



NatWest
Group

RBS Holdings N.V. Q1 2025 Pillar 3

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Forward-looking statements

This document may include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements with respect to RBS Holdings N.V.'s financial condition, results of operations and business, including its strategic priorities, financial, investment and capital targets, and climate and sustainability related targets, commitments and ambitions described herein. Statements that are not historical facts, including statements about RBS Holdings N.V.'s beliefs and expectations, are forward-looking statements. Words such as 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'target', 'goal', 'objective', 'may', 'outlook', 'prospects' and similar expressions or variations on these expressions are intended to identify forward-looking statements. In particular, this document may include forward-looking statements relating, but not limited to: RBS Holdings N.V.'s credit risk, its regulatory capital position and related requirements, its financial position, profitability and financial performance, its liquidity and funding risk and its market 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 and uncertainties, the exposure to third party risk, operational risk, compliance and conduct risk, cyber, data and IT risk, financial crime risk, key person risk, credit rating risk, model risk, reputational risk and 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 2024 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.

Attestation statement

I confirm that the Q1 2025 Pillar 3 Report meets the relevant requirements for Pillar 3 disclosures and has been prepared in line with internal controls agreed by the NatWest Group Board.

As set out in the Compliance report of the NatWest Group Annual Report and Accounts, the NatWest Group Board is responsible for the system of internal controls that is designed to maintain effective and efficient operations, compliant with applicable laws and regulations. The system of internal control is designed to manage risk or mitigate it to an acceptable residual level rather than eliminate it entirely. Systems of internal control can only provide reasonable and not absolute assurance against misstatement, fraud, or loss.

Cornelis Visscher

Chief Financial Officer, RBS Holdings N.V.

Presentation of information

This document presents the interim Pillar 3 disclosures for RBS Holdings N.V. (RBSH N.V.) as at 31 March 2025.

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. acts 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.

RBSH N.V. being a large, listed subsidiary of NatWest Group plc (which is a UK parent institution), is subject to the disclosure requirements set out in Article 13 and Part Eight of EU Capital Requirements Regulation.

The disclosures for RBSH N.V. are calculated in accordance with the EU Capital Requirements Regulation.

Within this document, row and column references are based on those prescribed in the EBA disclosure templates. Comparatives have not been provided for first-time disclosures.

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.

For definitions of terms, refer to the Glossary and Acronyms document available on investors.natwestgroup.com/reports-archive/2025

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

RBS Holdings N.V. - Key points

CET1 ratio

25.2%

(Q4 2024 – 19.1%)

The CET1 ratio increased by 110 basis points to 25.2%. The increase can be mainly attributed to a reduction in RWAs during the quarter.

RWAs

€6.5bn

(Q4 2024 - €8.6bn)

Total RWAs decreased by €2.3 billion to €6.5 billion, mainly reflecting a decrease in counterparty credit risk and the supervisory add-on for credit risk, partially offset by increases in operational risk Basel 3.1 recalculation and market risk RWAs.

Leverage ratio

6.8%

(Q4 2024 – 7.2%)

The leverage ratio decreased by 40 basis points to 6.8% mainly due to an immaterial increase in Tier 1 capital while leverage exposure predominantly reduced from securities financing transactions.

NSFR Spot

166%

(Q4 2024 - 142%)

The Net Stable Funding Ratio (NSFR) increased from 142% to 166%. Required stable funding decreased as a result of the maturity pattern of a renewed securities financing transaction which was not matched at the same level.

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

EU KM1: Key metrics

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.

	31 March 2025 €m	31 December 2024 €m	30 September 2024 €m	30 June 2024 €m	31 March 2024 €m
Available own funds (amounts)					
1 Common equity tier 1 (CET1) capital	1,636	1,635	1,581	1,591	1,587
2 Tier 1 capital	1,886	1,885	1,831	1,841	1,837
3 Total capital	2,028	2,037	1,981	1,993	1,988
Risk-weighted exposure amounts					
4 Total risk exposure amount (1)	6,487	8,577	8,352	8,563	8,573
4a Total risk exposure pre-floor	6,487	-	-	-	-
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common equity tier 1 ratio (%)	25.2	19.1	18.9	18.6	18.5
5b Common Equity Tier 1 considering unfloored TREA (%)	25.2	-	-	-	-
6 Tier 1 ratio (%)	29.1	22.0	21.9	21.5	21.4
6b Tier 1 ratio considering unfloored TREA (%)	29.1	-	-	-	-
7 Total capital ratio (%)	31.3	23.8	23.7	23.3	23.2
7b Total capital ratio considering unfloored TREA (%)	31.3	-	-	-	-
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.9	3.0	3.0	3.0	3.0
EU 7e of which: to be made up of CET1 capital (percentage points)	1.6	1.7	1.7	1.7	1.7
EU 7f of which: to be made up of Tier 1 capital (percentage points)	2.2	2.2	2.2	2.2	2.2
EU 7g Total SREP own funds requirements (%)	10.9	11.0	11.0	11.0	11.0
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8 Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
EU 8a Conservation buffer due to macro-prudential or systematic risk identified at the level of a Member State (%)	-	-	-	-	-
9 Institution specific countercyclical capital buffer (%) (2)	1.2	1.1	1.1	1.0	0.9
EU 9a Systemic risk buffer (%)	-	-	-	-	-
10 Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a Other Systemically Important Institution buffer (%)	-	-	-	-	-
11 Combined buffer requirement (%)	3.7	3.6	3.5	3.5	3.4
EU 11a Overall capital requirements (%)	14.6	14.6	14.5	14.5	14.3
12 CET1 available after meeting the total SREP own funds requirements (%) (3)	19.1	12.8	12.7	12.3	12.2
Leverage ratio					
13 Total exposure measure	27,799	26,016	29,600	28,515	25,602
14 Leverage ratio	6.8	7.2	6.2	6.5	7.2
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	3.0	3.0

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

EU KM1: Key metrics continued

	31 March 2025 €m	31 December 2024 €m	30 September 2024 €m	30 June 2024 €m	31 March 2024 €m
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	3.0	3.0
Liquidity coverage ratio (4)					
15 Total high-quality liquid assets (HQLA) (Weighted value-average)	9,263	8,894			
EU 16a Cash outflows - Total weighted value	5,447	5,793			
EU 16b Cash inflows - Total weighted value (4)	1,778	1,963			
16 Total net cash outflows (adjusted value)	3,669	3,830			
17 Liquidity coverage ratio (%)	253	233			
Net stable funding ratio (5)					
18 Total available stable funding	9,521	9,040	9,660	9,132	6,196
19 Total required stable funding	5,732	6,372	6,128	6,176	5,156
20 NSFR ratio (%)	166	142	158	148	120

(1) RWAs include a DNB add-on obligation of €1,408 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 was completed in December 2024.

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

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

	a		b	c
	Total risk exposure amounts (TREA)		31 December 2024	Total own funds requirements
	31 March 2025	€m		31 March 2025
	€m	€m	€m	€m
1	Credit risk (excluding counterparty credit risk) (1)	3,093	2,117	247
2	Of which: standardised approach	864	1,098	69
3	Of which: the foundation IRB (F-IRB) approach	668	-	57
4	Of which: slotting approach	10	57	4
EU 4a	Of which: equities under the simple risk-weighted approach	-	-	-
5	Of which: the advanced IRB (A-IRB) approach	144	1,008	6
6	Counterparty credit risk - CCR	1,671	1,804	134
7	Of which: standardised approach	86	687	7
8	Of which: internal model method (IMM)	1,400	1,630	112
EU 8a	Of which: exposures to a CCP	25	17	2
9	Of which: other CRR	161	181	13
10	Credit valuation adjustments risk - CVA risk (2)	438	418	35
EU 10a	Of which: standardised approach (SA)	382	-	31
EU 10b	Of which: basic approach (F-BA and R-BA)	57	-	5
EU 10c	Of which: simplified approach	-	-	-
15	Settlement risk	0	-	-
16	Securitisation exposures in the non-trading book (after the cap)	271	311	22
17	Of which: SEC-IRBA approach	-	-	-
18	Of which: SEC-ERBA (including IAA)	117	126	9
19	Of which: SEC-SA approach	152	183	12
EU 19a	Of which: 1,250%/deduction	2	2	0
20	Position, foreign exchange and commodities risk (market risk) (3)	398	683	32
21	Of which: alternative standardised approach (A-SA)	-	-	-
EU 21a	Of which: simplified standardised approach (S-SA)	-	-	-
22	Of which: alternative internal model approach (A-IMA)	-	-	-
EU 22a	Large exposures	-	-	-
23	Reclassifications between the trading and non-trading books	-	-	-
24	Operational risk	616	496	49
EU 24a	Exposures to crypto-assets	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% risk-weight)	-	-	-
26	Output floor applied (%)	50	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-
29	Other risk exposure amount (1)	-	2,032	-
30	Of which: Additional risk exposure amount due to Article 3 of Regulation (EU) No 575/2013	-	2,032	-
31	Total	6,487	8,577	519

(1) RWAs include a DNB add-on obligation of €1,408 million, aligning RBSH N.V. to the standardised approach, previously reported under 'Other risk exposure amounts'

(2) Comparative data is based on CCR2 calculations; therefore, a breakdown is not provided.

(3) Data is not required due to delayed implementation of the FRTB framework.

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

EU CMS1 – Comparison of modelled and standardised risk weighted exposure amount at risk level.

The output floor reported is equivalent to 50% of the ‘RWEAs that is the base of the output floor’ (column EU D) and amounts to EUR 3.5 billion, below the ‘total actual RWEAs (column C). This percentage aligns with the five-year phase-in period defined in CRR3, which will reach 72.5% in 2030.

	a	b	c	d	EU d
	Risk weighted exposure amounts (RWEAs)				
	RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1 Credit risk (excluding counterparty credit risk) (1)	822	864	3,093	2,759	2,635
2 Counterparty credit risk	192	1,479	1,671	2,374	2,358
3 Credit valuation adjustment		438	438	438	438
4 Securitisation exposures in the banking book	-	271	271	271	271
5 Market risk	398	-	398	504	504
6 Operational risk		616	616	616	616
7 Other risk weighted exposure amounts				-	-
8 Total	1,412	3,667	6,487	6,962	6,821

(1) RWAs include a DNB add on obligation of €1,408 million, aligning RBSH N.V. to the standardised approach.

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

EU CMS2 – Comparison of modelled and standardised risk weighted exposure amount for credit risk at asset class level

	a	b	c	d	EU d
	Risk weighted exposure amounts (RWEAs)				
	RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	-	-	-	-
EU 1a	Regional governments or local authorities	-	-	-	-
EU 1b	Public sector entities	-	-	-	-
EU 1c	Categorised as Multilateral Development Banks in SA	-	-	-	-
EU 1d	Categorised as International organisations in SA	-	-	-	-
2	Institutions	-	134	134	134
3	Equity	-	138	138	138
4	Not applicable				
5	Corporates (1)	822	1,771	2,808	2,333
5.1	Of which: F-IRB is applied	668	1,558	668	1,558
5.2	Of which: A-IRB is applied	154	213	154	213
EU 5a	Of which: Corporates - General	812	1,758	1,372	2,320
EU 5b	Of which: Corporates - Specialised lending	10	13	10	13
EU 5c	Of which: Corporates - Purchased receivables	-	-	-	-
6	Retail	-	-	-	-
6.1	Of which: Retail - Qualifying revolving	-	-	-	-
EU 6.1a	Of which: Retail - Purchased receivables	-	-	-	-
EU 6.1b	Of which: Retail - Other	-	-	-	-
6.2	Of which: Retail - Secured by residential real estate	-	-	-	-
7	Not applicable				
EU 7a	Categorised as secured by immovable properties and ADC exposures in SA	-	-	-	-
EU 7b	Collective investment undertakings (CIU)	-	-	-	-
EU 7c	Categorised as exposures in default in SA	-	-	-	-
EU 7d	Categorised as subordinated debt exposures in SA	-	-	-	-
EU 7e	Categorised as covered bonds in SA	-	-	-	-
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	-	-	-	-
8	Other non-credit obligation assets	-	30	30	30
9	Total	822	1,771	3,093	2,759

(1) RWAs include a DNB add on obligation of €1,408 million, aligning RBSH N.V. to the standardised approach.

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

EU CR8: RWA flow statement 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 and non-credit obligation assets.

	a
	RWAs
	€m
1 At 31 December 2024	1,018
2 Asset size	(162)
3 Asset quality	23
5 Methodology and policy	(52)
7 Foreign exchange movements	(5)
9 At 31 March 2025	822

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

EU CCR7: RWA flow statement of counterparty credit risk exposures under the IMM

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

	a
	RWAs
	€m
1 At 31 December 2024	1,630
2 Asset size	(107)
3 Credit quality of counterparties	5
5 Methodology and policy (IMM only)	(127)
7 Foreign exchange movements	(2)
9 At 31 March 2025	1,399

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

EU CVA4 – RWEA flow statements of credit valuation adjustment risk under the Standardised Approach

	a
	Risk weighted exposure amount
1 Risk weighted exposure amount as at the end of the previous reporting period (1)	
2 Risk weighted exposure amount as at the end of the current reporting period	382

(1) Previous reporting period is unavailable as the CRR3 framework came into effect on 1st January 2025

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

EU MR2-B: RWA flow statement 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)	Stressed value-at-risk (SVaR)	Incremental risk charge	Other (Risks not in VaR) (RNIV)	Total RWAs	Total own funds requirements
	€m	€m	€m	€m	€m	€m
1 At 31 December 2024	136	433	20	99	688	55
1a <i>Regulatory adjustment (1)</i>	<i>(112)</i>	<i>(325)</i>	-	-	<i>(438)</i>	<i>(35)</i>
1b <i>RWAs at 31 December 2024 (end of day)</i>	<i>24</i>	<i>108</i>	<i>20</i>	<i>99</i>	<i>250</i>	<i>20</i>
2 <i>Movement in risk levels</i>	<i>6</i>	<i>(56)</i>	<i>(1)</i>	<i>(10)</i>	<i>(74)</i>	<i>(6)</i>
8a <i>RWAs at 31 March 2025 (end of day)</i>	<i>17</i>	<i>51</i>	<i>19</i>	<i>89</i>	<i>177</i>	<i>14</i>
8b <i>Regulatory adjustment (1)</i>	<i>50</i>	<i>170</i>	<i>2</i>	-	<i>221</i>	<i>18</i>
8 At 31 March 2025	67	221	21	89	398	32

(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 because they had zero values 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.

Annex XIII: Liquidity

EU LIQ1: Quantitative information of LCR

		RBSH N.V.							
		Total unweighted value (average)				Total weighted value (average)			
		31 March	31 December	30 September	30 June	31 March	31 December	30 September	30 June
		2025	2024	2024	2024	2025	2024	2024	2024
Number of data points used in the calculation of averages		12	12	12	12	12	12	12	12
		€m	€m	€m	€m	€m	€m	€m	€m
High-quality liquid assets									
1	Total high-quality liquid assets (HQLA)					9,263	8,894		
Cash - outflows									
2	Retail deposits and deposits from small business customers, of which:	—	—			—	—		
3	Stable deposits	—	—			—	-		
4	Less stable deposits	—	—			—	—		
5	Unsecured wholesale funding	3,247	3,365			2,015	2,210		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	—	-			—	-		
7	Non-operational deposits (all counterparties)	3,005	3,144			1,773	1,989		
8	Unsecured debt	242	221			242	221		
9	Secured wholesale funding					344	461		
10	Additional requirements	8,115	8,117			2,057	2,069		
11	Outflows related to derivative exposures and other collateral requirements	1,151	1,187			1,104	1,138		
12	Outflows related to loss of funding on debt products		-			—	-		
13	Credit and liquidity facilities	6,964	6,930			953	931		
14	Other contractual funding obligations	12,273	12,283			1,028	1,050		
15	Other contingent funding obligations	656	661			3	3		
16	Total cash outflows					5,447	5,793		
Cash - inflows									
17	Secured lending (e.g. reverse repos)	3,072	2,826			453	599		
18	Inflows from fully performing exposures	105	112			104	110		
19	Other cash inflows	11,587	11,539			1,221	1,254		
EU-19a	(Difference between total weighted inflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					—	-		
EU-19b	(Excess inflows from a related specialised credit institution)					—	-		
20	Total cash inflows	14,764	14,477			1,778	1,963		
EU-20a	Fully exempt inflows		-			—	-		
EU-20b	Inflows subject to 90% cap		-			—	-		
EU-20c	Inflows subject to 75% cap	14,562	14,286			1,778	1,963		
Total adjusted value									
EU-21	Liquidity buffer					9,263	8,894		
22	Total net cash outflows					3,669	3,830		
23	Liquidity coverage ratio (%)					253	233		

Annex XIII: Liquidity continued

EU LIQB: Qualitative information on LCR

LCR inputs & results over time

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 12 months average LCR ratio for 31 March 2025 is 253% (31 December 2024 – 233%)

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 (€9.3 billion) is primarily held in Level 1 cash and central bank reserves (88%) and Level 1 high quality securities (10%). Level 2 securities account for (2)%.

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.