cover being LGBT Innovative, Gender Balanced, Disability Smart, Ethnically Diverse.</p> <p>The One Bank Diversity, Equity & Inclusion Action Committee, made up of senior leaders from across NatWest Group as well as colleague representatives, has three workstreams: recruitment and attraction; learning and development; and leadership and retention. A revised and improved Recruitment YES Check was launched to ensure Diversity, Equity & Inclusion (DE&I) is front of mind at every stage of the recruitment process. Inclusive Interview Ambassadors were selected, who are trained in inclusion and identifying bias during the interviewing process. A learning module, “Choose to Challenge”, was introduced for colleagues, which educates participants on the importance of challenging non-inclusive behaviours. Colleagues were also encouraged to take other learning modules such as LGBT+ Awareness and Disability Smart, to continue to build a more inclusive workplace across NatWest Group. Via NatWest Group’s Sponsorship program ExCo members use the best practice Sponsorship guide to take responsibility for supporting and advancing individuals from under-represented groups. Employee-Led Networks (ELNs) are made up of volunteer colleagues from across NatWest Group who play a key role in delivering, raising awareness of, and influencing its DE&I strategy. Inclusion Champions, take action to create a culture where colleagues and customers feel they are treated fairly and respectfully.</p> <p>NatWest Group (including RBSH N.V. Group) continues to ensure employees are paid fairly for the work they do and are supported by simple and transparent pay structures in line with industry best practices. NatWest Group’s Fair Pay Charter sets out its commitment to pay all colleagues competitively and transparently, and the reward policy is updated to reflect the current and future needs of the business. NatWest Group provided financial support to its colleagues in response to the unprecedented rise in cost-of-living by making significant investment in annual pay. Steps were taken, in every location NatWest Group operates, to ensure colleagues are paid enough to have a decent standard of living, including food, water, housing, education, healthcare, transport, clothing and other essential needs, such as provision for unexpected events.</p> <p>Underpinned by its ambition to be a learning organisation, NatWest Group (including RBSH N.V. Group) continues to invest in its workforce to deliver long-term, sustainable performance by providing colleagues with the capabilities and skills they need to fulfil their potential. Its technology is supporting this by providing personalised recommendations for learning, based on colleagues’ skills and skills interests. NatWest Group (including RBSH N.V. Group) aims to upskill colleagues in future-focused skills by giving all colleagues a minimum of two dedicated learning days every year to build the future skills they need. Its leadership and coaching faculty support leaders and their teams. The Thrive Leadership experience gives leaders opportunities to learn and grow to lead their people better. Thrive Leadership sits alongside the Leadership Fundamentals programme, a blended learning offering for new and aspiring leaders to help them grow or refresh their core leadership skills. Mandatory leanings which consist of a set of training modules on ESG topics, were launched for all staff through Group Policy Learning (GPL) programme.</p> <p>NatWest Group recognises the importance of taking proactive action to support positive mental health and wellbeing of its colleagues. It collaborated with Just Ask A Question (JAAQ), a new mental health and wellbeing social media platform that provides information from trusted experts, academics, and people with lived experience. The Let’s Talk Health campaign for 2023 focused on cancer, cardiovascular health, and diabetes, providing information to empower and build healthy habits to positively impact long-term health and focus on preventative strategies. Additionally, NatWest Group worked with Peppy Health, launching a new digital product on menopause providing colleagues and their partners with online support and access to specialist clinicians. A broad and competitive range of family-focused leave policies are offered including maternity, adoption, partner, shared parental, parental, carers, and dependants’ leave.</p>

Qualitative information on ESG risks continued

Table 2 - Qualitative information on social risk continued

EBA Questions	Response
<p>Risk management continued</p>	<p>A new market-leading partner leave policy was also launched from January 2023. The policy supports all eligible employees with significantly more time away from work to help their partner look after their new child, whether the child has arrived through birth, adoption, or surrogacy. NatWest Group also have a financial wellbeing zone available, which includes tailored guides and support for all colleagues and their families across a range of financial wellbeing themes including budgeting, planning for the future, or accessing expert assistance.</p> <p>To ensure continuous improvement in its workplace practices, NatWest Group (including RBSH N.V. Group) actively listens to colleagues through its colleague experience feedback forums, its employee-led networks, its employee representatives, and regular industry benchmarking. To help promote colleague voices in the boardroom, a Colleague Advisory Panel (CAP) was set up at NatWest Group level. Topics discussed include remuneration, skilling, ESG, consumer duty, human rights, and NatWest Group values. Employee representative bodies, including works councils, help in maintaining good employee relations by way of regular discussion on developments across RBSH N.V. Group and the NatWest Group. RBSH N.V. Group Management regularly discusses developments and updates on the progress of its strategic plans with the European Employee Council (EEC).</p> <p>The NatWest Group conflicts of interest policy sets out how to identify, prevent or appropriately manage actual and potential conflicts of interest that may arise through the normal course of business. It applies to all employees, contractors and agency staff, and covers all franchises, functions and legal entities within the NatWest Group (including RBSH N.V. Group). Where third-party suppliers support the services being provided to customers, those suppliers are also required to meet the relevant requirements. Below is a description of where conflicts of interest policy applies:</p> <ul style="list-style-type: none"> – the interests of one part of NatWest Group conflict directly with those of another part or a customer, – the interests of NatWest Group’s employees conflict with those of its customers, – the interests of two or more of NatWest Group’s customers compete with one another. <p>The conflicts of interest policy identifies, with reference to the activities and services provided by NatWest Group, the circumstances which constitute or may give rise to conflicts that involve a risk of damage to the interests of one or more parts of NatWest Group or of its customers. It also specifies the procedures and measures that have been put in place to prevent or manage such conflicts. To ensure that the conflicts of interest policy is implemented effectively NatWest Group seeks to continually and proactively identify situations where potential conflicts may exist, and govern those situations to ensure fair and proper outcomes. Conflicts of interest fora across both the first and second lines of defence also support meeting conflicts of interest requirements. NatWest Group also employ a number of techniques to manage and mitigate conflicts, including: using physical and electronic information barriers to control the flow of information between different parts of the NatWest Group; separate supervision of employees who are involved in different business activities which provide services to customers whose interests may conflict; a remuneration policy that avoids employees being remunerated in a way that creates conflicts; maintaining and reviewing a conflicts register; and provision of internal guidance and training to relevant employees to raise their awareness of conflicts and how to deal with conflicts when they arise.</p>
<p>(k) Implementation of tools for identification and management of social risk</p>	<p>Please refer to the ESE Risk Assessments for customers and EcoVadis Sustainability Assessments mentioned in the response to question (b) of this Social Risk section.</p>
<p>(l) Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching of limits</p>	<p>Please refer to the ESE Risk Assessments for customers and EcoVadis Sustainability Assessments mentioned in the response to question (b) of this Social Risk section.</p>

Qualitative information on ESG risks continued

Table 2 - Qualitative information on social risk continued

EBA Questions	Response
Risk management continued	
(m) Description of the link (transmission channels) between social risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	Owing to the proportionately small lending book, RBSH N.V. Group's exposure to financial risks (credit, liquidity, and funding) are expected to be limited. However, RBSH N.V. Group can be exposed to market risk owing to changes in economy and business environment based on social factors. RBSH N.V. Group can also be exposed to operational and reputational risks, owing to the actions of its customers, its supplier, and its own operations. While the ESE Risk Framework and other supplier and workplace related practices help mitigate such risks, further materiality assessments, which will help in identifying transmission channels and the extent to which social risk are linked to other prudential risks, are yet to be undertaken at RBSH N.V. Group.

Table 3 - Qualitative information on governance risk

EBA Questions	Response
Governance	
(a) Institution's integration in their governance arrangements, the governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	<p>Since bulk of RBSH N.V. Group's exposures are related to trading book and therefore, short term in nature, it has limited insights about governance practices of majority of its customers. However, Climate and Environment Risk Scorecards within CDF, and C&E Risk Assessment as mentioned in responses to questions (n) and (m) respectively, in the Environmental Risk section, are used to ascertain customers' environment related sustainability performance.</p> <p>For the limited lending portfolio that RBSH N.V. Group holds, it tries to ascertain the capabilities of its customers to understand and act on ESG issues, and follows ESE governance, under the ESE process, as described in responses to questions (b), (m) and (q) in the Environmental Risk section.</p> <p>Suppliers' strengths and areas of improvement across environmental and social factors are assessed through the annual assessment to be completed by suppliers on the EcoVadis platform (as described in response to question (b) in the Environmental Risk section).</p> <p>Further, RBSH N.V. Group, in line with NatWest Group, has also implemented policies, processes and systems that ensure detection and prevention of risks from Financial Crime across RBSH N.V. Group's operations, and in dealings with its customers and suppliers. NatWest Group's Financial Crime Programme, applicable to all legal entities including RBSH N.V. Group, covers anti-money laundering and counter terrorist financing, anti-bribery and corruption, anti-tax evasion, sanctions and fraud. It is built on the following pillars:</p> <ul style="list-style-type: none"> - Policies and Procedures which are informed by applicable laws, regulations, regulatory guidance and best practices. These policies and procedures set the minimum mandatory control requirements, which must be adhered to across the NatWest Group (including RBSH N.V. Group). - Knowing the Customers and Suppliers by undertaking thorough due diligence and monitoring to ensure the information about them is up to date, accurate and complete. - A Culture of financial crime detection and prevention within NatWest Group, with expertise in specialist financial crime roles. Annual trainings, as well as awareness activities are undertaken for colleagues, customers and suppliers so that everyone understands the role that they play in tackling financial crime. All employees of the bank have a performance objective to detect and prevent financial crime. - High-quality detection and prevention Systems and Control across the NatWest Group to identify people, organisations, transactions, and behaviours that may require further investigation or other actions. - Regular Risk Assessments to continue to strengthen procedures in line with inherent risks. - Proper Governance in place to enable proper oversight for the financial crime framework through which financial crime risks can be identified and reported through continuous risk management and regular reporting.

Qualitative information on ESG risks continued

Table 3 - Qualitative information on governance risk continued

EBA Questions	Response
Governance continued	
	<ul style="list-style-type: none"> - Independent Audit is undertaken regularly to continuously assesses the effectiveness of NatWest Group's controls. - Partnership with industry bodies, law enforcement, regulators and government to share intelligence to strengthen national and international defences against financial crime. <p>For more information on NatWest Group's approach to detecting, preventing, and monitoring financial crime risk, you may refer to Page 49 of NWM N.V.'s 2023 Annual Report and to the Financial Crime Statement available at www.natwestgroup.com.</p> <p>RBSH N.V. Group recognises that the measures mentioned above are just a starting point and there is more work to do in the areas of:</p> <ul style="list-style-type: none"> - understanding the governance arrangements of counterparties with regards to ESG and non-financial reporting; - monitoring the performance of the counterparties' governance; and - integration the performance of the counterparties' governance, in its risk management arrangements.
(b) Institution's accounting of the counterparty's highest governance body's role in non-financial reporting	RBSH N.V. Group and NatWest Group collect some non-financial data, such as emissions, from its counterparties, to compile its value chain's overall impact on environment and society. While this has given us some insight on the level of reporting at each counterparty, currently there are no processes/procedures in place through which role and oversight of counterparties' governance body on non-financial reporting can be ascertained. This will require more consultation, brainstorming and formation of policies/procedures in line with industry practices.
(c) Institution's integration in governance arrangements of the governance performance of their counterparties including: (i) Ethical Considerations (ii) Strategy and risk management (iii) Inclusiveness (iv) Transparency (v) Management of conflict of interest (vi) Internal communication on critical concerns	Ethical considerations and Inclusiveness are a part of the ESE risk and EcoVadis assessments. Transparency with regards to counterparties' financial transactions fall under the scope of Financial Crime Programme. RBSH N.V. Group still has to figure out processes to monitor performance of counterparties' governance with regards to other items mentioned in the question.
Risk management	
(d) Institution's integration in risk management arrangements the governance performance of their counterparties considering: (i) Ethical considerations (ii) Strategy and risk management (iii) Inclusiveness (iv) Transparency (v) Management of conflict of interest (vi) Internal communication on critical concerns	Same as the response to question (c) in this Governance Risk section.

ESG disclosures

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity

This template reflects RBSH N.V. Banking book Loans and advances (€497 million) and debt securities (€60 million) to non-financial corporations, which amounts to 1.7% of total assets. The largest exposures originate from drawings under revolving credit facilities.

The identification of exposures to counterparties excluded from the EU-Paris-aligned benchmarks (Article 12(1), points (d) to (g) and Article 12(2) of Delegated Regulation (EU) 2020/1818) was carried out by assessing exposures towards companies in the following NACE sectors Electricity & Gas, Manufacturing, and Transport (of oil or fuels). Taking the data availability into consideration, further split out of the counterparty sector was based on the primary activity and the gross exposure of the counterparty. Specifically for the power generation companies, the reported emission intensity for scope 1, 2 and 3 were used to determine the alignment with the Paris benchmark threshold.

For the preparation of the data in the template the NatWest Group financed emissions (Scope 1, 2 & 3) counterparties data is the basis. RBSH N.V. portfolio is a subset of this and the data is derived from Group workings. Please refer below link for more information on financed emissions disclosure (Section 3 cover Risk and Scenario Analysis and Section 5 covers Emissions and associated Methodology).

https://investors.natwestgroup.com/~/_media/Files/R/RBS-IR-V2/results-center/16022024/nwg-2023-climate-related-disclosure-report.pdf.

Scope 3 emissions are now reported. Those are emissions resulting from activities that our clients do not have control over but are indirectly responsible for and are part of their value chain. Data quality and availability for those emissions is expected to improve in following submissions.

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount	Of which: Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.2 of Climate Benchmark Standards Regulation	Of which: Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: Non-performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty (in tons of CO2 equivalent))	Of which: Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
30 June 2024																	
1	Exposures towards sectors that highly contribute to climate change*	381	112	56	50	-	(2)	(1)	-	375,373	307,490	48	372	9	-	-	2
2	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	B.06 - Extraction of crude petroleum and natural gas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	B.07 - Mining of metal ores	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	B.08 - Other mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	B.09 - Mining support service activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	C - Manufacturing	127	-	12	27	-	(2)	(1)	-	28,404	12,748	36	122	6	-	-	2
10	C.10 - Manufacture of food products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	C.11 - Manufacture of beverages	6	-	-	-	-	-	-	-	1,414	508	50	4	2	-	-	1
12	C.12 - Manufacture of tobacco products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	C.13 - Manufacture of textiles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	C.14 - Manufacture of wearing apparel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount	Of which: Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which: Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: Non-performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty (in tons of CO2 equivalent))	Of which: Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
30 June 2024																	
15	C.15 - Manufacture of leather and related products	3	-	-	-	-	-	-	-	707	541	34	3	-	-	-	2
16	C.16 - Manufacture of wood and of products of wood and cork except furniture; manufacture of articles of straw and plaiting materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	C.17 - Manufacture of pulp, paper and paperboard	2	-	-	-	-	-	-	-	1,247	-	-	2	-	-	-	4
18	C.18 - Printing and service activities related to printing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	C.19 - Manufacture of coke oven products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	C.20 - Production of chemicals	17	-	-	2	-	-	-	-	7,233	2,476	45	16	1	-	-	2
21	C.21 - Manufacture of pharmaceutical preparations	18	-	-	2	-	-	-	-	766	468	15	17	1	-	-	3
22	C.22 - Manufacture of rubber products	2	-	-	-	-	-	-	-	515	-	-	2	-	-	-	4

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount	Of which: Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which: Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: Non-performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty (in tons of CO2 equivalent))	Of which: Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
30 June 2024																	
23	C.23 - Manufacture of other non-metallic mineral products	4	-	-	-	-	-	-	-	3,922	-	-	4	-	-	-	3
24	C.24 - Manufacture of basic metals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	23	-	10	17	-	-	-	-	5,125	3,412	74	23	-	-	-	4
26	C.26 - Manufacture of computer, electronic and optical products	16	-	-	3	-	-	-	-	470	5	-	16	-	-	-	3
27	C.27 - Manufacture of electrical equipment	14	-	-	3	-	-	-	-	1,629	1,085	22	12	2	-	-	2
28	C.28 - Manufacture of machinery and equipment n.e.c.	12	-	-	-	-	-	-	-	1,852	944	16	12	-	-	-	3
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	5	-	1	-	-	-	-	-	3,208	3,099	40	5	-	-	-	1
30	C.30 - Manufacture of other transport equipment	4	-	-	-	-	-	-	-	258	152	55	4	-	-	-	3
31	C.31 - Manufacture of furniture																
32	C.32 - Other manufacturing	1	-	-	-	-	-	-	-	58	57	-	1	-	-	-	2
33	C.33 - Repair and installation of machinery and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Of which: Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d)					Of which: Non- performing			Of which: Non- performing		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company- specific reporting				Average weighted maturity	
		Gross carrying amount	to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which: Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non- performing exposures	fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: Non- performing exposures	emissions of the counterparty (in tons of CO2 equivalent)	Of which: Scope 3 financed emissions	%	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Years
30 June 2024		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
34	D - Electricity, gas, steam and air conditioning supply	112	112	27	-	-	-	-	-	321,395	280,193	32	112	-	-	-	2
35	D35.1 - Electric power generation, transmission and distribution	106	106	27	-	-	-	-	-	321,396	280,193	32	112	-	-	-	3
36	D35.11 - Production of electricity	107	107	26	-	-	-	-	-	2,138	440	30	-	-	-	-	-
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	D35.3 - Steam and air conditioning supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	E - Water supply; sewerage, waste management and remediation activities	23	-	1	16	-	-	-	-	6,114	712	21	23	-	-	-	3
40	F - Construction	2	-	-	-	-	-	-	-	158	-	-	2	-	-	-	3
41	F.41 - Construction of buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	F.42 - Civil engineering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	F.43 - Specialised construction activities	2	-	-	-	-	-	-	-	158	-	-	2	-	-	-	3
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	24	-	-	2	-	-	-	-	6,781	6,076	53	24	-	-	-	2
45	H - Transportation and storage	69	-	16	5	-	-	-	-	11,856	7,268	76	67	2	-	-	2

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.														
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Gross carrying amount	Of which: Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which: Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: Non-performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty (in tons of CO2 equivalent))	Of which: Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
30 June 2024	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
46	H.49 - Land transport and transport via pipelines	9	-	-	-	-	-	-	2,194	1,204	9	9	-	-	-	3
47	H.50 - Water transport	3	-	-	-	-	-	-	1,516	147	33	1	2	-	-	4
48	H.51 - Air transport	1	-	-	-	-	-	-	516	29	100	1	-	-	-	1
49	H.52 - Warehousing and support activities for transportation	55	-	16	5	-	-	-	7,002	5,443	90	55	-	-	-	1
50	H.53 - Postal and courier activities	2	-	-	-	-	-	-	627	445	100	2	-	-	-	1
51	I - Accommodation and food service activities	2	-	-	-	-	-	-	251	228	43	2	-	-	-	3
52	L - Real estate activities	22	-	-	-	-	-	-	413	261	4	22	-	-	-	1
53	Exposures towards sectors other than those that highly contribute to climate change*	176	-	2	60	-	(3)	(1)	-	-	-	172	4	-	-	3
54	K - Financial and insurance activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Exposures to other sectors (NACE codes J, M - U)	176	-	2	60	-	(3)	(1)	-	-	-	172	4	-	-	3
56	Total	557	112	58	110	-	(5)	(2)	354,428	298,755	48	544	13	-	-	3

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Of which:					Accumulated			GHG financed		GHG emissions					Average
		Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.2 of Climate Benchmark Standards Regulation					impairment, accumulated negative changes in fair value due to credit risk and provisions			emissions (scope 1, scope 2 and scope 3 counterparty emissions of the (in tons of CO2 equivalent))		(column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					weighted
		Gross carrying amount	Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures	Of which: Stage 2 exposures	Of which: Non-performing exposures	Of which: Stage 2 exposures	Of which: Non-performing exposures	emissions of the counterparty (in tons of CO2 equivalent)	Of which: Scope 3 financed emissions	> 5 year > 10 year <= 20 years > 20 years				maturity	
31 December 2023		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
1	Exposures towards sectors that highly contribute to climate change*	464	136	105	94	-	(3)	(1)	-	105,922	-	87	453	12	-	-	3
2	A - Agriculture, forestry and fishing	1	-	-	-	-	(0)	-	-	223	-	-	1	-	-	-	5
3	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	B.06 - Extraction of crude petroleum and natural gas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	B.07 - Mining of metal ores	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	B.08 - Other mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	B.09 - Mining support service activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	C - Manufacturing	175	-	63	65	-	(2)	(1)	-	6,211	-	34	165	10	-	-	3
10	C.10 - Manufacture of food products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	C.11 - Manufacture of beverages	6	-	-	-	-	(0)	-	-	-	-	-	4	2	-	-	1
12	C.12 - Manufacture of tobacco products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	C.13 - Manufacture of textiles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	C.14 - Manufacture of wearing apparel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Of which:					Accumulated			GHG financed		GHG emissions					Average
		Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818					impairment, accumulated negative changes in fair value due to credit risk and provisions			emissions (scope 1, scope 2 and scope 3) of the counterparty (in tons of CO2 equivalent)		(column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					weighted
		Gross carrying amount	Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures		Of which: Stage 2 exposures	Of which: Non-performing exposures		Of which: financed emissions	Of which: Scope 3 emissions	<= 5 year <= 10 years <= 20 years > 20 years				maturity	
31 December 2023		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
15	C.15 - Manufacture of leather and related products	3	-	-	-	-	(1)	-	-	131	-	-	3	-	-	-	3
16	C.16 - Manufacture of wood and of products of wood and cork except furniture; manufacture of articles of straw and plaiting materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	C.17 - Manufacture of pulp, paper and paperboard	2	-	-	-	-	(0)	-	-	1,100	-	-	2	-	-	-	4
18	C.18 - Printing and service activities related to printing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	C.19 - Manufacture of coke oven products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	C.20 - Production of chemicals	20	-	1	-	-	(0)	-	-	1,434	-	-	17	3	-	-	3
21	C.21 - Manufacture of pharmaceutical preparations	19	-	-	-	-	(0)	-	-	176	-	28	17	2	-	-	3
22	C.22 - Manufacture of rubber products	2	-	-	-	-	(0)	-	-	246	-	-	2	-	-	-	4

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
		Of which: Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which: Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non- performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: Non- performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty (in tons of CO2 equivalent)	Of which: Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company- specific reporting	<= 5 year	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity Years	
31 December 2023	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years	
23	C.23 - Manufacture of other non-metallic mineral products	4	-	1	-	-	(0)	-	-	-	-	2	2	-	-	3	
24	C.24 - Manufacture of basic metals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	64	-	58	58	-	(0)	(0)	-	1,378	-	91	64	-	-	4	
26	C.26 - Manufacture of computer, electronic and optical products	18	-	-	5	-	(1)	(0)	-	671	-	-	18	-	-	3	
27	C.27 - Manufacture of electrical equipment	12	-	0	2	-	(0)	(0)	-	325	-	-	12	-	-	3	
28	C.28 - Manufacture of machinery and equipment n.e.c.	12	-	1	-	-	(0)	-	-	732	-	-	12	-	-	3	
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	5	-	3	-	-	-	-	-	-	-	-	5	-	-	1	
30	C.30 - Manufacture of other transport equipment	6	-	-	-	-	(0)	-	-	18	-	-	5	1	-	4	
31	C.31 - Manufacture of furniture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	C.32 - Other manufacturing	1	-	-	-	-	-	-	-	-	-	-	1	-	-	2	
33	C.33 - Repair and installation of machinery and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Of which:					Accumulated			GHG financed		GHG emissions					Average
		Exposures towards					impairment,			emissions		(column i): gross					weighted
		from EU-Paris-aligned					accumulated			(scope 1, scope		carrying amount					maturity
		Benchmarks in					negative			2 and scope 3		percentage of					
		accordance with Article					changes in			emissions of the		derived from					
		12(1) points (d)					fair value due			counterparty		company-					
		to (g) and Article					to credit risk			emissions		specific					
		12(2) of Regulation					and provisions			(in tons of CO2		reporting					
		(EU) 2020/1818					exposures			equivalent)		<= 5 years					
		Gross					Of which:			Of which:		<= 10 years					
		carrying					Environmentally			Non-		<= 20 years					
		amount					sustainable			performing		> 20 years					
		€m					Stage 2			exposures		€m					
		€m					exposures			exposures		%					
31 December 2023		€m					€m			€m		€m					Years
34	D - Electricity, gas, steam and air conditioning supply	136	136	38	-	-	(0)	-	-	44,393	-	100	136	-	-	-	2
35	D35.1 - Electric power generation, transmission and distribution	136	136	38	-	-	(0)	-	-	44,393	-	100	136	-	-	-	2
36	D35.11 - Production of electricity	101	101	-	-	-	(0)	-	-	474,393	-	100	101	-	-	-	3
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	D35.3 - Steam and air conditioning supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	E - Water supply; sewerage, waste management and remediation activities	23	-	1	16	-	(0)	(0)	-	46,455	-	90	23	-	-	-	3
40	F - Construction	2	-	-	-	-	(0)	-	-	-	-	-	2	-	-	-	3
41	F.41 - Construction of buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	F.42 - Civil engineering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	F.43 - Specialised construction activities	2	-	-	-	-	(0)	-	-	-	-	-	2	-	-	-	3
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	26	-	-	2	-	(0)	(0)	-	6,242	-	9	25	0	-	-	3
45	H - Transportation and storage	72	-	2	5	-	(0)	(0)	-	2,088	-	80	72	-	-	-	2

ESG disclosures continued

Template 1 – Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity continued

		RBSH N.V.															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Of which:					Accumulated			GHG financed		GHG emissions					Average
		Exposures towards companies excluded from EU-Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818					impairment, accumulated negative changes in fair value due to credit risk and provisions			emissions (scope 1, scope 2 and scope 3) of the counterparty (in tons of CO2 equivalent)		(column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					weighted
		Gross carrying amount	Environmentally sustainable (CCM)	Of which: Stage 2 exposures	Of which: Non-performing exposures		Of which: Stage 2 exposures	Of which: Non-performing exposures		Of which: Scope 3 financed emissions		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years		Years
31 December 2023		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	€m	€m	€m	€m	Years
46	H.49 - Land transport and transport via pipelines	13	-	-	-	-	(0)	-	-	-	-	80	13				4
47	H.50 - Water transport	3	-	1	-	-	(0)	-	-	548	-	-	3				2
48	H.51 - Air transport	1	-	-	-	-	-	-	-	-	-	-	1				2
49	H.52 - Warehousing and support activities for transportation	53	-	-	5	-	(0)	(0)	-	1,536	-	87	53				1
50	H.53 - Postal and courier activities	2	-	1	-	-	-	-	-	-	-	-	2				2
51	I - Accommodation and food service activities	2	-	-	-	-	(0)	-	-	15	-	-	1	1			2
52	L - Real estate activities	27	-	-	-	-	-	-	-	-	-	-	27				2
53	Exposures towards sectors other than those that highly contribute to climate change*	188	-	1	43	-	(3)	(1)	-				176	12	-	-	4
54	K - Financial and insurance activities	-	-	-	-	-	-	-	-				-				-
55	Exposures to other sectors (NACE codes J, M - U)	188	-	1	43	-	(3)	(1)	-				176	12			3
56	Total	652	136	106	138	-	(6)	(1)	-	105,922	-	629	24	-	-		3

ESG disclosures continued

Template 2 – Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral

The table below is set up to present the gross carrying amount of loans collateralised with commercial and residential immovable property and of repossessed real estate collateral and would include information on the level of energy efficiency of the underlying collateral measured in kWh/m² energy consumption and in terms of the label of the energy performance certificates (EPC) 2 - where a mapping to the EU EPC label exists.

RBSH N.V. does not have loans collateralised with immovable property for the period ended 30 June 2024 This is consistent with other external reporting, for example FinRep.

	RBSH N.V.															Without EPC label of collateral	Of which ; level of energy efficiency (EP score in kWh/m ² of collateral) estimated	
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o			p
	Total gross carrying amount	Level of energy efficiency (EP score in kWh/m ² of collateral)					Level of energy efficiency (EPC label of collateral)											
	€m	0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G	€m			€m
30 June 2024																		
1 Total EU area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2 Of which: Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3 Of which: Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
4 Of which: Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
5 Of which: Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	-	-	-	-	-	-								-	-			
6 Total non-EU area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
7 Of which: Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
8 Of which: Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
9 Of which: Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
10 Of which: Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	-	-	-	-	-	-								-	-			

ESG disclosures continued

Template 2 – Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral

	RBSH N.V.															
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount	Level of energy efficiency (EP score in kWh/m ² of collateral)					Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	Of which ; level of energy efficiency (EP score in kWh/m ² of collateral) estimated	
	€m	<= 100 €m	<= 200 €m	<= 300 €m	<= 400 €m	<= 500 €m	> 500 €m	A €m	B €m	C €m	D €m	E €m	F €m	G €m	€m	€m
31 December 2023																
1 Total EU area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Of which: Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Of which: Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Of which: Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Of which: Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Total non-EU area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which: Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Of which: Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Of which: Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Of which: Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG disclosures continued

Template 3 – Banking book –Climate change transition risk: Alignment metrics

		a	b	c	d	e	f
		NACE Sectors (a minima)	Portfolio gross carrying amount €m	Alignment metric**	Year of reference	Distance to IEA NZE2050*** %	Target (year of reference + 3 years)
30 June 2024							
1	Power		115				
		D35.11 - Production of electricity	107	kgCO2e/MWh	103.7	(25)	-
		D35.12 - Transmission of electricity	5	-	-	-	-
		C27.12 - Manufacture of electricity distribution and control apparatus	3	-	-	-	-
2	Fossil fuel combustion		-	-	-	-	-
3	Automotive		5	-	-	-	-
4	Aviation		4	-	-	-	-
5	Maritime transport		8	-	-	-	-
6	Cement, clinker and lime		2	-	-	-	-
7	Iron and steel, coke and metal ore production		3	-	-	-	-
8	Chemicals		16	-	-	-	-

		a	b	c	d	e	f
		NACE Sectors (a minima)	Portfolio gross carrying amount €m	Alignment metric**	Year of reference	Distance to IEA NZE2050*** %	Target (year of reference + 3 years)
31 December 2023							
1	Power						
2	Fossil fuel combustion						
3	Automotive						
4	Aviation						
5	Maritime transport						
6	Cement, clinker and lime						
7	Iron and steel, coke and metal ore production						
8	Chemicals						

ESG disclosures continued

Template 4 – Banking book –Climate change transition risk: Exposures to top 20 carbon-intensive firms

The table is set up to provide an aggregated view of the RBSH N.V. exposures towards the top 20 carbon-intensive companies in the world. It is complementary to the sectoral approach applied in the previous templates. It includes information on the average maturity of the exposures, providing some insight on how these exposures may be impacted by longer-term climate change transition risks. For this template the same asset classes as referred to in template 1 are applicable.

The underlying data source for identifying the top 20 most carbon-intensive firms is the publicly available list from the CDP Carbon Majors Database (<https://carbonmajors.org/Downloads>). Counterparties in the list are ranked based on average emissions spanning the last 5 years. Matching on name has been undertaken on best effort basis since companies' Unique Identifier IDs are not included in the database.

The methodology for determining exposures to the top 20 carbon-emitting companies is expected to evolve as per data availability, industry guidance and market practice changes over time. Transparency will be provided about the methodologies applied in the disclosures, but results may not be comparable year on year.

		RBSH N.V.				
		a	b	c	d	e
		Gross carrying amount (aggregate) €m	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)* %	Of which: environmentally sustainable (CCM) €m	Weighted average maturity	Number of top 20 polluting firms included
30 June 2024						
1	Counterparty	-	-	-	-	-
		RBSH N.V.				
		a	b	c	d	e
		Gross carrying amount (aggregate) €m	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)* %	Of which: environmentally sustainable (CCM) €m	Weighted average maturity	Number of top 20 polluting firms included
31 December 2023						
1	Counterparty	-	-	-	-	-

ESG disclosures continued

Template 5 – Banking book – Climate change physical risk: Exposures subject to physical risk

The table below provides information on exposures subject to climate change physical risk (chronic and acute risks) and includes a sectoral breakdown of gross exposures to non-financial corporations and by geography of location of the activity of the counterparty or of the collateral. The exposures include loans and advances, debt securities and equity instruments other than those held-for-trading or for sale. In addition, loans secured by residential and commercial property and repossessed real estate, including exposures to both financial and non-financial counterparties, have been separately disclosed. Collateralised loans to non-financial counterparties are also included in the sectoral breakdown. The template provides further details on the type of physical risk (acute, chronic or both).

Acute and Chronic climate change events are defined as the likelihood of gradual changes in weather and climate conditions. These changes can have a potential impact on economic output and productivity, can cause sudden damage to properties, disruption of supply chains, and depreciation of assets, as well as additional cost related to operational downtime

MSCI ESG Research's scenario analysis is designed to be closely aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations that institutional investors are now expected to disclose the risks and opportunities associated with climate change of the companies and assets in which they are invested. MSCI ESG Research provides physical risks for a variety of scenarios. The scenarios are aligned with those recommended by the Network for Greening the Financial System (NGFS) and the Intergovernmental Panel on Climate Change (IPCC).

For more details on Methodology, refer to <https://www.msci.com/esg-and-climate-methodologies>.

MSCI provides the scenario against two outcomes, for which we will use the former of these:

- Average outcome - A company's expected downside or upside potential.
- Aggressive outcome - A company's "worst-case" (95th percentile) downside or upside potential.

Those exposures identified as subject to both acute and chronic physical risk are required to be reported in the combined column along with reflecting in Individual column basis significant impact.

Financial Risk Categories as defined in MSCI are Risk Reduction, Negligible Risk Reduction, No Identifiable Risk, Negligible Risk, Moderate Risk, Significant Risk and Severe Risk. RBSH N.V. reports in this template risk categories of moderate and above. Where client data was not available in MSCI the information of the clients' parent has been used.

RBSH N.V. clients are significantly EU based, a small number of clients are non-EU which have been incorporated in one template considering no significant lending value.

ESG disclosures continued

Template 5 – Banking book – Climate change physical risk: Exposures subject to physical risk continued

		RBSH N.V.													
		b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Of which exposures sensitive to impact from climate change physical events													
		Gross carrying amount	Breakdown by maturity bucket				Average weighted maturity	Of which: exposures sensitive to impact from chronic climate change events	Of which: exposures sensitive to impact from acute climate change events	Of which: exposures sensitive to impact both from chronic and acute climate change events	Of which: Stage 2 exposures	Of which: non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Of which: Stage 2 exposures	Of which: non-performing exposures
			<= 5 years	<= 10 years	<= 20 years	> 20 years									
			€m	€m	€m	€m									
30 June 2024															
1	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	B - Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	C - Manufacturing	127	37	-	-	-	1	22	2	13	20	-	2	1	-
4	D - Electricity, gas, steam and air conditioning supply	112	112	-	-	-	2	2	4	106	-	-	-	-	-
5	E - Water supply; sewerage, waste management and remediation activities	23	18	-	-	-	2	-	-	18	16	-	-	-	-
6	F - Construction	2	-	-	-	-	-	-	-	-	-	-	-	-	-
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	24	5	-	-	-	2	2	-	3	-	-	-	-	-
8	H - Transportation and storage	70	5	-	-	-	1	1	-	4	-	-	-	-	-
9	L - Real estate activities	23	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Reposessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG disclosures continued

Template 5 – Banking book – Climate change physical risk: Exposures subject to physical risk continued

		RBSH N.V.													
		b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Of which exposures sensitive to impact from climate change physical events													
		Breakdown by maturity bucket					Of which:	Of which:	Of which:			Accumulated			
		Gross	> 5 year	> 10 year	Average		exposures	exposures	exposures	Of which:	Of which:	changes in fair	Of which:	non-	
		carrying	<=	<= 10	<= 20	> 20	impact from	impact from	impact both	Stage 2	non-	value due to	Stage 2	performing	
		amount	5 years	years	years	years	chronic	acute	from chronic	exposures	performing	credit risk	exposures	exposures	
		€m	€m	€m	€m	€m	climate	climate	and acute	Stage 2	exposures	and provisions	exposures	exposures	Of which:
						weighted	change	change	climate change	exposures					non-
						maturity	events	events	events	€m	€m	€m	€m	€m	performing
						Years	€m	€m	€m	€m	€m	€m	€m	€m	exposures
31 December 2023															
1	A - Agriculture, forestry and fishing	1	-			-	-	-	-	-	-	-	-	-	-
2	B - Mining and quarrying														
3	C - Manufacturing	141	88			2	74	4	10	58		0	0	-	
4	D - Electricity, gas, steam and air conditioning supply	130	105			2	1	3	101	-		0	-	-	
5	E - Water supply; sewerage, waste management and remediation activities	20	19			2	1	17	1	16		0	0	-	
6	F - Construction	2													
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	21	5			2	4		1	-		0	-	-	
8	H - Transportation and storage	67	5			2	2	1	2	-					
9	L - Real estate activities	26	6			2	-	6	-	-		0	-	-	
10	Loans collateralised by residential immovable property														
11	Loans collateralised by commercial immovable property														
12	Repossessed collaterals														
13	Other relevant sectors														

ESG disclosures continued

Common Narratives for GAR Templates

RBSH N.V. has a relative small banking book for loans and advances. The coverage of the current gross carrying amount in relation to the total assets is only xx% as per below table. The main purpose of the bank is delivering clients with products that are part of the trading book which is out of scope of the Green Asset Ratio (GAR) calculation. Template 7 will show the composition of the GAR assets, the build up of the denominator and the elements of the balance sheet that are outside of scope due to being either part of the trading book or being exposure to the central bank or sovereigns. The last category makes up 81% of the assets for June 2024. The nostro balances and the settlement balances alongside other assets are part of the denominator and account for 9% of all the assets. When calculating the GAR ratio, the GAR assets that are in scope for alignment are measured against the denominator.

The institutions are only allowed to align the exposures with public available published client data containing the aligning information for climate change mitigation and climate change adoption. At this current time the availability of non-financial GAR data as disclosed by way of Annex II of the Delegated Disclosure Act by non-financial undertakings subject to NFRD specific to our non-financial clients is limited.

Due to the limited availability around client's alignment only a small number of exposures were aligned. Of the non-financial corporates subject to NFRD (€526 million) only €58 million was aligned. Where the maximum score if all NFRD clients were aligned could be 18% now we only had a score of 0.87%. The flow GAR percentage is for the same reason low. The basis for this is the new gross loans and advances in the portfolio of the last half year of 2024.

Because there is a high variance in the settlement balance which is part of the denominator and the low current alignment of the NFRD clients the GAR ratio will over time have a non-chronological pattern.

The Green Asset Ratio for Stock and Flow have been calculated in line with section 1.2.1.1 of the EU Taxonomy Delegated Disclosure Act based on Turnover KPI alone, as prescribed for EBA ITS Pillar 3 disclosure. Key point to note: The gross carrying amount of project finance exposures was deemed to zero; all calculations treated exposures as being 'general-purpose' – i.e. the use of proceeds was unknown.

- The GAR was only calculated for non-financial exposures since for financial undertakings subject to NFRD, the earliest mandatory reporting point was for the half year ended 30 June 2024 for which data was unavailable.
- Where no sustainability / integrated reports can be found on the internet (e.g. google search), then assumption is no Annex II metrics would have been published by the company.

Template 6 - Summary of GAR KPIs

		RBSH N.V.			
		KPI			
		Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + climate change adaptation)	% coverage (over total assets)*
		%	%	%	%
30 June 2024					
010	GAR stock	0.87	-	0.87	9.00
020	GAR flow	-	-	-	0.67

		RBSH N.V.			
		KPI			
		Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + climate change adaptation)	% coverage (over total assets)*
		%	%	%	%
31 December 2023					
010	GAR stock	1.38	-	1.38	11.22
020	GAR flow	0.73	-	0.73	7.98

ESG disclosures continued

Template 7 - Mitigating actions – Assets for the calculation of GAR

RBSH N.V.																						
30 June 2024																						
	a	b				c	d	e	f	g				h	i	j	k	l	m	n	o	p
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)										
		Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)										
		Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)										
			Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling					
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
GAR - Covered assets in both numerator and denominator	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1 Loans and advances, debt securities and equity instruments not HFT-eligible for GAR calculation	2,895	109	58		12	23	-	-	-	-	-	-	-	-	109	58		12	23	-	-	
2 Financial corporations	2,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3 Credit institutions	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4 Loans and advances	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5 Debt securities, including UoP	10	-					-				-				-					-		
6 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7 Other financial corporations	2,350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8 Of which: investment firms	269	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9 Loans and advances	269	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11 Equity instruments	-	-					-				-				-					-		
12 Of which: management companies	41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13 Loans and advances	41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

ESG disclosures continued

Template 7 - Mitigating actions – Assets for the calculation of GAR continued

		RBSH N.V.																					
		30 June 2024																					
		a	b				c	d	e	f	g				h	i	j	k	l	m	n	o	p
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)										
			Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)										
			Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)										
				Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling					
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Non-financial corporations (subject to NFRD disclosure obligations)	511	109	58		12	23											109	58		12	23	
21	Loans and advances	452	90	54		12	20											90	54		12	20	
22	Debt securities, including UoP	59	19	4			3											19	4			3	
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	Of which: loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	Of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	Of which: motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	Total GAR assets	2,895	109	58		12	23											109	58		12	23	

ESG disclosures continued

Template 7 - Mitigating actions – Assets for the calculation of GAR continued

		RBSH N.V.																			
		30 June 2024																			
		a	b			c	d	e	f	g			h	i	j	k	l	m	n	o	p
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)								
			Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)								
			Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)								
				Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling		Of which: specialised lending	Of which: transitional	Of which: enabling			
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
Assets excluded from the numerator for GAR calculation (covered in the denominator)																					
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	-																			
34	Loans and advances	-																			
35	Debt securities	-																			
36	Equity instruments	-																			
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	47																			
38	Loans and advances	46																			
39	Debt securities	1																			
40	Equity instruments	-																			
41	Derivatives																				
42	On demand interbank loans	811																			
43	Cash and cash-related assets	-																			
44	Other assets (e.g. Goodwill, commodities etc.)	2,918																			
45	Total assets in the denominator (GAR)	6,671																			
Other assets excluded from both the numerator and denominator for GAR calculation																					
46	Sovereigns	490																			
47	Central banks exposure	10,080																			
48	Trading book	14,919																			
49	Total assets excluded from numerator and denominator	25,489																			
50	Total assets	32,161																			

ESG disclosures continued

Template 7 - Mitigating actions – Assets for the calculation of GAR continued

RBSH N.V.															
31 December 2023															
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
	Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)					Of which: towards taxonomy relevant sectors (taxonomy-eligible)				
	Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)					Of which: environmentally sustainable (taxonomy-aligned)				
			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling
€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m

GAR - Covered assets in both numerator and denominator

1	Loans and advances, debt securities and equity instruments not HFT-eligible for GAR calculation	3,168	105.51	72.96	-	1	49	1	0	-	-	0	106	73	-	1	49
2	Financial corporations	73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	2,528	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	288	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	288	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which: management companies	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG disclosures continued

Template 7 - Mitigating actions – Assets for the calculation of GAR continued

		RBSH N.V.																																
		31 December 2023																																
	a	b				c			d		e		f		g			h		i		j		k		l		m		n		o		p
		Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)						TOTAL (CCM + CCA)																				
		Of which: towards taxonomy relevant sectors (taxonomy-eligible)						Of which: towards taxonomy relevant sectors (taxonomy-eligible)						Of which: towards taxonomy relevant sectors (taxonomy-eligible)																				
		Of which: environmentally sustainable (taxonomy-aligned)						Of which: environmentally sustainable (taxonomy-aligned)						Of which: environmentally sustainable (taxonomy-aligned)																				
Total gross carrying amount			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling			Of which: specialised lending	Of which: transitional	Of which: enabling				
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m				
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
20	Non-financial corporations (subject to NFRD disclosure obligations)	567	106	73	-	1	49	1	0	-	-	0	106	73	-	1	49																	
21	Loans and advances	510	94	70	-	1	48	-	-	-	-	-	94	70	-	1	48																	
22	Debt securities, including UoP	57	11	3	-	0	1	1	0	-	0	12	3	-	0	1																		
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
24	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
25	Of which: loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
26	Of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
27	Of which: motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
32	Total GAR assets	3,168	106	73	-	1	49	1	0	-	-	0	106	73	-	1	49																	

ESG disclosures continued

Template 7 - Mitigating actions – Assets for the calculation of GAR continued

		RBSH N.V.																					
		31 December 2023																					
		a	b			c	d	e	f	g			h	i	j	k	l			m	n	o	p
		Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)						TOTAL (CCM + CCA)									
		Of which: towards taxonomy relevant sectors (taxonomy-eligible)						Of which: towards taxonomy relevant sectors (taxonomy-eligible)						Of which: towards taxonomy relevant sectors (taxonomy-eligible)									
		Of which: environmentally sustainable (taxonomy-aligned)						Of which: environmentally sustainable (taxonomy-aligned)						Of which: environmentally sustainable (taxonomy-aligned)									
Total gross carrying amount		Of which: specialised lending		Of which: transitional		Of which: enabling		Of which: specialised lending		Of which: transitional		Of which: enabling		Of which: specialised lending		Of which: transitional		Of which: enabling					
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Assets excluded from the numerator for GAR calculation (covered in the denominator)																							
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	-																					
34	Loans and advances	-																					
35	Debt securities	-																					
36	Equity instruments	-																					
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	79																					
38	Loans and advances	79																					
39	Debt securities	1																					
40	Equity instruments	-																					
41	Derivatives	-																					
42	On demand interbank loans	898																					
43	Cash and cash-related assets	-																					
44	Other assets (e.g. Goodwill, commodities etc.)	1,133																					
45	Total assets in the denominator (GAR)	5,279																					
Other assets excluded from both the numerator and denominator for GAR calculation																							
46	Sovereigns	338																					
47	Central banks exposure	5,979																					
48	Trading book	16,646																					
49	Total assets excluded from numerator and denominator	22,963																					
50	Total assets	28,242																					

ESG disclosures continued
 Template 8 - GAR%

RBSH N.V.																																					
30 June 2024																																					
KPIs on stock															KPIs on flows																						
Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)				Proportion of total new assets covered									
Proportion of eligible assets funding taxonomy-relevant sectors					Proportion of eligible assets funding taxonomy-relevant sectors					Proportion of eligible assets funding taxonomy-relevant sectors						Proportion of eligible assets funding taxonomy-relevant sectors				Proportion of eligible assets funding taxonomy-relevant sectors				Proportion of eligible assets funding taxonomy-relevant sectors													
Of which: environmentally sustainable					Of which: environmentally sustainable					Of which: environmentally sustainable						Of which: environmentally sustainable				Of which: environmentally sustainable				Of which: environmentally sustainable													
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af						
Of which: specialised lending		Of which: transitional		Of which: enabling	Of which: specialised lending		Of which: transitional		Of which: enabling	Of which: specialised lending		Of which: transitional		Of which: enabling	Of which: specialised lending				Of which: transitional		Of which: enabling	Of which: specialised lending				Of which: transitional		Of which: enabling	Of which: specialised lending				Of which: transitional		Of which: enabling		
%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
1	GAR	1.64	0.87	-	0.18	0.34	-	-	-	-	1.64	0.87	-	0.18	0.34	9.00	0.16	-	-	-	-	0.03	-	-	-	-	0.19	-	-	-	-	-	0.67				
2	Loans and advances, debt securities and equity instruments not HFT-eligible for GAR calculation	1.64	0.87	-	0.18	0.34	-	-	-	-	1.64	0.87	-	0.18	0.34	9.00	0.16	-	-	-	-	0.03	-	-	-	-	0.19	-	-	-	-	-	0.67				
3	Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.64					
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
5	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
6	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
7	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
8	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
9	Non-financial corporations subject to NFRD disclosure obligations	1.64	0.87	-	0.18	0.34	-	-	-	-	1.64	0.87	-	0.18	0.34	1.59	0.16	-	-	-	-	0.03	-	-	-	-	0.19	-	-	-	-	-	0.02				
10	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
11	Of which: loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
12	Of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
13	Of which: motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
14	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
15	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
16	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
17	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					

ESG disclosures continued
 Template 8 - GAR% continued

RBSH N.V.

31 December 2023

	KPIs on stock																										KPIs on flows									
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)						Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)									
	Proportion of eligible assets funding taxonomy-relevant sectors					Proportion of eligible assets funding taxonomy-relevant sectors					Proportion of eligible assets funding taxonomy-relevant sectors						Proportion of new eligible assets funding taxonomy-relevant sectors					Proportion of new eligible assets funding taxonomy-relevant sectors					Proportion of new eligible assets funding taxonomy-relevant sectors									
	Of which: environmentally sustainable					Of which: environmentally sustainable					Of which: environmentally sustainable						Of which: environmentally sustainable					Of which: environmentally sustainable					Of which: environmentally sustainable									
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af				
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%				
1 GAR	2.00	1.38	-	0.01	0.92	0.01	-	-	-	-	2.01	1.38	-	0.01	0.92	11.22	1.10	0.73	-	-	0.65	0.03	-	-	-	-	1.12	0.73	-	-	0.65	7.98				
2 Loans and advances, debt securities and equity instruments not HFT-eligible for GAR calculation	2.00	1.38	-	0.01	0.92	0.01	-	-	-	-	2.01	1.38	-	0.01	0.92	11.22	1.10	0.73	-	-	0.65	0.03	-	-	-	-	1.12	0.73	-	-	0.65	7.98				
3 Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
4 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
5 Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.42				
6 Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
7 Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
8 Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
9 Non-financial corporations subject to NFRD disclosure obligations	2.00	1.38	-	0.01	0.92	0.01	-	-	-	-	2.01	1.38	-	0.01	0.92	2.01	1.10	0.73	-	-	0.65	0.03	-	-	-	-	1.12	0.73	-	-	0.65	2.56				
10 Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
11 Of which: loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
12 Of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
13 Of which: motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
14 Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
15 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
16 Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
17 Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				

ESG disclosures continued

Template 10 - Other climate change mitigating actions that are not covered in the EU Taxonomy

This template's purpose is to provide information on other climate change mitigating actions that support counterparties in the transition and adaptation process for the objectives of climate change mitigation and adaptation. These mitigating actions include green bonds, sustainable bonds, sustainability-linked bonds, green loans and sustainability-linked loans, that are linked to aspects of climate change. The exposures reported in this table do not need to be aligned with the criteria laid out in the EU Taxonomy Regulation 2020/852 and would not be considered under the GAR.

Mitigation actions for NatWest Group are managed at group level. There are no exclusive mitigation investments to be reported for RBSH N.V. The methodology, availability and quality of data will evolve over time.

		RBSH N.V.			
		30 June 2024			
a	b	c	d	e	f
Type of financial instrument	Type of counterparty	Gross carrying amount €m	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Financial corporations				
2	Non-financial corporations				
3	Of which: loans collateralised by commercial immovable property				
4	Households				
5	Of which: loans collateralised by residential immovable property				
6	Of which: building renovations				
7	Other counterparties				
8	Financial corporations				
9	Non-financial corporations				
10	Of which: loans collateralised by commercial immovable property				
11	Households				
12	Of which: loans collateralised by residential immovable property				
13	Of which: building renovations				
14	Other counterparties				

ESG disclosures continued

Template 10 - Other climate change mitigating actions that are not covered in the EU Taxonomy continued

		RBSH N.V.			
		31 December 2023			
a	b	c	d	e	f
Type of financial instrument	Type of counterparty	Gross carrying amount €m	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Financial corporations				
2	Non-financial corporations				
3	Of which: loans collateralised by commercial immovable property				
4	Households				
5	Of which: loans collateralised by residential immovable property				
6	Of which: building renovations				
7	Other counterparties				
8	Financial corporations				
9	Non-financial corporations				
10	Of which: loans collateralised by commercial immovable property				
11	Households				
12	Of which: loans collateralised by residential immovable property				
13	Of which: building renovations				
14	Other counterparties				

Important information in relation to the ESG disclosures

Caution about the information this report is based on

This report is prepared based on reviews and analysis of (i) our data derived from management systems that are not necessarily part of the internal controls and procedures over financial reporting used for the preparation of our IFRS financial statements as adopted by the EU; and (ii) financial, statistical and other information and data published by third parties.

Caution about information that is subject to significant measurement uncertainties

The information in this report includes non-financial metrics, estimates or other information that are subject to significant measurement uncertainties, which may include the methodology, collection and verification of data, various estimates and assumptions, and/or underlying data that is obtained from third parties, some of which cannot be independently verified. The preparation of certain information in this report requires the application of a number of key judgments, assumptions and estimates, including with respect to the classification of climate and sustainable funding and financing activities. There is a risk that these judgments, assumptions or estimates may subsequently prove to be incorrect and/or may need to be restated or changed.

Caution about data quality

In general, the quality of the data relied upon for the purposes of climate and sustainability-related reporting presented in this report is often not yet of the same standard as more traditional financial reporting as the data relied upon is derived from management systems that (a) are not necessarily part of the internal controls and procedures over financial reporting used for the preparation of our IFRS financial reports, as adopted by the EU, and that may be subject to assurance procedures; and (b) are generally considerably less sophisticated than the systems and controls for financial reporting and also include manual processes. This may result in the information presented in this report being less comparable, verifiable, timely, understandable and useful for the purposes of decision-making than information in our financial reports. Further to it, financial, statistical and other information and data published by third parties and included in this report have not been independently verified by RBS Holdings N.V. (together with its subsidiaries the 'RBSH N.V. Group').

Caution about lack of commonly accepted sustainability-related reporting practices.

Climate and sustainability-related reporting is less mature compared to financial reporting. There is a lack of commonly accepted sustainability-related reporting practices for RBSH N.V. Group to follow or align to. Accordingly, climate and sustainability-related measures between organizations in our industry and between reporting periods within organizations may be non-comparable as reporting principles and standards develop.

Caution about Green Asset ratio (GAR).

The GAR may give rise to several challenges in terms of its usability and its calculation methodology which may potentially make it a less reliable or useful metric for investors or other stakeholders to assess the progress of a bank in financing the sustainability transition. Some challenges may include (but not limited to):

- The absence of available adequate GAR data, limited access to Annex II (Delegated Disclosure Act) data by non-financial undertakings subject to the Non-financial Reporting Directive (Directive (EU) 2014/95/EU, NFRD).
- Sequencing of financial and non-financial sector reporting: data gaps arising from sequencing challenges of the disclosure requirements applicable to financial institutions in advance of the information being available from their clients and counterparties.
- Absence of a principle of materiality: challenges for entities to report under Pillar 3 where a counterparty or investee company has not disclosed the relevant data point(s) because it is not assessed as material under the Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464, CSRD).
- Different entities have different business models and the current GAR formula may not enable meaningful comparison between reporting entities as different banks have different proportions of taxonomy eligible activities on their balance sheet. The ratio may be significantly impacted by factors such as the proportion of business in sectors covered by the EU Taxonomy, the services that they provide (including the proportion of retail counterparties on their balance sheet) and the proportion of their balance sheet outside the EU (which is unlikely to be eligible for the EU Taxonomy). The asymmetrical treatment of derivatives in the GAR ratio may also need refining.
- The lack of symmetry between the numerator and the denominator in the GAR may lead to a lack of comparability of its disclosures amongst reporting entities.
- The GAR only captures taxonomy-aligned activities. It therefore may not adequately capture financing of activities that contribute to the transition and fall within the European Commission's definition of transition finance, but which are not currently aligned with the EU Taxonomy.

Important information in relation to the ESG disclosures continued

Caution about forward-looking statements in this report

Certain sections in this report contain forward-looking statements, such as aims, ambitions, estimates, forecasts, plans, projections and targets and other metrics. Words or phrases such as 'ambition', 'aim', 'believe', 'budget', 'continue', 'could', 'effort', 'estimate', 'expect', 'goal', 'guidance', 'intend', 'intention', 'may', 'objective', 'plan', 'potential', 'predict', 'seek', 'should', 'target', 'will', 'would' or similar expressions that convey the prospective nature of events or outcomes generally indicate other forward-looking statements.

There are many significant uncertainties, assumptions, judgements, opinions, estimates, forecasts and statements made of future expectations underlying these forward-looking statements which could cause actual results, performance, outcomes or events to differ materially from those expressed or implied in these forward-looking such statements.

The most important of these uncertainties and factors that could cause actual results and outcomes to differ materially from those expressed or implied in forward-looking statements are summarized in the 'Risk Factors' included on pages 138 to 161 of RBS Holdings N.V.'s subsidiary, NatWest Markets N.V.'s 2023 Annual Report and Accounts (with special regard to the risk factors in relation to 'Climate and sustainability-related risks' that describe several particular uncertainties, climate and sustainability-related risks to which NatWest Markets N.V. is exposed and which may be amended from time to time).

Accordingly, undue reliance should not be placed on these statements.

Furthermore, changing national and international standards, industry and scientific practices, regulatory requirements, government policy and market expectations regarding climate change and other sustainability-related matters, which remain under continuous development, are subject to different interpretations. There can be no assurance that these standards, practices, requirements and expectations will not be interpreted differently across different regulators in different jurisdictions, or to what was RBSH N.V. Group's understanding when defining its climate and sustainability-related ambitions and targets or change in a manner that substantially increases the cost or effort for RBSH N.V. Group to contribute to achieve such ambitions and targets of NatWest Group.

No duty to update.

The forward-looking statements contained in this report only speak as of the date they were published. Except to the extent legally required, we expressly disclaim any obligation or undertaking to update or revise any forward-looking statements in this report, whether to reflect any change in our expectations regarding those forward-looking statements, any change in events, conditions or circumstances on which any such statement is based, or otherwise.

No offer of securities or investment.

The information, statements and opinions contained in this report do not constitute a public offer under any applicable legislation, an offer to sell or solicitation of any offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. This report, the information, statements and disclosure included in this report are not formally part of any offering documents and are not contractually binding.