

Remuneration Policy Executive Board

Remuneration policy for members of the Executive Board of ABN AMRO Bank N.V.

Adopted on:
Effective date:

1. INTRODUCTION

This remuneration policy (*bezoldigingsbeleid*) for the members of the Executive Board of ABN AMRO Bank is adopted by the General Meeting on [22 April 2020] upon proposal of the Supervisory Board and is effective as per 1 January 2020.

This remuneration policy has been amended to align with the Second Shareholders' Rights Directive whilst fully observing the specific financial supervisory legislation on remuneration. The amendments take into account views of internal and external stakeholders of ABN AMRO Bank. We define our stakeholders as: *any group or individual we affect through our activities or our products and services or who, in turn, affects our ability to achieve our goals as a business*. Using this definition, we've defined four main stakeholder groups: clients, employees, society and investors.

Any capitalised term in this remuneration policy shall have the meaning as set out in the **Annex**.

2. HISTORY

The previous remuneration policy applicable to the statutory directors of ABN AMRO Bank, currently the members of the Executive Board, was adopted on 7 January 2010 by the general meeting (the sole shareholder, the Dutch State (which holds its shares in ABN AMRO Bank through the NLF)) (the **2010 Remuneration Policy**).

Since 2010, several changes in financial supervision laws and regulations have caused ABN AMRO Bank to adjust the implementation of the 2010 Remuneration Policy. In view of financial supervision laws and regulations, the 2010 Remuneration Policy has been further aligned with changes in the applicable legislation in 2015 (the **2015 Remuneration Policy**).

3. REGULATORY ENVIRONMENT

ABN AMRO Bank is a financial institution with its head office in Amsterdam, the Netherlands, and with global presence. Depositary receipts for its shares are listed on Euronext Amsterdam since ABN AMRO Bank's IPO in 2015. The Dutch State holds shares in ABN AMRO Bank through the NLF. ABN AMRO Bank, as a financial institution, operates in a heavily regulated environment. And as a result, the remuneration policies of ABN AMRO Bank are heavily regulated as well.

As of 1 January 2010, the Banking Code (**Code Banken**) applies to ABN AMRO Bank. Furthermore, as of 2011, the restrictions of the amended third European Capital Requirements Directive (**CRD III**) and the Remuneration Policy Regulation issued by the DNB by way of implementation of CRD III (*Regeling beheerst beloningsbeleid Wft 2011*) have become effective, which had to be complied with in conjunction with the Guidelines on Remuneration Policies and Practices as formally adopted on 10 December 2010 by the Committee of European Banking Supervisors (**CEBS Guidelines**).

As per 20 June 2012 the Act on Bonus Prohibition for state-supported financial enterprises (*Wet aansprakelijkheidsbeperking DNB en AFM en het bonusverbod staatsgesteunde ondernemingen*, the **Bonus Prohibition Act**) entered into force. Pursuant to the Bonus Prohibition Act, ABN AMRO

Bank may not (i) award or pay any form of variable remuneration to the members of the Executive Board or (ii) increase the fixed remuneration of the members of the Executive Board (except for increases in accordance with adjustments pursuant to collective salary adjustments) as long as ABN AMRO Bank receives state support within the meaning of the Bonus Prohibition Act.

In 2014, the amended fourth European Capital Requirements Directive (also designated as **CRD IV**) was implemented by the Dutch Central Bank in the Remuneration Policy Decree (*Besluit beheerst beloningsbeleid Wft*) and effectively as of 1 August 2014 in the Remuneration Policy Regulation (*Regeling beheerst beloningsbeleid Wft 2014*) and currently effective in the Regulation for Sound Remuneration Policies 2017 of DNB (*Regeling beheerst beloningsbeleid Wft 2017*). These regulations have to be complied with, in conjunction with the European Banking Authority's Guidelines on Sound Remuneration Policies (**EBA Guidelines**) These guidelines are considered by DNB in the exercise of its supervision of compliance with the financial remuneration restrictions.

By way of further implementation of CRD IV, the Dutch Act on Remuneration Policies for Financial Enterprises (*Wet beloningsbeleid financiële ondernemingen, Wbfo*) was introduced in 2015, and introduced, among other things, a maximum variable remuneration of 20% of the fixed remuneration. Furthermore, the Bonus Prohibition Act has also been incorporated in amended form as part of the Wbfo. This amendment resulted in, among other things, a substantial amendment of the scope of the definition of "state support" within the meaning of the Bonus Prohibition Act, in such a way that "state support" will exist until the Dutch State no longer holds any shares in ABN AMRO Bank.

Furthermore, the remuneration policies of ABN AMRO Bank are regulated by the Dutch Corporate Governance Code (**Corporate Governance Code**), the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht, the Wft*) and the Dutch Civil Code (**DCC**) and by all other codes, guidelines, and regulatory and technical standards of EBA, best practice provisions and legislation on restrictions for remuneration, as applicable from time to time to ABN AMRO Bank.

ABN AMRO Bank is committed to execute the remuneration policy in compliance with all applicable statutory and regulatory requirements.

4. KEY REMUNERATION PRINCIPLES

ABN AMRO Bank's remuneration principles:

- Compliant: ABN AMRO Bank adheres to all applicable rules and regulations on remuneration. The remuneration policy is compliant with prevailing national and international legislation and regulations. If law or regulations now or in the future, impose certain (new) rules and/or obligations, these rules and/or obligations are deemed to be part of this remuneration policy for the Executive Board as long as these rules and/or obligations apply to ABN AMRO Bank, without the need of a decision of the general meeting of ABN AMRO Bank. While executing the remuneration policy, the Supervisory Board has the authority to take into account the boundaries and possibilities of these rules and/or obligations.
- Clear, transparent and comprehensive: the design, governance, methodology and remuneration principles are clear and transparent; having clear targets and clear assessments of performance on those targets. The remuneration policy provides for a full framework for constructively and effectively managing reward and performance of the Executive Board.
- Moderate risk profile: as a matter of principle, the total target remuneration structure of the Executive Board members - typically consisting of a fixed and variable part - is below the median in the relevant benchmarking population. Performance criteria should not provide any incentives for excessive risk taking.
- Attract and motivate the best people: attract and motivate the best people, regardless of gender, ethnicity, age, disability or any other factor unrelated to performance or experience, both now and in the future. This is demonstrated by investments in development, engagement, stimulating intrinsic motivation, developing new skills and improving internal processes.
- Sound:
 - alignment with corporate culture, ethics and strategy, identity, purpose, objectives, values, sustainability and long-term interests of ABN AMRO Bank and its stakeholders;
 - alignment with ABN AMRO Bank's risk appetite, risk management strategy and risk profile. The remuneration policy contributes to robust and effective risk management, and does not encourage the taking of more risks than is acceptable to the business;
 - the remuneration policy does not restrict the scope to maintain and strengthen ABN AMRO Bank's capital base as well as its robust regulatory capital, solvency margin and/or own funds;
 - variable remuneration is not paid out if this would lead to a situation where the capital base, regulatory capital or solvency margin is no longer sound;
 - remuneration, including the use of penalty and claw-back arrangements, is in line with the remuneration policy and in conformity with the letter of the European Central Bank to financial institutions concerning the capital requirements for a prudent dividend and remuneration policy.

- Safeguarding integrity, strategy, long-term interests and sustainable growth:
 - the remuneration policy encourages Executive Board members to act in accordance with ABN AMRO Bank's long-term interests;
 - the KPI's encourage Executive Board members to take into account the rights and interests of stakeholders, seek to prevent conflicts of interest and encourage sound entrepreneurship and the fair treatment of customers;
 - performances delivered by Executive Board members are measured on financial and non-financial indicators;
 - the remuneration policy and remuneration practices do not contain incentives that might prompt individuals to put their own interests before that of the company;
 - the remuneration policy does not encourage Executive Board members to take excessive risks;
 - ABN AMRO Bank does not apply constructions or methods that facilitate the evasion of the remuneration policy or the relevant legislation and regulations;
 - to emphasize our long-term and sustainable ambitions, we focus on ambition, expertise, development and wellbeing and have a performance management approach which is forward looking.
- Constructive engagement: the remuneration policy is established with due observance of the feedback received of internal and external stakeholders following constructive engagements.

How our remuneration policy takes into account our identity, purpose and values

The remuneration policy takes account of our identity, purpose and values. ABN AMRO Bank, as well as other banks, holds an important position within society. Banks play a key role in helping society and improve trust within the financial sector. ABN AMRO Bank's purpose is fostering the interests of all of its stakeholders and safeguard continuity. Lead by example. Taking a responsible approach towards our carbon footprint and behaving with ethics and integrity. Paying sincere attention to development and performance.

Choices that we make, have the capacity to change the world around us for the better: our society, our clients and our own people.

How our remuneration policy contributes to our strategy, long term values and sustainability

The remuneration policy aims to contribute to the strategy, long-term values and sustainability of ABN AMRO Bank and its business. ABN AMRO has embedded its long-term corporate strategy and interests as well as its sustainability policies into its remuneration policy, principles and performance management framework.

Our strategy and long-term values have a strong focus on sustainability and the interests of our stakeholders. Key issues for us are the circular economy and creating a culture of innovation and teamwork. ABN AMRO aims to draw on a solid foundation of economic and financial expertise to help build a better bank and future.

The Remuneration Committee oversees the ABN AMRO group's reward policies and their application to its businesses to ensure that remuneration is aligned to our performance, strategy, long-term values and sustainability. In case of changes to the strategy, long-term values and sustainability the Remuneration Committee shall assess whether the remuneration policy and performance targets of the members of (amongst others) the Executive Board require amendment.

How our remuneration policy takes into account the pay ratio and employment conditions of the company's employees

Employment conditions and pay of the ABN AMRO Bank's employees are being taken into account when formulating the remuneration policy, for instance regarding our principles and our performance framework. As part of the aim to maintain a responsible remuneration policy throughout the bank-wide group, ABN AMRO Bank closely monitors the pay ratio expressed as the gross annual income and pension costs of our CEO and the average gross annual income and pension costs of all ABN AMRO Bank employees. The pay ratio regarding the average gross annual income and pension costs of all ABN AMRO Bank employees and our CEO is disclosed annually in the ABN AMRO Bank remuneration report. The principles of the remuneration policy for the Executive Board are based on the remuneration principles in our Global Reward Policy that apply to all employees within ABN AMRO as a whole. Our Global Reward Policy is designed to support the bank's business strategy, objectives, values and long-term interests.

How our remuneration policy takes into account the public opinion and the public function of ABN AMRO Bank

ABN AMRO Bank is a significant bank and as such holds a public function within society. The articles of association of ABN AMRO Bank provide that the purpose of ABN AMRO Bank is (amongst more) to foster the direct and indirect interests of all involved in ABN AMRO Bank, in whatever way, and to safeguard the continuity of ABN AMRO Bank and of the enterprise(s) associated therewith. ABN AMRO Bank's interests include the legitimate interests of the customers, the savers and deposit holders, the shareholders, the holders of depositary receipts for shares issued with ABN AMRO Bank's cooperation, the employees, and the society in which ABN AMRO Bank carries out its activities. These interests are, among other things, represented by pursuing a controlled remuneration policy and by taking account of the views of stakeholders on remuneration in relation to ABN AMRO Bank's public function.

This remuneration policy is established with due observance of the feedback received of internal and external stakeholders, amongst others, our Employees Council, a representative number of customers, a representative number of share- and depositary receipt holders, the NLF1, Eumedion, VEB and proxy advisor ISS following constructive engagements, which is how ABN AMRO Bank takes into account public opinion and the views of other stakeholders. Stakeholders were involved in consultation meetings that enabled the chair of the Remuneration Committee to obtain feedback and explore ways of implementing our new remuneration policy to address areas of concern. This is in line with our continued commitment to good governance.

Peer group

ABN AMRO Bank assessed the remuneration of the Executive Board against a peer group consisting of financial and non-financial companies both in the Netherlands and Europe. The peer group

consists of companies comparable either in market, size or profile to ABN AMRO Bank. In addition, remuneration is benchmarked against a cross-industry market analysis performed against companies listed on the Dutch AEX.

A benchmark has been performed in the process of preparing this remuneration policy for the purposes of analysing ABN AMRO Bank's position in current market practices. It is noted that at present, such a benchmark is not a leading factor in the process of fixing the income of the members of the Executive Board since the fixed salary cannot be increased due to the Bonus Prohibition Act.

Scenario analyses carried out in advance

Scenario analyses' are the analyses, conducted by the Supervisory Board when formulating the remuneration policy and before determining the remuneration of individual Executive Board members, of the possible results of the variable remuneration components and the way in which this affects the remuneration of the Executive Board members. The Supervisory Board will establish whether the scenario analyses result in appropriate levels of remuneration, and whether measures are required to limit the remuneration.

As a matter of principle, the total target remuneration of the Executive Board members is below the median in the relevant benchmarking population. With the choice for continuation of the previous remuneration policy with only some refinements to safeguard alignment with the new Shareholders Rights Directive, the Supervisory Board is of the opinion that further scenario analyses are less relevant considering the remuneration restrictions that apply to ABN AMRO Bank.

5. PERFORMANCE CRITERIA

As has always been the principle in the 2010 Remuneration Policy and 2015 Remuneration Policy, the remuneration package for members of the Executive Board provides for a variable remuneration component. However, the Bonus Prohibition Act prohibits ABN AMRO Bank to award any form of variable remuneration or adjust the fixed remuneration of the members of its Executive Board. As a result, the achievement of any financial and non-financial key performance indicators (KPI) cannot lead to an award of variable remuneration for the Executive Board member's performance during the period in which the Bonus Prohibition Act applies to ABN AMRO Bank.

Despite the fact that the Executive Board members can currently not receive variable remuneration, the Supervisory Board annually assesses the performance of the members of the Executive Board, based on the principles as set out in this remuneration policy.

The general principle of the 2015 Remuneration Policy aimed at a total target remuneration package for the Executive Board members below the median of the relevant markets. This principle of a sustainable remuneration remains pursued by ABN AMRO Bank.

Performance measures

The annual KPI and remuneration framework is set by the Executive Board and approved by the Supervisory Board. The performance of the Executive Board members against the KPI's is continuously monitored by the Supervisory Board. The Supervisory Board assesses, in good consultation with all relevant departments within ABN AMRO Bank, the Executive Board members' performance against the KPI's based on a set of financial and non-financial performance indicators as well as individual leadership.

Remuneration for the Executive Board is structured with variable short- and long-term components connected to the realization of financial and non-financial performance criteria. These performance criteria should reflect and contribute to key elements of the strategy for ABN AMRO Bank and long term value creation. Annually targets are set for all KPIs.

The performance criteria for the Executive Board members are based on financial- and non-financial measures at three different levels as follows:

Organisation

Financial KPIs:

Return On Equity (ROE), CET1 Ratio and Cost/Income Ratio

Total weight between 10% and 30%

Non-financial KPIs:

Sustainability, Employee Engagement Survey (EES) and House in Order

Total weight between 20% and 35%

Business Line

Financial KPIs:

Strategy Value Creation, Cost Ceiling, Cost/Income Ratio and Risk-Adjusted Return on Equity (RAROE)

Total weight between 0 and 10%

Non-financial KPIs:

House in Order, Employee Engagement Survey (EES), Net Promoter Score (NPS)

Total weight between 0 and 35%

Individual

Financial KPIs:

N/A

Non-financial KPIs:

House in Order – individual assessment, Permanent Education (PE), Behaviour and Diversity

Total weight 35%

Our non-financial KPIs Sustainability and House in Order are specifically focussed on the long term and strategy of ABN AMRO Bank. The KPI Sustainability, its targets and measures are linked to the Dow Jones Sustainability Index (**DJSI**). The DJSI is globally the most renowned and used benchmark for sustainability. A top 10% position in the banking industry leads to inclusion in the world and European index for sustainable banks and proofs to be positively recognised as a sustainable indicator for the bank. The benchmarking process leads to a relative score. The KPI House in Order means actively conveying the desired compliance and risk culture, effective risk management and solution management. The KPI EES, its targets and measures are linked to the results obtained in the respective annual employee engagement survey and focussed on both the short and long term achievements.

All our financial KPIs are focussed on long term profitable growth, a healthy balance of capital and the need to control our costs in order to stay sustainable.

6. COMPOSITION OF REMUNERATION

The remuneration of Executive Board members consists of 3 components:

- A. Fixed fee
- B. Variable fee
- C. Pensions and other benefits

Components of remuneration package of a Executive Board member	
Fixed fee Executive Board members	As a general principle, the total fixed remuneration is below the median of the relevant markets while using a peer group of companies. The differential between the fixed fee of the CEO and the other Executive Board members is 15% in 2020. Indexation of the fixed fee takes place according to the Dutch general banks collective labour agreement (<i>CAO Banken</i>). Salary adjustments will always take effect on 1 January each year.
In case the company grants variable fee	Variable fee is granted depending on the achievements on the objectives achieved. Any variable fee will be fully in compliance with applicable law and regulations. The total target remuneration package falls below the median of the relevant benchmark group. As long as ABN AMRO Bank receives support from the Dutch State through its shareholding in ABN AMRO Bank, no variable remuneration can be awarded to the members of the Executive Board, in accordance with the Bonus Prohibition Act.
In case the company grants share-based remuneration	Outstanding tenure for any unvested or unexercised rights: N/A Lock-up period: N/A Explanation how share based remuneration contributes to the company strategy, long-term interests and sustainability is referred to in this policy under 6.B.
Pension	The members of the Executive Board participate in the same pension schemes that apply to all ABN AMRO employees in the Netherlands. These are a Collective Defined Contribution pension scheme, and for the pensionable income (<i>pensioengevend inkomen</i>) in excess of the statutory gross maximum pensionable income (for 2020: EUR 110,111) a Defined Contribution net pension scheme. In accordance with the remuneration policy, future changes to the pension scheme will always be applied in full to employees including the members of the Executive Board.
Other benefits	<ul style="list-style-type: none"> ▪ Access to a company car and a chauffeur

	<ul style="list-style-type: none"> ▪ Compensation for housing and additional travel costs (if a member of the Executive Board has primary residence outside the Netherlands) ▪ Tax advice (if a member of the Executive Board is subject to income taxation outside the Netherlands) ▪ Actual business related expenses can be submitted for reimbursement on a declaration basis. This rule applies to all employees and also to the members of the Executive Board
Severance payment	Executive Board members vacating their position at the initiative of ABN AMRO Bank shall in principle be eligible for a severance payment up to a maximum of one gross annual fixed salary in accordance with article 1:125 Wft. All current Executive Board members are entitled to a severance payment that is equal to three months gross fixed salary in the event that ABN AMRO takes the initiative to terminate the employment agreement for reasons that cannot be attributed to the member of the Executive Board.
Retention and welcome packages	In principle, ABN AMRO Bank does not award retention bonuses or welcome packages. If the Supervisory Board deems payment of a retention bonus or welcome package necessary to secure recruitment of new Executive Board members, the Supervisory Board may decide to award retention or welcome payments, subject to the applicable rules and regulations and maximum variable remuneration in accordance with paragraph 6.B of this remuneration policy.

A. Fixed fee

The fixed fee levels for Executive Board members were lastly adjusted in 2017 following the changes in the top structure of ABN AMRO Bank. The changes were not based on benchmark data but on the principle of a further moderation of ABN AMRO Bank's top structure and remuneration. The general meeting adopted the levels slightly below the levels of the former management board. The differential between the base salary of the chairman and that of the members of the Executive Board which used to be 25%, was decreased to 15%. The thus adjusted lower fixed fee levels form the basis for the salaries of the Executive Board members that currently apply.

Collective indexation of the base salaries of the Executive Board members shall occur in alignment with the General Collective Employment Agreement for Dutch Banks (CAO Banken). For all other collective salary adjustments the ABN AMRO CLA is leading. Adjustments to the annual fixed fee shall be applicable from 1 January of a calendar year.

As of 1 January 2020, the gross annual base salary of the members of the Executive Board has been set at EUR 759,978 for the CEO and EUR 645,163 for the other Executive Board members. These amounts include the annual vacation allowance (*vakantiegeld*).

B. Variable fee

As has always been the principle in the 2010 Remuneration Policy and the 2015 Remuneration Policy, the remuneration package for members of the Executive Board provides for a variable remuneration component. The Variable Compensation Plan (VCP) that applies to all Identified Staff within the ABN AMRO group, also applies to the determination and pay-out of the variable remuneration of Executive Board members. The VCP is aligned with all applicable legislation (such as the maximum variable remuneration, which has currently been set at 20% of the gross annual base salary) and regulations regarding the use of financial and non-financial performance criteria, upfront and deferred variable remuneration, variable remuneration paid in instruments and paid in

cash, ex-ante and ex-post risk assessments and vesting and retention periods.

Before any variable remuneration is granted, ABN AMRO applies an ex-ante risk assessment consisting of collective quantitative risk adjustment mechanisms (such as the solvency check) and a qualitative individual check (the gatekeeper). The gatekeeper procedure forms part of the performance management framework and provides for an assessment of each individual Executive Board member by the relevant control functions.

If any variable remuneration is awarded, it is awarded over time and split between an up-front portion (60%) and a deferred portion (40%). As a consequence of the remuneration legislation applicable to ABN AMRO – which legislation aims to align the remuneration of the Executive Board members with the long term interest of the company – the up-front portion and the deferred portion are divided equally between a cash and a non-cash instrument. Non-cash awards consist of an award in the form of Depository Receipts (DR's), which is a conditional right to receive DR's. One DR represents one share in ABN AMRO Bank. The value therefore fluctuates in line with the market price of the DR's and its use will result in an increased alignment between remuneration and long term interests of ABN AMRO and its stakeholders. Up-front variable remuneration is awarded in the first quarter of the year following the relevant performance year. Deferred variable remuneration vests in equal instalments over the deferral period that applies to the deferred payments pursuant to remuneration regulations and/or applicable mandatory law as applicable from time to time. This remuneration will vest only after an explicit ex-post risk assessment: the 'malus assessment' (ex-post risk adjustment).

The malus assessment is conducted by the relevant control functions and any outcome is subject to approval by the Supervisory Board, based on the advice of the Remuneration Committee. This assessment includes determining whether any new information is available that prevents the vesting of deferred remuneration.

Next to the deferral period, a retention period applies to the non-cash instruments, which retention period is in line with the remuneration regulations and/or applicable mandatory law as applicable from time to time. Any unconditional instrument will therefore need to be retained for at least a further two years after deferral.

As a consequence of the remuneration restrictions applicable to ABN AMRO, all portions of variable remuneration are divided equally between a cash and a non-cash instrument. The variable remuneration awarded to the Executive Board member will be reclaimed if:

1. the awarding, calculation or payment of the variable remuneration has been based on incorrect data or if the performance criteria were not achieved in hindsight; and/or
2. the Executive Board member has failed to act in accordance with appropriate standards of fitness and propriety; and/or
3. the Executive Board member has participated in or was responsible for conduct which resulted in significant losses for ABN AMRO and/or a significant failure of risk management of ABN AMRO and/or a significant downturn in financial performance of ABN AMRO and/or significant increases in ABN AMRO's economic or regulatory capital base.

However, it is noted that as long as ABN AMRO Bank receives support from the Dutch State through its shareholding in ABN AMRO Bank, no variable remuneration can be awarded to the members of the Executive Board, in accordance with the Bonus Prohibition Act.

C. Pension and other benefits

Pension

Members of the Executive Board participate in the pension schemes applicable to all ABN AMRO Bank employees in the Netherlands, unless the Executive Board member is not a Dutch tax resident.

For the gross maximum pensionable salary as referred to in the Dutch Wage Tax Act minus the defined reduction (*franchise*) a collective defined contribution applies of 37% of which 5.5% is for account of the employees. These percentages have been set for 2020 up to 2024 and for any future years will be agreed between CLA partners. The statutory gross maximum pensionable salary as well as the defined reduction amount will be revised at the beginning of each calendar year. For 2020 the maximum pensionable salary is set at EUR 110,111 and the defined reduction at EUR 14,167. The target annual pension accrual rate (*pensioenopbouwpercentage*) is 1.875%, but can be lowered by the pension fund if the annual contribution is not sufficient for the target accrual.

For pensionable salary in excess of the gross maximum pensionable salary a net pension scheme applies. This plan provides for a taxable contribution on behalf of the employer. The gross allowance percentages have been set at 34% for 2020 and at 30% for the years 2021 up to 2024 and for any future years will be agreed between CLA partners. Any future change to the ABN AMRO Bank pension schemes shall equally apply to the members of the Executive Board.

Other benefits

Members of the Executive Board are eligible for benefits, including access to a company car and a chauffeur, compensation for housing and additional travel costs (if a member of the Executive Board has primary residence outside the Netherlands) and tax advice (if a member of the Executive Board is subject to income taxation outside the Netherlands).

Reimbursement for expenses

ABN AMRO Bank applies a policy for reimbursement of expenses which applies to all ABN AMRO employees and to the members of the Executive Board. Actual business related expenses can be submitted for reimbursement.

Severance payments

The management agreement between ABN AMRO Bank and the members of the Executive Board can be terminated by either party, taking into account a six month notice period for ABN AMRO Bank and a three month notice period for the Executive Board member. Executive Board members vacating their position at the initiative of ABN AMRO Bank for reasons that cannot be attributed to the Executive Board member shall be eligible for a maximum severance payment of one gross annual fixed salary in accordance with article 1:125 Wft. All current Executive Board members are entitled to a severance payment that is equal to three months gross fixed salary in the event that ABN AMRO takes the initiative to terminate his employment agreement for reasons that cannot be attributed to the Executive Board member. Any severance payment is made to compensate the respective

member for the early termination of the contract, and explicitly not to provide any disproportionate reward.

Retention bonuses and welcome packages

In principle, ABN AMRO Bank does not award retention bonuses or welcome packages. If the Supervisory Board deems payment of a retention bonus or welcome package necessary to secure recruitment of new Executive Board members, the Supervisory Board may decide to award retention or welcome payments. Any retention or welcome payment made is subject to the applicable rules and regulations and counts towards the maximum variable remuneration in accordance with paragraph 6.B of this remuneration policy.

7. SERVICES AGREEMENTS

All Executive Board members have a services agreement (*overeenkomst van opdracht*) with ABN AMRO Bank which stipulates the contractual relationship between ABN AMRO Bank and each Executive Board member. The general terms and conditions are as follows:

Executive Board members will be appointed for a maximum period of four (4) years, provided that the appointment shall expire by operation of law at the closing of the first annual General Meeting of Shareholders that is held after four (4) years have passed since the appointment date, unless a short period was set at the time of appointment. Reappointment can take place for a maximum period of four (4) years.

The services agreement will start at the time of the first appointment and is concluded for an unlimited period of time. The services agreement can be terminated while observing a notice period of three months for the Executive Board Member whereas ABN AMRO Bank must observe a notice period of six (6) months. In principle and to the extent possible ABN AMRO Bank shall, six (6) months prior to the expiration of the appointment period, explore and discuss with the Executive Board member the intentions with regard to the renewal of the member's appointment. The services agreement can be terminated by ABN AMRO Bank immediately without observing a notice period in case of e.g. an urgent cause, severe blame as stipulated in Article 7:678 DCC and Article 7:669 (3) (e) DCC. In case of death or when the Executive Board member would be eligible to receive old-age pension (AOW) the services agreement will automatically terminate by operation of law.

In general Executive Board members participate in the pension arrangements as applicable to ABN AMRO CLA employees as agreed by CLA partners. This follows from the fact that directors of listed companies qualify as "employees" within the meaning of the Dutch Pension Act.

8. DECISION-MAKING PROCESS

Adoption

The Remuneration Committee is responsible for submitting a clear and understandable proposal to the Supervisory Board concerning the remuneration policy to be pursued with regard to the Executive Board. The Employees Council is given the opportunity to grant their advice on the remuneration

policy. If the Supervisory Board deviates from the advice granted by the Employees Council, the Supervisory Board will provide for explanatory notes on the deviation. The Supervisory Board presents the remuneration policy to the General Meeting for adoption. This remuneration policy is adopted by the General Meeting.

Adoption by the General Meeting takes place at every change and in any case at least every four (4) years. The Remuneration Committee is responsible for the development of the remuneration policy and prepares a proposal for the Supervisory Board.

Revisions

The Supervisory Board (the Remuneration Committee) monitors whether revisions are required to the remuneration policy. The Supervisory Board may amend this remuneration policy with due observance of the advice of the Remuneration Committee and subject to adoption by the General Meeting.

Any amendment to the remuneration policy shall be accompanied by a description and explanation of all important amendments. Furthermore, it is explained how the amendment takes into account the votes and views of share- and depositary holders on the remuneration policy and report after the previous voting on the remuneration policy at the General Meeting.

When the General Meeting does not adopt the proposed amendments to the remuneration policy, ABN AMRO Bank shall continue to remunerate in accordance with the existing approved remuneration policy and shall submit a revised policy for adoption at the following General Meeting.

Deviations


In exceptional circumstances, the Supervisory Board may, at its sole discretion, decide to temporarily deviate from any of the provisions of this remuneration policy. Such circumstances only occur if a deviation is necessary to serve the long-term interest and the sustainability of ABN AMRO Bank as a whole or to assure its viability. Any and all deviations must be carefully considered, in alignment with the objectives and key remuneration principles set out above under chapter 4., and applied in a consistent manner. Such deviations will be disclosed in the annual remuneration report.

9. PUBLICATION

The remuneration policy and the date of adoption and results on voting at the General Meeting will be published without delay after the General Meeting at the corporate website of ABN AMRO Bank (www.abnamro.com/remuneration) and remains accessible during the period this remuneration policy is in force.

10. HOW THE REMUNERATION POLICY IS PROCESSED

The Remuneration Committee and the Supervisory Board annually assess the remuneration policy. The Supervisory Board, based on a proposal by the Remuneration Committee, will have the authority to determine the remuneration of the individual Executive Board members within the scope of this



remuneration policy as adopted by the General Meeting. In preparing the decision making in this respect, the Remuneration Committee shall take into account the opinion of the members of the Executive Board about the composition and level of their compensation. In its annual (remuneration) report, the Supervisory Board will communicate clearly and transparently to ABN AMRO Bank's stakeholders how this remuneration policy has been pursued.

Working closely with the Remuneration Committee and the Supervisory Board, the control functions within ABN AMRO Bank assist in determining the overall remuneration strategy applicable to ABN AMRO Bank in view of effective risk management. In particular, the procedures for setting remuneration allow risk and compliance functions to have significant input into the setting of remuneration awards where those functions have concerns regarding: 1) the impact on behaviour of employees and 2) risks.

ANNEX DEFINITIONS

ABN AMRO Bank	ABN AMRO Bank N.V.
CEO	Chief Executive Officer ABN AMRO Bank
DNB	the Dutch Central Bank (<i>De Nederlandsche Bank</i>)
EBA	the European Banking Authority
Employees Council	ABN AMRO Bank's employee council within the meaning of the provisions on co-determination
Executive Board	the executive board of ABN AMRO Bank
General Meeting	the general meeting (<i>algemene vergadering</i>) of ABN AMRO Bank
Identified Staff	the category of staff designated as identified staff in accordance with the EBA criteria with regard to identified staff for credit institutions and investment firms (Commission Delegated Regulation (EU) No. 604/2014 of 4 March 2014)
KPI	key performance indicators which are determined upfront in line with laws and regulations based on which variable remuneration is awarded
NLFI	the Dutch foundation <i>stichting administratiekantoor beheer financiële instellingen</i>
Remuneration Committee	the remuneration committee of the Supervisory Board
Second Shareholders' Rights Directive	Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement
Supervisory Board	the supervisory board of ABN AMRO Bank
2010 Remuneration Policy	the remuneration policy of the statutory board of ABN AMRO Bank adopted on 7 January 2010
2015 Remuneration Policy	the remuneration policy of the statutory board of ABN AMRO Bank adopted in 2015 as part of the IPO