

Strategy and Innovation

Retail One Stop Shop

SMPG meeting Amsterdam

5 October 2022



Agenda

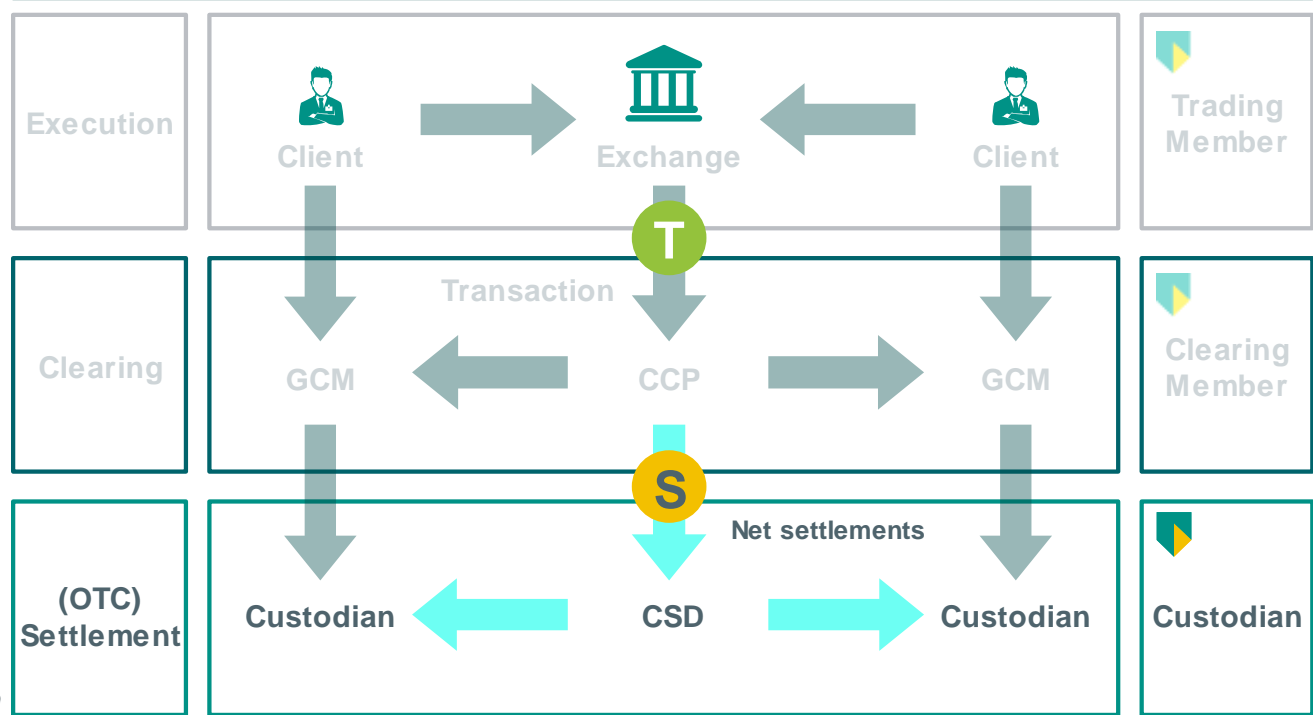
1. Introduction AACB
2. ROSS
3. Changes in retail market
4. Banking as a Service
5. Fractions
6. Questions



Retail One Stop Shop (ROSS) Service Offering

- Execution via GES incl. Best Execution
- Clearing Bridge Set-up : automation of alignment of cleared trades into custody account.
- Clearing Bridge entails a one stop shop that processes executed orders through AAC as a net settlement in a designated account.
- Net settlement in designated account including segregation
- All **OTC** transaction routed via AAC will be settled by AAC through DVP/RVP and processed as one net settlement per ISIN per **CCP** in clients account.

Value chain of ABN AMRO Clearing Bank N.V.

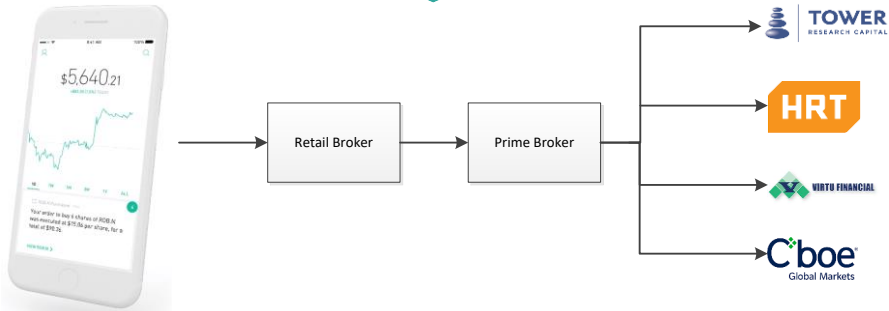
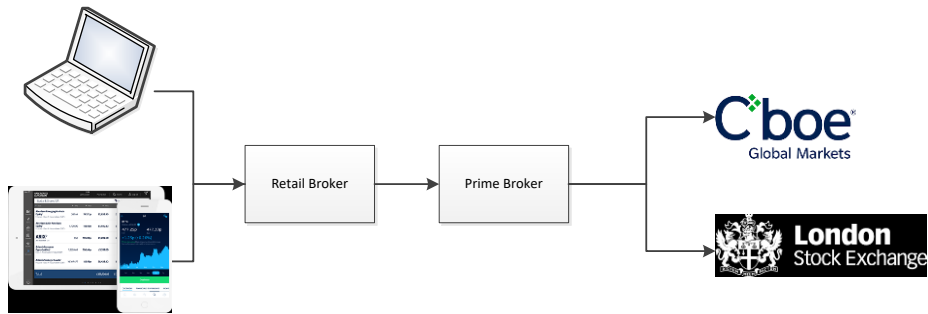


ROSS current status

Country	Status
Austria	✓
Belgium	✓
Denmark	✓
Finland	✓
France	✓
Germany	✓
Italy	✓
Netherlands	✓
Portugal	✓
Spain	✓
Sweden	✓
Switzerland	✓
UK	✓
US	✓
APAC	2023

Service	Status
Equities	✓
Derivatives	✓
Retail OSA	Q4 22
Banking as a Service	✓
Fractions	✓
SBL ReUse	TBC
Tradeweb ETF MTF	✓
Smart Order Router	✓

Changes in the retail market



Retail Broker Comparison

	Traditional Retail Broker (I.e Hargreaves Lansdown)	Online Broker (I.e De giro)	Tech Startup (I.e Bux)
Fee's	€7.50 to €12.50 Per trade	€1.50 per trade	Free or Subscription based
Demographic	30 - 100	30 - 55	18 - 35
Technology	<ul style="list-style-type: none"> • Complex Service Offering <ul style="list-style-type: none"> • Desktop & Mobile • Legacy expensive operations and systems 	<ul style="list-style-type: none"> • Easy to use user interface <ul style="list-style-type: none"> • Desktop & Mobile • Efficient operations and technology 	<ul style="list-style-type: none"> • Simple User Interface <ul style="list-style-type: none"> • Mobile only • Efficient Operation and Technology
Product & Liquidity	<ul style="list-style-type: none"> • Extensive ETF, Stock and Mutual Fund universe • Limited liquidity via Primary Exchanges and MTFs • Require full AAC one stop shop service (I.e Tax Services, Proxy voting etc) <ul style="list-style-type: none"> • Non-Pool SBL 	<ul style="list-style-type: none"> • Extensive ETF, Stock, Futures and Options • Extensive Primary Exchange and MTF access <ul style="list-style-type: none"> • DMA • Full AAC one stop shop service (I.e. Tax Services, Proxy voting etc.) <ul style="list-style-type: none"> • Non-Pool SBL 	<ul style="list-style-type: none"> • Blue Chip Stock Indexes and ETFs • Access via SOR into Sis and MTFs • Limited AAC One stop shop offering (I.e No Tax Services, limited CAs, no proxy voting) <ul style="list-style-type: none"> • SBL Re-Use

Banking as a Service (BaaS)

Payment & cash

→ accounts, transactions and balances of (retail clients)

API

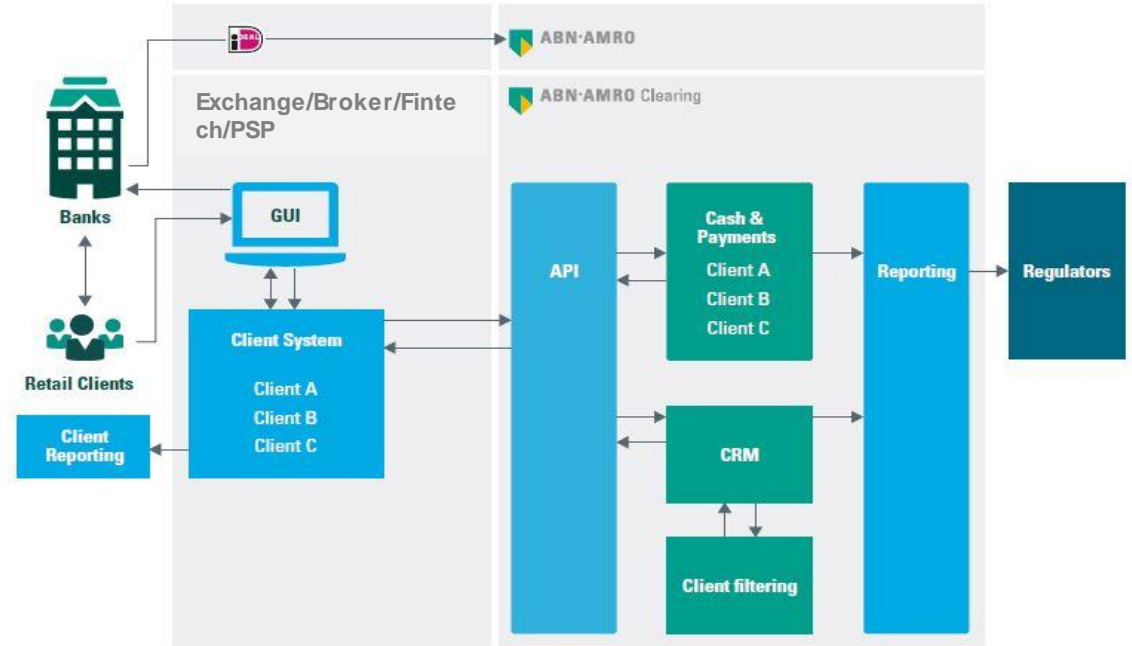
→ electronic connection between Broker and AACB

CRM system

→ Client data system

Client filtering

→ blacklist check application



Bank accounts for (retail) client of our Brokers/Exchanges/Fintech/PSP/Notaries to replace escrow accounts and Money Market Funds (MMF)

Fractional Trading trend in the US

Fractional shares are becoming a new standard in investing and fueling a stark rise of trades in the US

Fractional Trading in numbers



+ 3389%

Increase in shares traded in 2020 vs 2019



Fractionals

54% Of all trades had a fractional component in Q3 2020



92% Of all trades had a fractional component in 2020



+ 61%

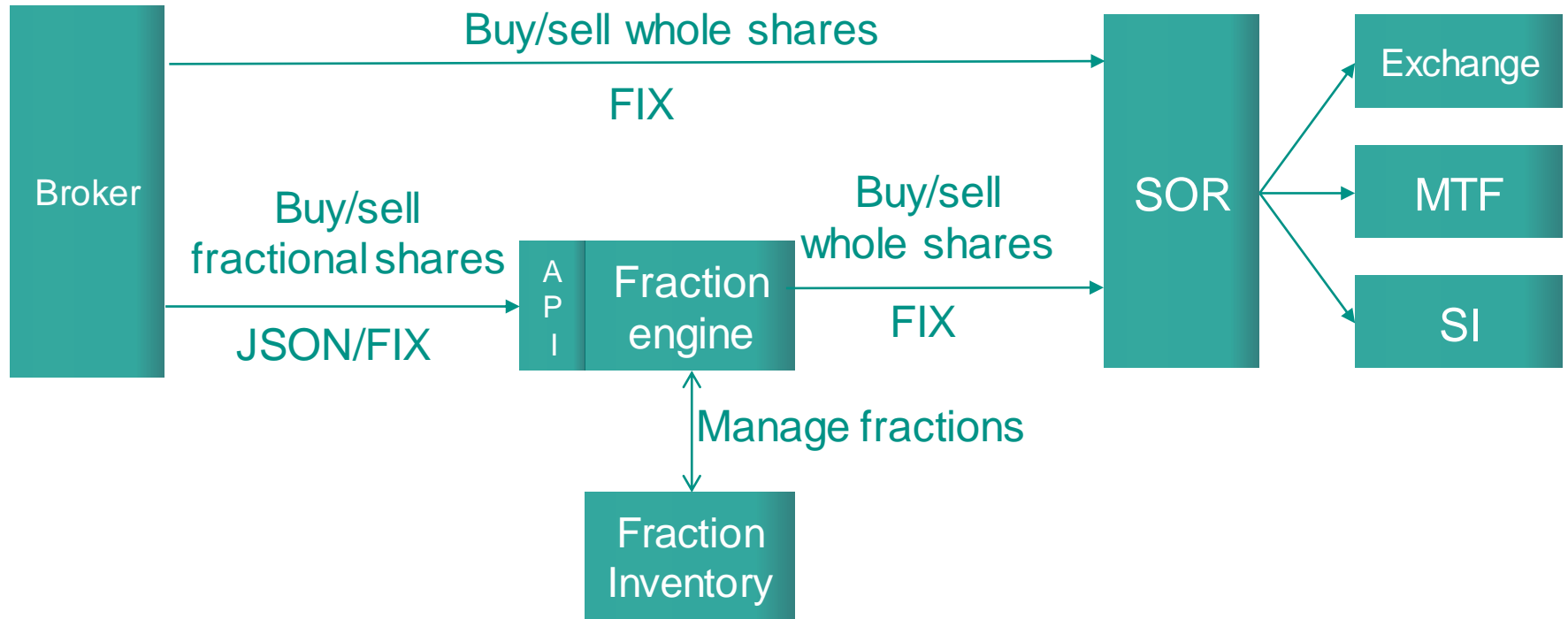
Increase in fractional shares YoY 2019-2020

Fractions Key Features

Key Features

- First bank to launch, in a sound regulatory setup, fractional services for EU and US instruments (ETF's, Stocks)
- Fractional investing possible as of 1 EUR, for fractional share quantity or order in amount
- Enable small investors to buy a small piece of an expensive share
- Ease of use, also for large amounts, people like to invest a round amount of cash instead of an odd number of shares
- People can build their own basket
- Supports monthly investment plans

Fractions



Questions

