

Sustainable Banking: status and resources 2014-2015

Sustainability strategy

ABN AMRO aims to maintain a prominent position as a sustainable bank that takes responsibility for its actions and engagements. Within our sustainability strategy, 'A better bank contributing to a better world', we focus on:

- > Sustainable finance and investment services
- > Using our financial expertise for the benefit of society
- > Clients' interest centre stage and sustainable relationships
- > Sustainable business operations

We are committed to minimising our own direct impact on people and planet, as well as our indirect impact through our investments and the activities of our clients.

Sustainable finance and investment services: governance

The biggest contribution we make to society is increasing the sustainability of our finance and investment services and offering sustainable products and services. ABN AMRO has established an [Exclusion List](#) defining those practices from which the bank will abstain. ABN AMRO's [sustainability risk policy](#) sets out the principles that guide our approach towards sustainability risk management related to banking and business relations. Based on this policy, ABN AMRO has put a [Sustainability Risk Management Framework](#) in place. This coherent set of policies, guidelines and statements describes how we manage our sustainability risks and embed them in our decision-making processes. It sets out the conditions under which we engage with our clients, suppliers and investors. Through this process, the bank ensures that sustainability risks are adequately identified, analysed, mitigated, managed, monitored and reported. The framework has been approved by the bank's highest risk assessment body.

The [Sustainability Report 2014](#) presents the activities and results achieved in 2014. More specifically, pages 30-38 provide a detailed overview of the results, client engagements and sustainable finance and investment services.

In addition, there are three specific areas in which we are looking to differentiate ourselves and are seeking cooperation:

1. *Human rights / cooperation in supply chains* - We are in the process of deepening our understanding of supply chains, specifically on human rights, and are assessing supply chains in fashion, diamonds and cocoa. We are working with organisations such as Shift and experts like Lucas Simons (SCOPE*insight*) to determine how we can obtain the right information and how we can increase our leverage to improve these chains. Please also read our press release on [Human Rights](#).
2. *Circular Economy* - We support and are committed to enhancing the transition to a circular economy in as many ways as possible. To this end, ABN AMRO joined the Circle Economy platform, which focuses on [circular construction](#), in 2013. In addition,

we are partner to the Green Deal on Circular Buildings and the Green Deal on Circular Purchasing, both initiatives by the Dutch government. These partnerships focus on finding a uniform assessment method for a circular economy and business model.

3. *Environment* - ABN AMRO is the first commercial bank in the Netherlands to issue a 'euro green bond'. This product enables investors to invest in mortgages of highly energy-efficient homes, loans for solar panels on existing homes and sustainable commercial property. The bank has had these sustainable assets validated by 'oekom research' and the Climate Bond Initiative based on transparency and sustainability criteria. A total of around 50,000 tonnes of carbon emissions are avoided in this model portfolio, equivalent to the annual emissions of more than 10,000 cars. Please also read our press release on [Green Bonds](#). On top of that, ABN AMRO wants to accelerate the transition to [sustainable commercial property](#) in the Netherlands.

Please note that this summary is not exhaustive. It is intended to provide a brief overview of the main pillars of the sustainability strategy and key resources that can be further explored. We invite you to visit our [Corporate Reporting website](#) and the [Social Newsroom](#) to learn more about our sustainability strategy and the results achieved in 2014 and 2015, such as the newly introduced [sustainability indicator for investments](#).

Richard Kooloos – Director of Sustainable Banking

July 2015

ABN AMRO Bank N.V.